



FEDERAL RESERVE BANK *of* NEW YORK

Which Workers Bear the Burden of Social Distancing Policies?

Based on work by Simon Mongey, Laura Pilossoph, and Alexander Weinberg

The views expressed are ours and do not necessarily reflect those of the Federal Reserve Bank of New York or the Federal Reserve System.

A Unique Labor Market Shock

- Social Distancing policies affect workers differently
 - Economists can work from home, bartenders cannot!
- Relaxation of these policies in phases, depending on the nature of work:
 - Specifically: physical proximity
- Different workers systematically work in occupations that differ by these characteristics → employment effects of pandemic will be heterogeneous



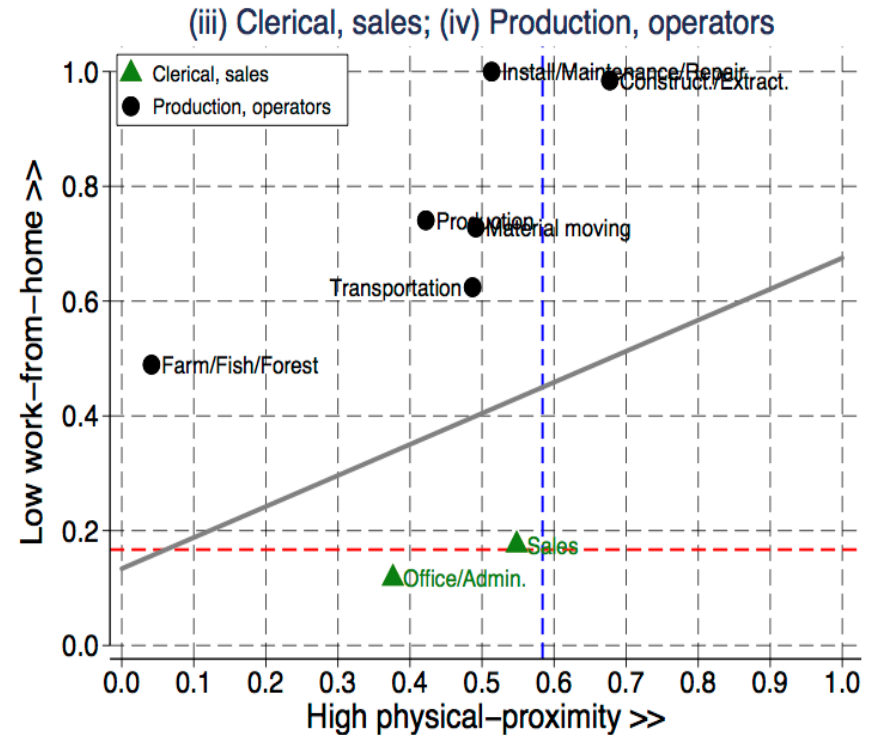
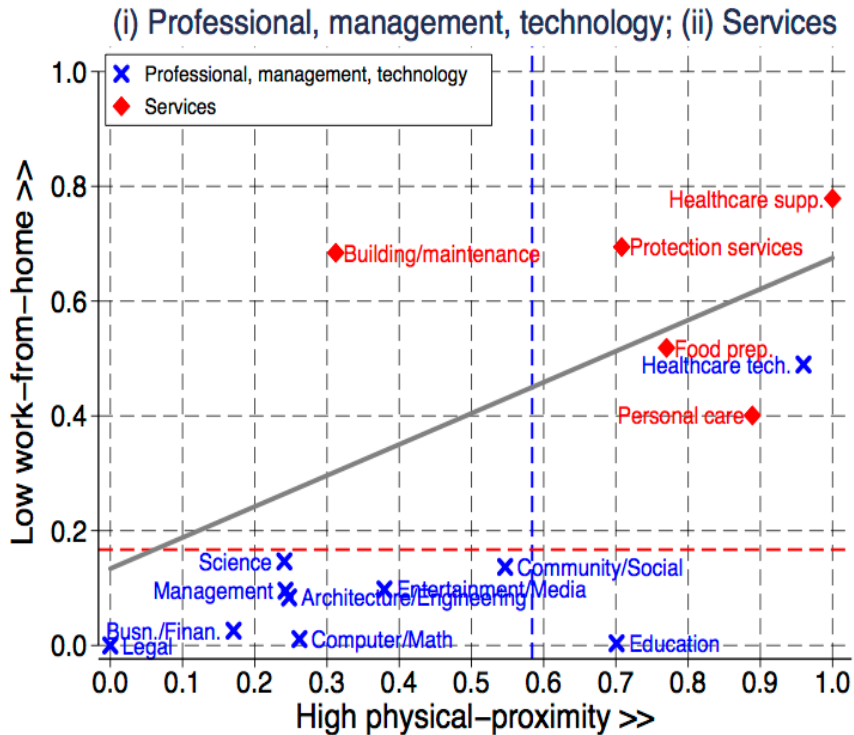
Characterizing Occupations

