COVID-19’s Unequal Impacts on Minnesota Workers:
A Race and Gender Lens
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Key Findings

• Women workers, particularly women of color, face a dual vulnerability during COVID-19, with a higher risk of exposure to the virus at work and of being laid off.

• Asian women, Native American women, and Black women are disproportionately employed in high-risk essential jobs. Men dominate the low-risk essential worker category, especially Asian and white men.

• Pandemic-related layoffs have disproportionately affected women, Native Americans, and Blacks, and differences in industry and occupation explain only a fraction of these job losses.

• While roughly equal numbers of women and men are able to work from home, Asians and whites are more likely than other groups to do so.

• Stimulus checks and unemployment insurance provided critical economic aid in the early months of the pandemic—but many who needed these supports, including undocumented workers and people experiencing homelessness, could not access them.

• Workers have had to improvise solutions to major structural issues during the pandemic, including inadequate personal protective equipment (PPE) and a lack of safe, affordable child care.

• The workers most adversely impacted by COVID-19 are also statistically most likely to receive low wages and few benefits, such as employer-provided health care.

Policy Recommendations

SHORT-TERM RESPONSES

• Establish and maintain a state stockpile of PPE and provide all essential workers the PPE necessary to do their jobs safely.

• Provide clear and up-to-date public health information, properly translated and culturally relevant to specific Minnesota communities.

• Provide additional funding for social service organizations, which have been instrumental to the continued care and emergency support of Minnesota communities.

• Include undocumented workers who have individual tax identification numbers in future pandemic relief legislation.

LONG-TERM REFORMS

• Establish universal health coverage that decouples health insurance from employment.

• Implement a universal basic income to replace our current patchwork of economic and social supports.

• Expand unemployment insurance to cover previously excluded workers.

• Make COVID-19 paid sick leave and paid family leave provisions permanent.

• Prioritize child care and education in future emergency planning.
Introduction

The economic impacts of the COVID-19 pandemic have been dramatic. Analysts are still working to understand how the pandemic has uniquely impacted different sectors of the economy and different parts of the workforce. In Minnesota, as in other states, the employment impacts have sharply diverged by gender, race, and ethnicity.

Through analysis of state-level occupational survey data, state unemployment data, and interviews with community service organizations and unions, this report provides a clearer picture of which Minnesota workers have been most impacted by COVID-19, how they have been impacted, and what state and community economic supports they have relied upon during the dislocations caused by the pandemic.

Our analysis reveals clear patterns by which women, men, and different racial and ethnic groups in Minnesota have been distinctly impacted by workplace closures and modifications as a result of COVID-19. The data show a dual vulnerability for women on the whole, and one faced disproportionately by women of color: these workers are concentrated in the essential workforce with high risk of virus transmission and have been particularly vulnerable to layoffs. Other demographic groups, especially white men, are more likely to work in low-risk essential positions or have been able to work from home.

This report breaks down these trends in greater depth and suggests why these patterns exist. Moreover, our interviews with community service organization and union leaders provide insight into what has and has not worked to support the most vulnerable workers in the COVID-19 context. Together, these data support a set of policy recommendations that can strengthen our pandemic responses now and in the future.

The Minnesota Context

On March 11, 2020, just days after the World Health Organization labeled COVID-19 a global pandemic, Minnesota identified its first case of the virus not linked to overseas travel. Two days later, Governor Tim Walz declared a peacetime emergency to mobilize local resources to protect the health and well-being of Minnesotans. By March 17, schools were closed, along with bars, restaurants, theaters and other “places of public accommodation.” As of March 18, schools would only serve emergency workers with children under 12 years of age. As cases rose in Minnesota and around the country, Governor Walz instituted a stay at home order on May 3, requiring all Minnesotans to stay at home except to engage in specified activities or if they were designated an essential worker. While this order was lifted on May 17, 2020, economic dislocations and many restrictions continue. As of this writing, the peacetime emergency has been extended monthly and is still in place.

Minnesota’s unemployment rate jumped from 3.3% in December 2019 to 9.9% in May 2020. In just the first two months of the pandemic, over 650,000 Minnesotans applied for unemployment insurance. The leisure and hospitality sector was the hardest hit, declining by 54.7% in April 2020, with large declines also seen in the information (14.9%) and health and education sectors (11.1%) in May 2020. Meanwhile, those workers considered “essential” – whether on the front lines of health care or ringing up grocery orders – faced new on-the-job risks, often without adequate personal protective equipment.

Many Minnesotans are proud of the state’s progressive policies, strong unions, and history of welcoming immigrants and refugees. But as the May 2020 police killing of George Floyd laid bare, deep racial disparities persist across the state. Called the “Minnesota Paradox” by economist Samuel Myers, the high quality of life experienced by the white majority in the state has not been shared by communities of color. In particular, African Americans in Minnesota face historical and contemporary discrimination ranging from residential redlining to deep inequalities in education, among other barriers.

Significant gender disparities compound these racial disparities. For Black women, Indigenous women, and women of color, racism and gender inequalities combine to create unique disadvantages that are distinct from those experienced by men of the same racial and ethnic groups.

Taking stock, then, of the pandemic’s impact in Minnesota requires an intersectional analysis – one that considers the effects of racial, ethnic, and gender disparities combined.
How COVID-19 Has Impacted Minnesota’s Workers

COVID-19 has impacted different parts of Minnesota’s economy in distinct ways. Our analysis identifies four main categories of workers impacted by COVID-19 and the state’s pandemic response:11

• High-Risk Essential Workers: continued to work during closures, with high risk of virus exposure
• Low-Risk Essential Workers: continued to work during closures, with low risk of virus exposure
• Able to Work from Home: shifted to working from home
• Vulnerable to Layoffs: worked in sectors that experienced closures

Because women, men, and specific racial and ethnic groups have long been clustered in particular occupations and industries, our analysis accounts for the varied demographic profiles of these four main categories of workers. We break down our analyses wherever possible by the major race and ethnic categories typically used in the United States (Asian, Black, White, Latina(o) and Native American). We disaggregate the categories of Asian and Black to highlight the two largest populations within each of these groups in Minnesota: African Americans and Somalis within Black, and Asian Indian and Hmong within Asian.12

1. HIGH-RISK ESSENTIAL WORKERS

Among essential jobs, those with higher risk of virus exposure include frontline health care, along with essential retail and service sectors such as grocery, sanitation, and postal service. Given women’s concentration in health and social service occupations, many women workers were designated essential workers with high risk of exposure to the virus.

