

ISSUE BRIEF

Unemployment Levels by Industry

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Data provided by FutureMakers Coalition

Introduction

Southwest Florida had a seasonally-adjusted unemployment rate of 3.8 percent in February 2020. In the following month the Covid-19 pandemic reached the country and the region. The mitigating policies designed to curtail the spread of the virus resulted in a spike in the unemployment rate, rising as high as 13.1 percent by April 2020. The region's unemployment rate has recovered since this apex, reaching 4.0 percent by December 2021.

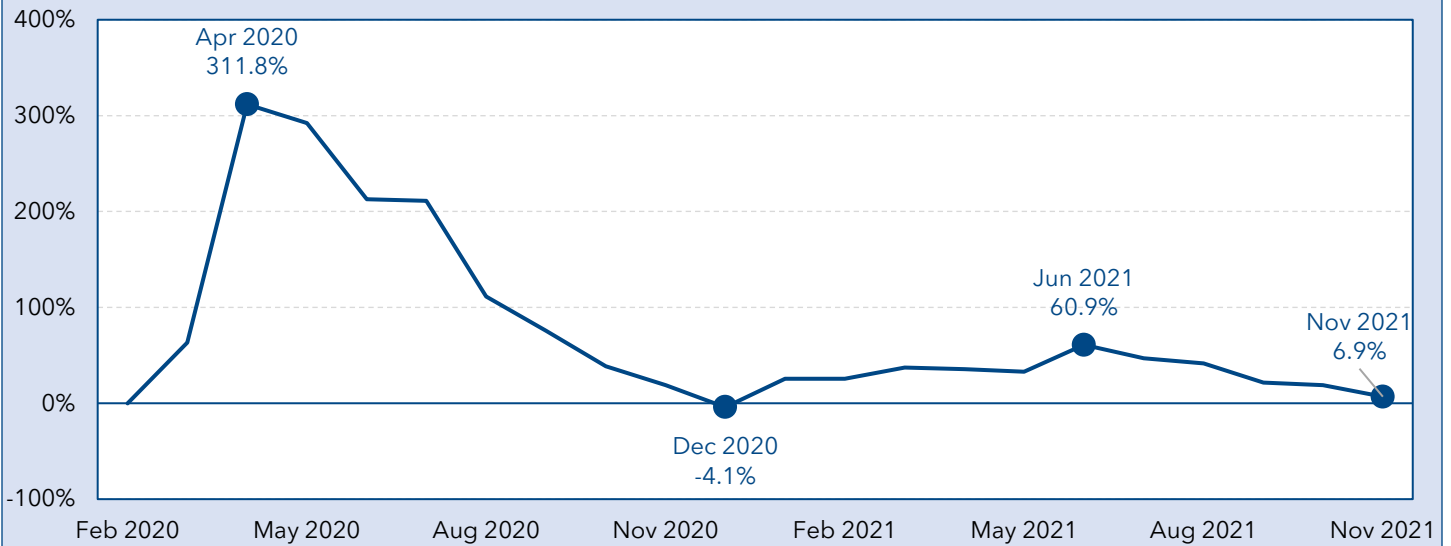
However, looking at simply the unemployment rate does not tell the complete story. After all, stay-at-home policies, supply chain disruptions, and changes in consumer preferences have impacted industries in various ways. Industries such as financial activities and professional and business services were much more equipped to weather these shocks over other industries such as leisure and hospitality, and education and health services.

In this issue brief, we take a more detailed look at how unemployment levels tracked over time between various industries in Southwest Florida. Data for this analysis is obtained from Emsi Burning Glass, a labor market analytics firm that gathers and integrates economic, demographic and education data from various government and private-sector sources and publishes county level datasets, kindly provided by FutureMakers Coalition. Emsi Burning Glass utilizes data from the Characteristics of the Insured Unemployed (CIU), which provides a demographic, industry, and occupational breakdown of continued unemployment claims filed each month in the state of Florida. By pairing it with the Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS), Emsi Burning Glass is able to estimate the number of people who were unemployed each month based on the last industry they worked in.

We first look at how unemployment levels changed from February 2020 to November 2021, the latest month of data that was available. We then shift our analysis to unemployment levels by industry and how they changed since the beginning of the Covid-19 pandemic, illustrating the differential effects across industries. In particular, we learn the extent to the disproportional impact the pandemic had on the leisure and hospitality, government, and educational and health service industries, with total unemployment up 64.9, 33.2, and 28.4 percent respectively in November 2021 compared to February 2020. This analysis helps to shed light on which industries in the region are facing larger labor shortage pressures, and how it has been changing over time.

