

## How Do State Labor Markets Look?

As the economy kicks into high gear with the end coming to the pandemic, it is important to recognize the recovery will be lumpy and uneven. The respective labor market recoveries in the various states are a good example of this.

**By the numbers:** Since February 2020, before the pandemic hit, two states have seen jobs increase while the remaining 48 have seen various levels of job losses, from a few thousand to over 1.4 million. Those job losses need to be compared to the size of the state's employment prior to COVID to get a sense of the scale of the job loss in the state.

- Utah (+19,000) and Idaho (+12,000) are the only two states to add jobs during COVID. South Dakota (-7,000), Montana (-7,000), and Wyoming (-14,000) have the lowest number of job losses.
- California has had by far the largest job loss at more than 1.4 million. New York (-953,000), Florida (-503,000), Texas (-446,000), and Pennsylvania (-426,000) round out the top five of largest job losses.
- Compared to their employment pre-pandemic employment levels, Idaho (+1.5%) and Utah (+1.2%) are the gainers. Montana (-1.5%), South Dakota (-1.6%), and Arkansas (-2.4%) have seen the smallest decreases.
- Hawaii (-15.1%) has had the largest percentage drop in employment. Given the tourism and accommodation focus of its economy, this is not surprising. New York (-9.7%), Nevada (-9.3%), New Mexico (-8.3), and California and Massachusetts (-8%) have seen the next largest drops.

**Bottom line:** The uneven recovery among the states when it comes to jobs will be replicated among industries as well, with some doing very well, others continuing as they have been, and some struggling. The unevenness is likely to continue for some time, even as the economy recovers sharply. The disruptions from COVID-19 have been immense, and it will take time for the economy to work its way back to pre-pandemic levels or adjust to new-normals going forward.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce