



ECONOMIC UPDATE

July 24, 2020

Quote of the week

“Layoffs that are happening in the...workforce are a severing of the employer-employee relationship. That’s going to scar the economy in the long run.”

—[Martha Gimbel](#), senior manager of economic research at Schmidt Futures

What you need to know

- Last week, nearly [1.4 million workers filed new unemployment insurance claims](#) (not seasonally adjusted). It was the 18th consecutive week in which more than one million new claims were filed.
- The [number of Americans who report being employed fell by about 6.7 million](#) from mid-June to mid-July, according to the Census Bureau’s Weekly Household Pulse survey.
- [20% of renters were behind on rent](#) for the week ending July 7; this number was much higher for Black (30%) and Hispanic renters (23%) compared to White renters (13%).
- Permanent business closures now outnumber temporary ones; [55% percent of pandemic-era business closures are now permanent](#).
- Almost [75% of leaders of the healthcare industry believe a safe coronavirus vaccine will not be widely available until the second half of 2021](#) or later.

Happening the week of July 27, 2020

- *Monday*: Census releases its [Advance Report on Durable Goods](#) orders for June.
- *Tuesday*: Case-Shiller releases its [home price index](#) (May) and the Conference Board releases the July [Consumer Confidence Index](#).
- *Wednesday*: Census releases the [Advance Economic Indicators](#) for June, NAR releases the [June Pending Home Sales Index](#) and the FOMC [holds](#) its July meeting.
- *Thursday*: BEA releases its [Advance Estimate of GDP](#) for Q2 2020, the Department of Labor releases [initial jobless claims](#).
- *Friday*: BEA releases the [Personal Consumption Expenditures Price Index](#) (PCE), BLS releases the [Employment Cost Index](#) for Q2 2020, and the University of Michigan releases the [Consumer Sentiment Index](#).

Good reads

- [“End of \\$600 Unemployment Bonus Could Push Millions Past the Brink,”](#) *The New York Times*, 7/21/2020
 - [“Where Is the American Child Care Bailout?,”](#) *Bloomberg*, 7/22/2020
 - [“There Is Still No Universal Paid Sick Leave In A Pandemic,”](#) *Huffington Post*, 7/23/2020
 - [“How To Save A Half-Open Economy,”](#) *The New York Times*, 7/17/2020
-
-

Chart of the week:

The [United States is the only industrialized nation without universal paid sick leave](#). Workers with the lowest incomes are ten times less likely to have it than those with the highest incomes.

This is particularly important in a pandemic, because workers who do not have access to paid sick leave are three times more likely to go to work sick, delay seeking medical attention or forgo medical care altogether. If they are infected with the coronavirus, this may increase the chance that they will pass it to coworkers or customers.



Source: Employee Benefits in the United States - March 2019, Bureau of Labor Statistics

New research and reports

- The Joint Economic Committee (JEC) released a new report on the [importance of universal paid sick leave in curbing the spread of the coronavirus](#) and safeguarding the U.S. economy.
 - JEC also released [COVID-19 Stories from the Front Lines](#) from workers who shared the struggles they experience because of the pandemic, notably their lack of paid sick leave. The more than 50 stories included in the report were collected by AFSCME, MomsRising, SEIU, UFW and the UFW Foundation.
 - Researchers at the Massachusetts Institute of Technology and the Vancouver School of Economics found that [40,000 lives could have been saved](#) if the United States had implemented a mandatory mask policy for employees of public-facing businesses on April 1 and the policy had been strictly followed.
-
-

Selected JEC resources

- [Cutting off Additional Unemployment Benefits While Millions are Unemployed Would be a Human and Economic Catastrophe](#)
- [U.S. Economy by the Numbers](#)
- [Immigrants, the Economy and the COVID-19 Outbreak](#)

More information for Members and staff: www.jec.senate.gov/resources

Sign up to receive JEC publications at bit.ly/JointEconMailingList

Contact: nita_somasundaram@jec.senate.gov