

COVID-19 RECOVERY QUARTERLY REPORT:

Behind the Numbers

Q1 2021



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Policy Brief: *Labor Force Participation: A Major Obstacle to Rebuilding the Post-COVID-19 Economy*

JANUARY 2021



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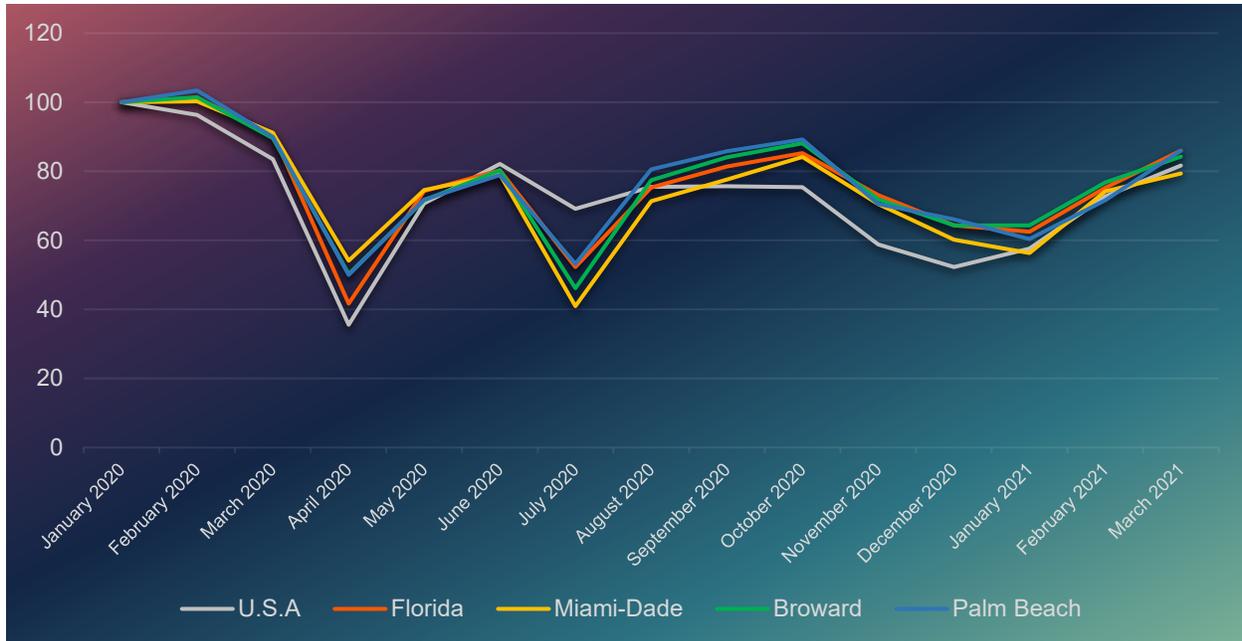
MARCH 2021



COVID-19 Recovery Quarterly Report: Behind the Numbers

Jorge M. Pérez FIU Metropolitan Center

COVID-19 Economic Recovery Index©



Overview

The monthly COVID-19 Recovery Index© is designed to track key indicators and measure the status of the economic recovery from the COVID-19 pandemic at the county level against state and national statistics. The quarterly series, *COVID-19 Recovery Quarterly: Behind the Numbers* provides a deep dive analysis tracking recent trends as the COVID-19 pandemic enters its second year. The COVID-19 Recovery Quarterly provides a narrative look at key health, economic, and housing numbers along with statistics that shed more light on industry sector growth, real unemployment, housing market trends and other COVID-related issues.

Trend Lines

As the COVID-19 pandemic enters its second year, we reflect on the health, economic, and community impacts that have devastated the nation including the death of 574,000 Americans and the loss of over 22 million jobs. On a positive note, the nation and most states have seen a reduction in COVID-19 infections, hospitalizations, and deaths in recent months. This has resulted in a gradual economic recovery with economists projecting a 2021 economic growth rate of 6-8 percent. In South Florida, COVID-19 infection rates have decreased substantially since a major spike in January 2021. In March 2021, COVID-19 infection rates were down 50.8 percent from January with COVID-19 deaths down 72.4 percent. With COVID-19 infection rates steadily declining since January, South Florida's economy has shown signs of a gradual recovery from record job loss in the preceding year.

