

## Millions of jobs probably aren't coming back, even after the pandemic ends

Millions of jobs that have been shortchanged or wiped out entirely by the coronavirus pandemic are unlikely to come back, economists warn, setting up a massive need for career changes and retraining in the United States.

The coronavirus pandemic has triggered permanent shifts in how and where people work. Businesses are planning for a future where more people are working from home, traveling less for business, or replacing workers with robots. All of these modifications mean many workers will not be able to do the same job they did before the pandemic, even after much of the U.S. population gets vaccinated against the deadly virus.

Microsoft founder-turned-philanthropist Bill Gates raised eyebrows in November when he predicted that half of business travel and 30 percent of “days in the office” would go away forever. That forecast no longer seems far-fetched. In a report coming out later this week that was previewed to *The Washington Post*, the McKinsey Global Institute says that 20 percent of business travel won't come back and about 20 percent of workers could end up working from home indefinitely. These shifts mean fewer jobs at hotels, restaurants and downtown shops, in addition to ongoing automation of office support roles and some factory jobs.

“We're recovering, but to a different economy,” Federal Reserve Chair Jerome H. Powell said in November.

The nation's unemployed are starting to react to these big shifts. Two-thirds of the jobless say they have seriously considered changing their occupation or field of work, according to the Pew Research Center. That is a significant increase from the Great Recession era, when 52 percent said they were considering such a change.

“We think that there is a very real scenario in which a lot of the large employment, low-wage jobs in retail and in food service just go away in the coming years,” said Susan Lund, head of the McKinsey Global Institute. “It means that we're going to need a lot more short-term training and credentialing programs.”

One problem for many unemployed people is they lack the money to retrain. This crisis has put many out of work for nearly a year, and the financial support from unemployment and food stamps is often not sufficient to pay their bills. The stimulus legislation being debated in Congress does not include any money for retraining.

“Trying to figure out what to do six months from now is hard when you are trying to make ends meet and you don't have enough food,” said Brad Hershbein, who helps design and study retraining programs as a senior economist at the W.E. Upjohn Institute for Employment Research.

Take Serena Couch, who lost her job at Disney World in Orlando in April. She initially held out hope that she would be called back, but as the months went by, it became clear that that was unlikely. Now the 27-year-old has started spending her days looking for jobs and trying to learn to code by watching YouTube videos and reading blogs.

“I'm trying to learn coding on my own, because that's what everyone says to do when you're in this position,” said Couch, who receives about \$500 a month in jobless benefits, not enough to pay bills. “I can't afford to pay for a program, so I'm just doing free programs online.”

Couch and her boyfriend, who is also laid off from a theme park, moved in with a relative to save money, and her car was repossessed around Christmas. Couch said she never intended to make a career in the hospitality industry, but without a college degree, she thought her job options were limited.

“We haven't been able to find anything that makes nearly as much as that Disney job,” Couch said.

Indeed, the number of workers in need of retraining could be in the millions, according to McKinsey and David Autor, an economist at the Massachusetts Institute of Technology who co-wrote a report warning that automation is accelerating in the pandemic. He predicts far fewer jobs in retail, rest, car dealerships and meatpacking facilities.

“Once robots are in place, we won't go back. Once you've made that type of capital investment, you don't tend to go backward,” Autor said. In the report he wrote, “These developments were sure to happen over the longer run. But the crisis has pulled them forward in time.”

Automation of jobs often speeds up during recessions, as companies look to cut costs and use periods of layoffs to experiment with new technologies. Some economists predict that there could be more automation now, because the pandemic forced companies to look for ways to minimize the number of employees in a workspace and the vast scale of the layoffs in the economy gives executives a unique opportunity to bring in robots.

Chewy, an online pet food and supply company, opened its first fully automated fulfillment center in Archbald, Pa., in October. Wall Street analysts who monitor the company closely say the facility — a warehouse where orders are processed and packaged for delivery — needs only about a third of the workers who are at Chewy's other warehouses.

“When you can take labor out and replace it with automation, you are taking out a significant cost,” said Stephanie Wissink, a managing director at Jefferies who researches Chewy. “You won't eliminate all labor. Chewy will still have engineers and warehouse directors, but there won't be nearly as many individual laborers walking those floors.”

Chewy chief executive Sumit Singh told investors that the Archbald facility is already more productive than any of the nine other warehouses, and that there are plans to build more.

Chewy spokeswoman Diane Pelkey referred *The Post* to an article saying the Archbald facility would create 1,000 jobs. She declined to comment on whether those jobs came to fruition or how staffing compares to Chewy's other facilities.