- Use survey data from Occupational Information Network (O*NET) to characterize occupations on scales relating to:
 - Work From Home (WFH) ability
 - Physical Proximity (PP)

- Examples:
 - “How often does this job require working outdoors, exposed to all weather conditions?”
 - “To what extent does this job require the worker to perform job tasks in close physical proximity to other people?”



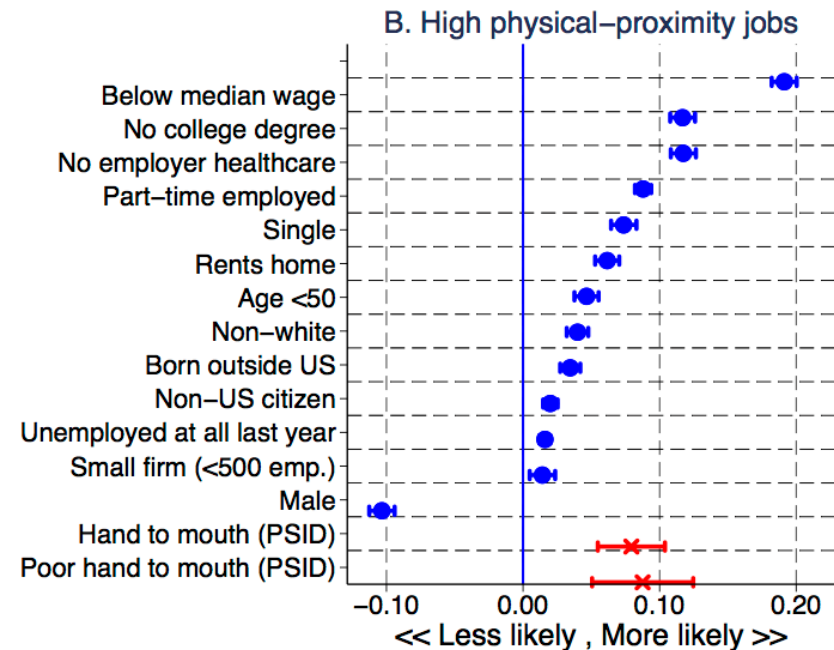
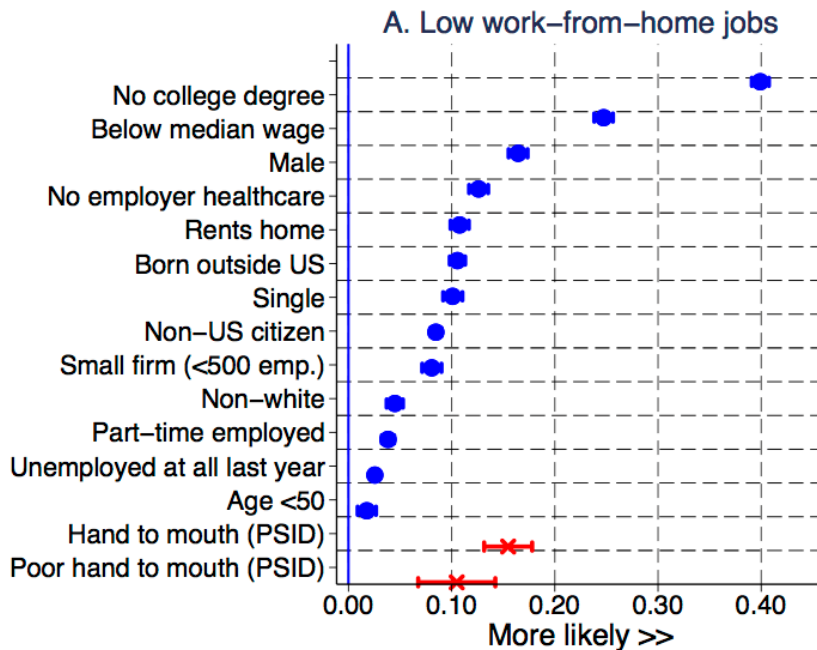
Characterizing Occupations



