

Black Workers Suffer Most From Illinois' Slow Recovery From COVID-19

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SPRINGFIELD - Some parts of Illinois' job markets are recovering, but not for Black Illinoisans. Many jobs are still missing from before COVID-19, including over one-third of the leisure and hospitality jobs.

Over 406,700 workers are still missing from Illinois' COVID-19 economic recovery, but the impacts are worse for Black Illinoisans.

More than 300,000 prime working-age Illinoisans are estimated to still be out of work because of COVID-19. Employment of white, prime working-age Illinoisans is 7.4% lower because of the effects of COVID-19 on the state's economy.

For Black Illinoisans of prime working age, the negative impact on employment has been far greater. Of these workers, 11.3% are not working thanks to COVID-19.

Illinois workforce still missing 307,946 people in their prime

Black workers suffered the biggest decline among the 307,946 prime working-age individuals missing from Illinois' workforce.

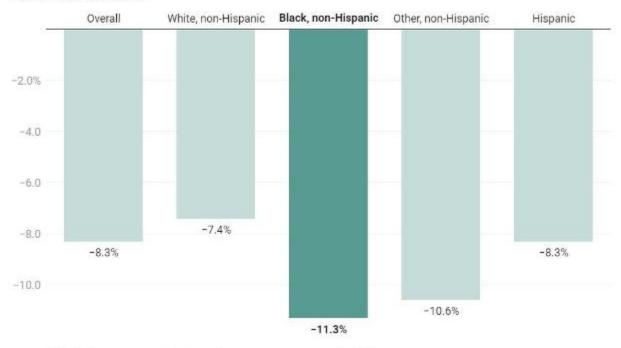


Chart: @illinoispolicy . Source: IPUMS CPS, author's calculations . Created with Datawrapper

Not only have Black Illinoisans been the most hurt by the economic downturn, they have been wholly left out of the recovery. While almost every group saw a year-over-year increase in employment, the employment rate of Black, non-Hispanic Illinoisans fell by 5.4 percentage points according to data from the monthly Current Population Survey.

Black Illinoisans being left out of jobs recovery

Difference between employment rates in June 2020 and June 2021 by race, ethnicity of workers.

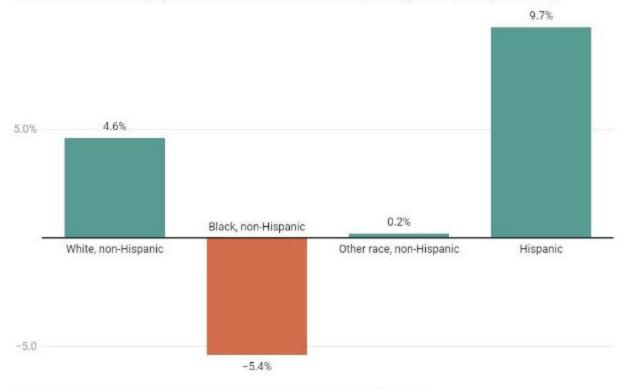


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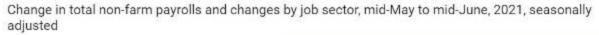
Hispanic Illinoisans' employment rates increased by 9.7 percentage points from June 2020 to June 2021. The employment rate of white, non-Hispanic Illinoisans increased by 4.6 percentage points.

Illinois added 12,500 new jobs in June, according to new <u>data</u> released by the Bureau of Labor Statistics.

The big winners were in the leisure and hospitality sector (+10,700); trade, transportation, and utilities (+3,400); construction (+2,100); financial activities (+100), and other service industries (+800).

Employment fell in mining (-100), manufacturing (-2,500), information (-200), and professional and business services (-3,700).

Illinois lost manufacturing, professional service jobs in June



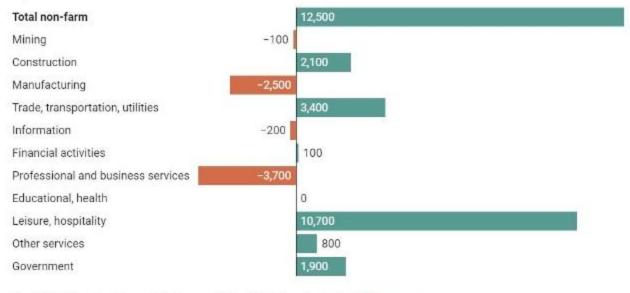


Chart: @illinoispolicy . Source: U.S. Bureau of Labor Statistics . Created with Datawrapper

Illinois' jobs growth has now accelerated for the second month in a row after May figures were revised to show jobs growth rather than the decline originally estimated. Despite this move in the right direction, 443,500 Illinoisans remained <u>unemployed</u> and the state's unemployment rate continued to creep higher in June, now 7.2% – 44th in the nation.

Illinois is still missing roughly half of the jobs that were lost during the COVID-19 induced downturn. The leisure and hospitality sector remains the industry most affected, missing 143,300 jobs: 35% of the total jobs compared to before the pandemic.

Illinois is missing 406,700 jobs since COVID-19 downturn

Mining, information, financial activities, and government sectors still employ fewer workers than in the worst month of the COVID-19 downturn.

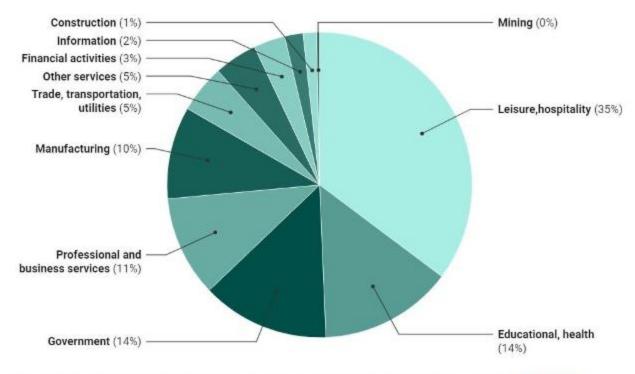


Chart: @illinoispolicy . Source: Illinois Department of Employment Security, author's calculations . Created with Datawrapper

While most of the hardest-hit industries saw a quick rebound in employment, many remain far below their pre-pandemic levels. For some, the recovery is missing altogether. The financial sector continued to shed another 2,500 jobs since April 2020; state and local government jobs continued to decline by another 1,200 jobs, Information services remain down 500 jobs, and mining also continued struggling with another 400 workers lost.

Unfortunately, the <u>disparate effects</u> of the COVID-19 economic downturn across industries and demographic groups have persisted during the state's labor market recovery. Making matters worse for those Illinoisans still out of work, Illinois lawmakers passed a <u>\$42.3 billion</u> budget that was <u>unbalanced</u> for the 21st year in a row.

It also contains \$655 million in tax hikes that specifically strike at job creation and will hinder the economy as it attempts to continue its recovery.

Ignoring public policy's impacts on a fragile recovery will only lengthen and deepen Illinois' struggles. It appears minority workers will face the greatest threat from state leaders' missteps.