

December 2021

## At a Crossroads Created by COVID: Families Moving Along the Road to Opportunity in Massachusetts

Nancy Wagman, Research & Kids Count Director  
Massachusetts Budget and Policy Center



Commissioned By:



Other reports in this series:

Obstacles on the Road to Opportunity: Finding a Way Forward for the Children and Families of Massachusetts - December 15, 2019 (update to 2018 report)

Obstacles on the Road to Opportunity: Finding a Way Forward - May 9, 2018

From Poverty to Opportunity: The Challenge of Building a Great Society - November 14, 2014



# There's a Story in There: Using Census Data to Tell a Story About Our Communities

Nancy Wagman

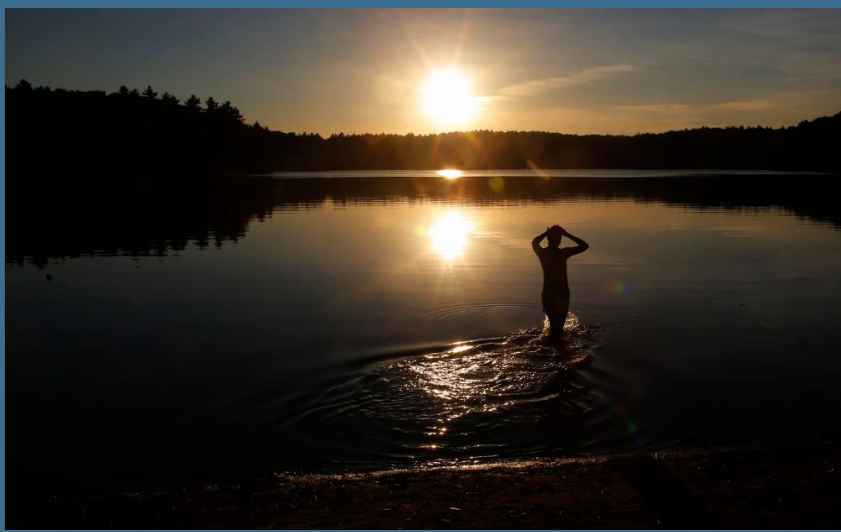
Research & Kids Count Director

Massachusetts Budget and Policy Center

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# Post-War era promised prosperity, consumer goods, suburbanization



WHEN over a quarter-million families are two-Ford families, there must be a reason! And there are many! They are sold on the convenience of two cars in general and the economy of the Ford in particular!

With scientifically contoured Power Dome combustion chambers both the 100 h.p. V-8 and the 95 h.p. Six give high compression performance on regular gas—a saving that really adds up! And remember, for style the '50 Ford has been awarded the Fashion Academy's Gold Medal as "Fashion Car of the Year" for the second year in a row.

"Test Drive" a '50 Ford at your Dealer's today. The car you now own may well provide the down payment on two new '50 Fords!

**Now thousands own two fine cars!**

*There's a Ford in your future with a future built in*

**The '50 FORD Convertible** Nothing is smarter, nothing more fun to drive. Your choice of fabric-and-leather or all-leather upholstery and 11 different body colors. And the top goes up or down in seconds, automatically.

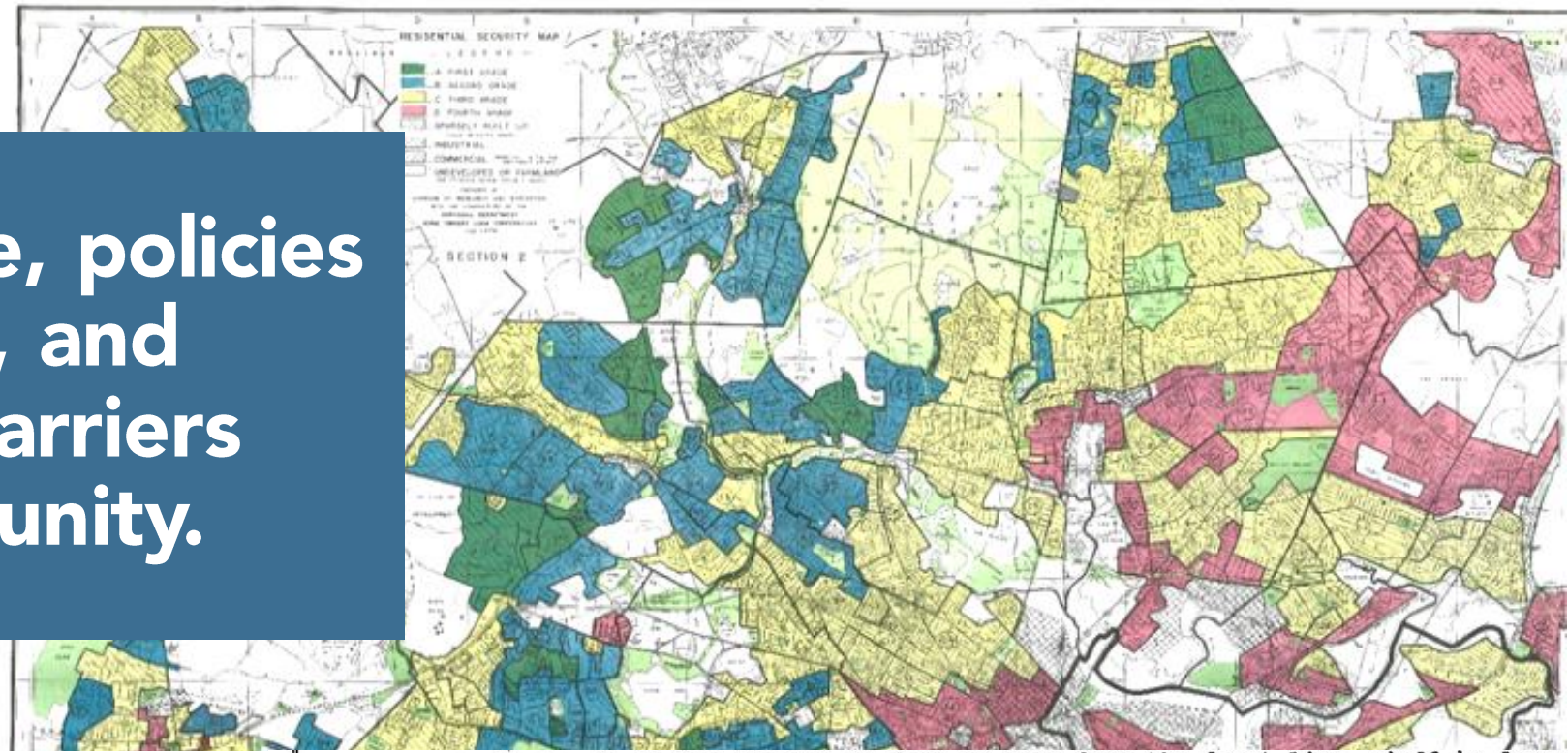


**The '50 FORD Tudor Sedan** A "personal" car with all Ford quality features! Mid-Ship Ride! Life-guard Body! 35% easier-acting King-Size Brakes! And a Deep Deck Luggage Locker that holds all the bags and baggage!





