

Coronavirus layoffs surge across America, overwhelming unemployment offices

Job-loss projections range up to 4.6 million.



People wait in line for help with unemployment benefits at the One-Stop Career Center in Las Vegas on Tuesday. | John Locher/AP Photo

Employers are slashing jobs at a furious pace across the nation due to mass shutdowns over the coronavirus, slamming state unemployment offices with a crush of filers facing sudden crises.

Long before official government data is expected to reveal the depths of the economic shock inflicted by the coronavirus, reports from state officials and businesses around the country indicate the gathering of a massive wave of unemployment on a scale unseen since the Great Recession.

In New Jersey, 15,000 people applied for unemployment benefits on Monday, a twelvefold increase over normal levels. In Connecticut, nearly 8,000 applications

arrived over the weekend, an eightfold increase over the norm. Rhode Island officials reported Tuesday a five-day rise in claims due to the coronavirus from 10 on March 11 to 6,282 on March 16.

More than 45,000 Ohio workers have applied for unemployment over the past week, the Ohio Department of Job and Family Services told Sen. Rob Portman, a nearly sevenfold increase over the previous week.

The dramatic rise in claims could spur further action by Congress beyond the legislation now under discussion. "This demonstrates the urgency for Congress to act, and act quickly," Portman said Tuesday in a written statement.

According to an NPR/Marist poll conducted Thursday and Friday, 18 percent of households already reported someone being laid off or having hours reduced because of the coronavirus outbreak, with women hit harder (21 percent) than men (16 percent), and people who earn less than \$50,000 hit harder (25 percent) than those earning \$50,000 or more (14 percent).

"A coronavirus recession is inevitable," said Josh Bivens, director of research at the left-leaning Economic Policy Institute, in a blog post. He estimated that at least 3 million jobs will be lost by summer. Meanwhile, the U.S. Travel Association was projecting 4.6 million jobs lost this year in the travel industry alone, pushing the unemployment rate up to 6.3 percent.

The layoffs swept businesses large and small. On Tuesday Marriott said it expects to lay off tens of thousands of workers worldwide. MGM Resorts International on Monday closed 150 restaurants and bars, with more closings to come; Caesars Entertainment Corp. said it also has begun layoffs. In D.C., Compass Coffee, a local Starbucks competitor, laid off most of its 189 employees, and the Dubliner, a popular Irish bar on Capitol Hill, laid off all of them, leaving the place empty on St. Patrick's Day.

During the past 48 hours, unemployment insurance offices around the country were flooded with phone calls, and state unemployment websites crashed in Kentucky, Oregon, and New York.

Lawmakers on Capitol Hill late Tuesday were racing toward a deal with the White House on an economic stimulus package to aid industries disrupted by the pandemic, and ironing out the details on a separate coronavirus aid package.

But many state unemployment insurance programs are ill-prepared for the downturn. Twenty-two states and jurisdictions, including California, New York, Illinois, and Texas, have dangerously low reserves, and 10 have reduced the number of weeks they offer benefits since the 2007-09 Great Recession. The duration of eligibility for unemployment insurance in any given state won't be affected by the legislation moving through Congress.

With the Trump administration and other nations considering travel restrictions, and more Americans pulling back on nonessential trips, the travel, and hospitality industries have been among the first to see job cuts.

"We are adjusting global operations accordingly," a Marriott spokesperson said in an emailed statement, "which has meant either reduction in hours or a temporary leave for many of our associates at our properties." The spokesperson said that employees "will keep their health benefits during this difficult period and continue to be eligible for company-paid free short-term disability that provides income protection should they get sick."

Several airlines have cut back service, and Delta recently announced a hiring freeze in the wake of the outbreak.

Ian Kullgren contributed to this report.

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