



COVID-19, Households, and Businesses

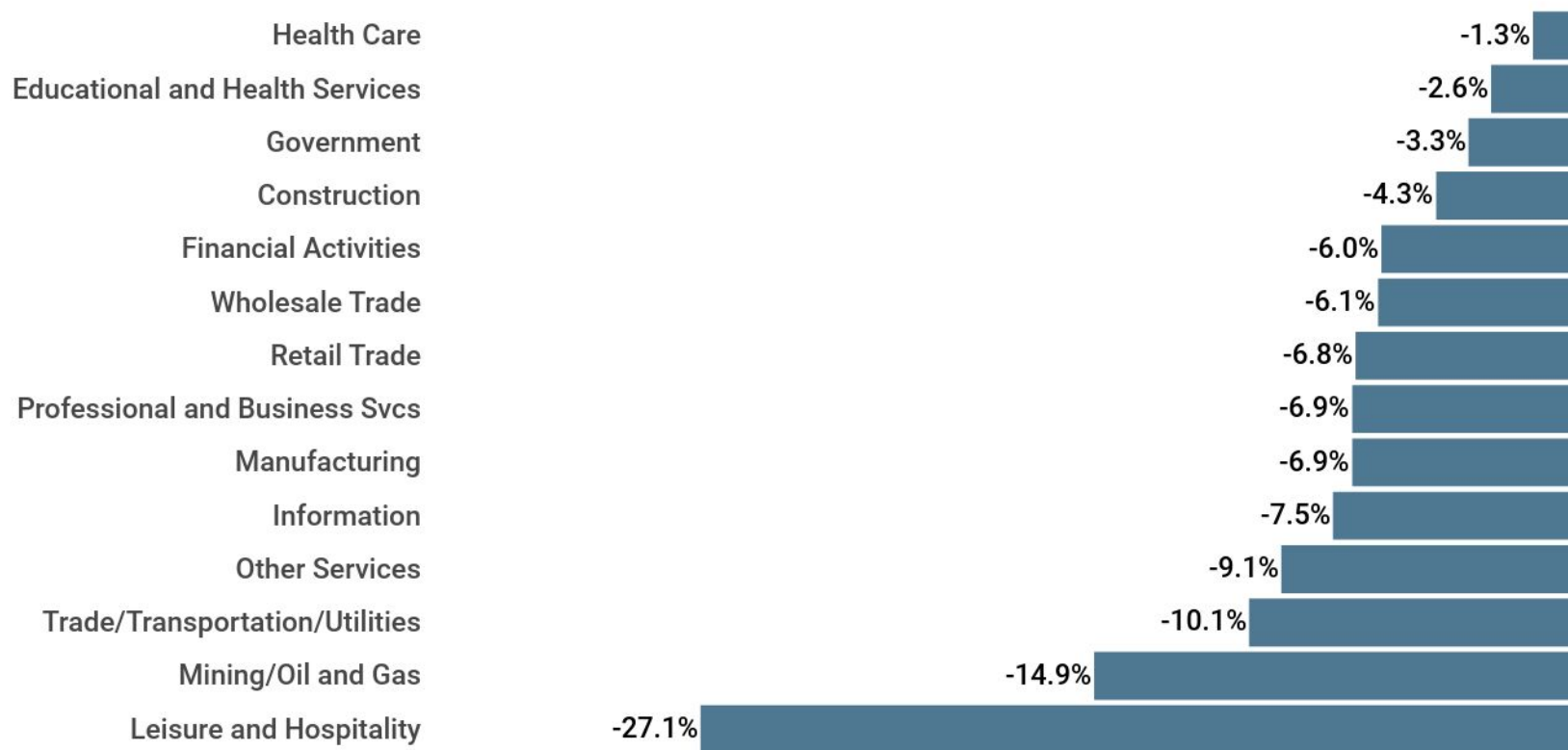
Nolan Klouda
February 26, 2021

Overview

- Impacts on households
- Loss of income
- Housing and food insecurity
- Business impacts
- PPP and AK CARES
- Entrepreneurship