Our industry-derived estimates show that women of all ethnic and racial backgrounds are represented in this category and outnumber men in each ethnic and racial group. We see especially high concentrations of Asian women workers (40%) and Native American women workers (37%) falling under the high-risk essential umbrella. While an estimated 24% of Black women workers fall into this category, a significant number of these are Somali women. We estimate that 30% of Somali women workers are high-risk essential workers.

Research has documented that health care workers and other essential workers with high degrees of person-to-person contact, such as bus drivers and flight attendants, are at high risk for contracting the COVID-19 virus.13 But non-public-facing jobs can be risky as well: for example, the close working quarters and cool, moist conditions of meatpacking plants facilitate the spread of COVID-19, making these workers especially vulnerable. For example, interviewee Jennifer Christensen of the United Food and Commercial Workers Union Local 1198 reported that the virus infected almost half of the workers in one of the meat-packing plants that they represent.14

“There aren’t a lot of choices [for low-wage, essential workers]. These are already jobs that don’t pay that much, so they can’t risk losing their job, so then they are risking their health to keep their job. And if they lose their job, they don’t know how to file for unemployment. So it’s a vicious cycle.”

– KaYing Yang, Director of Programs and Partnerships, Coalition of Asian-American Leaders

In many of these generally low wage but high-risk positions, workers face a choice between protecting their health or their income. Moreover, leaders of community service organizations reported concerns that essential workers could spread the virus to family or community members.15

Work Categories By Gender

This remains especially difficult for individuals living in multigenerational homes with extensive shared community space, common among Minnesota’s immigrant communities.

“In the early days of COVID, what was communicated with resounding clarity is that our elders are at increased and greatest risk for COVID-19, which for them could be a death sentence. Hearing that information is really anxiety-inducing, especially for women essential workers who are primary caretakers of both elders and children in the home. That is the impact that folks are living with day to day.”

– Tsega Tamene, Senior Director of Population Health, Pillsbury United Communities

2. LOW-RISK ESSENTIAL WORKERS

Despite the closures ordered by the governor, 78% of all Minnesota workers were deemed essential and thus many continued to work in the early months of the pandemic.16

Construction, manufacturing, wholesale trade, transport (other than public transport), and utilities were among industries most likely to continue to operate normally, and whose working conditions placed employees at low risk for contracting COVID-19. These jobs, for the most part, allowed for social distancing and were not public-facing.

Men dominate the low-risk essential worker category, with Asian and white men most likely to hold these jobs. Some of these positions were more dangerous than initially recognized, but none were exposed to COVID-19 on the job to the degree that those in the high-risk category were exposed.17

For example, construction work was a sector considered essential, and thus allowed to operate throughout the spring months. The sector had low virus transmission due to the fact that a significant portion of the work takes place outdoors. The Minnesota Department of Transportation, for instance, continued its planned highway projects despite the pandemic, providing more jobs for construction workers at a time when fewer people were on the roads.18
3. ABLE TO WORK FROM HOME

Due to the availability of survey data on workers’ ability to work from home before the pandemic, we used more precise methods to estimate the demographics of those who could transition to working from home. Industries where this shift was likely to occur include computer and mathematical, business and financial, legal, management, architecture and engineering, and life, physical, and social sciences.

Overall, women and men were nearly equal in their ability to work from home, with 28% of women and 30% of men working in jobs where this was possible. Among racial groups, Asians and whites were most likely to be able to work from home. Observing gender and race combined, Black men were slightly more likely than Black women to be able to work from home. This pattern also held among Asians as a group, though not for the Hmong subgroup. On the other hand, white, Latina and Native American women were more likely to be able to work from home than men.

Notably, workers with higher education were more likely to be able to work from home. Among workers over age 25, 51% of those with a bachelor’s degree were estimated to be able to work from home prior to the pandemic, compared to just 15% of those with only a high school diploma and 4% of those with less than a high school education. We identified six occupational groups in which more than half of workers were able to work from home, all of which require at least a bachelor’s degree.

Those able to work from home experienced low virus risk on the job and were able to keep their jobs. However, the transition to online work was not always seamless. For example, most educators had not previously imagined a “work from home” scenario. With distance learning requirements in place in the spring, teachers had to rapidly transition their teaching methodology and become effective distance learning professionals. Moreover, parents working from home with young or school-aged children found themselves balancing work with child care and education responsibilities that were previously taken care of by daycares and schools.

Able to Work from Home by Race/Ethnicity and Gender

![Chart showing able to work from home by race/ethnicity and gender](chart)

Asian includes Asian Indian and Hmong subgroups; Black includes African American and Somali subgroups.

4. VULNERABLE TO LAYOFFS

Minnesota mirrored the nation in its sharp downturn in employment beginning in March 2020, a trend that only began to taper off with partial re-opening of businesses and services in June. This downturn followed nine years of robust growth and overall employment expansion. Our analysis of the State’s Department of Employment and Economic Development (DEED) unemployment insurance (UI) claims data shows that the fraction of Minnesota workers claiming unemployment benefits was ten times higher in April-May 2020 (12.7%) than over the same period in 2019 (1.1%).

