

# COVID-19 and the acceleration of inequities



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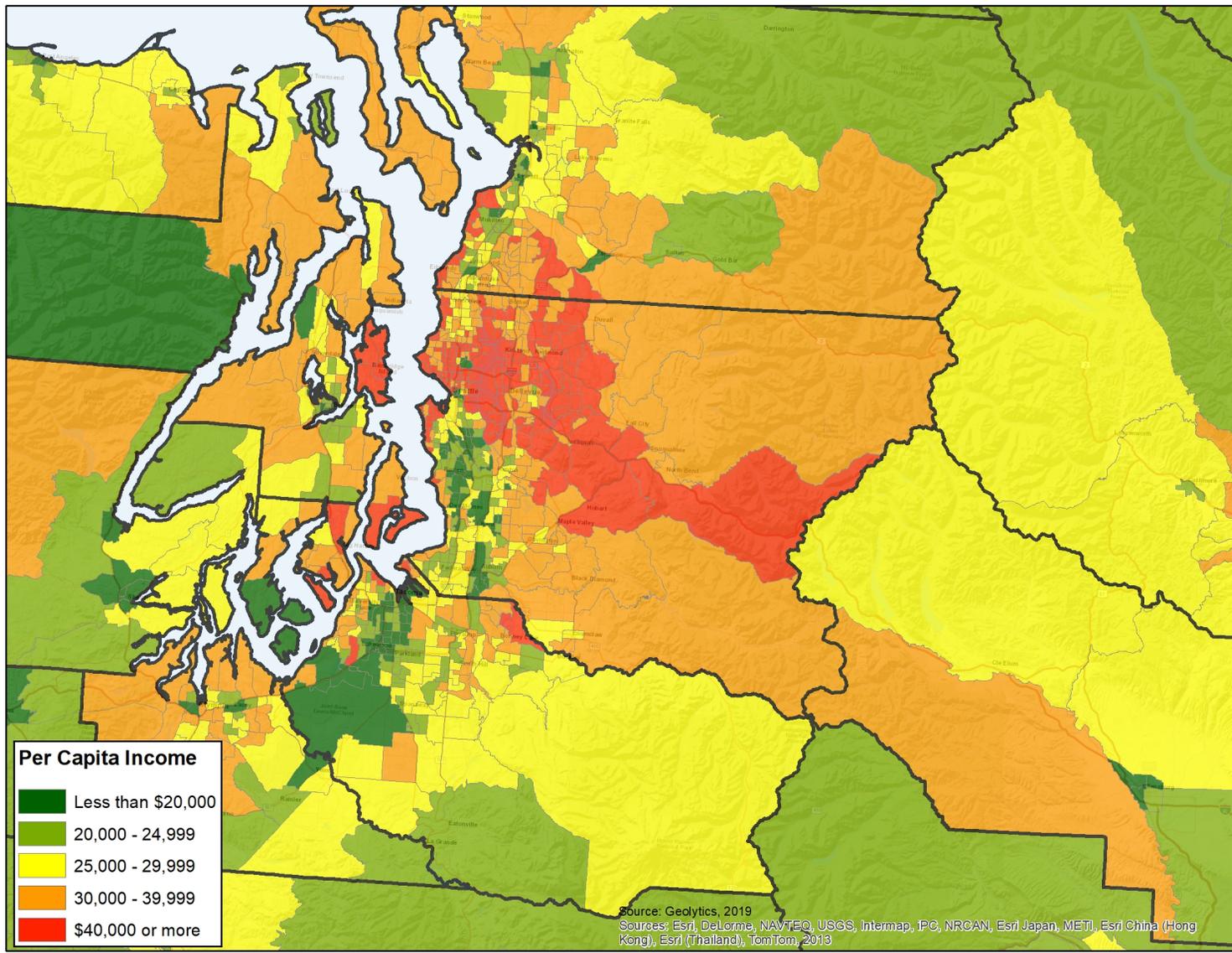
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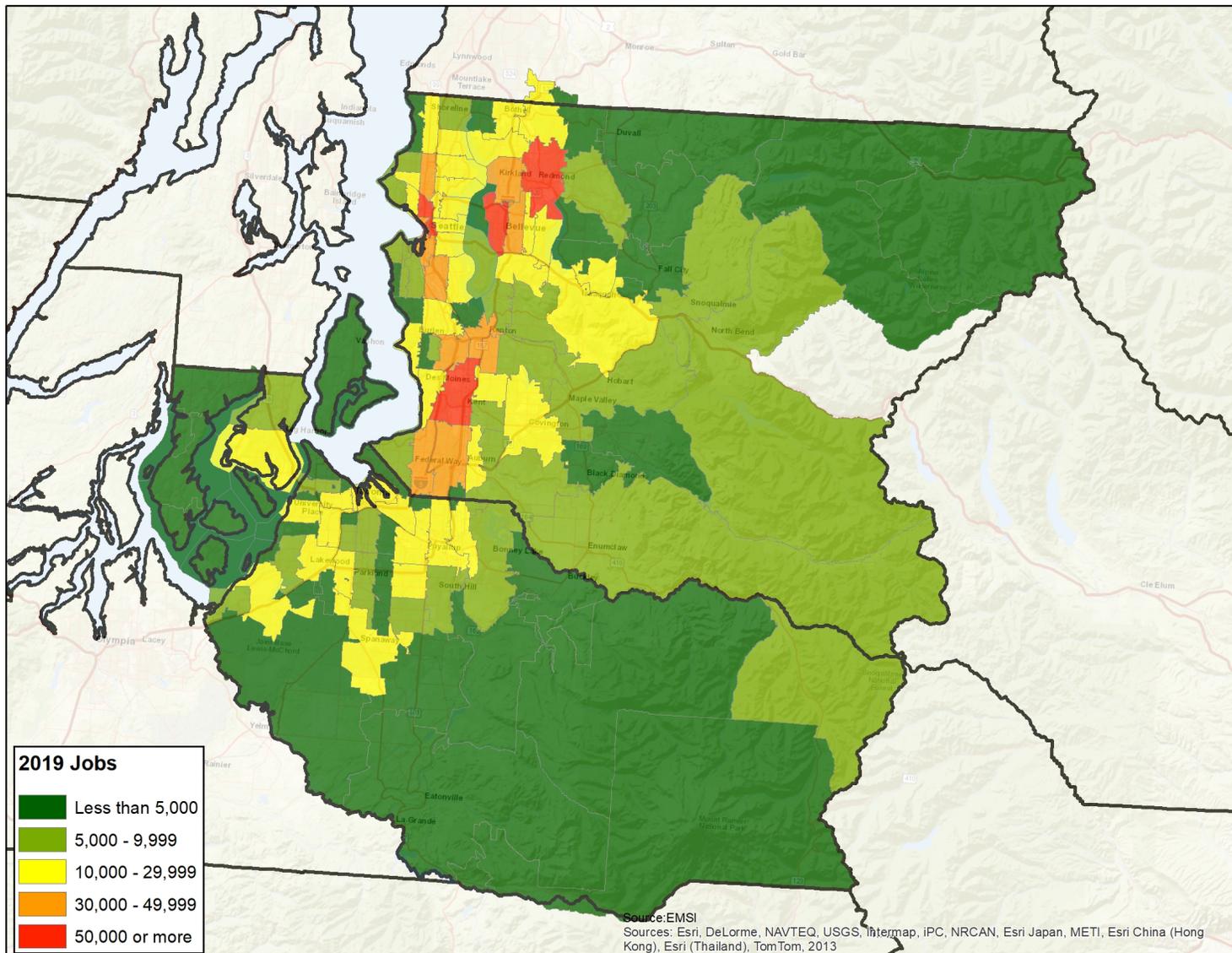