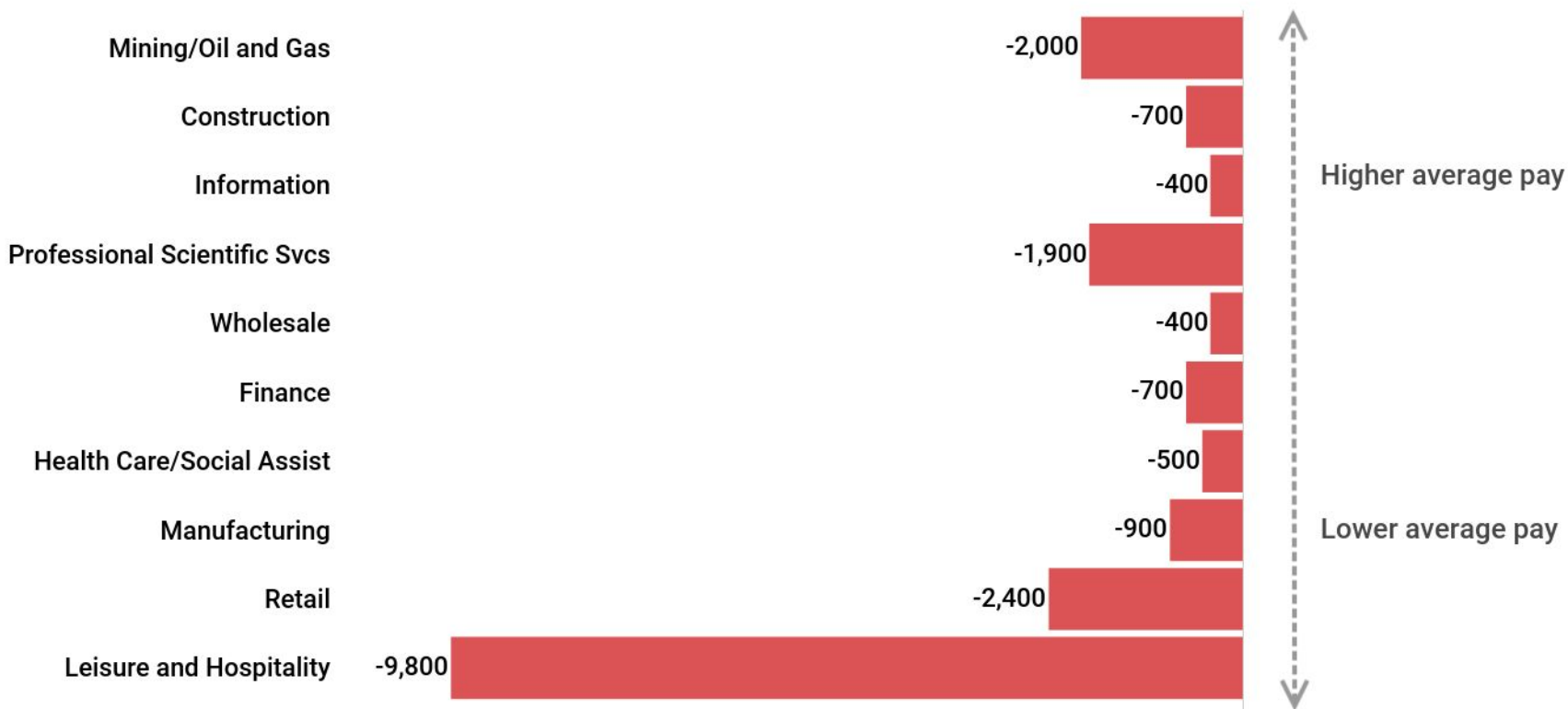
Employment losses in 2020

Change in annual average employment by sector, 2019-2020



Lower paying sectors hit hardest

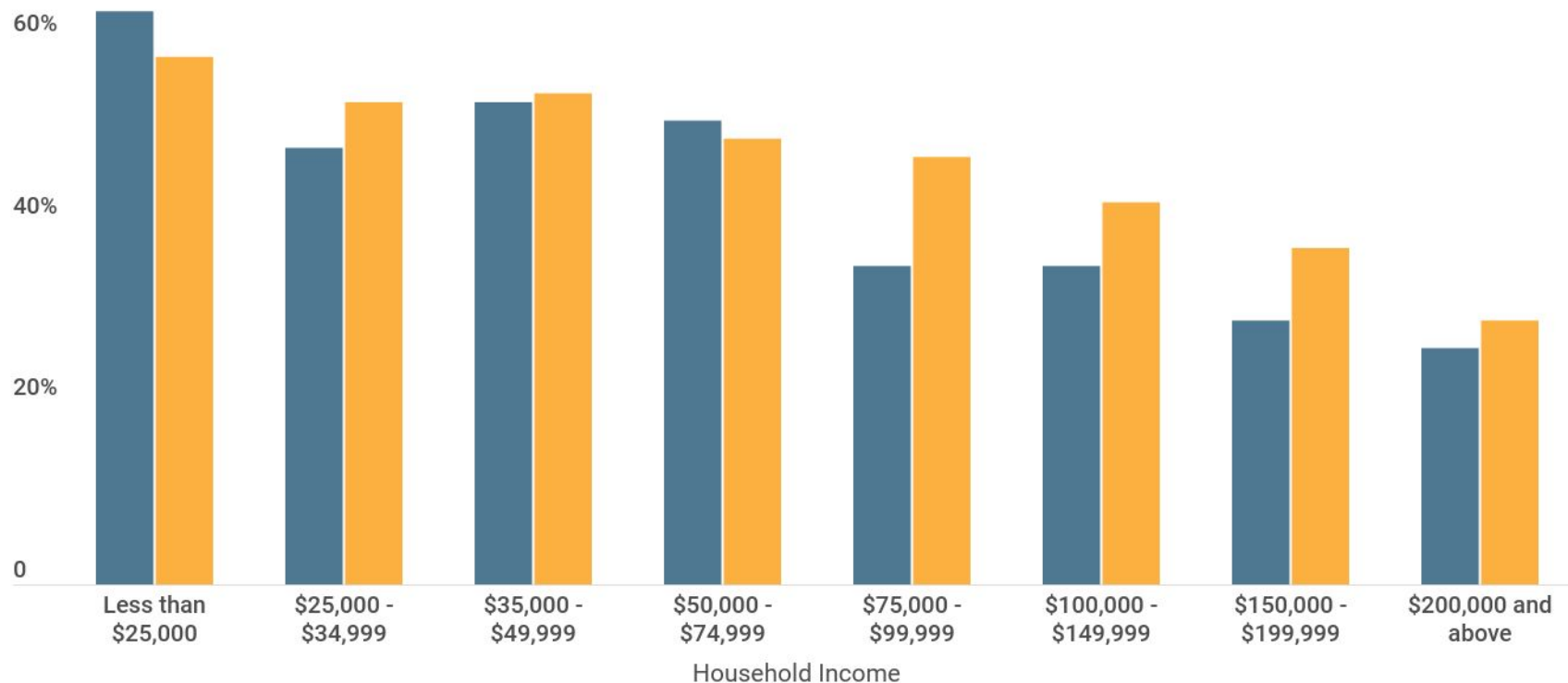
Percent of annual average employment lost by industry from 2019-2020.



