

Disrupted Employment Opportunities and Widening Social Disparities

Unprecedented Job Loss

One of the most critical disruptions caused by the pandemic is the record loss of jobs. The region shed **202,300** jobs between February and April, 2020. And while many jobs have been recovered, there were still **100,400 fewer jobs** in August than a year ago. This means the region lost **8.4%** of its employment base.

The region's unemployment rate continues to be **high** and well **above the national levels**, it peaked in April at **17%** then dropped to **12.8%** in June but increased again in July to **14.3%**. Close to **120,000** people in the southwestern Pennsylvania region were continuing to file for unemployment claims as of mid-September.

Aside from significantly reduced hiring activity among regional businesses, the ability of people who have lost their jobs to find new opportunities has been complicated by several additional factors including access to **reliable and safe transportation, child care** and **broadband access**. A large share of our workforce (estimated 60,000K people) is therefore likely to experience **persistent unemployment**. This is likely to create significant economic and social costs, including substantially increased poverty, foreclosure, eviction and homelessness.

Widening Social Disparities

People of color are more significantly impacted by the disruptions of the region's labor market. The wave of protests following the killing of George Floyd has surfaced robust evidence of historic economic, health and social disparities. COVID-19 only served to exacerbate these disparities. Before the pandemic, Black and Brown residents were three times more likely to be unemployed. Through the pandemic, a greater percentage of Black and Brown workers than White workers became newly unemployed because they disproportionately held the jobs in occupations most immediately impacted by the pandemic and subsequent restrictions. The fact that these disrupted occupations tended to be lower-wage has only increased economic vulnerability and limited the recovery potential of Black and Brown residents. As confirmed by previous post-recession trends, Black and Brown workers are likely to experience a much slower recovery.

Widening disparities are not only of concern to people of color, they are likely to occur across the wealth spectrum and the region at-large, significantly worsening existing poverty issues and economic vulnerability. People and communities that went into the pandemic with more resources are better able to weather the resulting economic pressures while many others face greater vulnerability and the risk of a rapid deterioration of pre-pandemic stability. This "K-shaped" trend is already becoming apparent and is projected to continue throughout the recovery.