The economic shock created by the COVID-19 pandemic was particularly ravaging on South Florida's businesses and workers. In the first two months of the pandemic, South Florida lost 629,599 jobs. By comparison, South Florida lost 234,965 jobs in the first two years (2007-2008) of the Great Recession. Miami-Dade County has been ground zero for the devastating economic impacts of the pandemic. Miami-Dade has lost 182,731 jobs since February 2020 and is the only county in the state of Florida where initial job claimants rose in 1Q/2021 and where job shedding continues at a disturbing pace. In March 2021, the county lost an additional 30,892 jobs while all other Florida counties saw modest to significant increases.

In addition to the public health impacts of the COVID-19 pandemic, the economic impacts have led to a severe degree of potential housing distress for both renters and homeowners. The CARES Act and its successor, the Consolidated Appropriations Act of 2021 (CAA) and various state and local government programs and policies also contains protections for renters and homeowners by prohibiting many evictions and requiring assistance for qualifying mortgages.

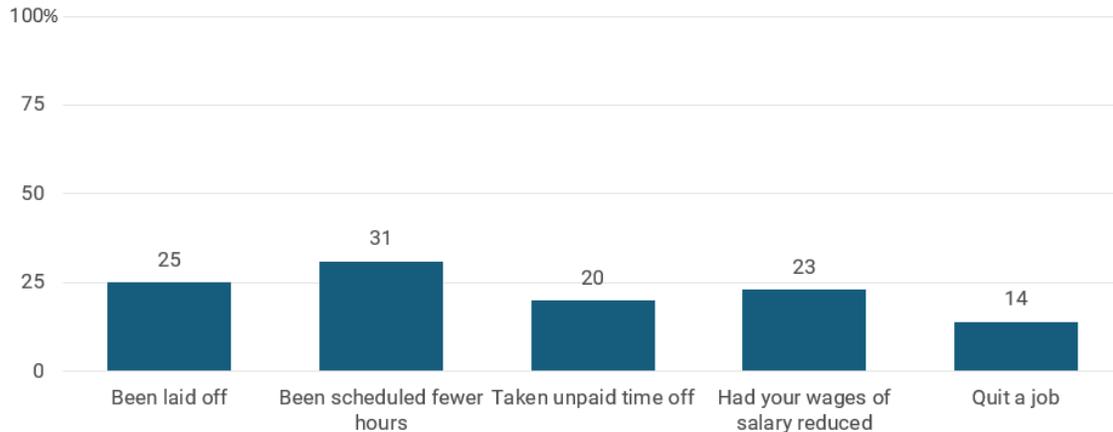
On September 1, 2020, the Centers for Disease Control (CDC) issued an order establishing a nationwide eviction moratorium for eligible renters. Individuals earning \$99,000 or less or couples earning \$198,000 or less may qualify. A tenant may also qualify if they received a 2020 stimulus check. The CDC order applies to evictions in public housing as well. The order was most recently extended through June 30, 2021. Significantly, one in four renters are relying on federal stimulus checks and one in three are using their credit cards and what savings they have left to make ends meet.

As predicted by many economic analysts, we are in a K-shape recovery. A K-shaped recovery is generally caused by a recession that uniquely impacts different populations and groups. It is also caused by disparities that existed before a recession, such as in the case of the wealth gap that has only continued to widen. Those negatively impacted by the K-shaped recovery include minority groups, low-income households, those who are new to the workforce, and consumer-facing businesses such as hotels, restaurants, retail stores, and recreational businesses. While K- the actual shape and timeline of the recovery will be affected by several factors, including the future spread of the virus and the degree to which the U.S. Congress intervenes with ongoing financial and fiscal support to local businesses, workers and local and state governments.

A K-shape recovery does not bode well for many working Americans as the economic distress caused by the COVID-19 pandemic will have lasting effects. A recent AP-NORC poll shows that about half of Americans say they have experienced at least one form of household income loss during the pandemic, including 25 percent who have experienced a household layoff and 31 percent who say someone in the household was scheduled for fewer hours. Overall, 44 percent said their household experienced income loss from the pandemic that is still having an impact on their finances.

Have you or a household member experienced the following because of the pandemic?

Percent of adults



Question: At any point since March 2020, have you or someone in your household experienced each of the following because of the coronavirus pandemic, or not?