47% of Alaskans say their
household has **experienced a
loss of employment income**
since March 2020

Lower-income households face more income disruption

Experienced loss of employment income since March 13, 2020 (for self or household member) by income group



● AK ● US

Source: US Census Household Pulse Survey, period from February 3-15, 2021

Expected loss of employment income

Percentage of adults who expect someone in their household to have a loss in employment income in the next 4 weeks

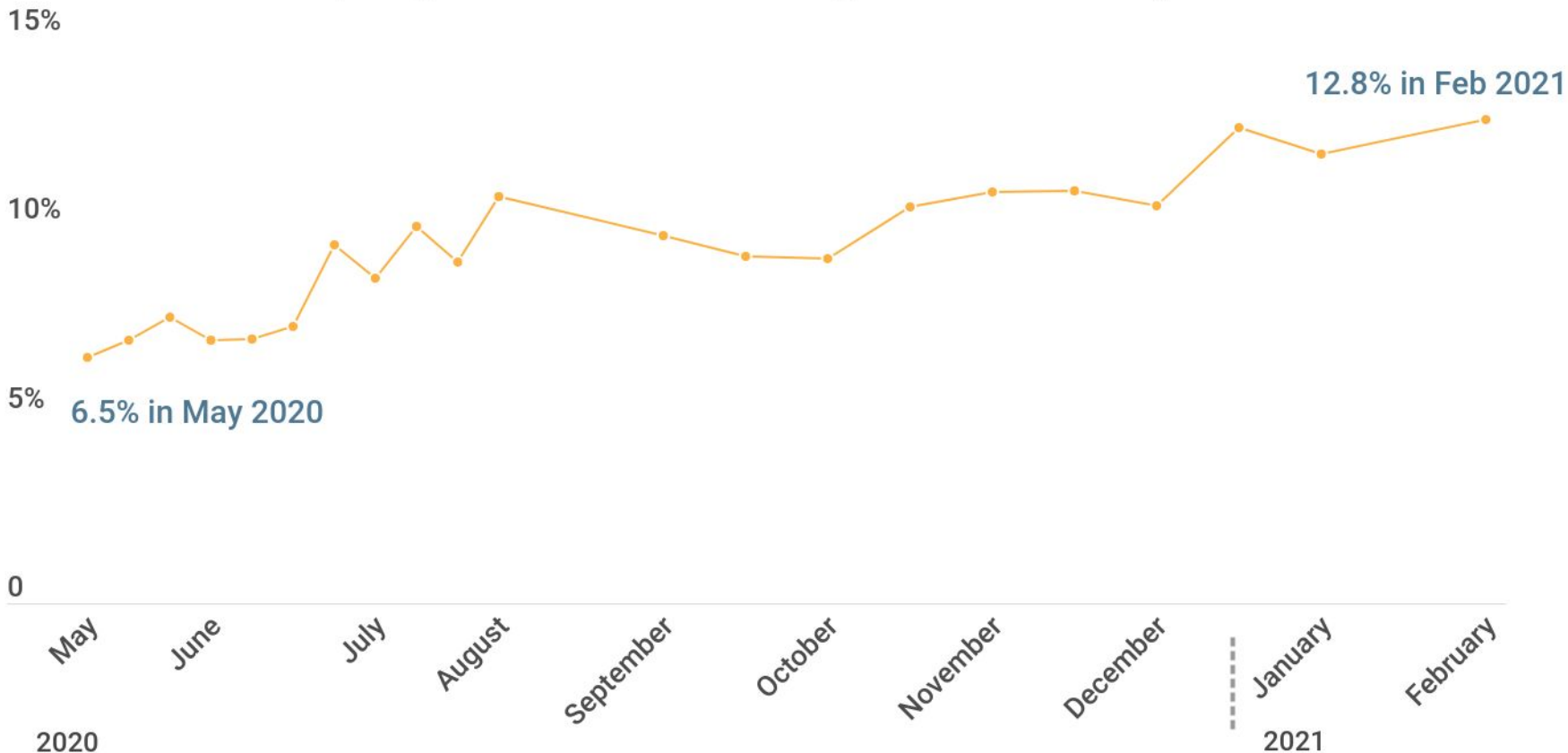


May 2020

February 2021

Food insecurity creeping up in Alaska

Percent of individuals reporting "sometimes or often not enough to eat in the last 7 days"



Source: US Census Household Pulse Survey, 3-week moving average.