- Low work from home jobs are also likely high physical proximity jobs
- Healthcare support jobs score low in ability to work from home, and are also high proximity jobs

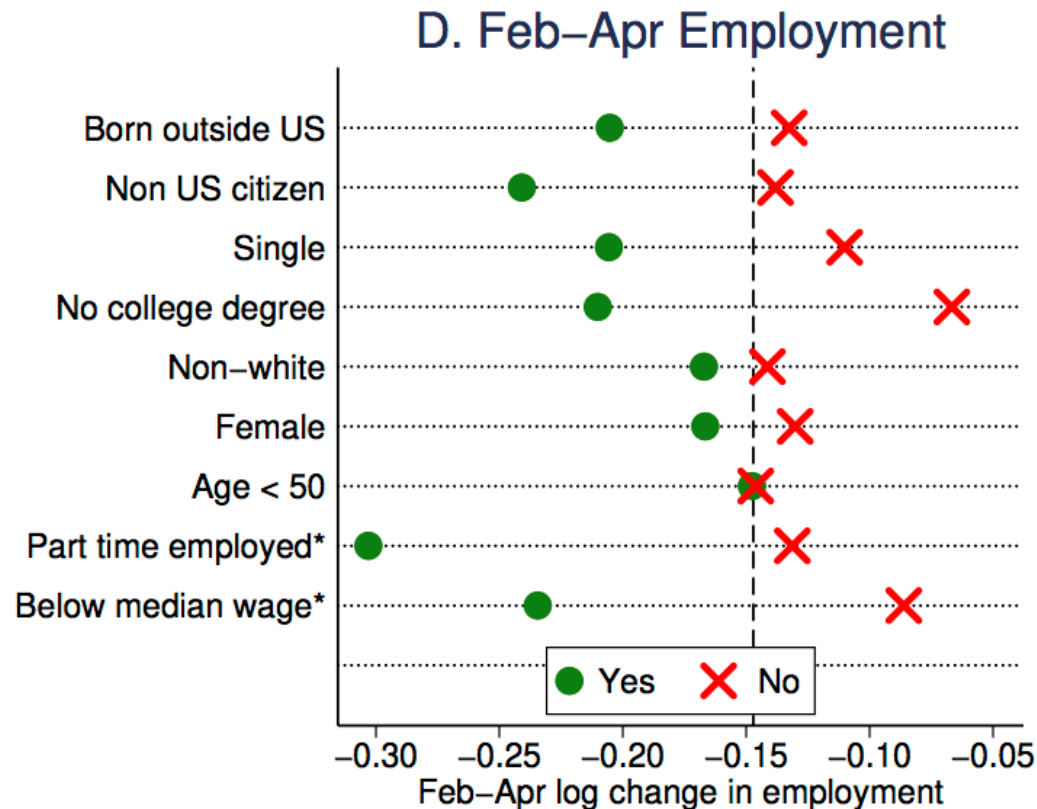


Characteristics of Workers by Jobs



- Non-white respondents are 5 percentage points more likely to be in low WFH jobs
- They are also more likely to be employed in high physical proximity jobs

