



Where Unemployment Is Hitting The Hardest - Labor Market Demographics

The nation's unemployment rate skyrocketed to 14.7% in April, representing the largest percentage of unemployed workers since the great depression, when the rate reached 25% in 1933. The pandemic's affect on the labor force has been extensive and rapid, resulting in a dramatic increase in the unemployment rate.

What has truly made this spike in unemployment unique is the fact that all sectors of the economy have been affected, along with all income and education levels. Data compiled by the Department of Labor show that all income and education levels fell considerably in April 2020. Unemployment has historically been highest for non-high school graduates and recent high school graduates, relative to those with bachelor and masters degrees who traditionally see the lowest unemployment rates.

Unemployment for non-high school grads rose to over 20% in April, up from 5.2% in April 2019, while workers with a bachelors degree and higher experienced 8.2% unemployment in April. The surprise with the latest unemployment numbers for higher educated workers was the exponential increase from a year earlier, when only 1.9% were unemployed. Economists view this as a validation of the profound effect the pandemic has had on the labor market.

Source: Department of Labor