

Persisting Joblessness among Non-Citizens during COVID-19

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EXECUTIVE SUMMARY

We examine COVID-19 pandemic-related job loss and recovery in California and in the US, by industry, age, sex, race and nativity/citizenship. We analyze US Census Bureau- Current Population Survey February, March, April and May 2020 data, and find that California's jobs recovery is one of the slowest in the nation.

Analysis suggests that four Census industry schemas (arts, entertainment, and recreation, and accommodation and food services; other services; construction; and retail trade) are responsible for most of the state's job losses. Analysis also suggests workers have begun to experience job gains in the past month—with the exception of non-citizen women, who have experienced the largest job losses in the state (36.3% in California, and 23.7% in the rest of the US).

We recommend the State implement a partial wage replacement program for the large number of undocumented workers made unemployed by the pandemic.

KEY FINDINGS

1. California has begun the process of a slow economic recovery. After losing 3.0 million jobs between February and April, California added 78,391 jobs between April and May.
2. California's economic recovery is slower than all states but New York. California lost 16.4% of its February jobs between February and April, but added 0.4% in May.
3. California's industries have not experienced the pandemic equally. Four industries accounted for 29.2% of the state's February jobs, but 53.6% of job losses.
4. Job loss is highest among non-citizens (California = 29.5%; rest of the US = 20.6%).
5. California non-citizen workers lost 852,065 jobs. Non-citizens in the rest of the US lost 2.2 million jobs. We estimate state undocumented worker job loss at -357,867.
6. Job loss was especially acute among non-citizen immigrant women both in California (36.3%) and in the rest of the US (23.7%).

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POLICY RECOMMENDATION

California policy-makers should consider instituting a partial wage replacement program for undocumented immigrants, similar to traditional unemployment benefits. About 852,065 non-citizen immigrants have lost their jobs, and an uncertain (but nonetheless large) number are undocumented. We estimate that 357,867 of California's non-citizen workers are undocumented, have lost their jobs due to the pandemic (as of May 16—though this does not include those who have had their hours reduced) and do not qualify for traditional unemployment benefits. While California continues on the path towards recovery—marked by steep job losses and a lack of job gains second only to New York—it will be imperative for state policy makers to invest in relief for undocumented immigrants. Economic relief for undocumented immigrants may prevent crisis-related increases in reverse migration, maintain the size of the workforce, and provide critical support advancing the state's economic recovery efforts.

THE STUDY

BACKGROUND

On April 15, 2020, the Office of California Governor Gavin Newsom announced \$125 million in disaster relief assistance for workers excluded from unemployment insurance. The fund was intended to provide one-time aid of \$500 per adult (with a cap of

\$1,000 per households) to about 150,000 Californians affected by COVID-19 and unable to receive traditional unemployment insurance benefits or a federal direct stimulus checks.

The Disaster Relief Assistance for Immigrants program was overwhelmed the moment it started. On May 18, 2020, immediately after opening, the website hosting the Disaster Relief Assistance for Immigrants program crashed for two-and-a-half hours.² In this paper we examine California's slow recovery from pandemic recession and job losses among non-citizen immigrants, estimate the number of undocumented workers unemployed due to the pandemic, and discuss the relevance of aid for broader issues of pandemic-related public policy.

