



IMPACT of COVID-19

on MILWAUKEE'S LATINO COMMUNITY

Community Research Briefing
DATA SET: September-October, 2020

hispanicollaborative

Nationally, we know that 70% of all Latino households have been financially impacted by COVID-19 through loss of income and Latino-owned businesses continue to be devastated with only limited financial resources available to them. We also know that Latinos continue to post the highest numbers and rate of infection of any other demographic in our city, county, state and nation.

With the goal of mitigating the impacts of this pandemic, ensuring that Hispanic recovery is at least on pace with the rest of the nation and not further increasing the health, wealth and educational disparities that exist in our region with the White non-Hispanic population, the Hispanic Collaborative is conducting research from September 2020 through December 2020 to quantify the true economic impact this pandemic is having on our local Latino community. This effort will help us quantify households in risk of foreclosure and eviction and whether or not available financial resources are having any effect on the trends, quantify the level of financial difficulty that Hispanic households are having, insight into shifts in employment, and the number of Latino businesses at risk of closure.

This report shows aggregate data from the months of September and October and provides insights into the trends the data is showing between the two months.

“We believe that knowing the true economic impact COVID-19 has had on our local community can help our public, private and philanthropic partners make the necessary investments to provide the right size of relief in the right areas and best position Latinos for equitable recovery.”

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EXECUTIVE SUMMARY

- Data collected in October was consistent with data collected in September, confirming the level of economic impact we are seeing in the Latino community. This report represents speaking with over 425 households and 160 Latino Owned Businesses in Milwaukee.
- Cumulative data over the two months shows some movement towards worsening outcomes for Hispanic businesses and households. More respondents as an overall percentage are citing severity in their financial situation and greater urgency in their need.
- National data points adds validity around local impact numbers and confirm that the Hispanic population is under extreme need of resources and economic intervention to avoid catastrophic results amongst businesses and households.

LATINO OWNED BUSINESS INSIGHTS

Milwaukee September & October Data

160 BUSINESS OWNERS RESPONDED

52.5% MALE **47.5% FEMALE**

68% SINGLE OWNER **32% PARTNERSHIPS**

60%	11%	29%
IMMIGRANT OWNED	MIXED OWNER-SHIP	US BORN OWNED

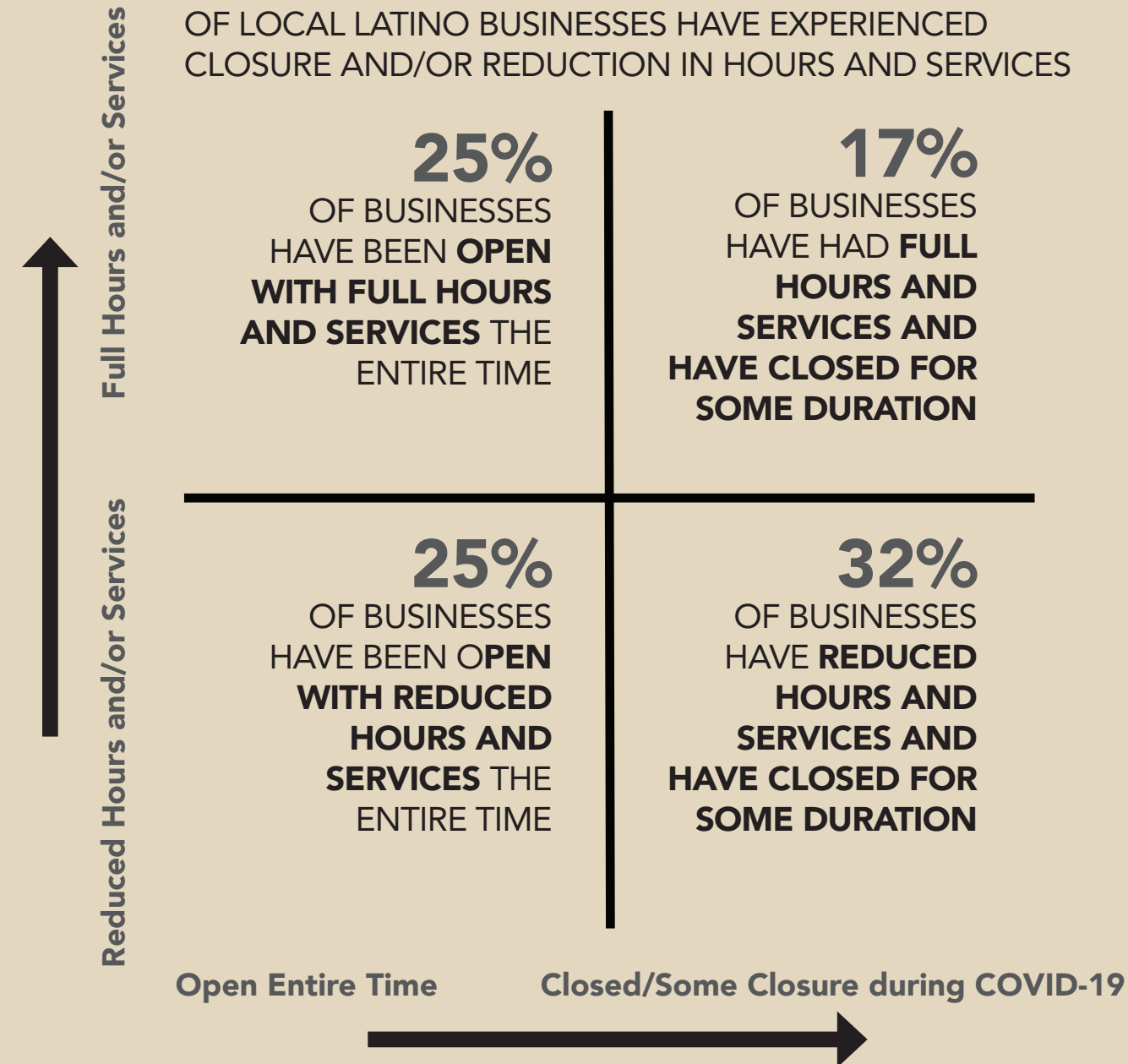
22%	50%	25%
18-34 YRS OLD	35-49 YRS OLD	50-64 YRS OLD