But at the same time, policies at the federal, state, and local levels put up barriers that blocked opportunity.



- Unequal access to mortgages and credit
- Unequal access to G.I. benefits
- Segregated public housing and restrictive zoning
- Interstates cut through neighborhoods
- Unequal access to municipal services
- Limited access to unions

a garage or other outbuilding located 60 feet or more from the front line, shall be located nearer than 15 feet to any side lot line.

(d) No residential structure shall be erected or placed on any building lot, which lot has an area of less than 8,000 square feet or a width of less than 75 feet at the front building setback line, as shown on the recorded plan.

(e) No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(f) No persons of any race other than the white race shall use or occupy any buildings on any lot, except that this covenant shall not prevent occupancy by domestic servants of a different race domiciled with an owner or tenant.

(g) No trailer, basement, tent, shack, garage, barn or other outbuilding erected in the tract shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence.

(h) No dwelling costing less than \$4,500. shall be permitted on any lot in the tract. The ground floor area of the main structure, exclusive of one-story open porches, and garages shall be not less than 625 square feet in the case of a one-story structure nor less than

# A picture of the economy moving into the current generation.

250% Cumulative Growth

200%

150%

100%

50%

0%

1948

1960

1970

1980

1990

2000

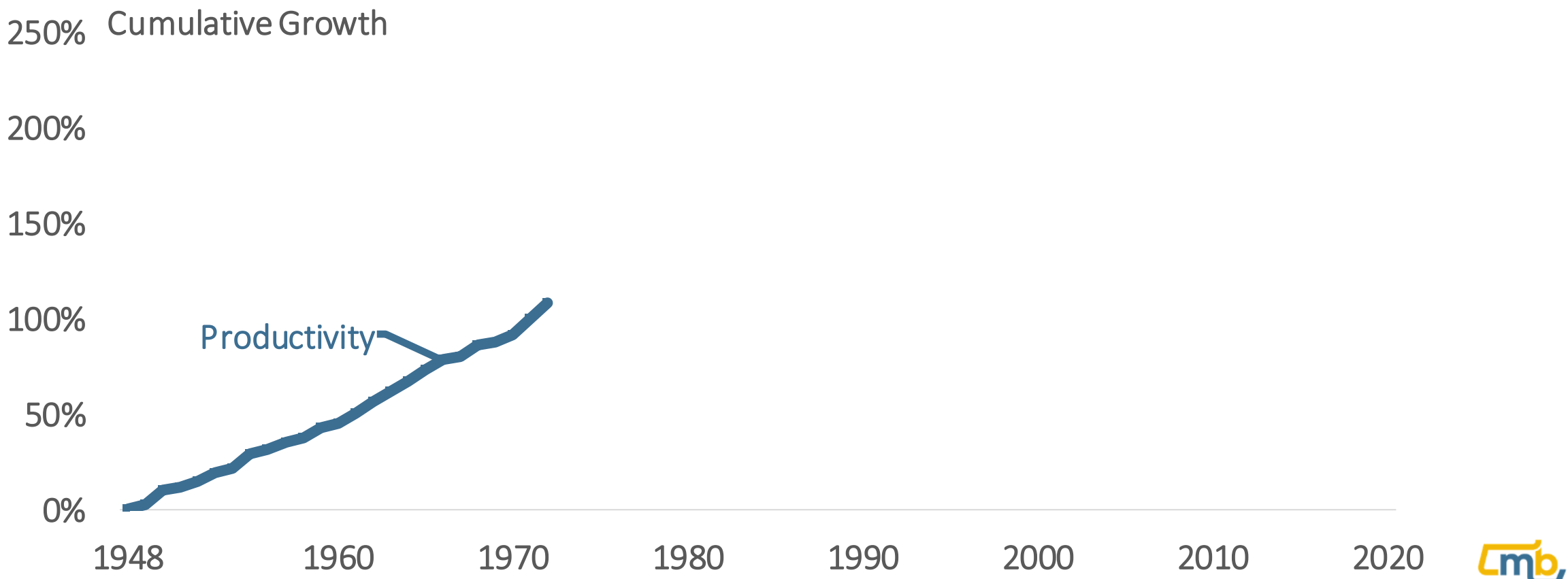
2010

2020

U.S. Net Productivity and Hourly Compensation  
Data from the Economic Policy Institute