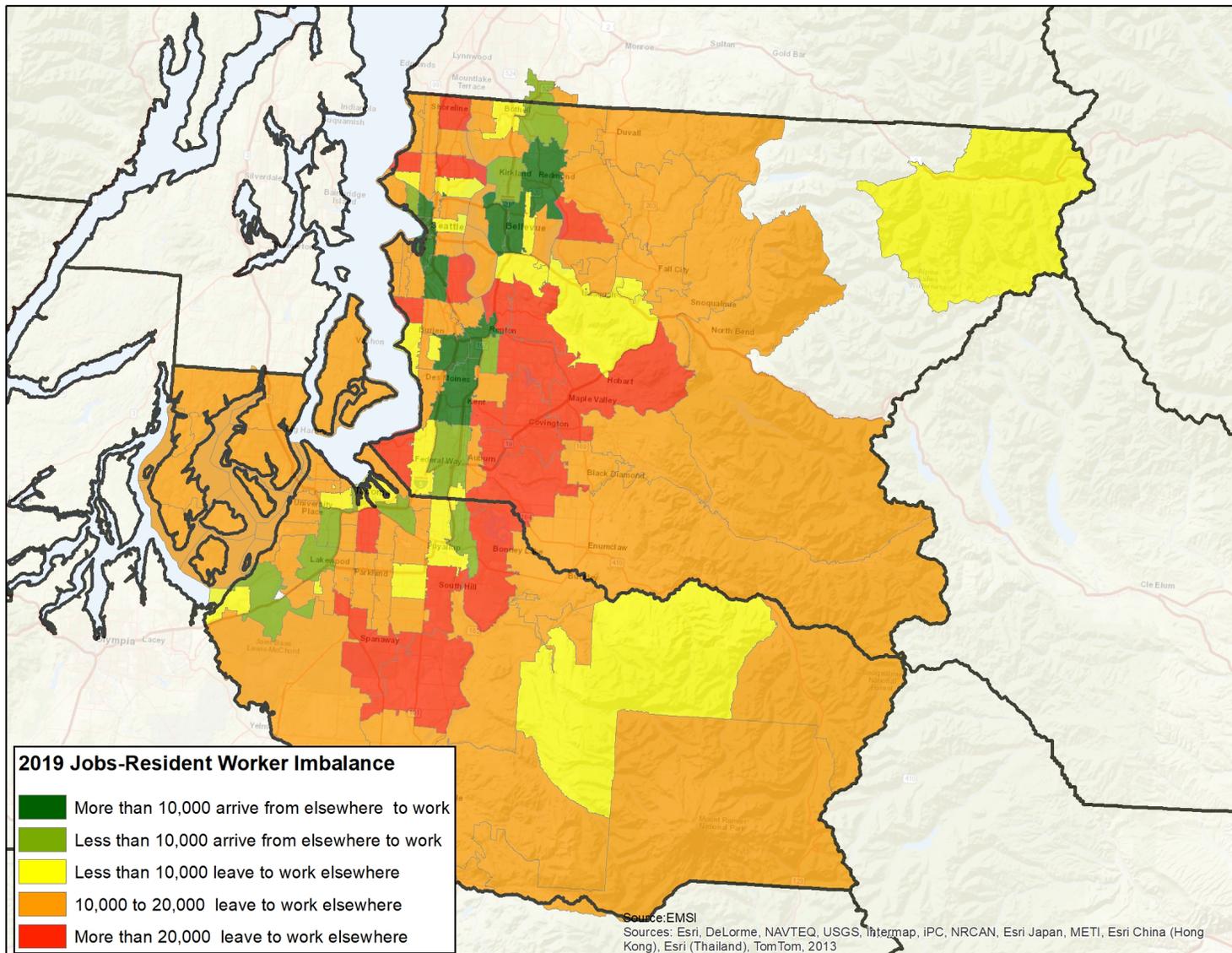
## Before COVID-19

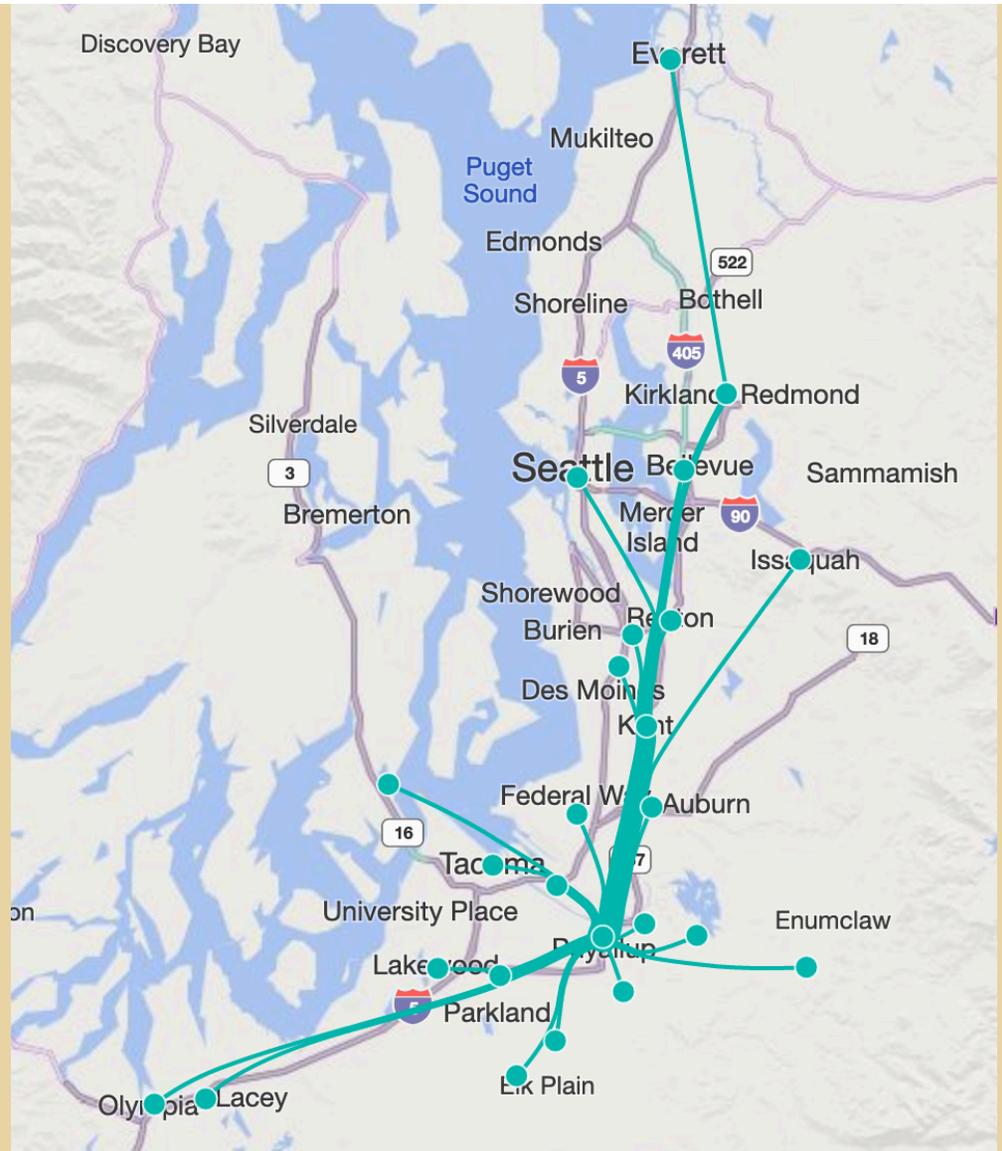
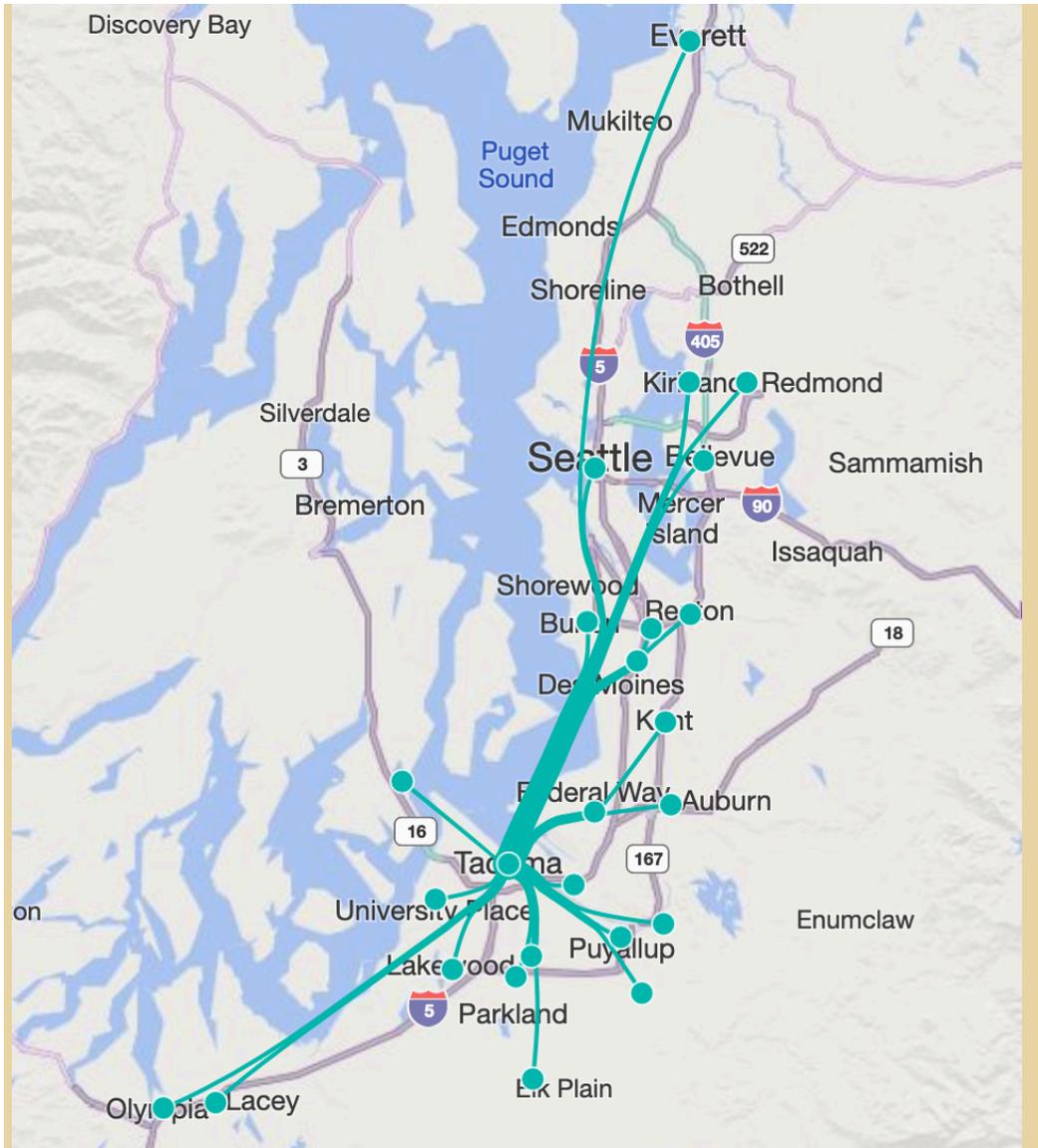
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- > Uneven Development
- > Resulting in
  - > Uneven distribution of jobs
  - > Distribution and segregation of workers by income, race, ethnicity, age...
  - > Regional income and wealth differentials
  - > Uneven impact on BIPOC (Black, Indigenous, and Persons of Color) communities

