DISCLAIMER

The views expressed here are the presenter's and not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System.
• Accelerated survey work due to the pandemic; complements existing work
  • Quarterly: General business, construction, hospitality & tourism, & ag credit
  • Annual: Manufacturing, professional services
• Minneapolis Fed connecting with more stakeholders across the Ninth District
• Webinars help disseminate and discuss what stakeholders are telling us about current conditions
INTELLIGENCE GATHERING

- Federal Reserve Dual Mandate
  - Stable prices
  - Maximum sustainable employment

- Minneapolis Fed’s Outreach
  - Traditional information gathering
  - Two additional lenses
    - Minority-and Women-Owned Business Enterprises (MWBEs)
    - Workers’ experiences
THANK YOU TO PARTNERS

- UNITE HERE! 17
- SEIU Local 26
- Minneapolis Regional Labor Federation
- Frontline workers in the Twin Cities
LOW-WAGE FRONTLINE WORKERS SURVEY OVERVIEW

- Pilot survey
- 121 respondents in janitorial and hospitality occupations
- Survey was made available in English, Spanish, and Somali
- Open July – August 2021
SURVEY TAKE-AWAYS

- Employed workers can also be job seekers.
- Workers want training and skills to advance in the job market but struggle to invest in themselves amid the challenges of daily life.
- Frontline workers worry about the basics: paying bills, staying healthy, affording housing.
WHO ARE THE WORKERS WE HEARD FROM?
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Ethnicity of Respondents

- American Indian or Alaska Native: 37%
- Asian: 2%
- Black or African American: 5%
- Hispanic/Latino/a/x: 20%
- Native Hawaiian or Other Pacific Islander: 35%
- White: 1%
WHO ARE THE WORKERS WE HEARD FROM?

55% of respondents have some level of post-secondary education.

Majority of respondents have at least high school education or equivalent.

Bar chart showing distribution of education levels:
- No schooling completed: 0%
- Nursery school to 8th grade: 5%
- High school graduate, diploma or the...: 10%
- Some high school, no diploma: 15%
- Some college credit, no degree: 20%
- Associate degree: 25%
- Bachelor’s degree: 20%
- Master’s degree: 15%
- Professional degree: 10%
- Doctorate degree: 5%
WHO ARE THE WORKERS WE HEARD FROM?

Who contributes to household income?

- I am the sole income provider: 50%
- My spouse or domestic partner: 39%
- My child: 15%
- My parents: 6%
WHO ARE THE WORKERS WE HEARD FROM?

Income sources used to meet spending needs

- Regular income from work
- Stimulus (economic impact) payment
- Credit cards or bank loans
- Money from savings or selling assets
- Unemployment insurance (UI) benefit payments
- Borrowing from family and/or friends
- Supplemental Nutrition Assistance Program (SNAP)
- Money saved from deferred or forgiven payments (to meet spending needs)
WHO ARE THE WORKERS WE HEARD FROM?

Do you have any savings?

- Yes, my savings can cover expenses for one month: 20%
- Yes, my savings can cover expenses for three months: 15%
- Yes, my savings can cover expenses for a year or more: 10%
- No savings, I send money to family in other country: 25%
- No savings, I do not make enough money to save: 35%
- No savings, I exhausted them during the pandemic: 10%
LABOR MARKET MOBILITY
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More than half of respondents want better pay

Workers’ need for more flexibility is quickly rising to the top

Field change

What changes are respondents trying to make? (Question allowed for multiple responses to be marked)

- Find a job with better pay: 60%
- Find a job with better benefits: 40%
- Find a job with more flexibility: 34%
- Get more hours at current job: 20%
- Find a job in a different field: 20%
- Finding job training programs: 10%
- Find a job that allows remote work: 10%
- Find permanent employment: 8%
- Find employment (currently unemployed): 4%

0% 20% 40% 60%
For how long have workers been trying to make those changes?

The last three months: 30%
The last six months: 20%
The last twelve months: 15%
The last 18 months: 10%
The last 24 months: 5%
Over half of respondents find it difficult to make occupational changes.
Challenges encountered

- The jobs I found do not pay enough
- I need more computer knowledge
- The jobs I found do not offer benefits like health insurance
- I need new credentials or certifications
- I need new skills to meet job requirements and I’m willing to do it
- Family and caretaking responsibilities
- The job schedules are difficult to keep
- I need a computer and internet access
- I need new skills, but I don’t have time to undergo training
- I need new skills, but I don’t know how to find training
- I cannot find employment
- The jobs I found are too far
- I do not speak enough English
A significant number of respondents are concerned with paying for basic needs. COVID exposure concerns remain present.
WRAP-UP

• Surveyed low-income workers face a variety of labor mobility challenges
• Low-income does not necessarily equate to low-skill or low-education
• Many face challenges to meet primary needs
FUTURE TRACKING OF ECONOMY

- Always looking for new/additional partners to expand input from across the Ninth District
- Groups interested in participating: Please contact me (see info at end) or leave a note in the chat box
- Additional surveys:
  - General Business: October
  - Ag Credit: November
  - Hospitality & Tourism: late November
THANK YOU QUESTIONS?
SUBMIT QUESTIONS VIA CHAT BOX

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