40,000 Alaskans **not current** on rent
or mortgage, while
60,000 have “slight” or “no”
confidence in their **ability make next
payment**

Telework more common at high income levels

Percent of individuals reporting that a household member worked remotely in the last week, February 2021

80%

60%

40%

20%

0

Less than
\$25,000

\$25,000 -
\$34,999

\$35,000 -
\$49,999

\$50,000 -
\$74,999

\$75,000 -
\$99,999

\$100,000 -
\$149,999

\$150,000 -
\$199,999

\$200,000 and
above

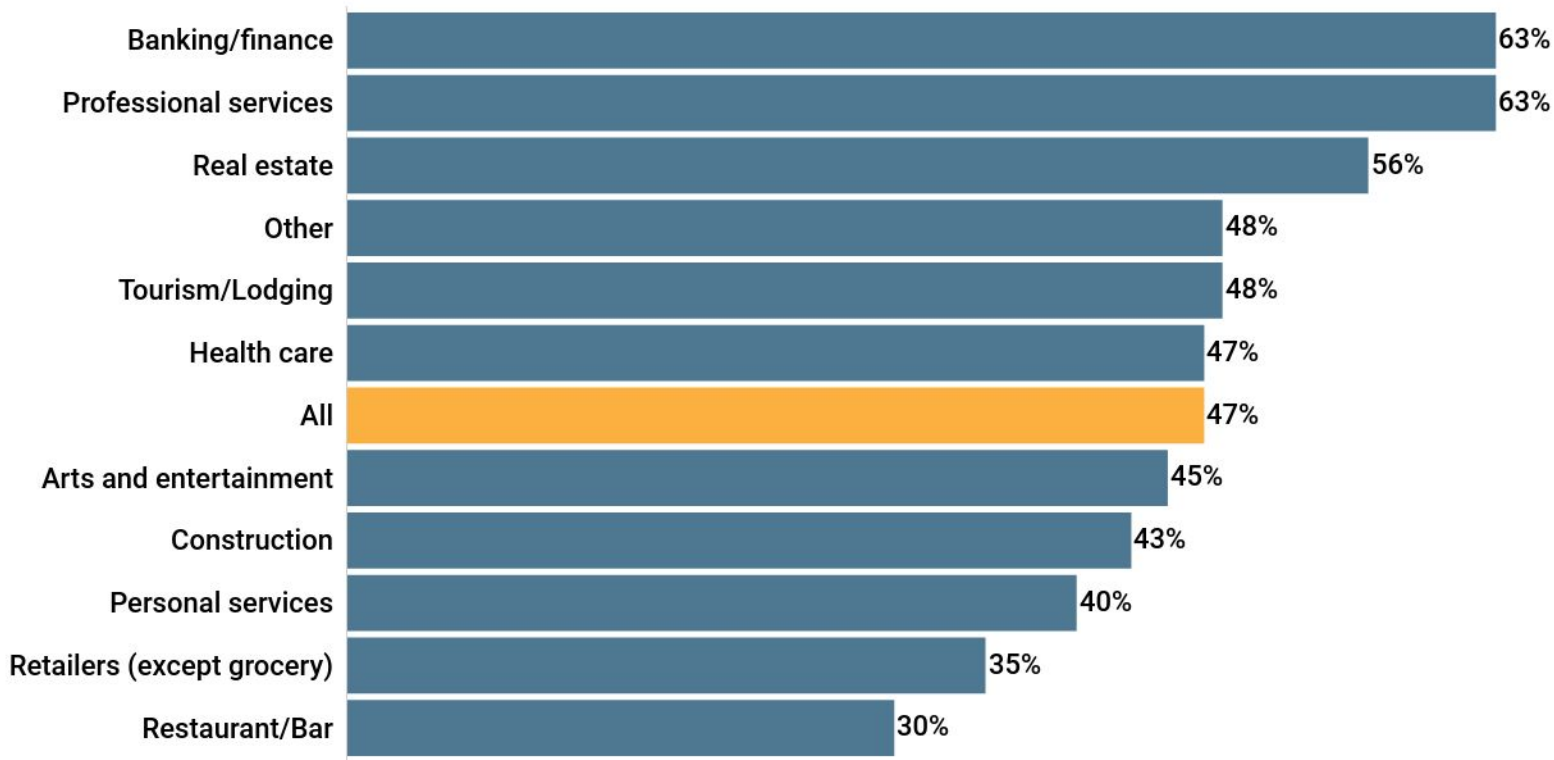
Household Income

AK US

Source: US Census Household Pulse Survey, period from February 3-15, 2021

US business owners were not optimistic at the outset

Survey respondents' estimates of ability to avoid permanent closure if the crisis lasts 4 months (April 2020)



How many businesses have
permanently closed due to
COVID-19?