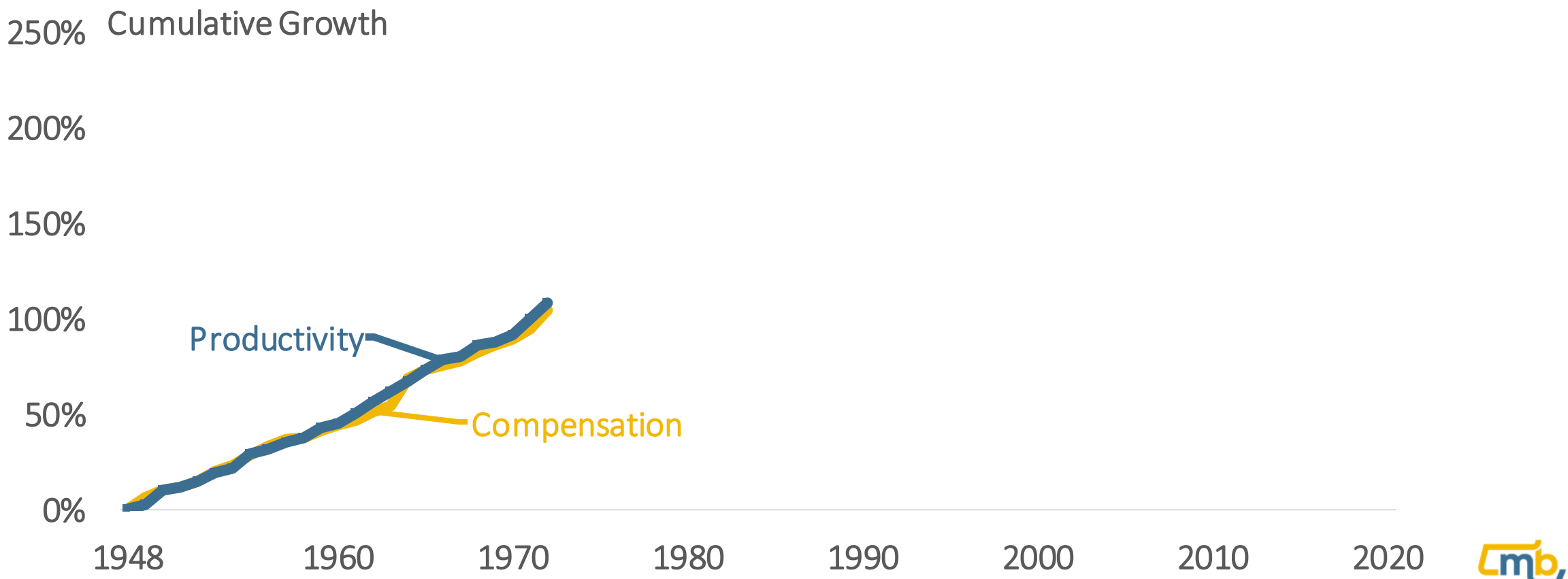


# A picture of the economy moving into the current generation.



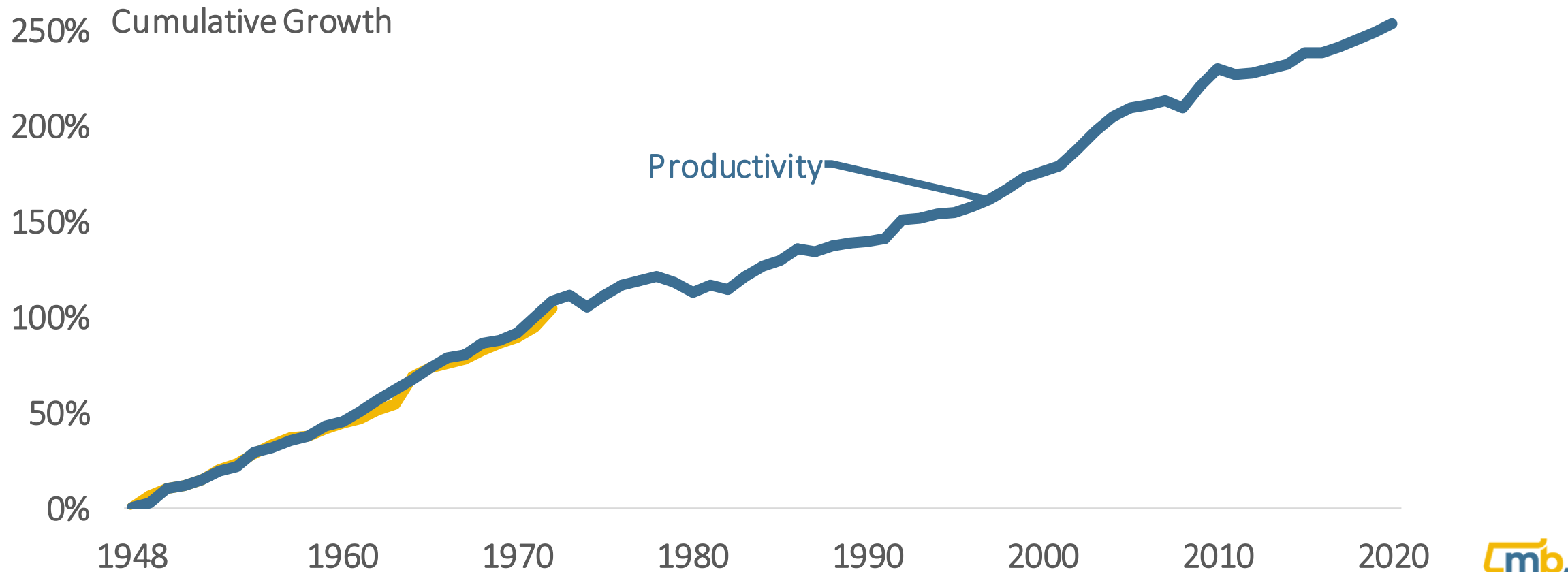
U.S. Net Productivity and Hourly Compensation  
Data from the Economic Policy Institute

# A picture of the economy moving into the current generation.



U.S. Net Productivity and Hourly Compensation  
Data from the Economic Policy Institute

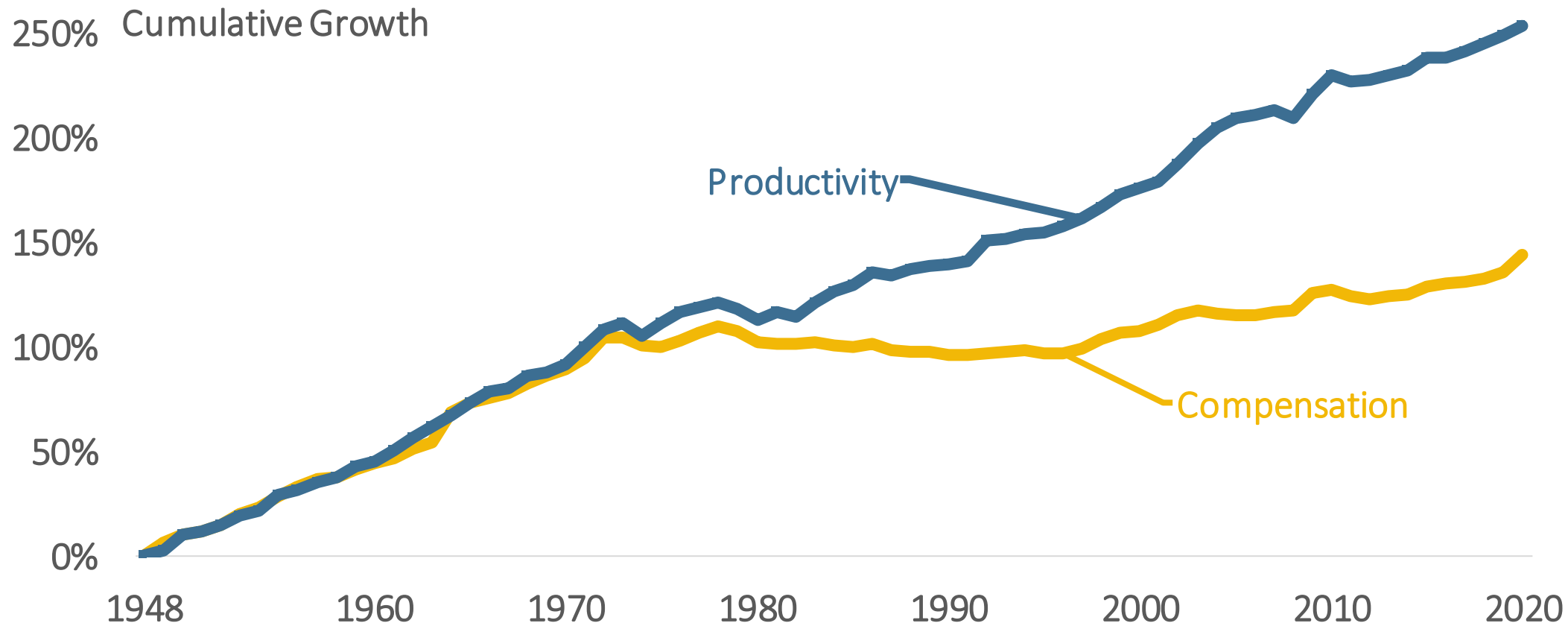
# The economy has continued to grow through the generations.