February-April 2020 Employment Losses

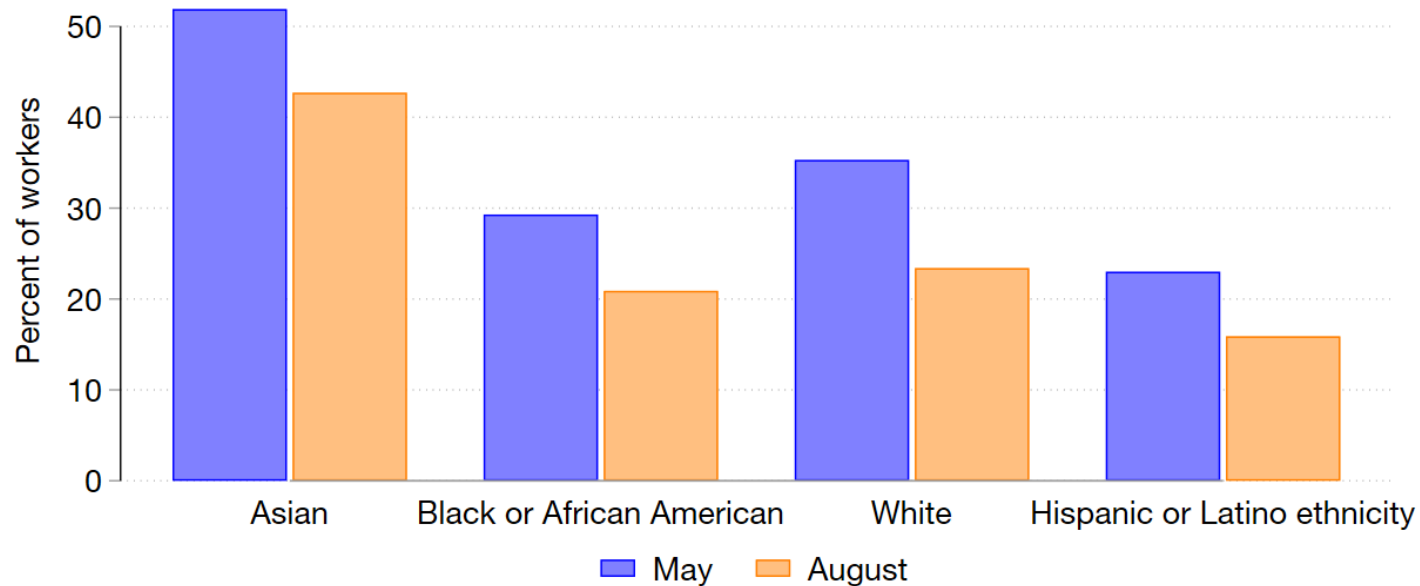


- Employment losses for non-white respondents were ~17 percent larger than usual; for white respondents, ~13 percent larger than normal



Who is Currently Teleworking?

Share of employed workers who teleworked or worked at home for pay at any time in the last 4 weeks due to COVID



Source: Current Population Survey
Supplemental tables on the effects of COVID on the labor market

- Black or African American respondents and Hispanic or Latino respondents less likely to telework conditional on employment



Summary

- Jobs that cannot be done from home are also more likely to be high physical proximity jobs
- People of color are more likely to be employed in these occupations
 - → larger employment losses
 - → higher exposure risk due to physical proximity jobs
- Exacerbates existing inequities in the labor market pre-COVID