Alaska business owners say:

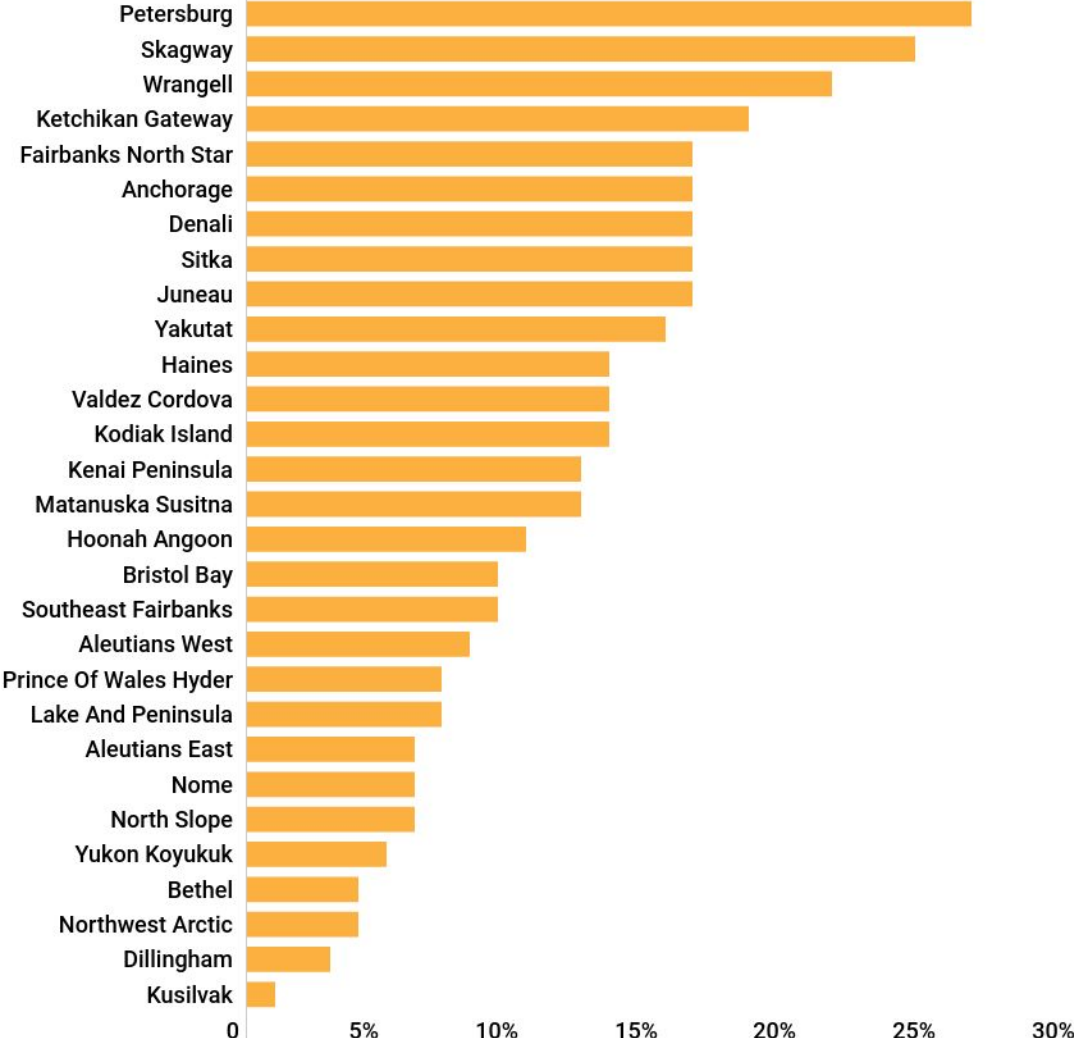
Large negative impact: 28%

Moderate negative impact: 47%