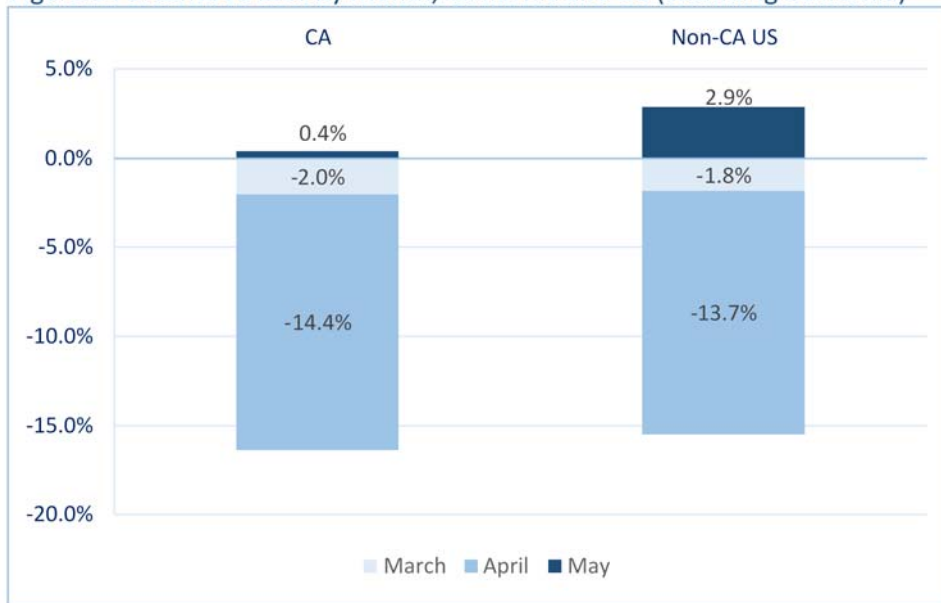
DATA AND METHODS

We analyzed US Census Bureau and Bureau of Labor Statistics- Current Population Survey (CPS) Basic Monthly data for February, March, April and May 2020.³ We examined state-level job losses between February and April 2020, as well as job loss/gains between April and May 2020. We also examined job loss/gain across industries in California. Lastly, we examined job loss in California and in the US as it related to demographic variables, such as age, sex, race and citizenship/nativity.

² See Yesenia Amaro, "Undocumented workers rush to apply for coronavirus aid, overwhelming California system." *Fresno Bee*, May 18, 2020. Retrived online: <https://www.fresnobee.com/news/coronavirus/article242817371.html>

³ The U.S. Bureau of Labor Statistics (2020) published a note regarding the impact of the pandemic on The Employment Situation for March 2020, suggesting March data reflected the onset of the pandemic.

Figure 1 Percent Job Loss by Month, California and US (excluding California)



Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February, March, April and May 2020 data

CALIFORNIA'S SLOW RECOVERY

In the first two months of the COVID-19 pandemic, employment rates plunged at a rate beyond that of any other moment in US history. While unemployment rates were higher during the peak of the Great Depression, the first two months of the pandemic led to a decline of 16.4% of California's workforce, as well as 15.5% of the workforce in the rest of the US (see Figure 1).