Based only on the industrial occupational clustering patterns that we used to determine the four primary worker categories above, we estimated that around 65% of women in Minnesota’s labor force would be vulnerable to layoffs from initial COVID-19 business closures. This is because women workers are concentrated in sectors most likely to be closed due to the pandemic, such as food services, arts and entertainment, parts of the health care and social services industries (like dental offices and child care providers), and retail trade.

How well did these estimates play out? Actual state unemployment figures show that higher numbers of women were laid off (14%) compared to men (11%) in the period between April 1 and June 30, 2020. Below, we explore whether industry-specific clustering was the driver of this pattern, and find that it was not.
Women outnumbered men in unemployment claims in all racial and ethnic groups except Blacks.\textsuperscript{21}

Beyond the fact that women in Minnesota were more likely than men to be laid off during the pandemic, it is concerning that we see an especially strong impact on Black and Native workers, who have traditionally faced high levels of employment discrimination.\textsuperscript{22} Based upon the industries in which they are concentrated, Black workers overall, and Black men in particular, should be less likely than any other group to face layoffs as a result of COVID-19.

One possibility for the gender difference is that since women workers were more likely to work part-time (29% vs 15% for men), they therefore may have been the first ones laid off.\textsuperscript{23}

Another explanation for the greater rates of layoffs for women as a group compared to men, and higher rates for Blacks among racial and ethnic groups, may be that occupation is playing a more important role than industry. As such, there could be disparate impacts within industries. To determine the degree to which industry explains layoff rates compared to occupation, we performed decomposition analysis.\textsuperscript{24}

The difference in layoff vulnerability between men and women and between Blacks and whites is not explained by what industries they work in.\textsuperscript{25}

The difference in layoff vulnerability between men and women is not explained by what industries they work in. In fact, women tended to be employed in industries that were, overall, slightly less vulnerable to layoffs, as can be seen by the entry of -2% in the graph (decomposition analysis arrives at negative values, which are not intuitive, but essentially indicate lack of explanatory power). While our previous industry-based estimates capture the actual pattern of higher layoffs among women than men that occurred, this analysis shows that all of the differences were due to higher likelihood of layoff for women within industries rather than industry by itself. Occupation was more informative than industry, explaining 14% of the overall gap, but this still leaves 86% unexplained. For the comparison between white and Black workers, both industry and occupation explained about 15% of the overall gap. Clearly more is driving the actual patterns of layoffs than industry and occupation alone.

Our interviews with community organizations and union leaders provide some insight. For example, we know that workers in the health care sector are overwhelmingly women. While many within this industry were considered high-risk essential workers, health care also experienced a high number of layoffs as elective procedures were cancelled. Similarly, workers in some long-term care facilities (disproportionately women of color) experienced layoffs when families did not send elders to nursing homes due to high contagion rates in these settings, while workers in other facilities did not face the same employment downturn. In these examples, women workers in similar occupations in the same industry experienced different outcomes.\textsuperscript{26}

It is also possible that discrimination played a role, in causing more women and Black workers to be laid off. National studies show that while gender discrimination in hiring has
PERSONAL PROTECTIVE EQUIPMENT

For high-risk essential workers, a lack of sufficient, necessary personal protective equipment was a major concern, both in the early period of the pandemic and continuing into August, when we concluded our interviews. All seven union representatives we interviewed identified the lack of PPE as one of the greatest concerns for their workers, particularly for those in health care. Several unions even conducted their own PPE purchasing or collection drives to protect their workers. Union leadership for nursing home workers, working in the state’s highest COVID-19 mortality contexts, reported a continued lack of PPE even as supplies increased in health care facilities overall.

PPE shortages and lack of clear messaging from federal and state authorities meant that other frontline workers, including essential retail workers, were left with insufficient protections against workplace exposure to the virus. For those unions and community service organizations that serve workers in high-risk retail and food production, multiple interviewees conveyed concerns about a lack of PPE, lack of adherence to workplace safety protocols, employers suggesting workers with symptoms continue to work, and the inability to adhere to social distancing guidelines in many work contexts. Meanwhile, many support staff in education, a majority of whom are women of color, were shifted to high-risk essential activities such as running school-based child care programs, but were not provided PPE.

Availability of Supports During the Pandemic

What kinds of supports have working Minnesotans turned to when faced with the risk of contagion on the job, layoffs, and the stress of balancing work and child care simultaneously? What has been their experience in accessing these different forms of support? Union leaders and community service organizations provided feedback on these questions based on their daily engagement with a diverse array of Minnesotan workers.

Stimulus checks and unemployment insurance provided critical economic aid in the early months of the pandemic—but many who needed these supports, including undocumented workers and people experiencing homelessness, could not access them. Workers have also had to improvise solutions to major structural issues, including inadequate personal protective equipment and a lack of safe, affordable child care. Many Minnesotans have struggled without sufficient access to technology (needed to obtain economic support and for children transitioning to online schooling) and with a lack of properly translated and culturally-specific information, both on the virus itself and on related state and federal supports.

ECONOMIC IMPACT PAYMENTS

Our interviews confirmed that federal Economic Impact Payments, or “stimulus” checks, were a crucial economic support for many. The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law on
March 27, 2020, provided for Economic Impact Payments of up to $1,200 per adult for individuals whose income was less than $99,000 (or $198,000 for joint filers) and $500 per child under 17 years old declared the previous year – or up to $3,400 for a family of four. Qualifying individuals or households were eligible for an additional $500 per dependent child aged 17 or younger in the household.

Yet, our interviewees also reported barriers to receiving these payments among specific populations:

**Unbanked or underbanked individuals.** For those with income too low to file taxes, having to register separately to receive CARES Act funds caused confusion. Armin Budimlic of the Rochester-area Intercultural Mutual Assistance Association noted that many elderly fell into this category, as did those averse to having the required bank accounts and direct deposits.

**Families with uncertainty around “dependents.”** Sunny Chanthanouvong of the Lao Center expressed that there was “a lot of chaos” around eligibility in the community they serve, including whether elder family members could be claimed as dependents.