Little or no effect: 21%

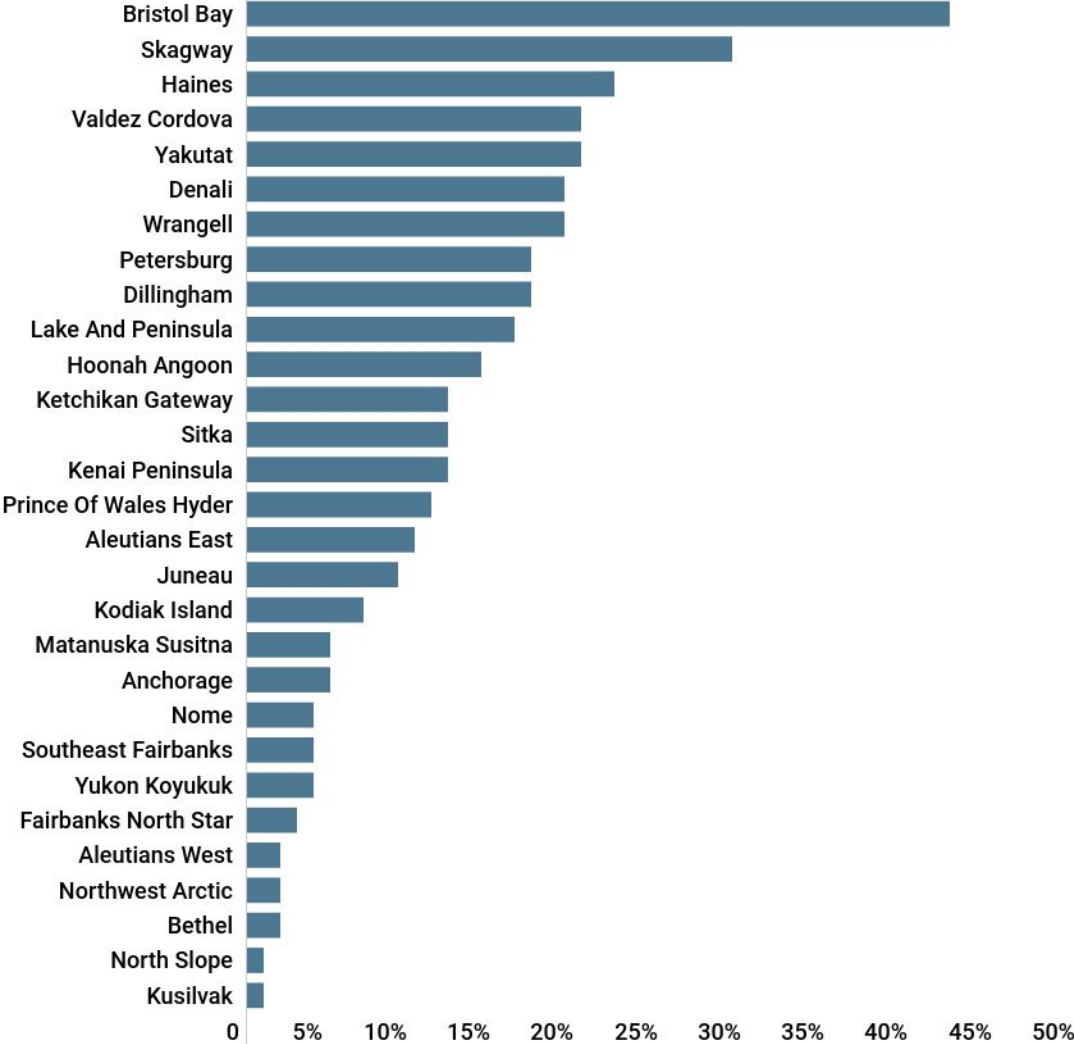
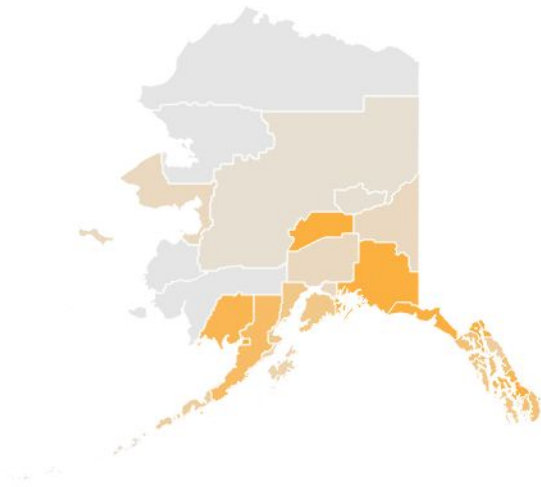
Positive effect: 4%