- 42%** ARE ITIN BUSINESSES
- 71%** OF BUSINESSES ARE FROM 53204 AND 53215
- 43%** ARE HIGH SCHOOL GRADS
- 27%** HAVE A B.A. OR HIGHER
- 49%** ARE ACCOMODATION/FOOD SERVICE OR RETAIL BUSINESSES



Operation, Hours & Service Levels

75% OF LOCAL LATINO BUSINESSES HAVE EXPERIENCED CLOSURE AND/OR REDUCTION IN HOURS AND SERVICES

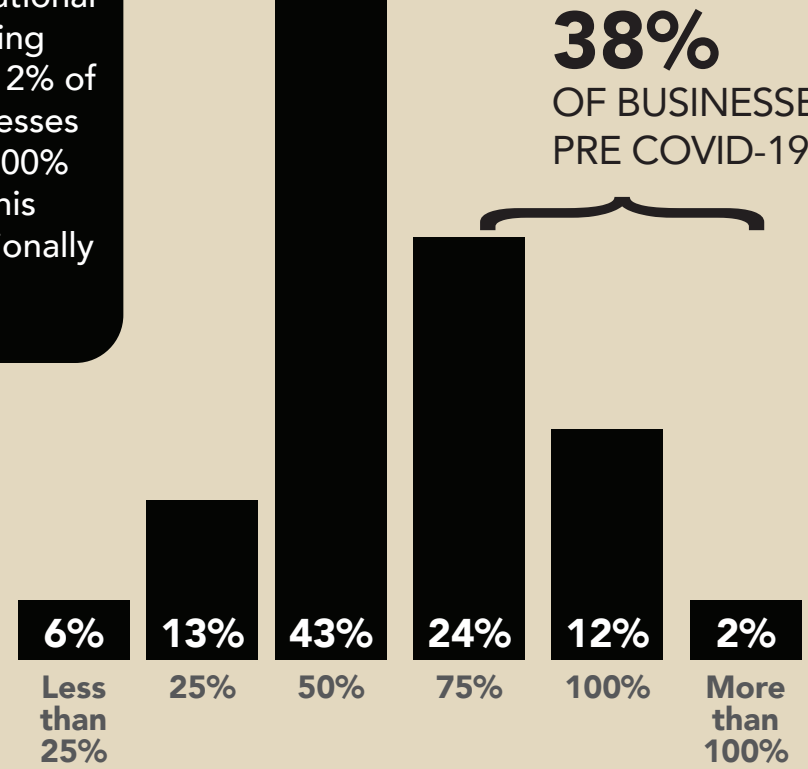


While 25% of our local Latino businesses have been operating normally throughout the pandemic, this is less than 38% across all businesses nationally according to the recent WellsFargo/Gallup Small Business Survey. Additionally, 57% of our local Latino businesses are operating with reduced staffing and/or hours, which is larger than 23% of all businesses nationally. Both of these points of comparison point to a worse economic picture for our local Latino businesses than all businesses nationally.

Data is consistent with initial September report.