**Individuals experiencing homelessness.** Christina Pulver, Director of Basic Needs at Keystone Services, reported that a lack of an address was a barrier for community members experiencing homelessness who use Keystone Services.

**Undocumented workers.** Jennifer Arnold of Inquilinx Unidxs por Justicia, Tsega Tamene of Pillsbury United Communities, and Robin Wonsley Worlobah of Education MN noted that the undocumented or mixed-status families that their organizations serve were not eligible for these stimulus checks.

“There were a lot of folks who were not receiving [stimulus checks] because of their immigration status in this country. A lot of those members of our communities were also ‘essential workers’ at the time, which really puts into perspective how we value people, particularly the disproportionate number of Black and Brown folks exploited for their labor while excluded from support.”

– Tsega Tamene, Pillsbury United Communities

### UNEMPLOYMENT INSURANCE

Both the federal and state governments increased payments or relaxed rules related to unemployment benefits in response to the high numbers of layoffs due to the pandemic. The federal Families First Coronavirus Response Act, passed on March 1, 2020, provided states with greater funding to process claims.

The CARES Act expanded unemployment insurance in three ways:

1. It expanded the types of workers eligible for UI payments to include the self-employed, contract workers, and other workers not usually covered.
2. It extended unemployment coverage for all eligible workers until the end of 2020.
3. It provided an additional $600 per week of UI payments, on top of normal payments, to all UI recipients from early April through July 25, 2020.

At the state level, Executive Order 20-05 removed the one-week waiting period after application, waived requirements for job searching in some cases, and extended unemployment compensation to those caring for someone with COVID-19 or caring for children due to school and child care center closures.

Our interviewees noted that state and local government responses often made it easier to access unemployment benefits compared to non-pandemic periods. Minnesota was one of the first states to distribute the first $600 payout due to its elimination of the one week waiting period. Some county governments removed red tape in application processes. Armin Budimlic of the Intercultural Mutual Assistance Association noted that Olmstead County processed public assistance applications quickly. The UI system is familiar to some workers, in particular for those in seasonal work like construction.

“[Eliminating the one week waiting period was] really a lifesaver for members, many of whom live paycheck to paycheck or month to month.”

– Jennifer Christenson, President, UFCW Local 1189

The process was not smooth for all eligible Minnesotans, however. Nine of the 11 organization leaders we interviewed stated that the process was very difficult for some members of the communities they served. Some of the issues they identified included excessive wait times and online system overloads, limited access to the internet and technology required to apply, and confusion navigating the application. In many cases, service organizations stepped in to assist with technical questions and the navigation of the online system. As ACER’s Nelima Munene noted, “most folks who have been successful have been working with organizations like ours.”

Like the stimulus checks, unemployment insurance only serves documented workers. Undocumented immigrants, even those who pay into the system, do not reap its benefits.
“From my perspective, the thing that’s scariest is how much the undocumented community has fallen through all the cracks.”
– Jennifer Arnold, Co-Director, Inquilinxs Unidxs por Justicia

EVICITION PROTECTIONS

Both federal and state bodies enacted eviction moratoriums to protect renters from eviction due to unpaid rent during pandemic-induced economic dislocations. The moratoriums, however, do not stop rent payments from accruing. The CARES Act included a moratorium that ended on July 24, 2020. In Minnesota, Emergency Executive Order 20-14 established a statewide moratorium. In September of 2020, the Centers for Disease Control issued a new national eviction moratorium.41

While one organization (IMAA) noted that the eviction moratorium had been helpful for its members, several organizations raised concerns that the moratorium was not enough. For Jennifer Arnold of Inquilinxs Unidxs por Justicia, launching a “cancel the rent” campaign was essential to truly providing relief for the community the organization serves. The month-to-month renewal of the state’s moratorium added confusion and anxiety. As rent continued to accumulate and new amendments to the moratorium provided loopholes for landlords to wrongfully evict tenants, ACER reported that some community members were “self-evicting” themselves, knowing that they could not pay the accumulated rent going forward.

Multiple organizations – including the Phyllis Wheatley Center, ACER, and the American Indian Family Center – focused on affordable housing as an issue that predates COVID-19. Nelima Munene at ACER emphasized that the end of the $600 weekly supplement would also have a stark impact on families struggling to pay their rent, creating a “huge risk of displacement, disproportionately impacting the Black community, Black women, and Black female-headed households.”

“The housing situation wasn’t good before the pandemic, and it’s really been exacerbated. Once the eviction moratorium is lifted, it’s going to get a lot worse. People don’t have jobs, and housing is going to go from bad to worse.”
– Cheryl Whitehawk, Lead Counselor, American Indian Family Center

FAMILY ASSISTANCE: MFIP AND SNAP

The Minnesota Family Investment Program (MFIP) and the Supplemental Nutrition Assistance Program (SNAP) are state versions of the federal cash and nutritional assistance programs. MFIP is an income supplement aimed at low-income families with children who often do not have work, while SNAP supplements the food budgets of low-income households. In response to the pandemic, the CARES Act increased SNAP benefits to the maximum amounts for all enrolled families, while at the state level, Governor Walz waived time limits and sanctions for not working required hours.

A few organizations with specific MFIP or SNAP application assistance programs in place, like Hmong American Partnership and American Indian Family Center, reported an increase in requests for assistance in accessing MFIP and SNAP. However, data provided by the Minnesota Department of Human Services shows just a 3% increase in MFIP caseloads in March-April 2020 over the previous year, and a slight drop in SNAP recipients over the same period. This makes sense, given that COVID had its biggest economic impact on individuals in the workforce, while these programs serve the already unemployed or underemployed.