Job postings in recent months help illustrate what positions are emerging and which are rapidly going away, said Andrew Chamberlain, chief economist at Glassdoor. Chamberlain has seen a rapid decline in posts seeking administration assistants, human resources personnel, food service workers, beauty consultants, pet groomers, valets, professors, brand ambassadors and even physical therapists and audiologists. Only some of these jobs will come back. He's hesitant to give an exact number, but he agrees that millions may need to find a new career. ...

Region	January 2020	December 2020	January 2021	Percentage Point Change	
				1 month	12 months
San José–Sunnyvale MSA	2.8%	6.0%	5.8%	- 0.2	+ 3.0
San Francisco MD	2.3%	6.2%	6.0%	- 0.2	+ 3.7
California	4.5%	9.1%	9.2%	+ 0.1	+ 4.7
United States	4.0%	6.5%	6.8%	+ 0.3	+ 2.8

Sector — January 2021	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
<b>Total Nonfarm</b>	<b>1,051,600</b>	<b>1,024,500</b>	<b>2,076,100</b>	<b>- 2.1%</b>	<b>- 11.2%</b>
Construction	48,500	41,000	89,500	- 3.0%	- 9.0%
Manufacturing	168,200	35,900	204,100	- 0.3%	- 2.3%
Retail Trade	74,500	68,600	143,100	- 2.9%	- 10.1%
Information	107,800	105,300	213,100	- 1.1%	+ 2.8%
Professional & Business Services	235,600	277,000	512,600	- 1.6%	- 4.2%
Educational Services	39,600	27,000	66,600	- 3.6%	- 17.2%
Health Care & Social Assistance	127,800	112,200	240,000	- 1.7%	- 3.8%
Leisure & Hospitality	54,400	60,800	115,200	- 9.8%	- 54.1%
Government	91,800	124,100	215,900	- 1.3%	- 6.2%

Note: San José MSA (San José–Sunnyvale–Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties  
 San Francisco MD (San Francisco–Redwood City–South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

Jurisdiction	Labor Force			Unemployment			Unemployment Rate		
	January 2020	January 2021	Change	January 2020	January 2021	Change	January 2020	January 2021	Change
• San Mateo County	426,400	420,000	- 9.2%	9,800	24,000	+ 144.9%	2.1%	5.7%	+ 3.6
• Santa Clara County	1,055,700	1,004,700	- 4.8%	27,700	57,400	+ 107.2%	2.6%	5.7%	+ 3.1
Cupertino	29,900	27,700	- 7.4%	800	1,200	+ 50.0%	2.6%	4.4%	+ 1.8
Los Altos	14,900	13,800	- 7.4%	400	600	+ 50.0%	2.5%	4.2%	+ 1.7
Milpitas	43,300	43,200	- 0.2%	1,200	2,400	+ 100.0%	2.8%	5.6%	+ 2.8
Mountain View	53,000	49,500	- 6.6%	1,000	1,700	+ 70.0%	1.9%	3.5%	+ 1.6
Palo Alto	35,900	33,100	- 7.8%	800	1,200	+ 50.0%	2.2%	3.6%	+ 1.4
Santa Clara	71,900	68,900	- 4.2%	1,700	3,400	+ 100.0%	2.3%	4.9%	+ 2.6
Sunnyvale	88,100	83,200	- 5.6%	1,800	3,600	+ 100.0%	2.1%	4.3%	+ 2.2
NOVAworks Region	799,400	739,400	- 7.5%	17,500	38,100	+ 117.7%	2.2%	5.2%	+ 3.0

Note: NOVAworks Region consists of seven cities in Northern Santa Clara County and the entirety of San Mateo County

Source: California Employment Development Department, LMID

January 2021 Layoff Events			WARN SUMMARY	
Company	Location	# Affected	Events YTD <sup>†</sup> :	171
Abercrombie & Fitch	Multiple cities	131	Individuals Affected YTD:	18,703
Aramark	Milpitas	66	Individuals Previous YTD <sup>‡</sup> :	4,062
Boston Scientific	Menlo Park	126		
First Transit	Redwood City	13		
Marvell Semiconductor	Santa Clara	120		
MobileIron	Mountain View	75		
Walmart	San Bruno	427		
<b>Total</b>		<b>958</b>		

\* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)  
<sup>†</sup> **YTD: Year to Date** (Program year: July 1–Present)  
<sup>‡</sup> **Previous YTD:** (Same date range as YTD, one year prior)

Note: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: California EDD, CalJOBS: WARN Data