



2021

Housing Impact Report:

FEATURE ON CAREER-AGE FAMILIES

**Employment Trends
During the Pandemic**

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An affordable home provides stability for families, which lays a crucial foundation for positive life outcomes. However, even people in their prime working years can struggle to afford their rent due to a tight housing supply, low wages, or caretaking and health limitations that make regular employment difficult. To address these challenges, some families rely on publicly supported housing programs, which reduce the cost of housing for low-income families by providing a subsidy, tax incentive, mortgage loan, or insurance to a property or by offering a voucher to a household¹. Publicly supported housing programs have been shown to improve housing security by reducing the likelihood of overcrowding, evictions, and homelessness² and increasing the quality of housing families can afford³. These programs can also connect families to employment services in the community, which can catalyze their economic independence. In 2020, publicly supported homes improved the housing and financial security for 5.8 million career-age people, who are between the ages of 18 and 61. This feature examines trends among career-age families living in publicly supported rental homes and offers new insights into how COVID-19 has impacted the employment status of these families and how housing providers are helping families maintain housing stability throughout the pandemic.

Trends in Career-Age Families Receiving Assistance

Publicly supported rental homes provided stability for 5.8 million career-age individuals in 2020, down 0.8% from 2019⁴. Career-age individuals represent 43% of people living in publicly supported homes⁵, however 64% of these individuals have a physical limitation that precludes work⁶.

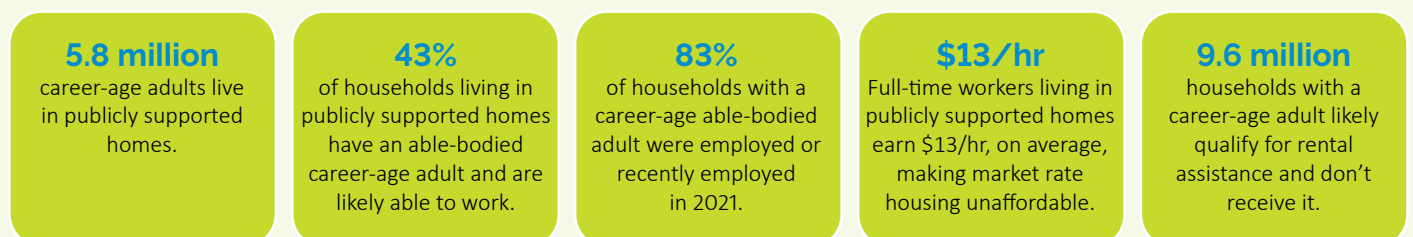
Most of the career-age families that can work are working. Among the 43% of households living in publicly supported homes with at least one able-bodied career-age household member who are likely able to work, 83% reported that at least one household member was working or was recently working in March 2021⁷, down from 85% in 2019⁸. Like the population at large, the pandemic has impacted the current employment prospects of assisted renters. Only 63% of these households reported working in the past week in 2021, down from a steady 72% since 2017⁹. Among the people working over the past two weeks in March 2021, 63% worked full-time, down from 65% in 2019. However, many of these families work in jobs that do not pay enough to afford market rate housing and likely still struggle to pay rent and other necessities. The median hourly wage of assisted renters was only \$13 in March 2018¹⁰.

Overall, 1.5 million families living in publicly supported homes earned a majority of their income from wages in 2020, down 16.4% from 2019. Families earning a majority of their income from wages represent 22% of families living in publicly supported homes in 2020, down from 26% in 2019.

In 2019, the latest year data are available, 18.5 million U.S. households with a career-age adult earned below 80% of the state median income and likely qualified for rental assistance¹¹. Between 2019 and 2018, the number of career-aged households that are likely eligible for rental assistance decreased 1.2%¹². However, these estimates have likely increased since this time due to the economic impact of the pandemic.

Conservative estimates suggest that expanding rental assistance programs to likely eligible families with a career-age adult would mean that an additional 9.6 million households could have realized the benefits of an affordable home in 2019. Likely eligible households include those earning less than 80% of the area median income (the HUD definition of low income) and paying more than 30% of their annual income toward housing (the HUD definition of cost burden). These figures decreased 2.1% from 2018.

Figure 1: **Working Families Living in Publicly Supported Homes**



New Insights into How Housing Providers are Serving Career-Age Families Impacted by the Pandemic

The pandemic decreased employment security among assisted renters. After holding steady at 35% between 2015 and 2019, the percent of assisted households earning any income from wages dropped to 28% in 2021¹³. Among households with a career-age household member that do not have a disability, the employment rate snapshot taken over one week in March 2021 was 63%, a decrease from the pre-pandemic employment rate March snapshot of 72% in 2019¹⁴.