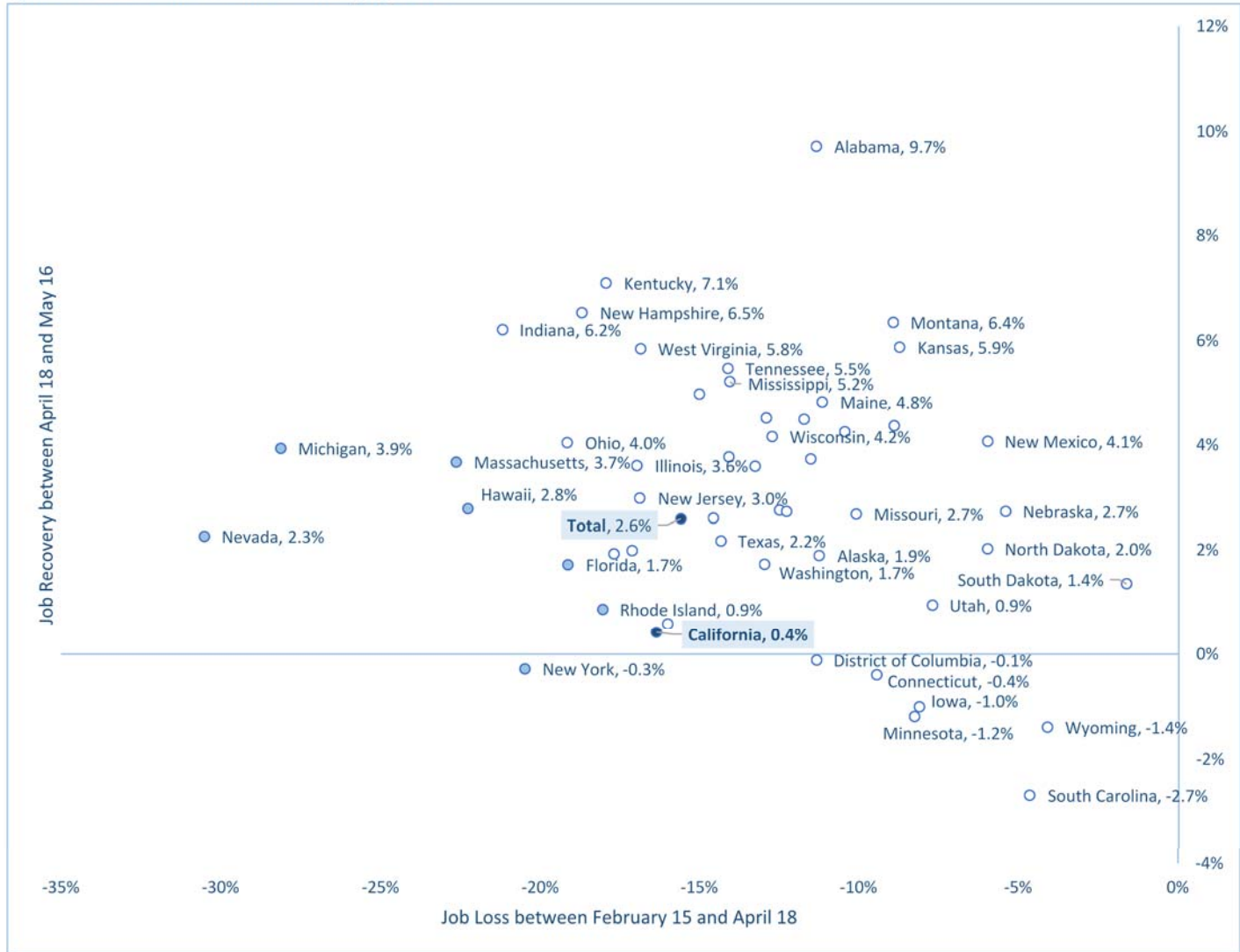
Our analysis of the CPS May 2020 data suggest that the nation is beginning the process of a mild jobs recovery. Between April 18 and May 16, the rest of the US gained jobs equivalent to 2.9% of those which existed in February. California gained far fewer jobs, however—only 0.4% of its February total.

MIXED RECOVERY ACROSS THE US

The previous months have been marked by disparity in state job loss and recovery (see figure 2). Between February and April, some states experienced more job loss than others; while Nevada lost 30.5% of its jobs between February and April, South Dakota only lost 1.6%. In addition states gained jobs at a different pace between April and May 2020. While Alabama gained 9.7% of its February jobs between April and May, South Carolina continued to lose jobs (-2.7%).