While 62% of our local Latino businesses are at 50% of less of their pre COVID sales levels, a recent NFIB Survey shows that only 21% of all national businesses are reporting the same. While only 2% of our local Latino businesses reported exceeding 100% of pre COVID sales, this compares to 17% nationally for all businesses.

Sales Volume Compared to Pre COVID Sales



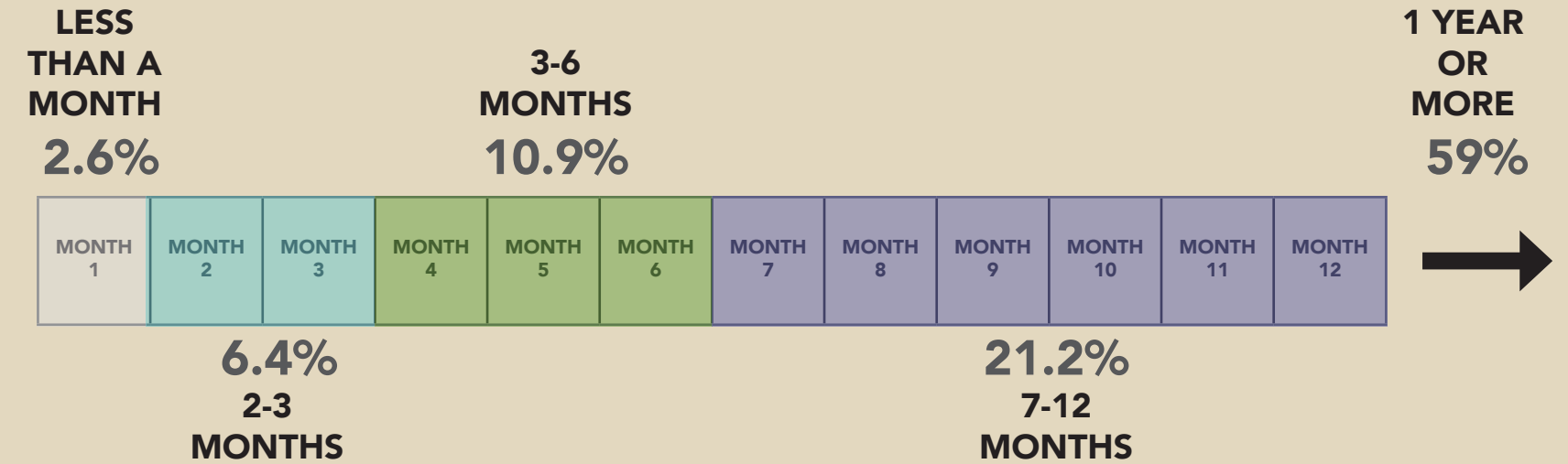
62%
OF BUSINESSES ARE AT 50% OF THEIR PRE COVID-19 SALES OR LESS

38%
OF BUSINESSES ARE AT 75% OF THEIR PRE COVID-19 SALES OR BETTER

Data showed a slight decrease in % of businesses under 50% from September report.

19.9%
OF LOCAL LATINO BUSINESSES ESTIMATE THEY CAN ONLY SURVIVE 6 MONTHS OR LESS AT CURRENT SALES LEVELS

Number of businesses citing survival time of less than 6mo increased by 4.8% from the September report.



