COVID-19: SOCIAL DETERMINANTS OF HEALTH: Economic Opportunity

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Urban League of Louisiana and Louisiana Legislative Black Caucus partnering to present

FROM DISPARITY TO PARITY

Examining Social Determinants Impacting African-American Health

4-Part Tele-Town Hall Series:

- Night 2: Housing is the Best Medicine
- Night 3: The Influence of Income on Health
- Night 4: Generational Wealth, Generational Health

This presentation was given on Night 3: The Influence of Income on Health on Wednesday, April 29, 2020. The full series may be accessed here: https://urbanleaguela.org/disparity-parity/
Most health outcomes are determined by factors other than health care

Factors that shape health:

- **40%** - Social and economic conditions
- **30%** - Behavior
- **20%** - Health care activities
- **10%** - Environment

Source: County Health Rankings Model, University of Wisconsin Population Health Institute, 2014
Wages by Industry

Louisiana jobs are clustered in low wage industries

The four largest industries (measured by jobs) pay an average wage below the ALICE Family of 4 survival budget.

Source: Louisiana Workforce Commission and United Way ALICE Report
Where the jobs are in Louisiana

The state workforce is concentrated in industries that are being hard hit by the Covid-19 pandemic.

Jobs and GDP as a share of total in Louisiana and United States.

40 years of wage gaps by race

The wage gap between black and white workers has widened from $4.70 in 1979 to $6.00 in 2018. Over the same time, black workers lost out on periodic wage highs.

Median hourly wages adjusted for inflation.

Low wage workers are least likely to have access to paid sick days

Percent of workers by wage with paid sick days.

- Lowest 10 percent: 30%
- Lowest 25 percent: 47%
- Second 25 percent: 77%
- Third 25 percent: 86%
- Highest 25 percent: 92%

Louisiana workers hit hardest by COVID-19 also among least likely to have paid sick days

Percentage of Louisiana workers with access to paid sick days for top ten occupations

- Food Preparation and Serving Related: 18%
- Personal Care and Service: 26%
- Construction and Extraction: 36%
- Sales and Related: 48%
- Transportation and Material Moving: 50%
- Total Private Sector Workforce: 55%
- Production: 55%
- Installation, Maintenance, and Repair: 62%
- Office and Administrative Support: 66%
- Management: 77%
- Healthcare Practitioners and Technical: 78%

Blacks face higher unemployment rates than whites

Historically, blacks have faced unemployment rates twice that of whites. This is true both nationally and in Louisiana. Even when the unemployment rate falls, the gap persists.

Policy Recommendations

Ensure Louisiana workers can make ends meet:

- **Establish a state minimum wage** above the federal minimum wage that is indexed to inflation to ensure that workers’ wages keep pace with increases in the cost of living.

- Allow municipal governments to establish local minimum wage and paid leave laws by **eliminating the state preemption law** that prohibits them from doing so.

- **Double the state Earned Income Tax Credit (EITC) and establish state Child Tax Credit (CTC)** to boost the earned income of low-wage working families with children.

- **Increase state funding for early childhood education** so parents can return to work and contribute to household earnings, while setting Louisiana’s children up for a bright future.

- Maintain **Medicaid expansion** to ensure workers who do not have employer sponsored insurance are protected from the health and financial risks of being uninsured.

- Enact legislation that promotes **pay equity** between men and women.
Policy Recommendations

Invest in Louisiana’s future:

- Fully fund need-based **Go Grants** that help students from low-income families afford a college education.
- Create a **stable tax structure** in order to fund key job-supporting investments in education, infrastructure and health care.
- Promote **affordable housing** and school integration strategies that allow people of all racial and economic backgrounds the opportunity to live and learn in high opportunity neighborhoods and schools.
- Ensure **adequate and equitable funding of K-12 schools** in order to prepare students for further skill-building and 21st century jobs.
- Invest in training a high-quality workforce aligned with growing industry needs, including promotion of **apprenticeship programs**.
- Focus economic development strategies on producing more **home-grown entrepreneurs** and on helping startups and young, fast-growing firms already located in the state survive and grow. Research indicates that these strategies provide the best return on investment since most jobs are created by start-ups and expansions of current in-state businesses, not via relocations of out-of-state firms.
- Provide incentives to employers to offer jobs and skill-building **opportunities to people with barriers to employment**, including people with criminal records, a history of long-term unemployment and people with substance dependencies or disabilities.