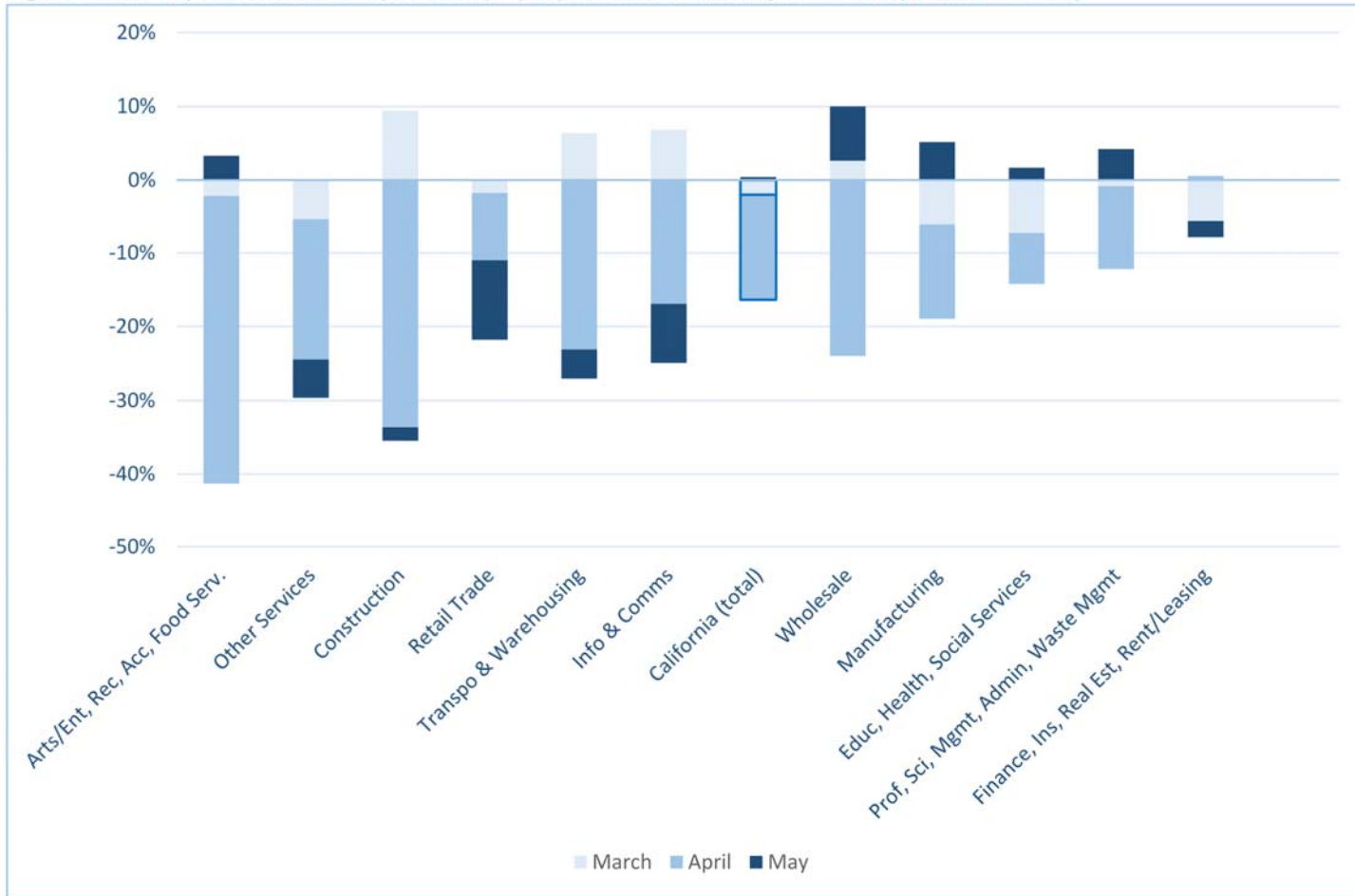
California's jobs recovery stands out. Only seven states (Nevada, Michigan, New York, Hawaii, Massachusetts, Florida and Rhode Island) lost a greater percentage of jobs during the pandemic. Only New York lost a higher percentage of jobs (-20.5% vs. -16.4%) through April *and* added fewer jobs between April and May (-0.3% vs. 0.4%).

Figure 2 Percent Job Loss and Recovery, by State



Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February, March, April and May 2020 data

Figure 3 Industry Job Loss/Gain by Month (in proportion to February workforce), California only



Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February, March, April and May 2020 data

VOLATILITY IN JOB GROWTH AMONG CALIFORNIA INDUSTRIES

California appeared to begin the slow process of adding jobs following months of historic job losses. The state gained 0.4% of its February 15 jobs benchmark between April 18 and May 16. At the same time, job gains have been highly inconsistent across industry.

The state's largest share of February to April job losses was in the Census industry schemas of arts, entertainment, and recreation, and accommodation and food services; other services except public administration; construction; and retail trade. While these industries only accounted for 29.3% of the state's February jobs (analysis not shown), they accounted for 54.3% of the state's job losses through April.

While the state's economy added 78,391 jobs between April and May, the broad four industry schemas mentioned above (arts, entertainment, and recreation, and accommodation and food services; other services except for public administration; construction; and retail trade) continued to lose jobs—200,554 in all. In other words, while these sectors continued to shed jobs, other sectors added a total of 278,945 jobs to the state's economy.

California's industries experienced highly inconsistent job losses and gains (see figure 3). Between April and May, jobs were lost in other services (-5.1%); construction (-1.8%); retail trade (-10.8%); transportation and warehousing (-3.9%); information and communications (-8.0%); and finance, insurance, real estate, and rental and leasing (-2.3%).

The economy added jobs in separate sectors that offset losses in those sectors just mentioned. Jobs were added in arts, entertainment, and recreation, and accommodation and food services; wholesale; manufacturing; education, health and social services; and professional, scientific, management, administration, and waste management (see figure 3).