U.S. Net Productivity and Hourly Compensation  
Data from the Economic Policy Institute



# Starting decades ago, policy changes broke the link between economic growth and growth in wages.



U.S. Net Productivity and Hourly Compensation  
Data from the Economic Policy Institute

# What are policy changes that broke the link between economic growth and wages?

FEDERAL RESERVE

## The Fed chairman says the relationship between inflation and unemployment is growing

PUBLISHED THU, JUL 11 2019, 10:45 AM EDT | UPDATED THU, JUL 11 2019, 3:17 PM EDT

### The growing threat of deflation

A widespread drop in prices might seem like a good thing, but the Fed and economists see it as another reason

By Chris Isidore, CNNMoney.com senior writer  
AUGUST 18, 2008: 10:03 AM ET

about accomplishing a sweeping reversal of policy and practice in the way the Government deals with business and individual citizens. This reversal consists mainly of lifting restrictions on business while playing down the Government's activist role as a protector of workers, consumers and minorities. It also involves a broad effort by the Administration to review and, in many cases, to modify the network of laws and reforms put into place as a result of the Watergate scandals, the civil rights movement of the 1960's and the environmental movement of the 1970's.

## Union membership falls to historic low

The typical full-time salary in America would be \$102,000 if wages had kept up with growth — but the economy has

fallen 90% of workers  
The state's minimum wage is going up — minimally

*The Minimum Wage Is Rising, but These Workers Are Being Left Behind*

## Reinviting Abuses By Corporate America

## REAGAN REVERSING MANY U.S. POLICIES

He Quietly Reshapes Approach to Business and Individual

EMAIL | PRINT | SHARE

## STATE OF THE UNIONS

What happened to America's labor movement?

Caleb Crain



# Manufacturing jobs used to provide stable, well-paid, and often unionized work.

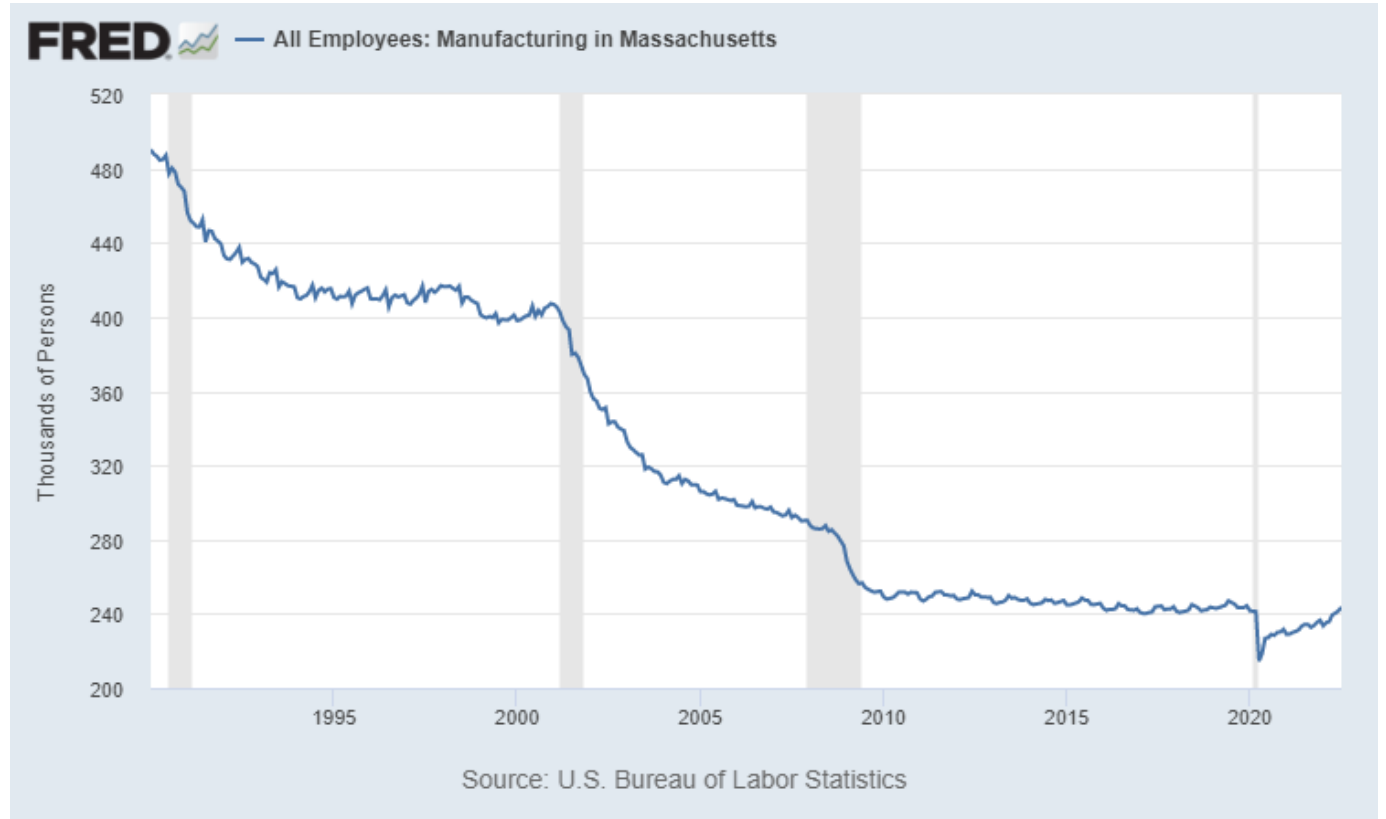
Table 1

The Commonwealth of Massachusetts  
Manufacturing Industries  
Classified by Size of Employment  
1977

Sic Code*	Industry	Firms#	Employment#
36	Electrical and Electronic Machinery	657	93,800
35	Machinery except Electrical	1,555	83,500
34	Fabricated Metal Products	1,065	51,300
38	Instruments	431	50,500
23	Apparel	741	42,600
27	Printing and Publishing	1,434	41,600
37	Transportation Equipment	153	33,000
30	Rubber and Plastic Products	445	29,700
26	Paper and Allied Products	321	29,600
20	Food and Kindred Products	577	28,800
22	Textile Mill Products	324	27,600
31	Leather and Leather Products	335	22,900
28	Chemicals and Allied Products	355	17,700
33	Primary Metals	246	14,400
32	Stone, Clay, Glass and Concrete Products	309	11,300
25	Furniture and Fixtures	328	8,100
24	Lumber and Wood Products	363	5,200
29	Petroleum Refining and Related Products	38	1,400
21	Tobacco Manufacturers	2	30