Unemployment Level

Unemployment level compared to February 2020
Southwest Florida



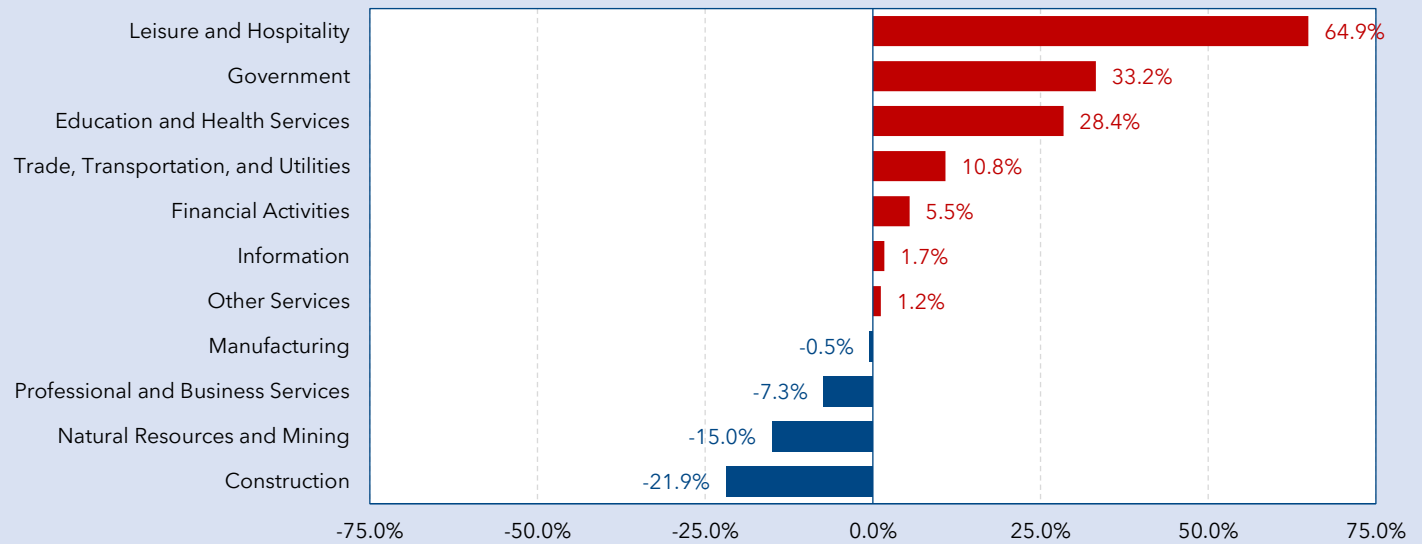
Source: RERI Analysis using data from EMSI
Prepared by the Regional Economic Research Institute

Unemployment Level

The chart above depicts how unemployment levels changed over time, using February 2020 as the base comparison. Unemployment levels for the region rose substantially for the first two months of the pandemic, with the total number of unemployed increasing by 311.8 percent compared to 2020. The region had a steady decrease in unemployment levels over the following months, reaching a level below the February 2020 measure by December (down 4.1 percent). The region saw an increase in unemployment during the first half of 2021 (with unemployment up 60.9 percent in June 2021 compared to February 2020), but declined thereafter, reaching a level 6.9 percent greater in November 2021 compared to the February 2020 baseline month.

Unemployment Level

Change between February 2020 and November 2021
Southwest Florida



Source: RERI Analysis of data obtained from EMSI
Prepared by the Regional Economic Research Institute