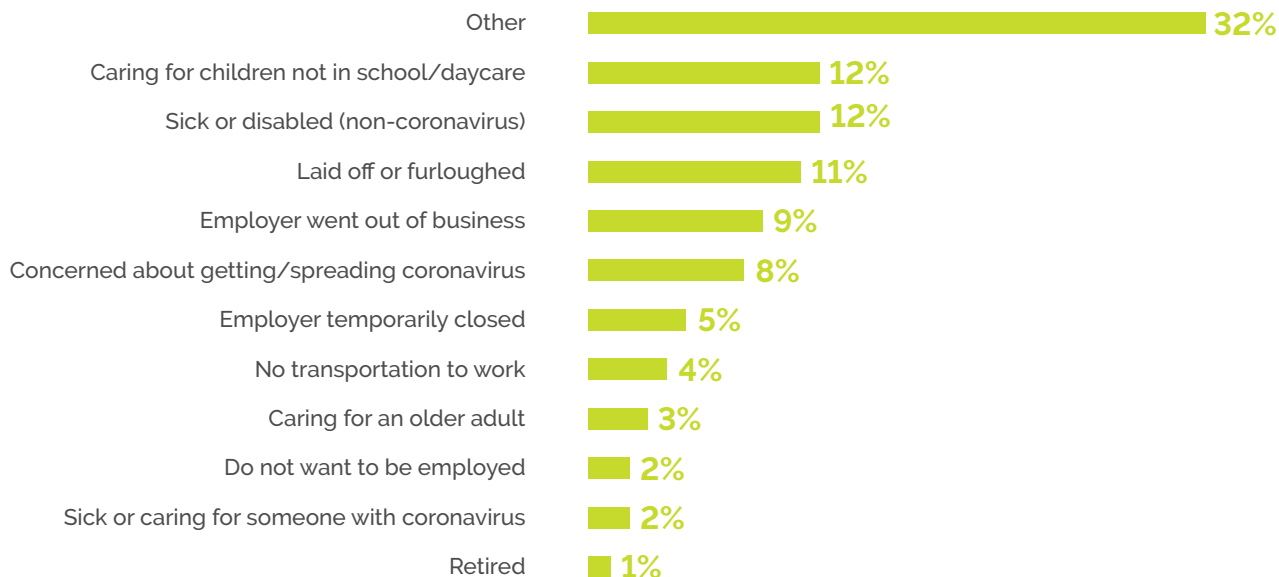
Even after many restrictions imposed by local governments to reduce the spread of coronavirus were lifted, the economic impacts of the pandemic continue to affect the employment of many low-wage workers. Job losses during the pandemic have disproportionately impacted low-wage workers¹⁵, who also face greater barriers to re-enter the labor force¹⁶. While job openings have grown as more states re-opened over the summer¹⁷, low-wage jobs have returned at a slower rate compared to middle and high-wage jobs¹⁸. Analysts predict that there will be little growth in the number of low-wage jobs over the coming years and that more than half of displaced low-wage workers will need to gain new skills, change industries, and move to higher wage jobs to remain employed¹⁹. While the number of job openings

now exceed the number of job seekers, many of these jobs may not be in the same occupation or geography that people worked in before the pandemic²⁰. Where jobs have returned, limited access to childcare, fear of working in a job that requires close proximity to others, skill gaps, and early retirements are hindering displaced workers from re-entering the labor force²¹.

The economic impacts of the pandemic also continue to affect the employment prospects of assisted renters. Between July 21 and September 13, 2021, 41% of able-bodied career-age assisted renters reported that someone in their household experienced loss of employment income over the past four weeks²². When surveyed each week during the same time period, a quarter of unemployed able-bodied career-age assisted renters reported that the main reason they were not working last week was because their employer initiated furloughs or layoffs, temporarily closed, or went out of business due to the pandemic. Other main reasons career-age assisted renters without a disability reported not working during this time period include that they were caring for children not in school or daycare (12%), they were sick from non-coronavirus related ailment (12%), and that they were concerned about getting or spreading the coronavirus (8%)²³.

A quarter of unemployed assisted renters reported that the main reason they were not working is because their employer initiated furloughs or layoffs, temporarily closed, or went out of business due to the pandemic

Main reason not working among unemployed able-bodied career-age assisted renters.



PAHRC tabulation of Census Pulse Survey Phase 3.2 week 34-37 (n=501). Includes respondents that are career-age that did not report having a lot of difficulty with seeing, hearing, remembering, or mobility.