FAMILY AND MEDICAL LEAVE ACT AND EMERGENCY SICK LEAVE

Passed on March 18, 2020, the Families First Coronavirus Response Act expanded the Family and Medical Leave Act (FMLA) and instituted paid emergency sick leave.42 Under ordinary circumstances, an employee is eligible for 12 weeks of unpaid FMLA leave to care for a family member if they have been employed by the employer for at least 12 months and worked a certain number of hours during that time.43 Because only 13 states and Washington DC mandate paid sick leave, for most workers the availability of paid sick leave is at the discretion of the employer.44

The Families First Act expanded FMLA eligibility to any full or part-time employee on payroll for 30 days, expanded the reasons to include the need to quarantine due to exposure or symptoms of the coronavirus and/or to care for a child due to COVID-related school or child care closures, and broadened the definition of “family member.” While the first 10 days of leave may be unpaid, employers are required to pay FMLA leave for the above reasons after 14 days of leave at no less than two-thirds of the employee’s regular pay.

The same act also provided 80 hours of paid Emergency Sick Leave to an employee who contracted COVID-19; was advised to quarantine; was caring for an individual in quarantine; or was caring for a child because of school or child care provider closure. Both provisions sunset on December 31, 2020.

Emergency FMLA benefits and emergency sick leave were
not among the primary supports relied upon by the community members served by the 19 organizations we interviewed, with some organizations noting that their members did not know how to access these supports.45

Health care union representatives pointed out that the Families First Act excluded certain health care workers and emergency responders from sick leave provisions.46 The United Steel Workers, who represent a portion of the state’s health care workers, lobbied for paid sick leave for all workers in Minnesota. This legislation did not pass, although similar campaigns were successful in other states. The Minnesota Nurses Association and SEIU Healthcare Minnesota similarly worked to amend state worker’s compensation legislation, arguing that workers should not have to prove that they contracted COVID-19 at work for compensation.47 These unions’ efforts were ultimately successful at the state legislature.

CHILD CARE SUPPORT

Working Minnesotans with caregiving responsibilities confronted new care challenges with the pandemic. With the closure of most child care facilities and schools in the spring, most children were restricted to homes. The state divided essential workers into three tiers, by priority. Schools continued to serve only the children of Tier One essential workers.48 Workers that shifted their work to home were confronted with balancing child care and work responsibilities simultaneously, including overseeing the remote schoolwork of school age children. At the same time, household work increased as a result of all three meals being served in the home.

Child care within households tends to fall more on women than men. Survey data divides child care into two types – “primary child care” refers to direct care and engagement with the child. “Secondary child care” is essentially monitoring children while doing something else. Women spend more time on both types. Among all adults with children under 13 in Minnesota prior to the pandemic, women spent on average two hours more than men per day on child care. The gender gap persists when we look at working parents: among employed adults with children under 13, women spent on average 1.4 hours more than men per day on child care.49

For essential workers and those in single-headed households with children, child care was—and is—an especially stressful issue.

Of the 19 organization representatives we interviewed, 17 shared member concerns surrounding child care in some form. Despite the availability of care from the schools, Tier One essential workers had concerns about virus transmission in these settings, and often sought other, family-based options.50 Other workers that used school-based care noted the limitations of the hours of operation and the care only being free of charge during school day hours.52 Meanwhile, essential workers in other tiers did not have access to school-based child care services and struggled to find care while needing to report to work.53 A few, like those represented by UFCW Local 1198, had union contracts that allowed them to take leave to care for children.54 More generally, union and community leaders observed that children were left home alone at younger ages than previously might have been considered, or in the care of older siblings.55

Many of our interviewees were concerned that as the pandemic progressed, families were having to make the choice between working and providing care for their children in the absence of safe and affordable child care.

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<th>Pre-Pandemic Hours a Day Spent on Child Care</th>
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<td><strong>Men</strong></td>
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Employed Men and Women in Minnesota with Children Under 13

It is an open question as to what impact the pandemic has had on the distribution of caregiving responsibilities within two-parent households.50 It is possible that the balance of responsibility shifted among parents, and if so, change might depend on employment status or on traditional expectations that women take on more child care. If solely based on job flexibility, in couples whose jobs fell into different COVID worker categories, we expect that those who were laid off or who could work from home would likely take on more care responsibilities. For essential workers and those in single-headed households with children, child care was—and is—an especially stressful issue.
When we consider the overall employment trends, it is important to reflect on the fact that those most adversely impacted by the pandemic – women, especially Black women, Indigenous women, and women of color – are also those that are statistically most likely to receive the lowest wages and have fewer employer-provided benefits, such as health insurance. Furthermore, the gender wage gap means that those women who were laid off were also the least likely to have long-term savings to fall back on. Meanwhile, many of those that continued to work – and on whom Minnesotans depended for their daily needs during stay at home orders – often did so under precarious employment conditions, in addition to the health risks posed by COVID-19.

Our assessment of public supports shows that stimulus and UI payments were quite effective – notwithstanding important barriers for some groups and exclusion of undocumented workers. While income is crucial for all workers, safety and child care are also major concerns for workers and their families, and these by and large received much less attention from both state and federal government officials.

While insufficient PPE and child care options affect both women and men, given women’s concentration in health care settings where PPE is crucial and greater time spent on child care at home, the lack of these specific supports has magnified the gender inequalities of our social priorities. The difference in emphasis and prioritization of worker income over other social supports reflects longer term trends in which government investment in human capital, including public health and education, has seen a decline.56

Four more specific findings are also worth highlighting:

Among high-risk essential workers, those with union representation fared much better. For example, SEIU fought for and won the demand that employers pay part-time health aides in nursing homes – who often hold two part-time jobs in two different facilities – a full time wage, so that they did not increase the spread of the virus by working in two locations.57 This and other union innovations helped stabilize parts of the health care workforce, while also protecting public health. By contrast, essential food service workers, who also typically work two or more part-time positions, did not have the same leverage to bargain with employers, as they are rarely unionized.

Undocumented immigrants, an estimated 83,000 individuals in Minnesota, have been left entirely without government income supports at this time. This is despite the fact that many have paid into the UI system through payroll taxes.58 Social service organizations continue to strive to provide food, supplies, and financial assistance that could reach undocumented Minnesotans. Although our interviews revealed encouraging displays of Minnesota communities coming together to provide for one another, many organizations stressed that their resources were stretched thin and that they were struggling to provide for the members they served.

