ADDENDUM TO THE 2018 ECONOMIC OPPORTUNITY ASSESSMENT
Every Texan is honored to partner with Communities Foundation of Texas to present this addendum to the 2018 Dallas County Economic Opportunity Assessment. It is our hope that this update will inform policy and strategies going forward so that all residents of Dallas County can be healthy, well-educated, and financially secure.

While it is too early to see the pandemic’s full impact on Dallas County, the following provides some early economic indicators of how residents are faring in terms of employment, affected job sectors, and health insurance coverage.

## Early Economic Impact Indicators

### Unemployment is Climbing

Weekly unemployment claims in Dallas County from March through the first week of September totaled 282,606, with a peak of 27,128 claims in the week of April 4th. These numbers are over eight times higher than claims filed for the same weeks in 2019.\(^1\)

Since the peak in April 2020, trends have shown improvement over time with fewer filings. It is important to note that while unemployment insurance filings may be declining and there are signs that the community is making progress on reopening, this does not mean that displaced workers have found stable employment. Lack of access to childcare or transportation as well as housing instability remain significant barriers for many who lost employment or had reduction in hours due to closures. A risk remains for small businesses who are no longer able to maintain payroll or rent, potentially leading to additional unemployment and more residents losing employer-sponsored health insurance coverage.

Prior to the pandemic, income inequality was evident in Dallas County, with the bottom fifth of households holding only three percent of total earnings and the top fifth of households holding over half.\(^2\) Twenty-seven percent of households of color in Dallas County had zero net worth.\(^3\) The median income for Hispanic and Black Dallas County residents is less than 65% of the median income of White or Asian residents,\(^4\) and these gaps are only likely to worsen as a result of the economic impact from the pandemic. Residents’ financial security differs by race and ethnicity because of differences in the opportunities afforded to them, including historical and current policies affecting access to employment, housing, and education. Purposeful anti-racist policy solutions are needed to help close these gaps.

### MEDIAN HOUSEHOLD INCOME BY RACE OF HOUSEHOLDER, 2018

<table>
<thead>
<tr>
<th>Race</th>
<th>Median Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>$80,671</td>
</tr>
<tr>
<td>Asian</td>
<td>$80,415</td>
</tr>
<tr>
<td>Hispanic</td>
<td>$51,473</td>
</tr>
<tr>
<td>Black</td>
<td>$43,717</td>
</tr>
</tbody>
</table>

Sources:

Job Sectors Most Impacted

Going into the pandemic, Dallas County had a robust local employment market. Business counts from earlier this year show over 109,657 firms operating in the county—mostly service industry, followed by retail. In 2018, the county had an employee base of nearly 1.4 million.

Per the Texas Workforce Commission, the industries most affected by unemployment insurance claims as of September 5th include:

- Temporary help services
- Full-service restaurants
- Limited-service restaurants
- Electronic Shopping and Mail-Order Houses
- Elementary and secondary schools

Prior to the pandemic, businesses that provided health services and the service industries were some of the most rapidly expanding in terms of number of workers. Since March, the restaurant industry is one of the most affected by unemployment. Jobs in restaurants and other service industries are often considered nonessential. These jobs may be the last to come back after extended periods of economic downturn, putting these workers at heightened risk of long-term unemployment. Restaurant and service industry jobs in Dallas are predominantly held by Hispanic or Latino Texans (46% of waiters in Dallas are Hispanic or Latino), who may be disproportionately impacted by the heightened risk of long-term unemployment. This is an example of how people of color are affected by employment trends and differential access to certain classes of occupations, which create and maintain unequal opportunities and outcomes.

In 2018, Dallas County had over 54,000 small businesses that employed fewer than 20 people. These businesses remain at increased risk and may struggle to bounce back or survive without additional targeted small business supports.

As with communities across the U.S. in Dallas County, many businesses struggled to find ways to safely operate at a distance, including providing safe, affordable child care options for working families. While many businesses pivoted to online operations, the risk to the economy remains for permanent office closures, increased evictions (both retail and household) and/or retail closures. While eighty percent of Dallas County households earning more than $20,000 have Internet at home enabling residents to complete remote working and schooling, over forty percent of households earning under $20,000 did not have an internet subscription in 2018. This lack of access has made it hard for families to participate in online school, work remotely, or be able to successfully search for new employment.

Health Insurance Coverage at Risk

Going into the pandemic, the vast majority of those with health insurance received it through employers. That means rising unemployment will undoubtedly disrupt many people’s access to affordable health care.

Out of Dallas County’s population of just over 2.6 million, about 600,000 residents were already uninsured pre-pandemic. A lack of health insurance means that people may be hesitant to seek health care, including preventive care and treatment for chronic conditions, which in turn can lead to increased emergency visits. The inability to pay for healthcare has long-term impact on a family’s finances, including risk of predatory collections, loss of assets and bankruptcy.

The rise of unemployment in Dallas County will have an impact on the uninsured rate. For example, if the over 280,000 claimants who filed for unemployment since March lost their health insurance along with their jobs (versus switching to a spouse’s plan) this will mean that Dallas County’s uninsured population will have grown by almost 50%.
Summary

While Dallas County remains a community with diverse and hard-working residents, a robust employment market and a thriving economy, the pandemic presents new challenges to long-term economic opportunity that Dallas County and the entire North Texas region must address. As early indicators on the impact of COVID-19 show, not all communities and populations in Dallas County are impacted equally. It is important to monitor if these gaps further expand. Policies and strategies should consider how to provide support and opportunities to address the needs of communities and residents most impacted by the pandemic. We hope this data snapshot provides some context for continued conversations that help communities move forward.

Acknowledgments

This study was produced by Communities Foundation of Texas (CFT). This study is authored by Every Texan.

CFT traces its roots back to 1953. Since then, more than $2 billion in grants have been made by the Dallas-based foundation, and it has grown to become one of the top 20 community foundations in the nation in terms of assets, gifts received, and grants awarded.