Percent of businesses/ nonprofits receiving PPP



Sources: SBA, US Census Bureau. PPP loans based on June 30, 2020

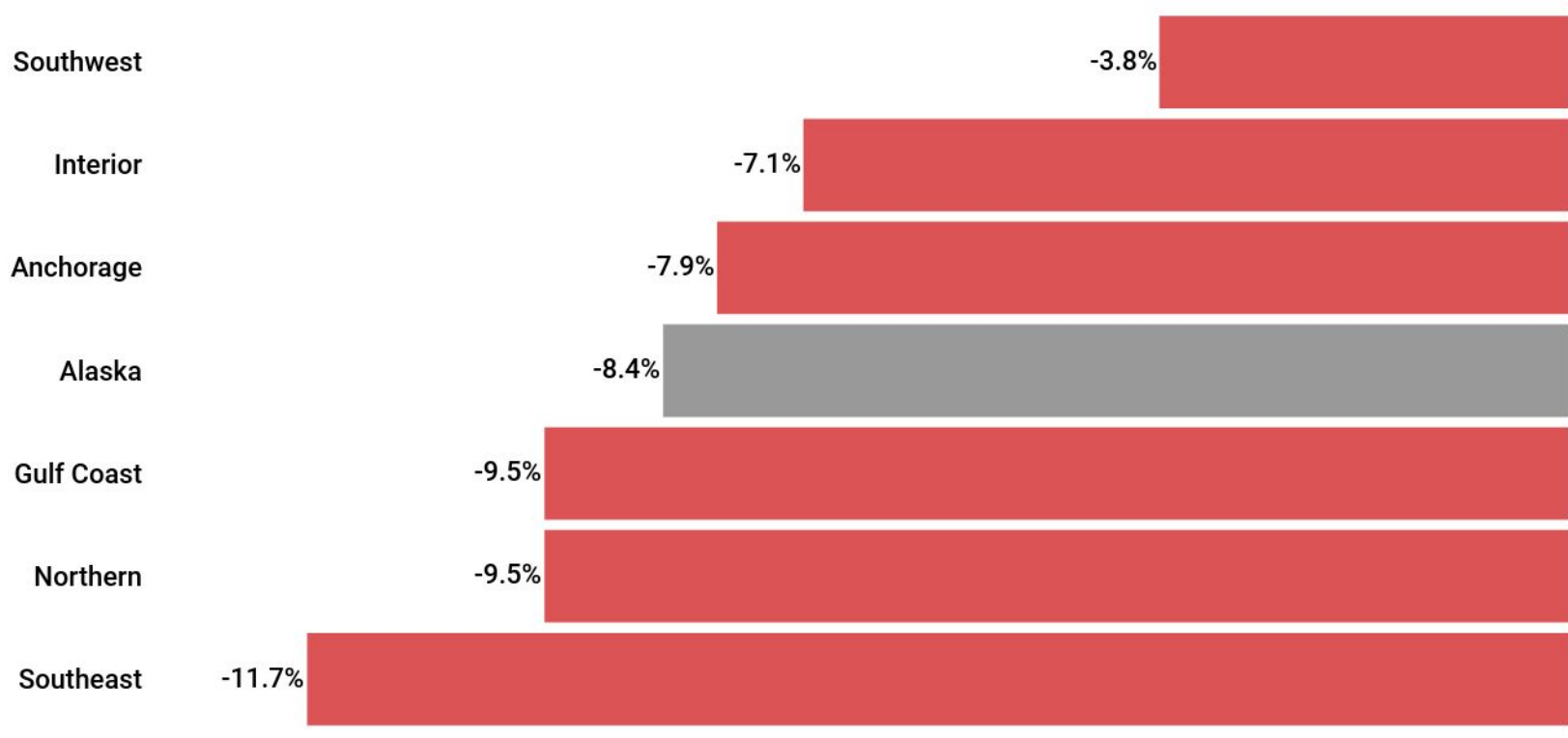
Percent of businesses/ nonprofits receiving AK CARES



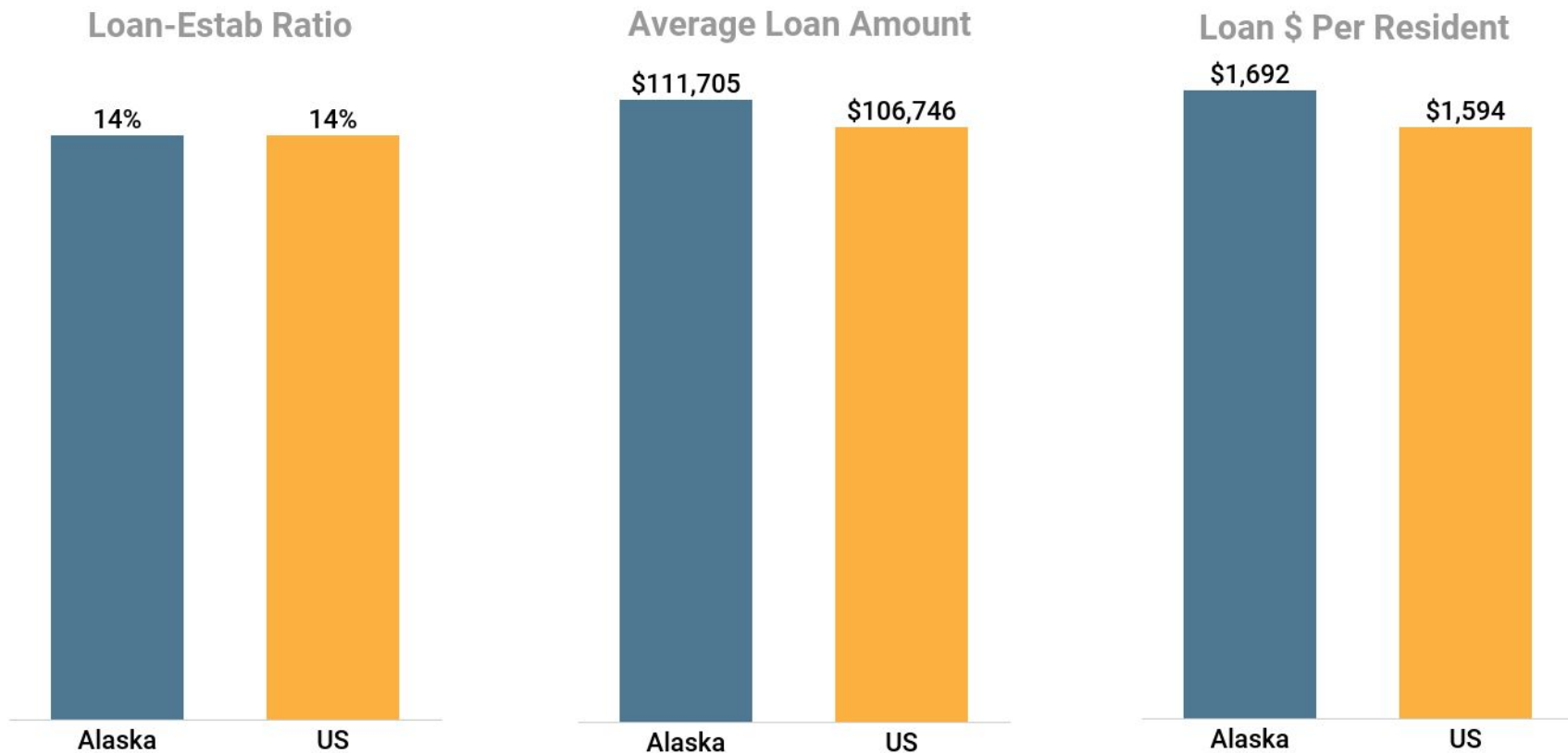
Sources: DCCED, US Census Bureau. PPP loans based on June 30, 2020