(Caution should be used in analyzing the data. Some industry schemas that comprise a small percentage of the California economy may reflect sampling error rather than changes. For this reason, we omitted analyses of job gains/losses in industries with estimated changes of less than 60,000 workers. These industry schemas consisted of: agriculture, forestry, fishing and hunting; utilities; mining; public administration; and extraction).

UNEQUAL JOB GAINS AMONG US WORKERS

Despite job gains in the state's economy between April 18 and May 16, inequalities persist in joblessness across age, sex and nativity/citizenship.

In the US (excluding California), almost one in six women workers lost their job (-14.8%), compared to more than one in ten men (10.6%) (see table 1.1).

While more than one in ten (-10.7%) of non-Hispanic whites lost their job, Blacks and Latinos lost jobs at higher rates (-15.2% and -16.4%) (see table 1.1). On a national level, Asian workers had the highest percentage of job loss (-17.5%) (see table 1.1).

Table 1.1 Characteristics of Job Loss in the US (excluding California)

		February	May	Feb-May Diff.	% Change
Total Workers		139,861,240	122,232,577	-17,628,663	-12.6%
<i>Age</i>	15-34	48,616,258	40,238,920	-8,377,338	-17.2%
	35-49	43,183,516	39,379,934	-3,803,582	-8.8%
	50-64	38,176,420	34,395,261	-3,781,159	-9.9%
	65+	9,885,046	8,218,462	-1,666,584	-16.9%
<i>Sex</i>	Female	66,777,451	56,886,353	-9,891,098	-14.8%
	Male	73,083,789	65,346,223	-7,737,566	-10.6%
<i>Race</i>	White	90,761,937	81,083,984	-9,677,953	-10.7%
	Latino	21,261,092	17,764,515	-3,496,577	-16.4%
	Black	17,143,958	14,542,087	-2,601,871	-15.2%
	Asian	7,459,778	6,156,417	-1,303,361	-17.5%
<i>Citizenship</i>	Citizen by birth	117,965,939	104,331,411	-13,634,528	-11.6%
	Naturalized citizen	11,252,767	9,451,997	-1,800,770	-16.0%
	Non-citizen	10,642,533	8,449,168	-2,193,365	-20.6%

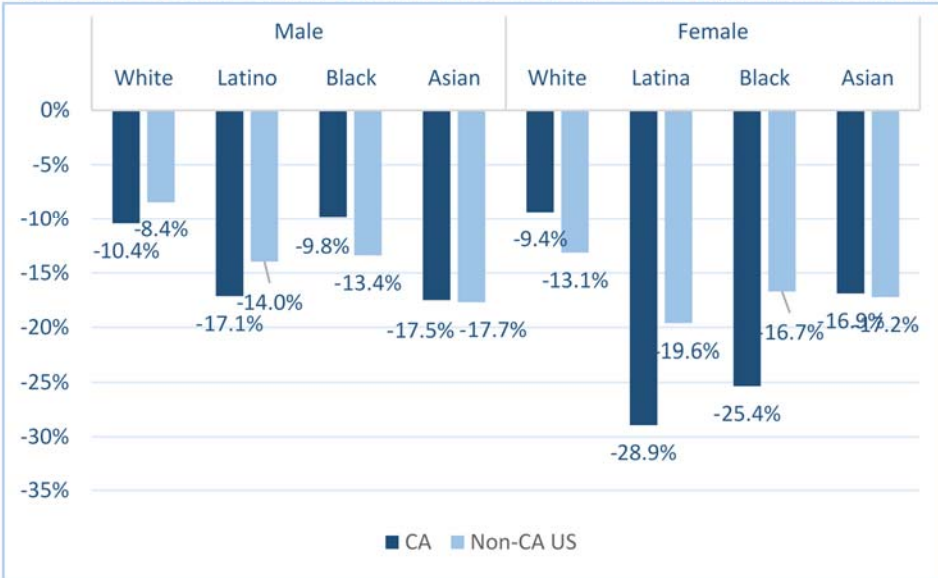
Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February and May 2020 data

