

Press Release

Vaccine and Testing Mandate's Effect on the Labor Market

PAULINA ENCK | NOVEMBER 15, 2021

The Biden Administration announced details of a new COVID-19 vaccination requirement issued through the Department of Labor's Occupational Safety and Health Administration (OSHA). In new research, Director of Labor Policy Isabel Soto estimates the potential impact of the mandate on the labor market.

Key Points:

- The OSHA rule requires workers in businesses with greater than 100 employees to either be fully vaccinated by January 4, 2022, or show weekly proof of a negative COVID-19 test thereafter; more than 84 million employees are covered under this rule.
- This analysis finds that 10-16 million workers are at risk of employment change from the OSHA rule—a number 2.5-4 times the typical monthly quit rate— which could lead to significant labor market impacts on quit and hire rates and movement in and out of small businesses.
- There is potential for large disruptive labor market impacts over the next several months that will also complicate the interpretation of labor market indicators.

Read the analysis