\* SIC: Standard Industrial Classification, 1972

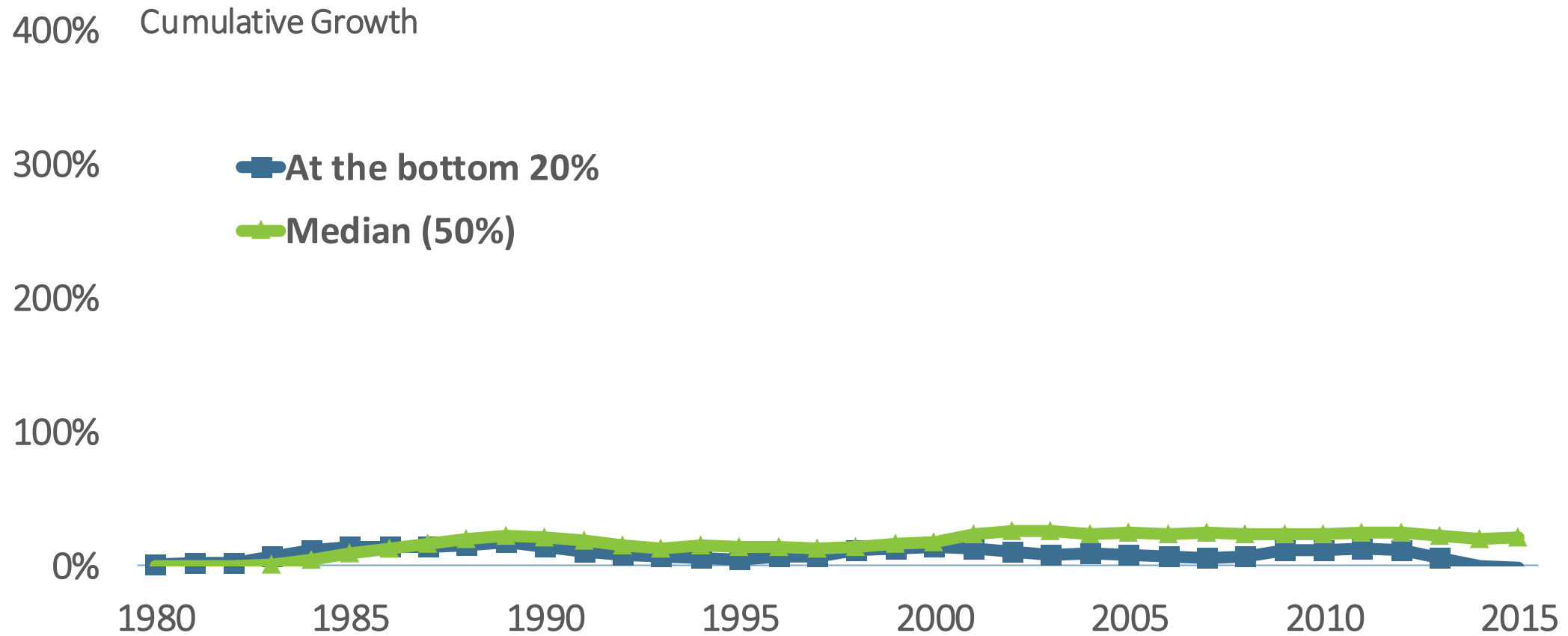
# Employment and Wages Subject to Massachusetts Employment Security Law, 1977 ES-202 Report.



Mass. Div. of Employment Security, *Industrial Profile of Manufacturing Industries in Mass., 1970-1977*

Federal Reserve Bank of St. Louis

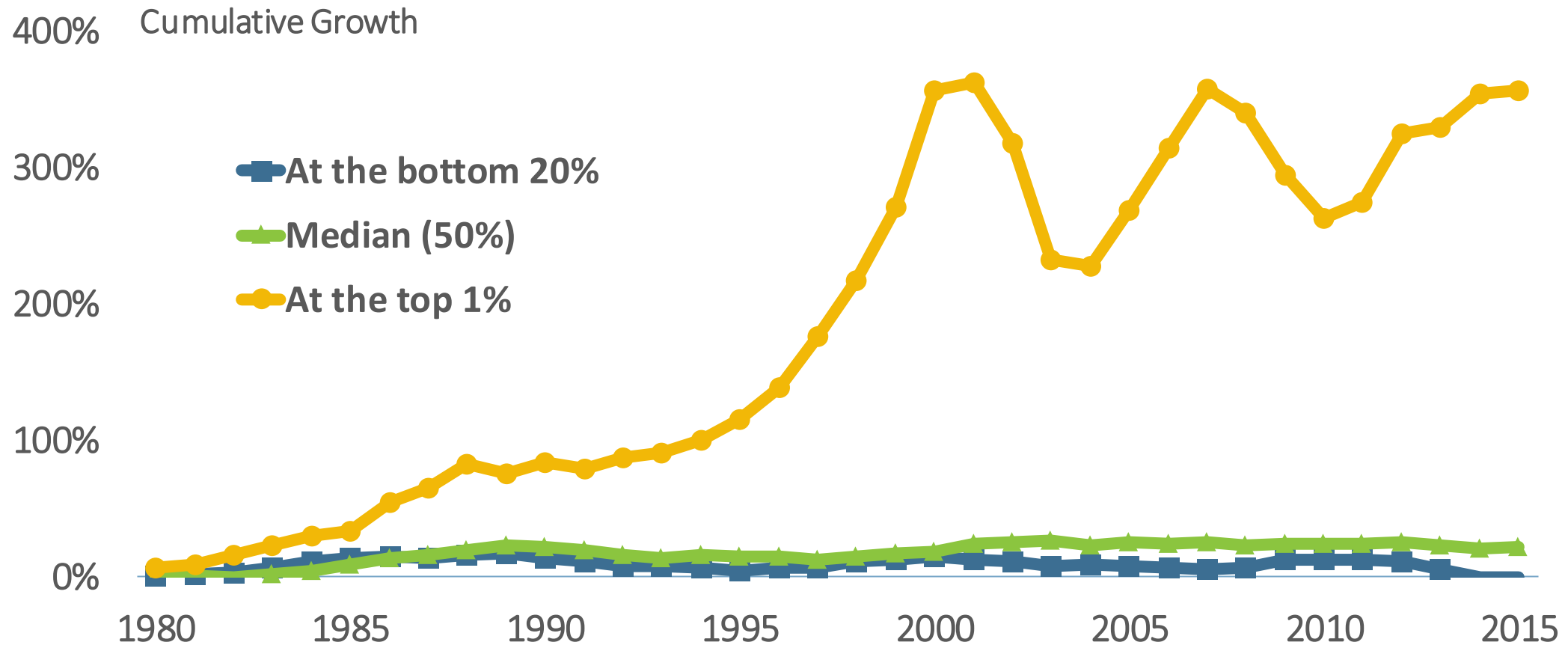
# Incomes for people at the bottom or middle have stagnated in recent decades.