41%
OF BUSINESSES ESTIMATE THEY CAN ONLY SURVIVE 1 YEAR OR LESS AT CURRENT SALES LEVELS

Estimates of Business Survival at Current Sales Levels

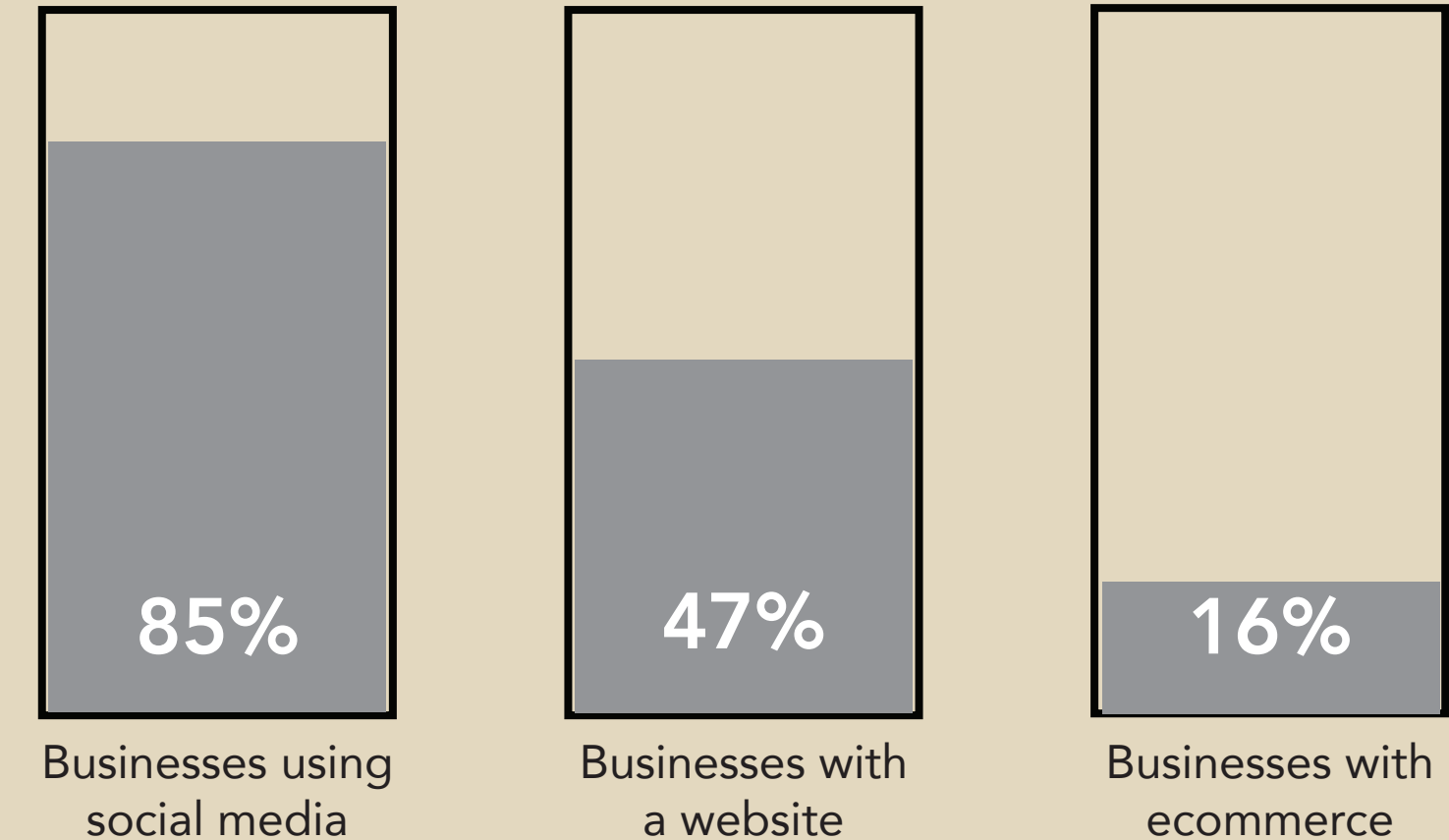
Local Latino Businesses Applications for Financial Resources

	RECEIVED NONE	RECEIVED ONE	RECEIVED MULTI	TOTAL
APPLIED FOR MULTI	2%	3%	12%	17%
APPLIED FOR ONE	9%	27%	NA	36%
DID NOT APPLY	47%	NA	NA	47%

Data shows similar patterns to September report.

53% of local Latino businesses applied for any assistance from federal, state, local or private sources. This compares to over 70% of small businesses in the U.S. applying just for Cares Act funding, according to the NFIB. A much smaller percentage of our local Latino businesses have tried to access funding.

Latino Owned Businesses Ability to Engage Digitally



Locally only 47% of our Latino businesses have a website compared to 64% of all small businesses nationally according to the SBA. The SBA also cites that 66% of all small businesses today have pivoted to new revenue sources or adapted a new business model during COVID-19. With only 16% of our local Latino businesses having ecommerce capabilities, this makes pivoting a much more difficult option for them.

LATINO HOUSEHOLD INSIGHTS

Milwaukee September & October Data

426 HOUSEHOLDS RESPONDED

64% FEMALE **36% MALE**

1,124 ADULTS **683 KIDS**

39% **38%** **23%**
 FOREIGN BORN HOUSEHOLD MIXED HOUSEHOLD US BORN HOUSEHOLD

46% **36%** **15%**
 18-34 YRS OLD 35-49 YRS OLD 50-64 YRS OLD

47.6% ARE MARRIED HOUSEHOLDS

62.3% OF HOUSEHOLDS ARE FROM 53204 AND 53215

59.9% ARE HIGH SCHOOL GRADS

10.8% HAVE A B.A. OR HIGHER

69.2% OF KIDS ARE IN K-12



LATINO WORKFORCE

	PRE COVID-19	TODAY	CHANGE
Employed FT	72.5%	62.0%	-9.5
Employed PT	20.0%	26.8%	+6.8
Unemployed	7.5%	11.2%	+3.7