Table 1.2 Characteristics of Job Loss in California

		February	May	Feb-May Diff.	% Change
Total Workers		18,541,419	15,586,926	-2,954,493	-15.9%
<i>Age</i>	15-34	6,631,045	5,169,273	-1,461,772	-22.0%
	35-49	6,018,233	5,371,435	-646,798	-10.7%
	50-64	4,850,732	4,247,814	-602,918	-12.4%
	65+	1,041,409	798,404	-243,005	-23.3%
<i>Sex</i>	Female	8,413,257	6,862,533	-1,550,724	-18.4%
	Male	10,128,162	8,724,393	-1,403,769	-13.9%
<i>Race</i>	White	7,117,506	6,409,418	-708,088	-9.9%
	Latino	7,030,695	5,467,621	-1,563,074	-22.2%
	Black	975,728	801,595	-174,133	-17.8%
	Asian	3,049,611	2,525,025	-524,586	-17.2%
<i>Citizenship</i>	Citizen by birth	12,756,374	11,049,304	-1,707,070	-13.4%
	Naturalized citizen	2,900,350	2,504,992	-395,358	-13.6%
	Non-citizen	2,884,695	2,032,630	-852,065	-29.5%

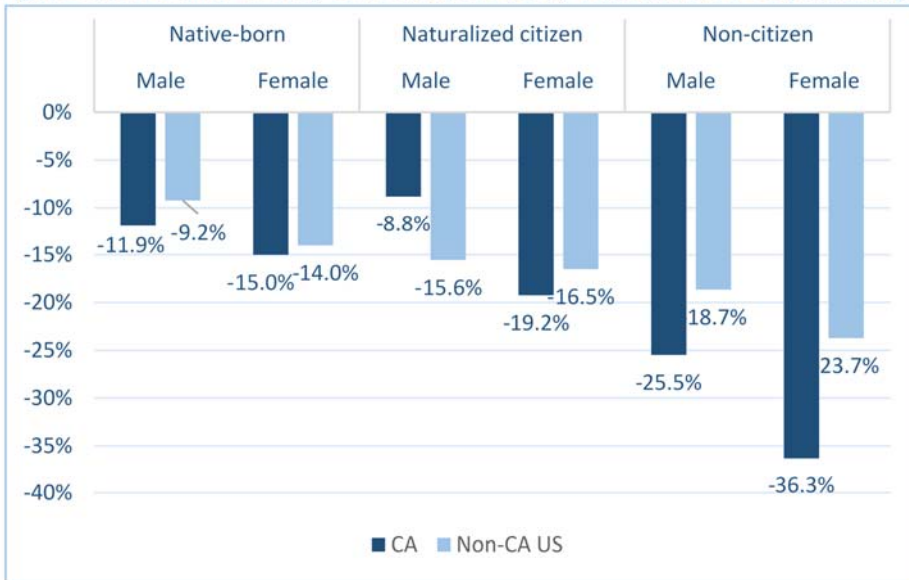
Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February and May 2020 data

Figure 4 Rate of Job Loss by Sex and Race, California and US (excluding California)



Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February and May 2020 data

Figure 5 Rate of Job Loss by Citizenship and Sex, California and US (excluding California)



Source: UC Merced Community and Labor Center analysis of US Census Bureau- Current Population Survey February and May 2020 data

Lastly, pandemic job loss was highest among immigrants, but especially acute among non-citizens. More than one in five (-20.6%) non-citizens has lost their job during the pandemic, compared to almost one in six naturalized citizens (-16.0%) and almost one in seven (-11.6%) native-born US citizens.

UNEQUAL JOB GAINS AMONG CALIFORNIA WORKERS

In California, as in the rest of the US, pandemic-era job loss was sharper among women than men, and among people of color than whites (see table 1.2).

In terms of age, California pandemic job loss was highest among those aged 15-34. In this age range, the CPS counted 1.5 million fewer California workers in May versus February—a decline of 22.0% (see table 2.2). While there was a relatively large decline among workers aged 65 and over (-23.3%), this decline, in raw numbers (243,005), was far smaller than any other age range.

Pertaining to race and sex, California job loss was higher among women than men, and people of color more than whites. More than one in six women workers lost their job (-18.4%), compared with more than one in seven men (13.9%). And while one in ten (-9.9%) of whites lost their job, Asians (-17.2%), Blacks (-17.8%), and Latinos (22.2%) lost jobs at a much higher rate—roughly one in five.