Job losses by economic region

Percent of annual average employment lost by economic region from 2019-2020.



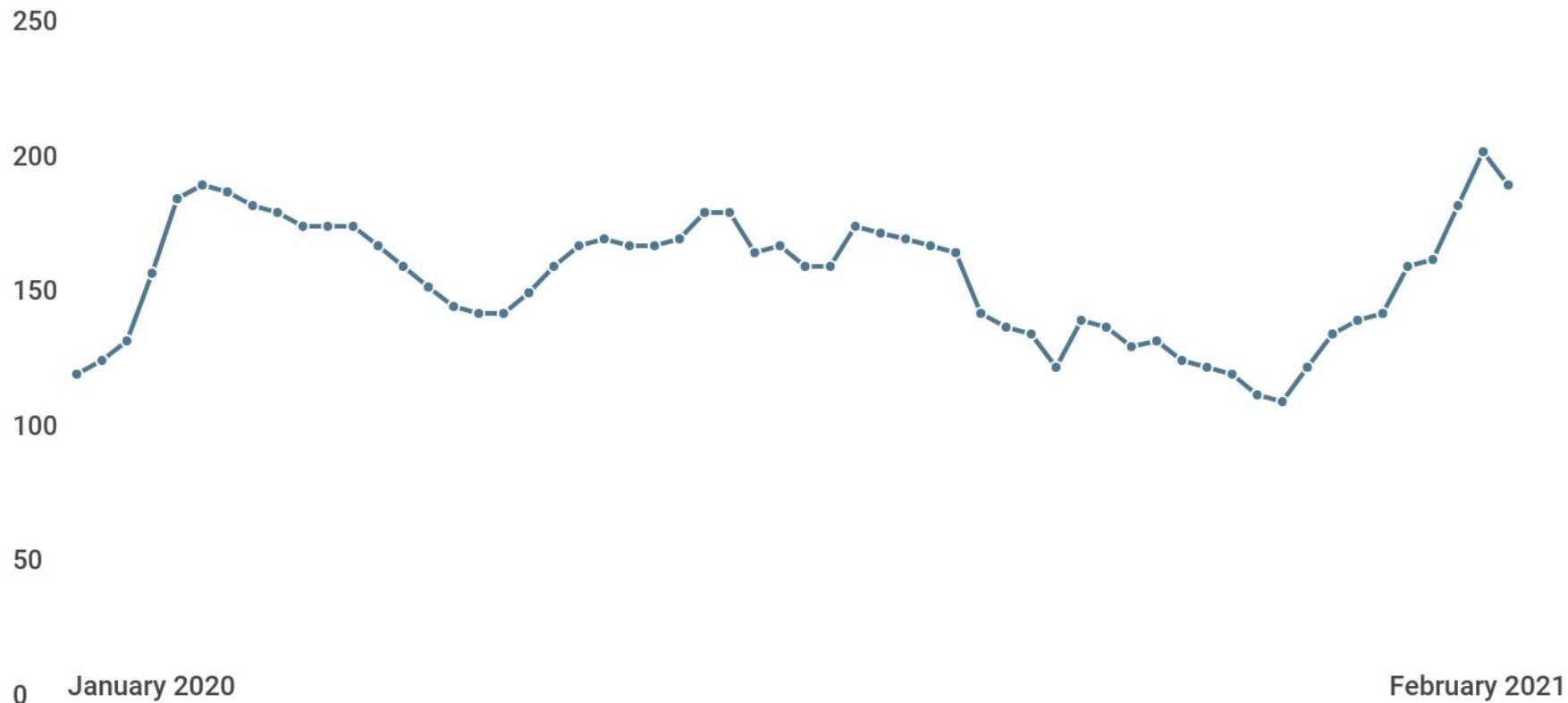
Did Alaska get "its share" of PPP loans?



Source: SBA, US Census. PPP loans as of June 30, 2020.

COVID entrepreneurship

Weekly business starts (licenses) in Alaska, 2020-2021



Thank You!

For more information, visit:
<https://ua-ced.org>