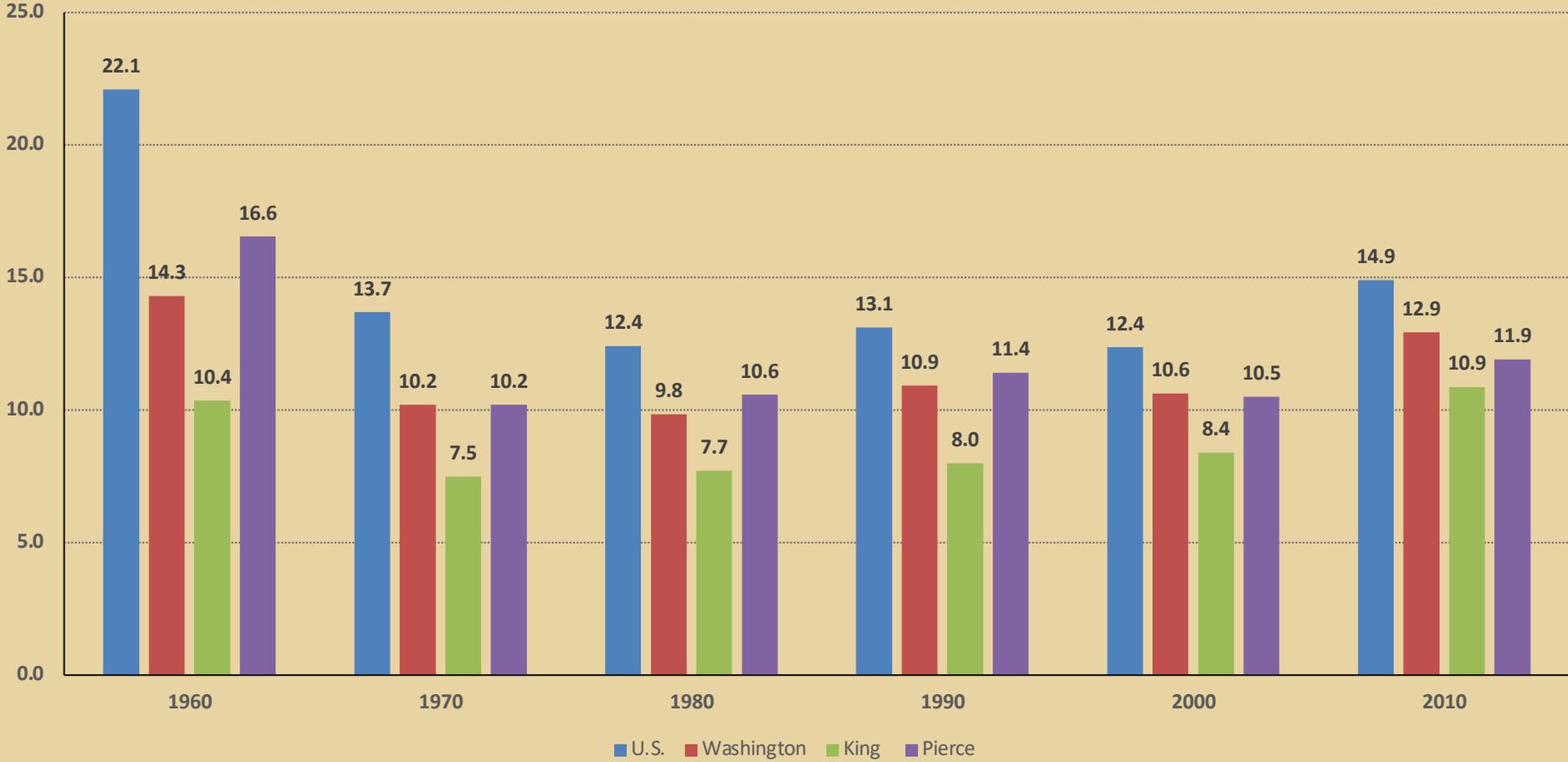








### Historical Poverty Rates 1960-2010



# Poverty in 2019

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- > National poverty rate: 10.5%
- > By Race and Ethnicity:
  - Non-Hispanic White: 7.3%
  - Black: 18.8%
  - Asian and Asian American: 7.3%
  - Latinx: 15.7%
- > By Gender:
  - Male: 9.4%
  - Female: 11.5%
- > By Disability:
  - With Disability: 22.5%
  - With no Disability: 8.4%



## Poverty in Pierce County (circa 2018)

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- > 8.3% of the population was below poverty line.
- > Among this population:
  - 56.4% were women
  - 18.6% were divorced
  - 38.3% were single/never married
  - 16.8% were 10 or younger
  - 24.9% were 15 or younger
  - 14.4% were Latinx
  - 10.7% were NH Black



## Why am I bringing this up?

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- > COVID-19 has created some excitement about the future of work.
- > However, COVID-19 has amplified our inequities and will continue to do so if we don't pay attention and focus on racial and social justice issues.



## Excitement about Post-COVID Potentials for Working at Home

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- > “37 percent of jobs in the United States can be performed entirely at home, with significant variation across cities and industries.” \*
- > “These jobs typically pay more than jobs that cannot be done at home and account for 46 percent of all US wages.”
- > Those with service jobs are more likely to have to work in-person and continue to earn less than family wages.
- > This means BIPOC communities are more likely to suffer from the health and economic impacts of COVID-19.

\* Dingel, J.I. and Neimna, B. (June 2020). *White Paper: How Many Jobs Can be Done at Home?* Becker Friedman Institute, University of Chicago

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## Post-COVID Potentials for Working at Home

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- > Across all metro areas, the share of jobs that can be performed at home is strongly and positively correlated with median household income and the the share of residents who have a college degree.
- > Pierce County has relatively lower median household income and lower than average rate of college graduates.
- > It also has large employment in service and retail sectors.