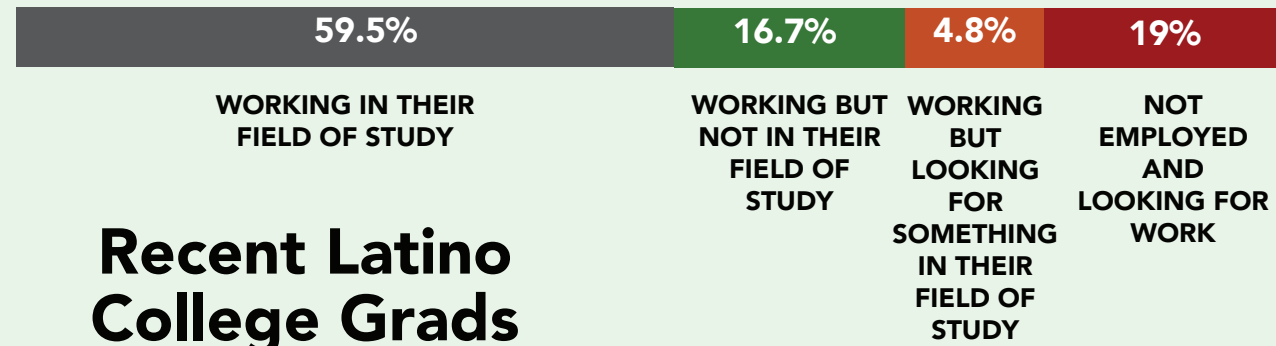
We again see that full time employment has dropped and shifted into Unemployment and Part Time employment. There is an additional 11.4% of cumulative employment loss that was absorbed through new full and part time employment.

Comparing strictly repeat households from September to October that updated their responses, we see a 23.5 point decrease in FT employment, a 12 point increase in unemployment and an additional 11 points of unemployment absorbed into new employment.

Our local Latino unemployment mirrors the Q3 national average at 11.2%, according to Bureau of Labor Statistics. This is considerably higher than total unemployment for the national at 8.9% or white unemployment at 7.9%.

40%

OF RECENT LATINO COLLEGE GRADUATES ARE NOT WORKING OR NOT WORKING IN THEIR FIELD OF STUDY



Recent Latino College Grads

Locally, 19% of our respondents who are recent Latino college graduates are unemployed and looking for work. Nationally, the BLS cites national unemployment rate for recent College graduates at 9.1%, a difference of about 10%.

Cumulative data shows an increase of 4.5% in those that say they are much worse off.

48.8%

OF HISPANIC HOUSEHOLDS CITE BEING WORSE OFF FINANCIALLY DUE TO COVID-19



Sentiments Regarding Economic Impact on Latino Households

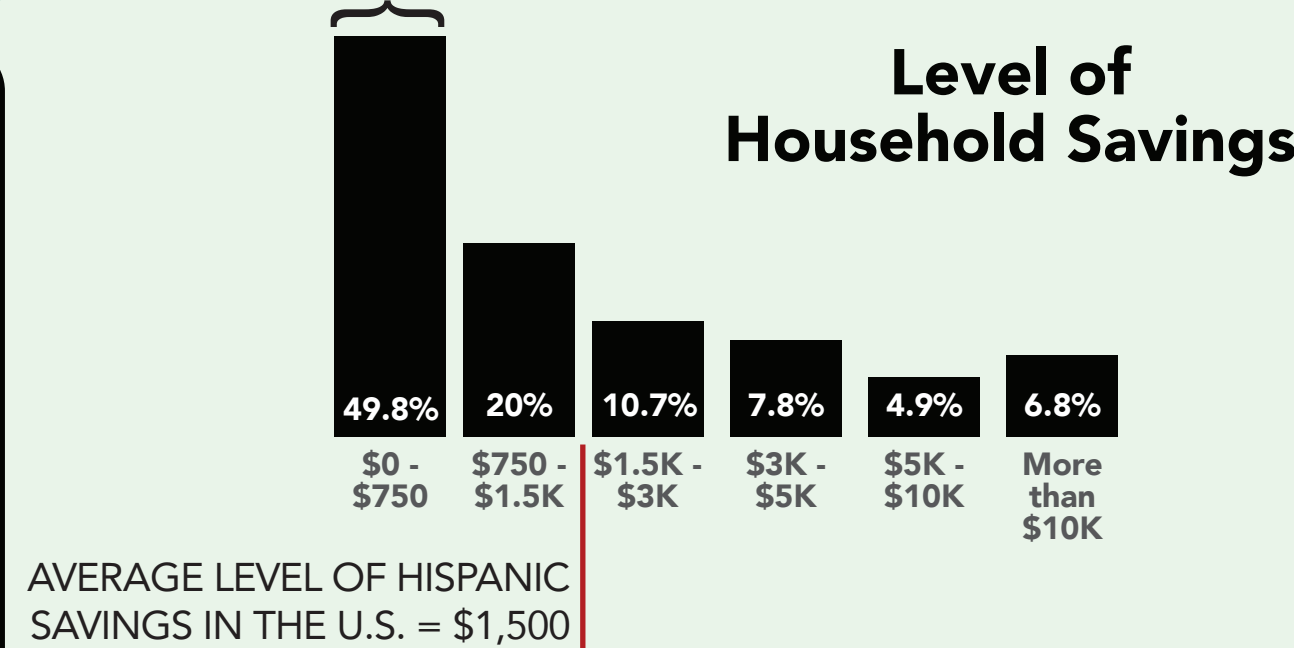
According to a Harvard and RWJ Foundation study, nationally 72% of Latino households are reporting serious financial problems. This is the highest of any other race/ethnicity with white households at 36% and Black households at 60%.