Massachusetts Income data from Economic Policy Institute and Estelle Sommeiller and Mark Price, *The New Gilded Age: Income Inequality in the U.S*

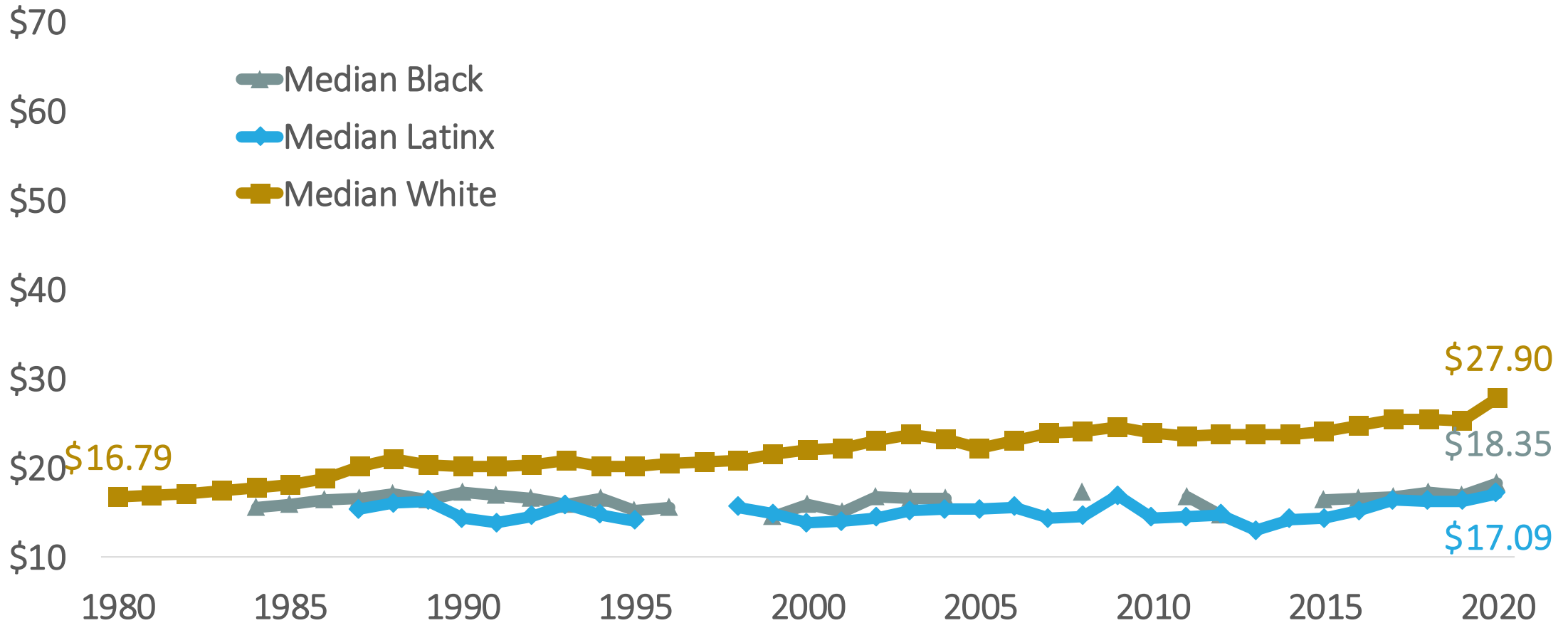


# Economic growth has benefited people at the top much more than others in recent decades.



Massachusetts Income data from Economic Policy Institute and Estelle Sommeiller and Mark Price, *The New Gilded Age: Income Inequality in the U.S*

# Black and Latinx workers more likely stuck in lower wage jobs.



Massachusetts Wages, Adjusted for Inflation

Data from Economic Policy Institute, U.S Census Bureau, Current Population Survey



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A Community Indicators Project  
for the MetroWest Region

[mwhealth.org](https://mwhealth.org)

**METROWEST HEALTH FOUNDATION**

Understanding Economic Insecurity in MetroWest  
September 2021

[impactmw.org](https://impactmw.org)



# \$84,000 statewide median income, but wide disparities persist by race and geography.

Statewide Median Household Income by Race			
Asian	\$102,200	White (not Hispanic)	\$91,800
Black	\$54,800	Two or More Races	\$66,200
Native American	\$35,000-49,000	<i>Hispanic (all races)</i>	\$48,500