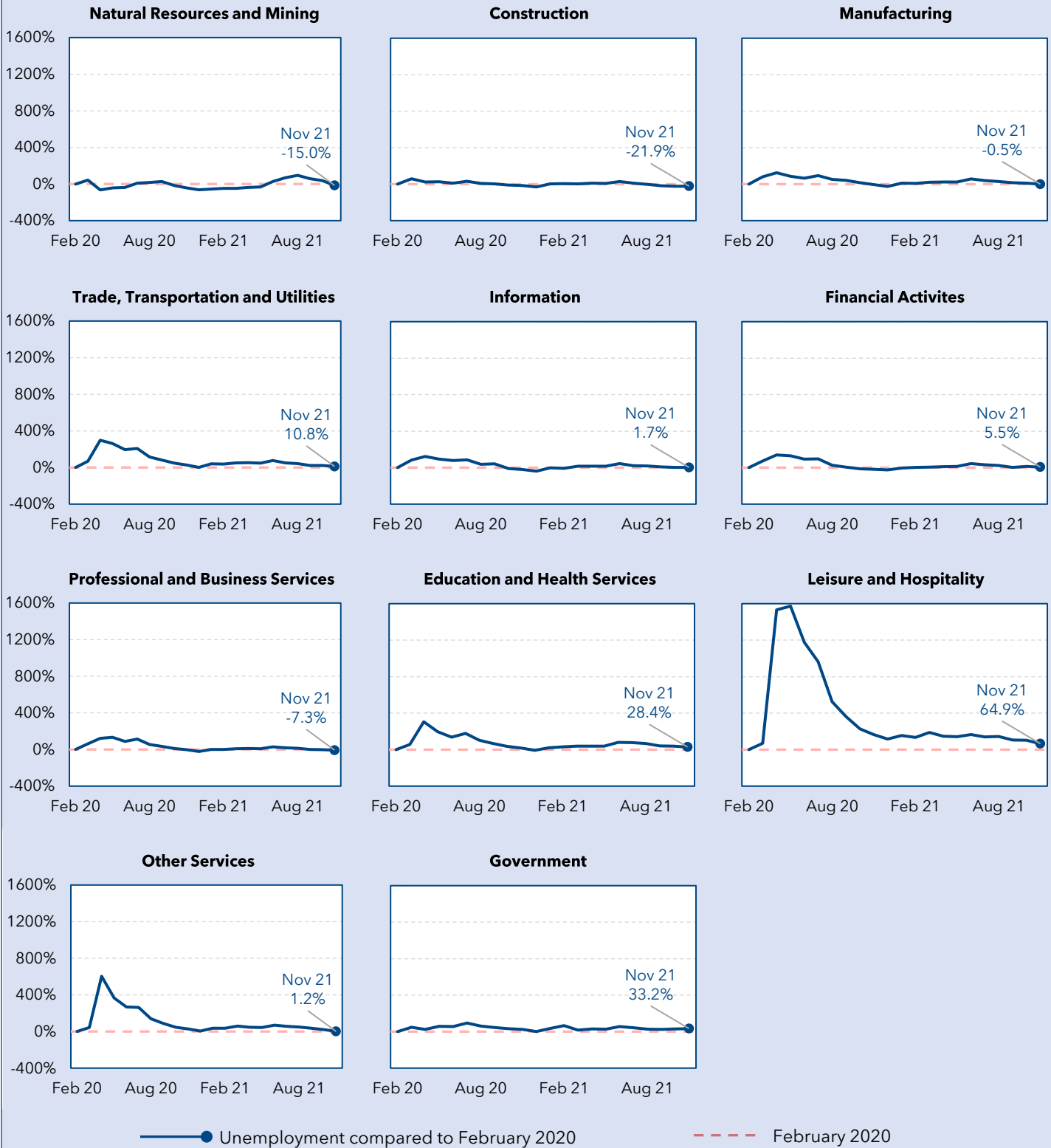
Unemployment by Industry

To get a better understanding of how unemployment levels have traced since February 2020, we provide a breakdown of unemployment by industry. The chart above shows the change in unemployment levels from February 2020 to November 2021. The leisure and hospitality industry by far had the largest increase, with unemployment up 64.9 percent in November 2021 compared to February 2020. Government (33.2 percent), education and health services (28.4 percent) and trade, transportation, and utilities (10.8 percent) were also moderately above their February 2020 measures.

The chart on the next page shows how each industry tracked over time when compared to their February 2020 levels and offer the same scale for easier comparability. The large spike in leisure and hospitality depicts the immediate impact that Covid-19 had on the industry in March and April 2020, as stay-at-home orders and other Covid-19 mitigation policies disproportionately impacted leisure and hospitality firms. Even after restrictions began to become relaxed over the following months, unemployment levels in the leisure and hospitality sector were more than twice as large as recently as October 2021 (103.4 percent greater than February 2020).

Unemployment Level by Industry

Unemployment level compared to February 2020
Southwest Florida



Source: RERI Analysis of data obtained from EMSI
Note: Data not seasonally adjusted.