These questions were exclusive to the September questionnaire.

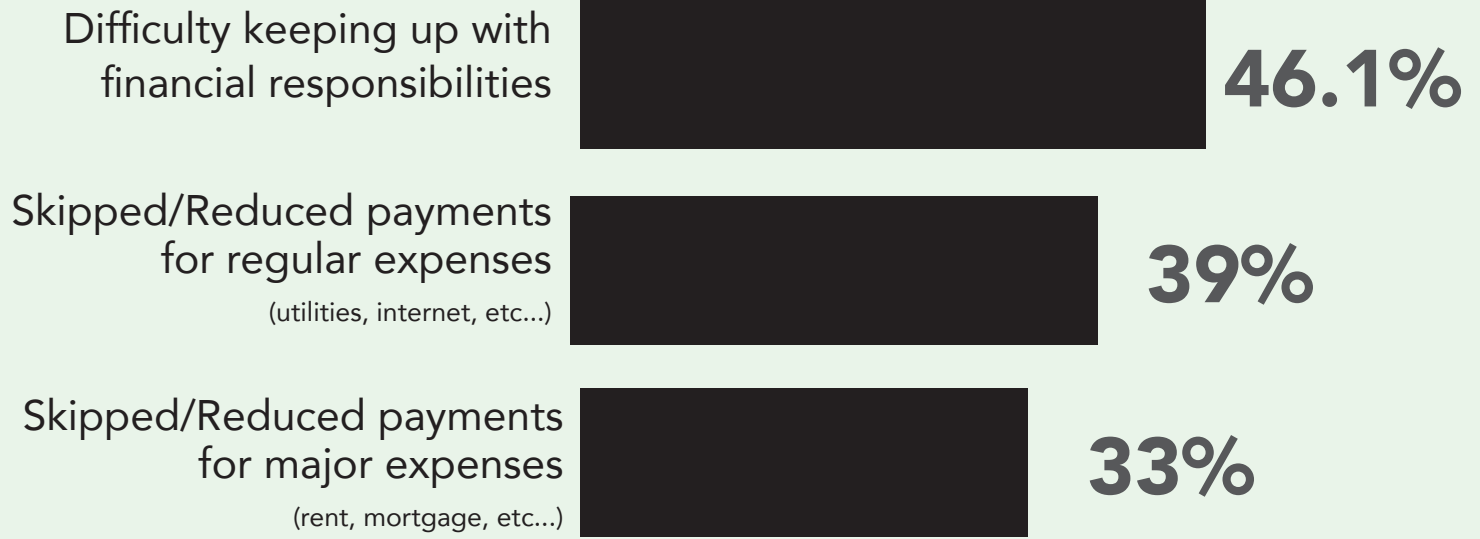
Almost 1 in 2 local Latino households are having difficulty keeping up with financial responsibilities making our economic picture worse than the picture for Latinos nationally. According to a Harvard and RWJ Foundation study, nationally 1 in 3 Hispanics cite serious problems paying debt, utilities and rent/mortgage. Additionally, nationally 15% cite having no savings going into the pandemic. and locally 50% of our Latino households have between \$0 and \$750.