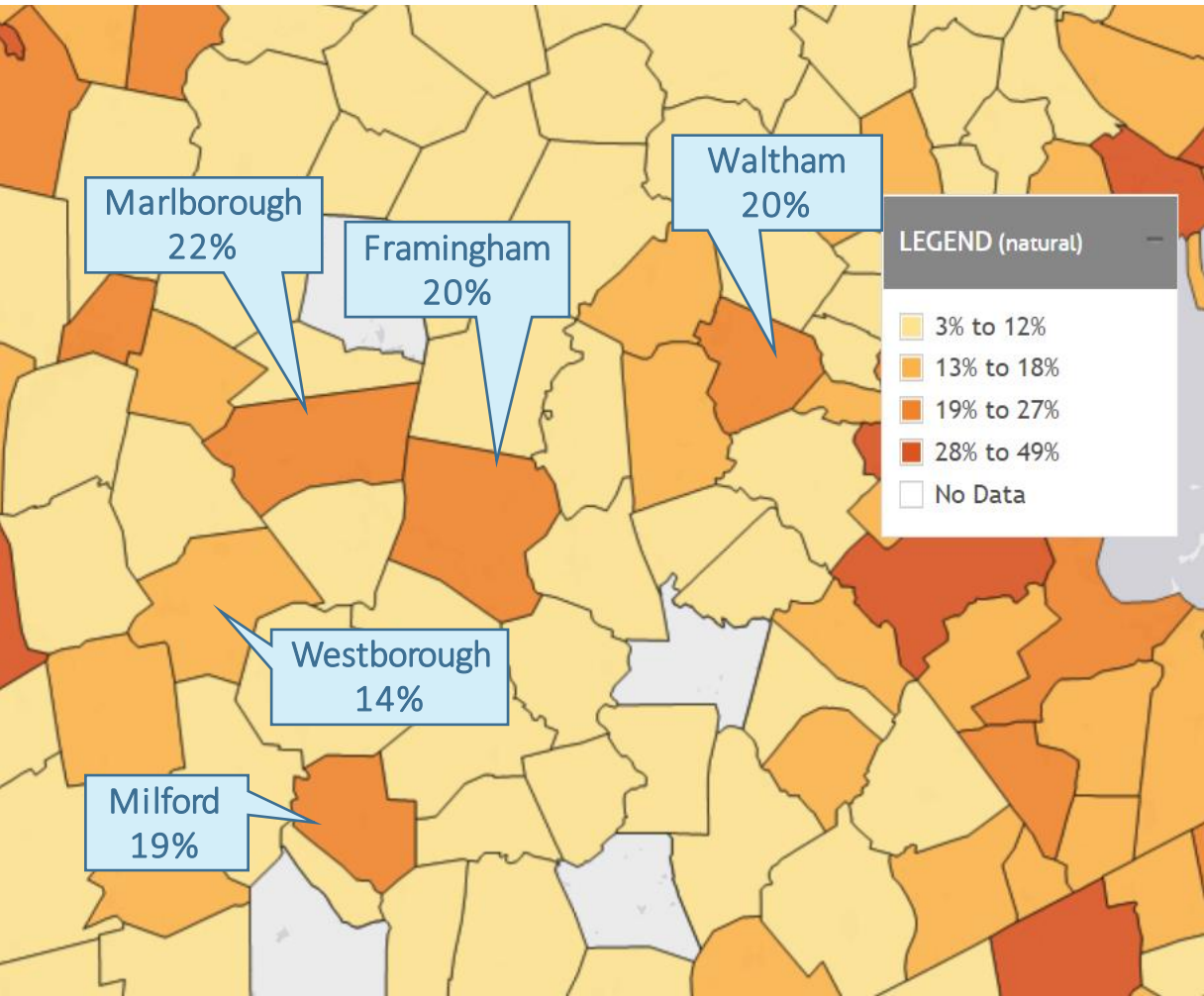
  

Median Household Income for Selected Cities/Towns			
Bellingham	\$96,000-110,000	Marlborough	\$76,000-91,000
Framingham	\$82,000-90,000	Milford	\$80,000-93,000
Franklin	\$108,000-128,000	Natick	\$106,000-125,000
Holliston	\$127,000-148,000	Northborough	\$130,000-151,000
Hopedale	\$105,000-116,000	Sudbury	\$186,000-204,000
Hudson	\$89,000-103,000	Westborough	\$110,000-128,000

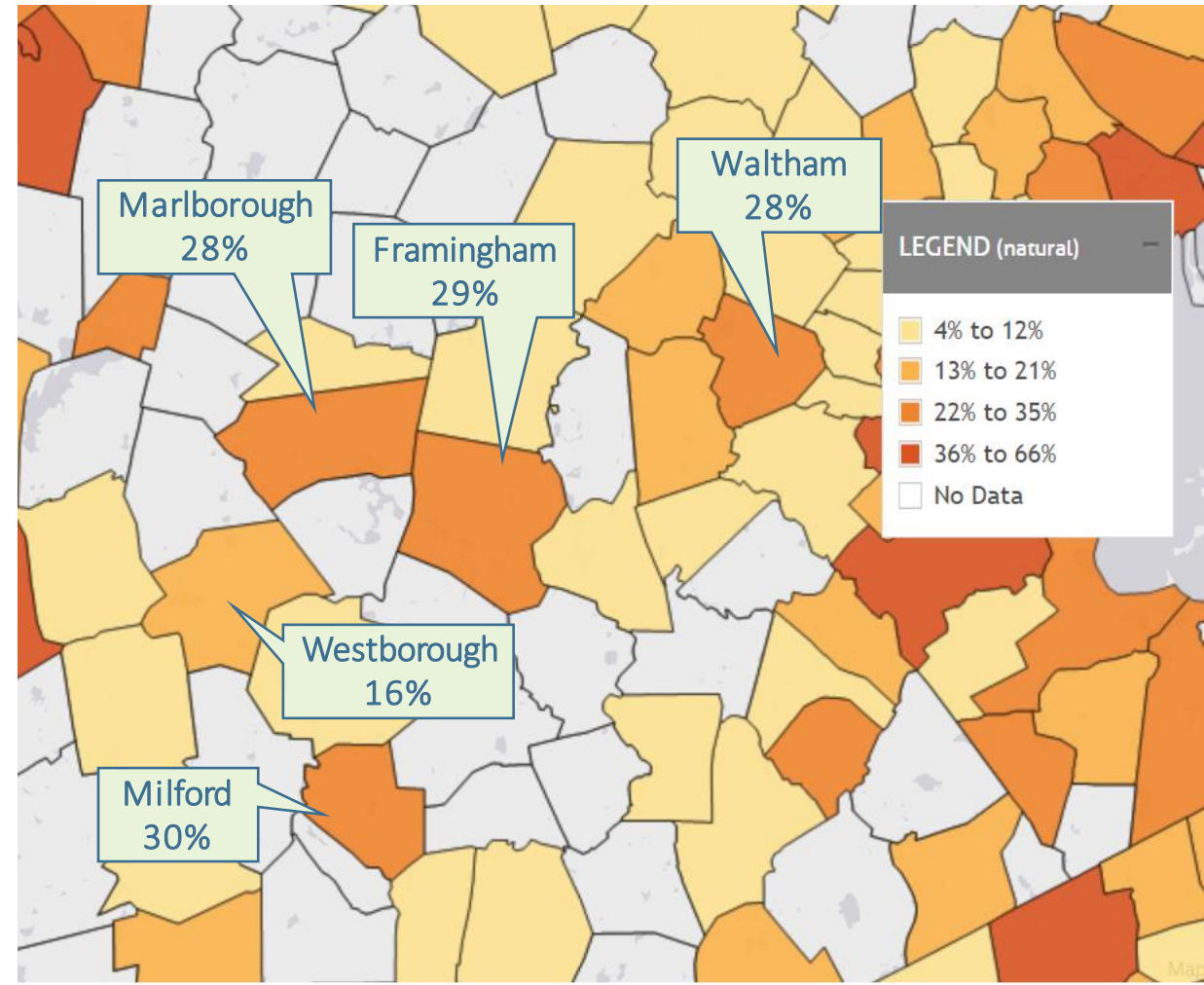
Data from U.S. Census Bureau  
American Community Survey, 2016-2020 estimates



# People who are poor or near poor (<200% FPL)



# Children who are poor or near poor (<200% FPL)



# As many as 1 out of 4 households pay 50%+ of income on rent in some communities.

## Selected Cities: Renters Paying 50%+ on Rent

Massachusetts	23%
Boston	23-25%
Framingham	16-22%
Marlborough	15-26%
Milford	19-32%
Springfield	26-31%
Waltham	14-20%
Westborough	16-29%
Worcester	24-28%