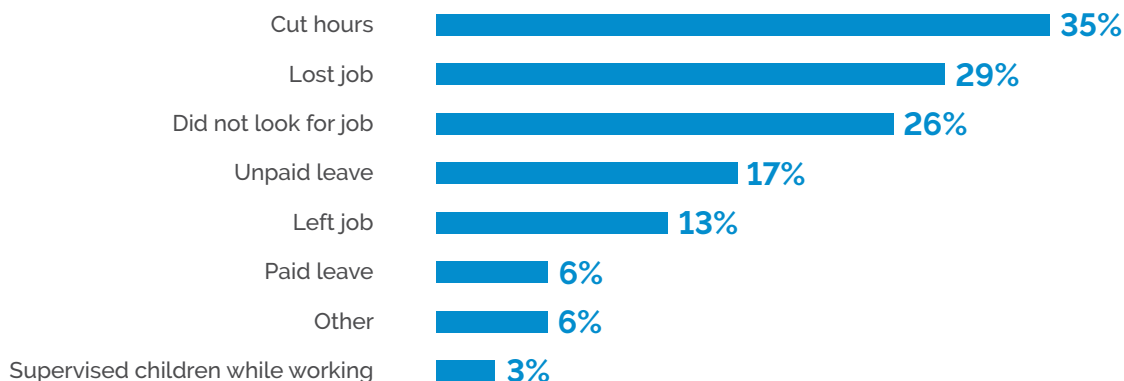
Concerns about getting or spreading the coronavirus at work among career-age assisted renters are likely amplified by the elevated coronavirus transmission risks of their occupations, the lack of fringe benefits their current or former jobs provide, and elevated health risks they and their families face. One-third of assisted renters employed in 2018 had a health condition that increase their risk of developing a severe case of COVID-19²⁴. Overall, approximately one-in-five HUD-assisted adults reported that a healthcare professional has told them that they had COVID-19 at one point²⁵. Further compounding these risks, assisted renters that remained in the labor force throughout the pandemic are more vulnerable to contracting COVID-19 at work. A higher rate of able-bodied career-age assisted renters report that they work in close proximity to others all the time when social distancing is in effect compared to their low-income unassisted peers²⁶. Overall, 37% of employed assisted renters reported that they work in close proximity to others all the time when social distancing is in effect²⁷. Additionally, one-fifth of employed assisted renters worked in occupations that exposed them to infectious disease at least once a month before the start of the pandemic²⁸. Should they contract COVID-19, less than half of able-bodied career-age assisted renters receive paid sick leave at their job²⁹. These factors could make displaced workers more selective about the jobs they are willing to take to keep them and their family safe.



Childcare challenges have also impacted the employment of many career-age assisted renters with children. Over one-third of able-bodied career-age assisted renters with children under the age of 12 reported that their children were unable to attend childcare due to closures, unavailability, unaffordability, or concerns for their child's safety in childcare over the past four weeks³⁰. As a result, these families reported that someone in the household cut their hours (35%), lost their job (29%), did not look for a job (26%), took unpaid leave (17%), or left their job (13%). Only 6% took paid leave and reported supervising children while working.

Many career-age assisted renters experiencing childcare challenges reported changes to their employment situation.

Actions taken as a result of childcare being closed, unavailable, unaffordable, or because of concerns about child's safety in care



PAHRC tabulation of Census Pulse Survey Phase 3.2 week 34-37 (n=57). Includes career-age households with children under age 12 that did not report having a lot of difficulty with seeing, hearing, remembering, or mobility. Percentages exceed 100% because respondents could select multiple answers.

Rental assistance stabilizes the lives of families experiencing financial insecurity by lowering the cost of rent. As a result of this support, families assisted by Housing Choice Vouchers owe less back rent during the pandemic compared to those without a voucher earning similar incomes³¹, protecting families from eviction, or forced moves. Many affordable housing providers supplement housing assistance with additional services to further support families experiencing insecurity caused by the pandemic. For instance, they are connecting residents to supportive services in the community, collecting and distributing essential supplies, suspending evictions for non-payment of rent after the Center for Disease Control (CDC) eviction moratorium expired³², and

distributing COVID-19 emergency rental assistance funding. Over 100 housing authorities were the administering agencies for COVID-19 emergency rental assistance programs and many more are working with their local government to help distribute these funds³³. Additionally, many housing agencies partnered with local public health agencies to provide information about staying safe. However, more funding is needed to reach the three-in-four eligible families that do not currently receive assistance and provide additional employment services to help displaced workers re-enter the labor force when their family situation enables it.

Citations

- ¹ Each reported estimate specifies the exact types of federal assistance programs included in the figures. In general, programs covered in this report include public housing, Housing Choice Vouchers, project-based section 8, low-income housing tax credit (LIHTC), Federal Housing Administration (FHA) loans with affordability restrictions, special purpose vouchers, and some selected state programs. For more information regarding how estimates in the Trends in Children Receiving Rental Assistance section were generated, access the methodology documentation.
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- ⁷ PAHRC tabulation of CPS ASEC 2021.
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- ¹¹ PAHRC tabulation of American Community Survey (ACS) Public Use Microdata Sample (PUMS) 2019.
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