50%

OF HISPANIC HOUSEHOLDS HAD BETWEEN \$0 TO \$750 IN SAVINGS GOING INTO COVID-19



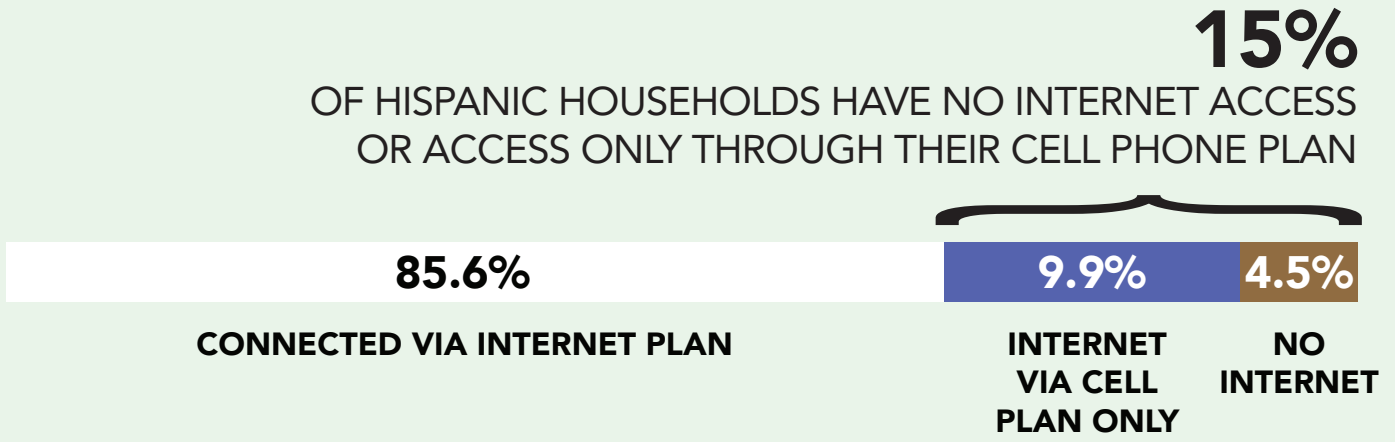
Level of Household Savings



Financial Household Obligations

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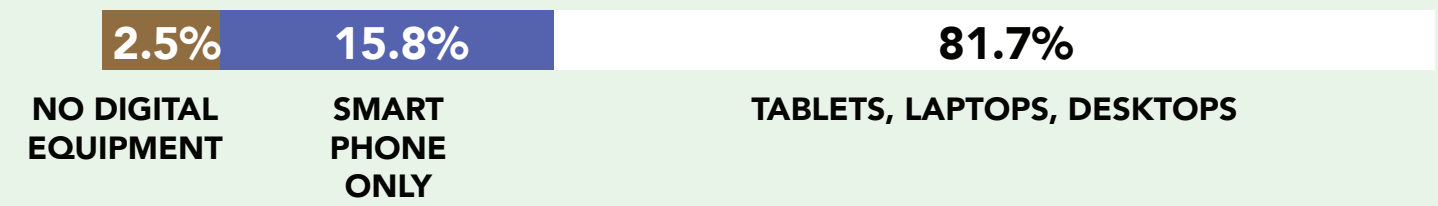
Household Internet Connectivity



Our local Hispanic household connectivity and digital equipment reporting today shows better statistics than Latinos fared pre COVID nationally. Pew Research reports 25% of Latino households pre COVID had connectivity via smartphone only. 39% of Hispanic teens report doing their homework on a cellphone and 9% report using public Wi-Fi.