Black men have been hit more by unemployment than we anticipated, based on industry and occupational employment statistics. It may well be that more detailed data can explain this finding; but we are concerned that racism is playing a significant role in higher than expected layoffs. National studies of racial wage disparities show increases in racially based wage discrimination since 2000, and this trend may have manifested in greater numbers of layoffs for Black Americans during the pandemic.59

The combined effects of the pandemic have placed high levels of stress on all Minnesotans. Although it was not part of our interview agenda, our interviewees continually brought up the negative mental health impacts of the pandemic, especially on communities that already have few resources. Additionally, members of Minnesota’s Asian communities were especially impacted by anti-Asian sentiment as politicians sought to blame China for the pandemic.

“Asian Americans are often invisible or scapegoated during times of emergency. The first alarm was Trump using “Chinese Flu” and “Kung Flu” – anti-Asian sentiment. Then we started to see physical and verbal attacks in our communities.”
– KaYing Yang, Coalition of Asian-American Leaders
Reimagining Policy Responses

SHORT-TERM

Our research findings point to some clear short-term policy responses for weathering the continued unpredictability of the COVID-19 pandemic. Many of these have been raised repeatedly in the media and by public health experts, and were echoed by our interviewees.

Establish and maintain a state stockpile of PPE and provide all essential workers the PPE necessary to do their jobs safely.

Provide clear and up-to-date public health information. In the Minnesota context, dissemination of properly translated and culturally specific health and benefits information is crucial. Our interviewees emphasized that poor translations added to already confusing information flows in immigrant communities.

Provide additional funding for social service organizations, which have been instrumental to the continued care and emergency support of Minnesota communities.

Include undocumented workers in future coronavirus relief legislation. The “Leave No Taxpayer Behind Act,” which was integrated into the follow-on coronavirus relief proposal, the HEROES Act, is one solution (although as of this writing, this bill has not been passed by the U.S. Senate). This proposal would allow undocumented workers with individual taxpayer identification numbers—an estimated half of all undocumented workers—to benefit from pandemic relief.60

LONG-TERM

But we also hope that this report can spur long-term thinking. As we consider how to rebuild from the pandemic, how can we strengthen the foundations of our workforce and our communities to better withstand future crises and build a more equitable society?

To start, consider two challenging aspects of our current safety net programs.

Current social support systems are a patchwork of programs, the strongest of which are tied to employment. Our strongest social supports, such as unemployment insurance and health care, are tied to employment – and even then, privilege certain kinds of employment (typically full-time, salaried work). Meanwhile, benefits like paid sick leave, paid parental leave, and child care subsidies are not guaranteed; in Minnesota they frequently depend on employer discretion or municipal policies. Other income benefits, such as MFIP, SNAP, and housing subsidies, target the very poor and come from government. This patchwork of support is one reason we see great variation in the well-being of different groups of Minnesotans. Moreover, tying basic benefits like health insurance to employment creates greater risk than just income loss for laid-off workers, especially in a pandemic.

Current spending on social supports undervalues the human investment necessary for resilience in the face of a global crisis like COVID-19. While jobs and economic growth are crucial, these economic indicators are only meaningful and sustainable when we also invest in individual and family well-being. Long-term resilience requires greater investment in health care and child care in particular, as well as other family supports like paid family and medical leave.

“If we had closed the gap of disparities a long time ago, we wouldn’t be facing some of the issues we’re facing now. There are so many different areas of disparities. I hope that America is waking up again and will stay awake this time, and that people will come together to make changes so everyone has an equal playing field.”

– Maria Morin McCoy, Family Empowerment Coach, American Indian Family Center
To truly rebuild for a stronger, more resilient future for all Minnesotans will require serious consideration of the following major policy reforms:

**Universal health insurance.** The pandemic has made plain the importance of health insurance that does not depend on one's employment status. Research shows that universal health insurance improves overall outcomes and reduces health disparities across income groups; increases efficiency and reduces costs, even while covering more people; and increases quality, measured in access to providers and death rates. We will not weigh in on the specifics of how to achieve this goal, as there are many potentially viable proposals in circulation, but will note that universal health insurance does not imply the end of private provision of health care—only a decoupling of health insurance from employment and a commitment to coverage for every Minnesotan.

> “How can other countries have [universal healthcare], and we not? It’s become a very privileged thing: if I have a stable job and my organization is doing really well, they can provide me really great healthcare. We know there are employees out there who have no healthcare. Why can’t we just get there?”
> - Hli Xyooj, Director of Program Strategies, Hmong American Partnership

**Universal basic income.** The pandemic has revived a global conversation about Universal Basic Income (UBI). UBI is a basic unconditional monthly cash payment from the state to each individual in a society that is funded by taxes, not employment contributions. The concept of a UBI is to replace other income-replacing social supports (such as MFIP and SNAP) with one simple, transparent transfer, leading to greater administrative efficiency. An established UBI system would eliminate or simplify the need for specific legislation to address income-related issues in a future emergency, because a strong income transfer system covering all of the population would already be in place.

We already have local examples of UBI in the United States. Since 1982, Alaska has provided every resident a yearly cash dividend financed by state oil revenues. Contrary to critics’ claims, economists have found that the Alaska payments do not reduce incentives to work. Another study of Alaska and a cash transfer from casino profits by the Eastern Band of Cherokees in North Carolina shows that these payments had no impact on employment, but did increase recipients’ nutrition and education. In fact, the pandemic stimulus payments were in some respects much like a UBI – though they did not reach all members of society. The experience with the stimulus payments demonstrates that a payment like a UBI is procedurally feasible, by building on existing systems.