Above all, disparities in pandemic job loss were highest—and continued to grow—in regards to citizenship status.

Our May 2020 brief (“Massive Job Losses Among Non-Citizens in California and the US) noted job loss among non-citizens at 23.9% in California and 24.1% in the rest of the US.

However, between February and May, the rate of job loss among non-citizens continued to grow. We estimate that, compared with February, in May there were nearly one-third fewer (-29.5%) non-citizens working. (This stands in contrast with a 13.4% decline of native-born workers and a 13.6% decline of naturalized citizen workers.)

Thus, while the rest of the economy has slowly added jobs, non-citizen job loss has steadily continued to grow.

We apply figures from Pew Research Center’s national estimates, which suggest that 42% of non-citizens are undocumented, and estimate that of California’s loss of 852,065 non-citizen workers, 42%—or 357,867—were undocumented.⁴

JOB LOSS BY SEX AND RACE

Job loss disparities persisted along lines of sex, when taking race and citizenship into account. The rate of job loss among California women ranged from 9.4% among white women to 28.9% among Latinas and 25.4% among Black women (see figure 4). Outside of California, these figures were still striking though less pronounced; white women’s estimated job loss was at 13.1%, while that of Blacks was 16.7% and that of Latinas was 19.6%.

⁴ Pew Research Center (2019) estimated undocumented immigrants to be 42% of the national non-citizen population.

Among men, California job loss rates were lowest for white men (-10.4%), roughly the same for Blacks (-9.8%), but higher for Latinos (-17.1%) and Asian men (-17.5%). These patterns were somewhat different in the rest of the US, with Asian men's job loss highest (-17.7%), followed by Latinos (-14.0%), Blacks (-13.4%) and whites (-8.4%).

JOB LOSS BY CITIZENSHIP AND SEX

Persisting sex disparities in job loss were highest among non-citizens (see figure 5). Between February 15 and May 16, California's labor market lost more than one in three (-36.3%) non-citizen female workers. Similarly, in the rest of the US, the labor market lost nearly one in four (-23.7%) non-citizen female workers.

Non-citizen men's job loss rate was also substantially high, though lower than that of women's. California lost more than one in four for non-citizen male workers (-25.5%), and the US lost nearly one in five (-18.7%), between February and May.

Naturalized citizens exhibited disparities much less pronounced than those observed among non-citizens. In California, naturalized citizen men (-8.8%) actually had job loss rates lower than those of native-born men (-11.9%); naturalized citizen women (-19.2%) had job loss rates higher than those for native-born women (-15.0%).

These patterns—markedly higher job loss rates among non-citizens, and higher rates for women than for men within all categories—held consistent outside of California. Native born men and women in the rest of the US had job loss rates (-9.2%, -14.0%) that were lower than those of

naturalized citizens (15.6%, 16.5%), and non-citizens (18.7%, 23.7%).

POLICY IMPLICATIONS

1. Pandemic job losses are highest among non-citizens, both in California and across the US (29.5% and 20.6%). As a result, the state will place an important role in providing economic relief for an estimated 357,867 undocumented immigrants made unemployed by the pandemic. California has experienced steeper job losses and a slower jobs recovery than all but one other state (New York), and such workers lack any federal assistance.

2. Job loss was especially acute among non-citizen immigrant women, both in California and in the rest of the US. Because women are more likely to provide economic and social support for family members, expanded economic aid for the undocumented will greatly help many non-citizen women and their families.

POLICY RECOMMENDATION

California policy-makers should consider instituting a wage replacement program for undocumented immigrants, similar to traditional unemployment benefits. About 852,065 non-citizen immigrants have lost their jobs, and an uncertain (but nonetheless large) number are undocumented; we estimate that 357,867 of California's non-citizen workers are undocumented, have lost their jobs due to the pandemic (as of May 16—though this does not include those who have had their hours reduced) and do not qualify for traditional unemployment benefits. Economic relief for undocumented immigrants may prevent crisis-related

increases in reverse migration, maintain the size of the workforce, and provide critical support advancing the state's economic recovery efforts.

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About UC Merced Community and Labor Center

The UC Merced Community and Labor Center is a public service initiative located at the University of California Merced. It conducts research and education on issues of community, labor and employment.