## Comparatively speaking...

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- > An estimated 39% of all jobs in King County can be done from home.
- > For Pierce County and City of Tacoma, that rate is slightly below 30%.



## Economic Impact of COVID-19

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- > From the first week of January to the first week of August 2020, 206,815 Pierce County residents filed for unemployment insurance (Source: ESD...initial unemployment claims).
- > Three of the top industries were:
  - Food services and drinking places: 17,954
    - > Average hourly earning of workers in this industry ranges from \$13.71/hr to \$15.26/hr, translating to annual incomes ranging from \$25K to \$30K.
  - Administrative and support services: 8,521
    - > Within this industry, *Office and Administrative Support Workers* have a median annual income of \$40K.
  - Educational services: 8,079
    - > Average earning per job in educational support services is \$43K.



## What does this mean?

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- > Those in poverty, the working poor, and ALICE family members have already experienced negative economic impacts of COVID-19.
- > Housing and food insecurity has grown and will continue to do so until we either learn how to live with the virus or find ways to treat the illness.
- > There are both physical and mental health consequences to these stressors.
- > Historical patterns of racial injustice have been aggravated under COVID-19. BIPOC communities are affected disproportionately by COVID-19 and its economic and health consequences.



## What to do?

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- > Poverty reduction programs and family support systems need to be scaled up, beyond what we would have imagined last December.
- > Our region needs to address wage gaps and income insecurity in a serious and aggressive manner.
- > We need to consider the fact that many of our service sector workers, in one of our larger economic sectors, do not earn enough to sustain an equitable/reasonable quality of life. COVID-19 has made that clearer to us.
- > We need to remember that the engines that produced our social and racial inequities are still in place. They have just been aggravated in the COVID era. That means our interventions and course corrections need to be scaled up as well, in order to make *poverty to possibilities* a reality.