**Expand unemployment insurance to cover workers that work less than the currently required 52 weeks prior to receiving the benefit, gig workers, and the self-employed.** Expansion similar to what was accomplished by the CARES Act, plus extending to more low-wage workers that often work for shorter intervals, would provide greater long-term economic stability to more workers.

The pandemic has made plain the importance of health insurance that does not depend on one’s employment status.

**Permanent paid sick leave and paid family leave provisions.** The emergency legislation of the Families First and CARES Acts, for the first time, mandated paid family and medical leave in the United States and significantly expanded eligibility. The U.S. is the only advanced industrialized nation without paid parental leave; yet the pandemic has demonstrated that the U.S. is capable, if pushed, to financially support families with significant care responsibilities, whether due to the birth of a child or the need to care for a loved one with COVID-19. Alleviating the stress of balancing paid work and unpaid care work can have significant long-term productivity gains, especially in terms of child well-being and caregiver mental and physical health.

**Robust emergency child care and education preparedness.** The best way to re-open schools and child care centers is to control the virus. Until that happens, we need to provide greater supports for both schools and families. Safe and flexible quality child care, available to more workers, is crucial. Teachers need sufficient resources to make the digital shift and communities—including rural communities—need wi-fi and technological access for all. In addition, many parents need support to become more technologically literate themselves in order to support their children.

Beyond these baseline requirements, education and child care are ripe for creative solutions. For example, the efforts by middle- and upper-income parents to develop teaching and social pods for their children have been critiqued for adding to already deeply entrenched educational disparities. Yet, expanding the pod concept to a model of community-based and culturally-enriched educational support that systematically reaches broader populations could be one way forward.
Conclusion

The unequal outcomes noted in this report point to the critical need to include a broader range of perspectives in policymaking. COVID-19 has widened underlying disparities tied to gender, race, and ethnicity in Minnesota, pushing those already on the margins into greater precarity. Women, Black communities, Indigenous communities, people of color, and undocumented workers have borne the brunt of the pandemic’s disruptions, and continue to do so today.

“In moving forward, when we’re thinking about solutions, if we don’t have Black women at the table, then we’re going to be left behind. If we don’t have the people who are most impacted at the table from the very beginning crafting the solutions, that means that we are going to be further left behind.”
- Nelima Munene, ACER

As our state and nation work to navigate this crisis and take stock of lessons learned, we must center the needs of those communities most impacted by job losses, unsafe working conditions, lack of child care, inability to access unemployment benefits or stimulus payments, the digital divide, and housing insecurity in the wake of COVID-19. **Ultimately, the best way to build resilience for the next pandemic is to invest in racial and gender equity by means of a strong social safety net for all Minnesotans.**
Methodological Notes

RACE AND ETHNICITY
Throughout this report, we use the words Asian, Black, Latina(o), Native American, and white to represent racial/ethnic categories. We recognize that individuals identify in various ways and may prefer other identifiers. Survey instruments also use different terminology in some cases. The American Community Survey and many other surveys and data collection tools include self-identification in which participants choose the race or races with which they most closely identify and indicate whether or not they are of Hispanic or Latino origin (often the only categories for ethnicity). Racial categories are a social-political construct, and thus are also context-specific to ideas of race prevalent in the United States. Some racial/ethnic categories overlap and increasingly people identify with more than one racial category.

In the analyses in this report, race/ethnicity was classified using the Census Bureau categories: Asian, Black, Native American, White, Other or multiple races. We add to this another category: Latina(o), which is anyone who identifies as Latino, Hispanic, or Spanish origin. All other race categories exclude Latina/o individuals. We further divide these race categories in some analyses based on ethnicity or birthplace: Black is separated into African American (self-identified and born in the U.S.), Somali, and other. Asian is separated into Hmong, Asian Indian, and other. These were determined based on the largest ethnicities in Minnesota within the race categories. In Minnesota over the period 2014-2018, the largest ethnic groups within the Black race category were African American (55%), Somali (19%), Ethiopian (8%), and Liberian (5%), and the largest ethnic groups within the Asian race category were Hmong (29%), Asian Indian (17%), Chinese (12%), Vietnamese (11%), Korean (6%), Filipino (5%), Burmese (5%) and Laotian (4%).

SEX AND GENDER
Throughout this report we use the terms men and women and rely on the self-identification of individuals. In Census Bureau surveys and the decennial census, sex refers to a person’s “biological” sex and participants are offered male and female as categories. We recognize and respect that individuals identify in various ways beyond these categories; a limitation of our analysis, based on these data collection instruments, is the inability to assess the specific impacts of COVID-19 on Minnesota workers who identify as transgender, non-binary, or other gender identities.

COVID-19 WORKER CATEGORY DETERMINATIONS
We determined the four categories of workers impacted by COVID-19 by the following methods. Note that these four categories of workers are not mutually exclusive, and these are estimates only. The essential workers categories, due to their broader determinations based on industry only, are less precise than our “vulnerable to layoffs” and “able to work from home” categories, for which we had more data points to make our estimates.

**High-Risk Essential:** Composed of workers in the following industries included in the American Community Survey: Waste Management, Postal Service, Military, Essential Building Services, Emergency Services, Food Production, Essential Retail, Healthcare and Social Assistance, Public Transportation.
Sources for determination: Classifications from the State of Minnesota COVID-19 Dashboard, with the exception of Landscaping, Utilities, and administration of Healthcare and Social Assistance, which we placed in low exposure, below.67

**Low-Risk Essential:** Composed of workers in the following industries included in the American Community Survey: Manufacturing, Wholesale Trade, Transport, Utilities (excluding public transport).
Sources for determination: Classifications from the State of Minnesota COVID-19 Dashboard.68

**Able to Work from Home:** Determined by a combination of industry, occupation, and education.
Sources for determination: We regressed an indicator of ability to work from home on industry (2 digit), occupation (2 digit) and educational attainment, using national data from the IPUMS Time Use, ATUS Leave Module (2017-2018). Regression used a linear probability model. Coefficients from the regression were applied to ACS data for Minnesota for 2014-2018, and then the likelihood of being able to work from home was summarized for each race/sex combination. Teachers (elementary, secondary, and postsecondary) were assumed to be able to work from home with certainty under the conditions of the pandemic.
**Vulnerable to Layoffs:** Composed of workers in the following industries included in the American Community Survey: Accommodation and Food Services; Arts, Entertainment, and Recreation; Other Services (excluding Public Administration); Healthcare and Social Assistance (including child care and personal/family care work); Retail Trade (nonessential); Educational Services (K-20); Management of Companies and Enterprises.