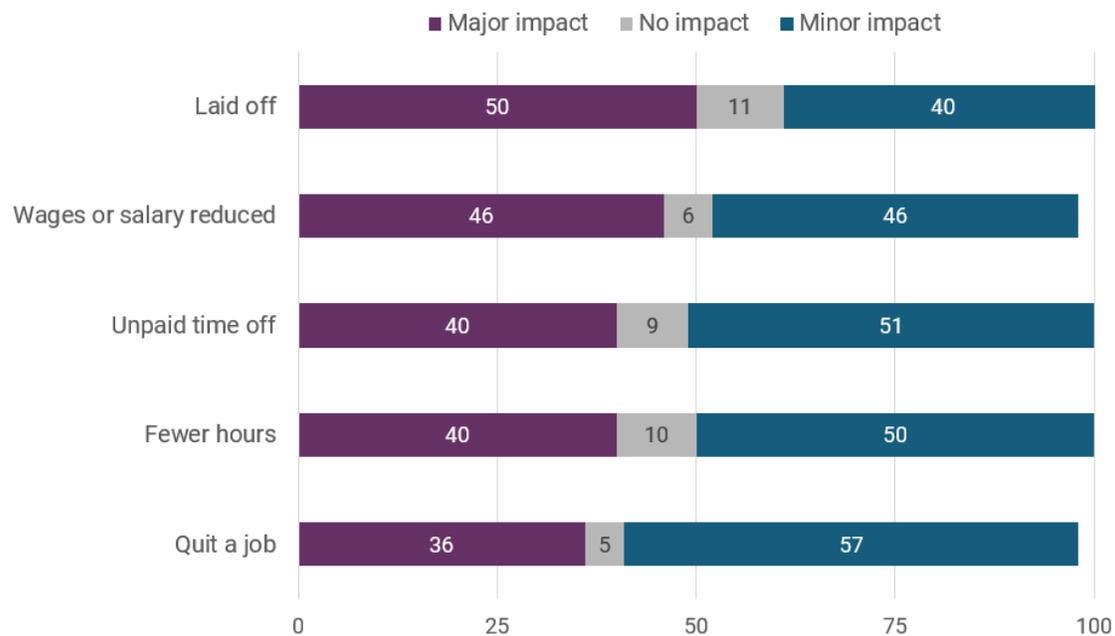
Source: AP-NORC poll conducted February 25-March 1, 2021, with 1,434 adults age 18 and older nationwide.



APNORC.org

How much impact have employment changes had on your household's financial situation?

Percent of those who have experienced the following in their household



Question: At any point since March 2020, have you or someone in your household experienced each of the following because of the coronavirus pandemic, or not? And would you say that change/those changes to your household's job situation is having a major impact, minor impact or no impact on the current financial situation in your household?

Source: AP-NORC poll conducted February 25-March 1, 2021, with 1,434 adults age 18 and older nationwide..



APNORC.org

Another poll from the Associated Press-NORC Center for Public Affairs Research shows that compared with white Americans, Black and Hispanic Americans are more likely to have experienced job and other income losses during the pandemic, and those who have lost income are more likely to be in great economic distress.

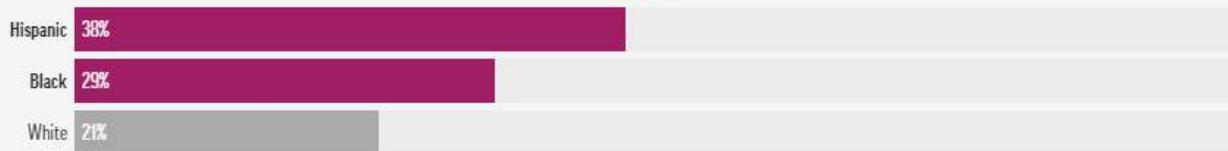
A new AP-NORC poll finds that Black and Hispanic Americans are about twice as likely as white Americans to say they have a close friend or relative who has died of COVID-19.



Results based on interviews with 1,434 U.S. adults conducted Feb. 25–Mar. 1. The margin of error is ±3.4 percentage points for the full sample.
Source: AP-NORC Center for Public Affairs Research / Graphic: Kati Perry

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At any point since March 2020, have you or has someone in your household been laid off because of the coronavirus pandemic?



Results based on interviews with 1,434 U.S. adults conducted Feb. 25–Mar. 1. The margin of error is ±3.4 percentage points for the full sample.
Source: AP-NORC Center for Public Affairs Research / Graphic: Kati Perry

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