18.3%

OF HISPANIC HOUSEHOLDS HAVE NO DIGITAL EQUIPMENT OR ONLY A SMARTPHONE



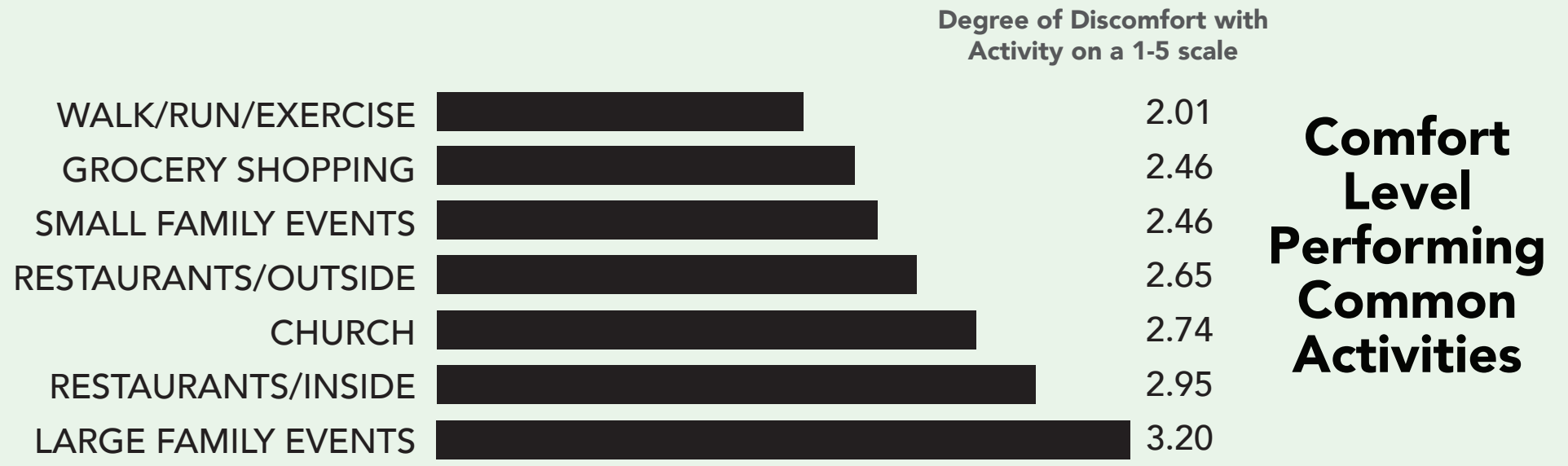
Household Digital Equipment

Masking & Testing Sentiments

89.6%
CITE ALWAYS WEARING MASKS IN PUBLIC

81.1%
DEFINITELY GET TESTED IF EXPOSED OR SHOWING SYMPTOMS

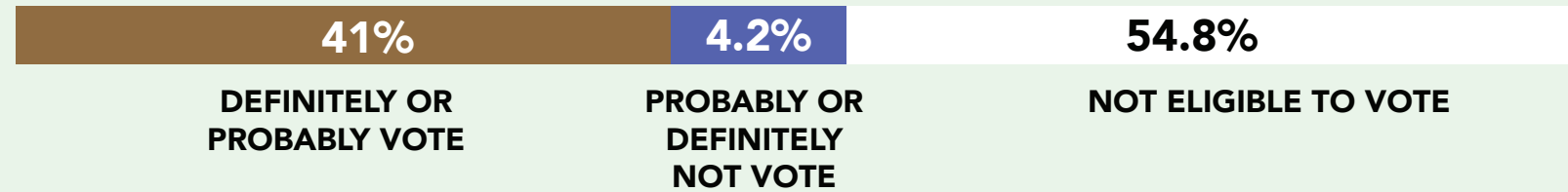
Locally more Latinos show a willingness to get tested than the national average, but less of them wear masks in public. Nationally, 92% of individuals wear masks in public and 80% would get tested if exposed or symptomatic.



Cumulative data shows a greater percentage of Latinos who always wear their masks, but a lower percentage of those who cite they would definitely get tested. Levels of discomfort with all activities have grown, but no shifts in order or degree occurred.

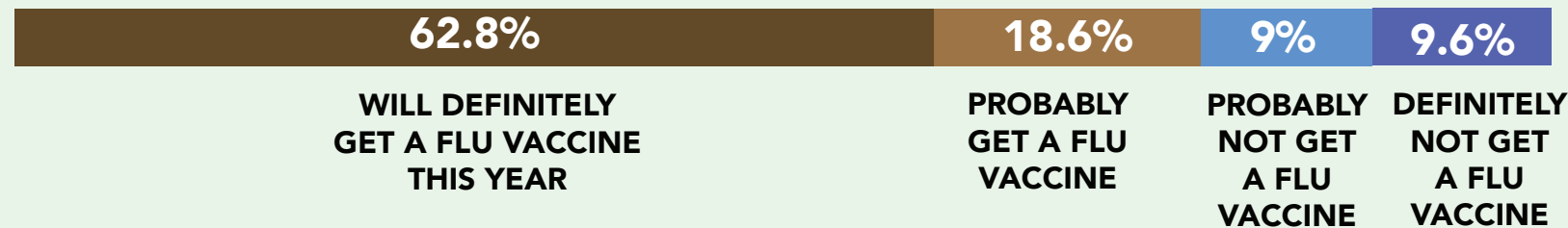
These questions were exclusive to the October questionnaire.

54% of our local Latinos reported not being able to vote. This number leads the national average of 50% of Hispanics in the U.S. and mirrors the percentage for Wisconsin according to Pew Research. An additional 31% more of the local Latino population today will become eligible to vote as they reach 18 years old.



Planned to Vote in November Election

Plan to Get a Flu Vaccine



Despite having a higher percentage than historical actual of Latinos willing to get a flu shot this year, major health care providers in Milwaukee are reporting lower vaccination rates for Hispanics than this same time last year. The CDC cites that 51% of whites in the U.S. and 46.4% of Hispanics have historically typically gotten a flu vaccine.

A special thank you to our partners and research advisors:

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