Sources for determination: Unemployment Insurance Claims data provided by the Minnesota Department of Employment and Economic Development (DEED). After ranking industries by the percent of year-over-year increase in continuing unemployment insurance claims from April to May, we included only those seven industries who ranked in the top ten for largest percent increase in continuing claims for all three months.

**INTERVIEW SAMPLING AND METHOD**

The interview portion of this research was reviewed by the University of Minnesota Institutional Review Board (Study 00010145) and was deemed exempt from human subjects oversight. We conducted a total of 19 interviews with leaders of Minnesota community service organizations and unions. Interview questions aimed to understand how COVID-19 had impacted Minnesota workers including access to government- and community-based economic and care supports during the pandemic. Our final sample of community service organizations included at least one organization serving each of the following population groups: general population, Black, African immigrant, Asian, Native American, and Latina(o). Among unions, our final interview sample included at least one interview with a union representative from each of the following sectors: construction, education, health care, hospitality, manufacturing, personal care and service, and retail trade. The unions by and large served state-wide or regional worker constituencies. Community organizations that we interviewed were focused on the Twin Cities seven-county metro area, with the exception of the Intercultural Mutual Assistance Association of Southeastern Minnesota, located in Rochester, MN.

**UNION AND COMMUNITY ORGANIZATION LEADERS INTERVIEWED**

All interviews were conducted via video call.

Arch, Quanda, Community Resources Liaison, Phyllis Wheatley Community Center, Interview by Amy Dorman and Matt Bombyk, July 31, 2020.
Arnold, Jennifer, Co-Director, Inquilinx Unidxs por Justicia, Interview by Christina Ewig and Amy Dorman, July 20, 2020.
Chanthanouvong, Sunny, Executive Director; Nantharath, Phits, Women’s Health Program Manager; Voss, Emmaline, Program Manager, The Lao Assistance Center of Minnesota, Interview by Amy Dorman and Matt Bombyk, August 10, 2020.
Christensen, Jennifer, President, UCFW Local 1198, Interview by Amy Dorman and Matt Bombyk, July 28, 2020.
Drummond, Cathy, Assistant to the Director and Women of Steel Coordinator, United Steelworkers (USW) - District 11, Interview by Amy Dorman, August 25, 2020.
Goettl, Angie, Director of Family Services, Hallie Q Brown Community Center, Interview by Amy Dorman and Matt Bombyk, July 30, 2020.
Gulley, Jamie, President, SEIU Healthcare MN, Interview by Christina Ewig and Amy Dorman, August 11, 2020.
Klebsch, Angelica, Senior Director of Policy and Community Development, CLUES (Comunidades Latinas Unidas en Servicio), Interview by Amy Dorman, August 13, 2020.
Looman, Jessica, Executive Director, Minnesota State Building and Construction Trades Council, Interview by Amy Dorman, August 17, 2020.
Multiple, American Indian Family Center Staff Meeting, Interview by Christina Ewig and Amy Dorman, August 10, 2020.
Roach, Rose, Executive Director, Minnesota Nurses Association, Interview by Christina Ewig and Matt Bombyk, August 6, 2020.
Tamene, Tsega, Senior Director of Population Health, Pillsbury United Communities, Interview by Christina Ewig and Amy Dorman, August 14, 2020.
Yang, KaYing, Director of Programs and Partnerships; Srey, Jenny, Lead Organizer for Safe and Welcoming Communities, Coalition of Asian-American Leaders, Interview by Christina Ewig and Amy Dorman, August 7, 2020.
7 Walz, Emergency Executive Order 20-56.
10 Christina Ewig et al., “2020 Status of Women & Girls in Minnesota” (Minneapolis, MN: Women’s Foundation of Minnesota and the Center on Women, Gender and Public Policy of the University of Minnesota, 2020).
12 See Methodological Notes for more detail.
16 “I am Considered an Essential Worker under Minnesota’s ‘Stay at Home’ Order.”
20 See Minnesota Department of Employment and Economic Development for historical employment statistics (https://mnev.com/deed/data/data-tools/current-employment-statistics/) and the Bureau of Economic Analysis for Minnesota’s economic growth data (https://www.bea.gov/gdp/gdp-state). Note that these figures do not include Pandemic Unemployment Assistance that went to the self-employed and independent contractors. We requested this data but did not receive it from DEED.
21 Note that these figures do not include Pandemic Unemployment Assistance that went to the self-employed and independent contractors. We requested this data but did not receive it from DEED.
23 The differences shown here are not likely due to people who are voluntarily leaving employment, for example to care for children due to COVID-related school closures. Although people in this situation can apply for unemployment benefits through the Pandemic Unemployment Assistance (PUA) program, those claims are not included in this analysis. On the impact of non-traditional work histories on employment see David Pedulla, Making the Cut: Hiring Decisions, Bias, and the Labor Market Impacts of Homeland Security (Rotman & Littlefield, 2018).
24 This means we divided the difference in insured unemployment rate changes between men and women into the fraction explained by differences in industry (or occupation) of employment, and the fraction not explained by industry (or occupation), and therefore due to disparate impact by sex. See Samuel Preston, Patrick Heuveline, and Michel Guillot, Demography (Blackwell Publishing, 2001), 28.
25 Gulley interviews.
26 Drummond, Gulley and Roach interviews.