Data from U.S. Census Bureau  
American Community Survey, 2016-2020 estimates



# Income inequality over the years has led to wealth inequality.

**White household net worth**  
(2019 U.S. \$188,000)  
(2015 E. Mass. \$247,000)

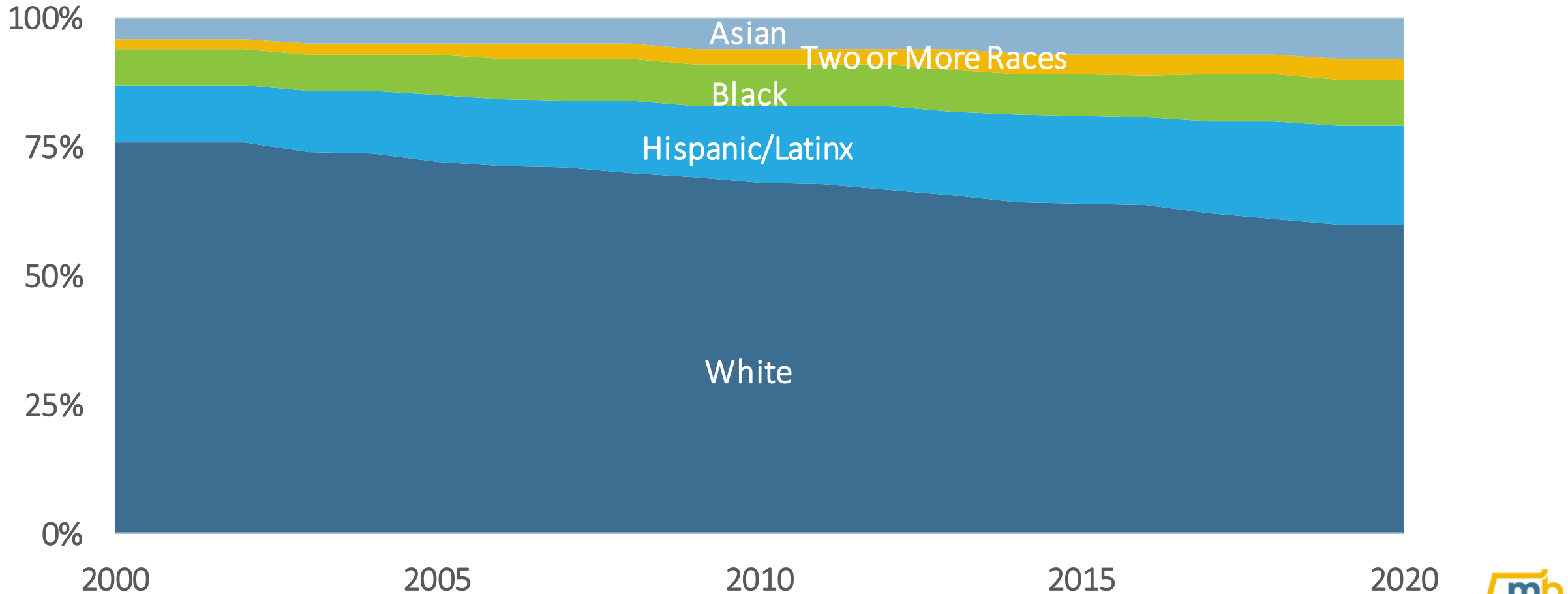
**Black household net worth**  
(2019 U.S. \$24,000)  
(2015 E. Mass. \$8)



2019: Median Net Worth, U.S. Federal Reserve Bank Survey of Consumer Finance  
2015: Median Wealth, Boston Federal Reserve Bank, *The Color of Wealth*



# If we ignore these disparities, we risk leaving more of our increasingly diverse child population behind.



Massachusetts Child Population 0-18 by Race/Ethnicity Over Time  
Data from U.S. Census Bureau, Kids Count Data Center

**The Commonwealth found itself at a crossroads in 2020, with a spotlight shining on inequities.**







**Factors such as employment and housing are significant drivers of exposure to COVID-19.**

— Mass. Department of Public Health

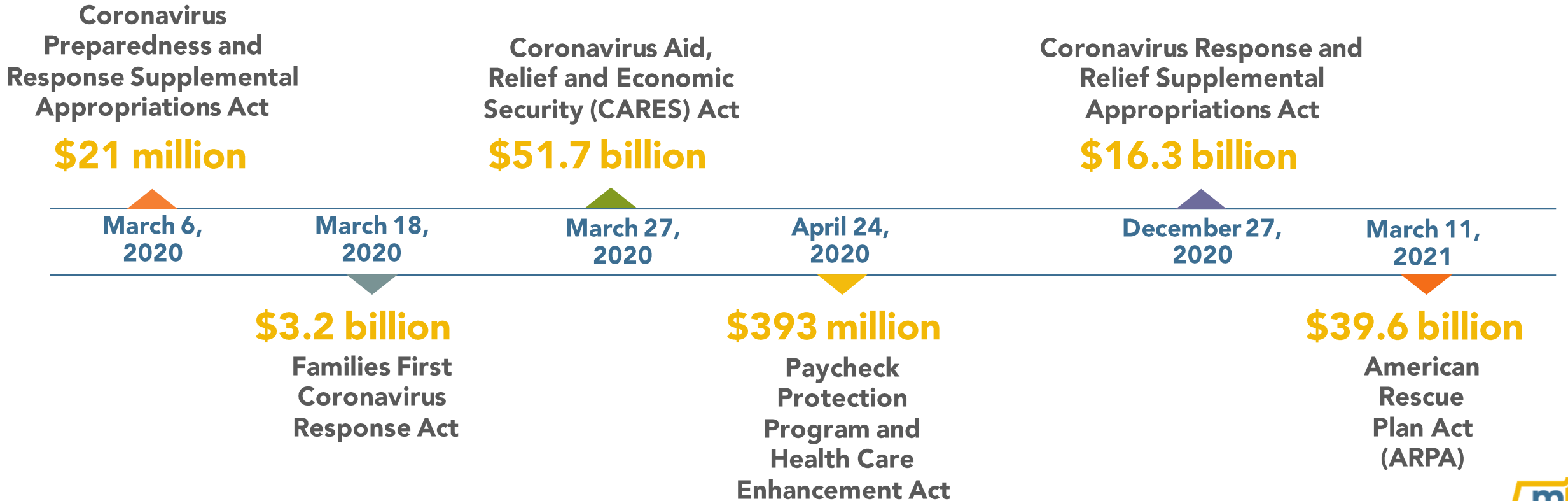


# Long-standing inequities in access to good jobs and housing played a role in COVID's spread.

	Population % People of Color	% Residents Poor or Near-Poor	Median Income	Renters Paying 50%+ on Rent	Unemployment Rate April 2020	COVID Case Rate as of 7/28
<b>Massachusetts</b>	<b>32%</b>	<b>22%</b>	<b>\$84,000</b>	<b>23%</b>	<b>16.4%</b>	<b>26%</b>
Boston	55%	32%	\$75-77,000	23-25%	14.9%	29%
Framingham	46%	20%	\$82-90,000	16-22%	13.3%	28%
Marlborough	41%	22%	\$76-91,000	15-26%	15.2%	29%
Milford	34%	19%	\$80-93,000	19-32%	15.8%	25%
Springfield	72%	47%	\$40-43,000	26-31%	21.1%	39%
Waltham	40%	20%	\$90-101,000	14-20%	12.3%	24%
Westborough	40%	14%	\$110-128,000	16-29%	10.6%	21%
Worcester	51%	38%	\$49-54,000	24-28%	17.1%	29%

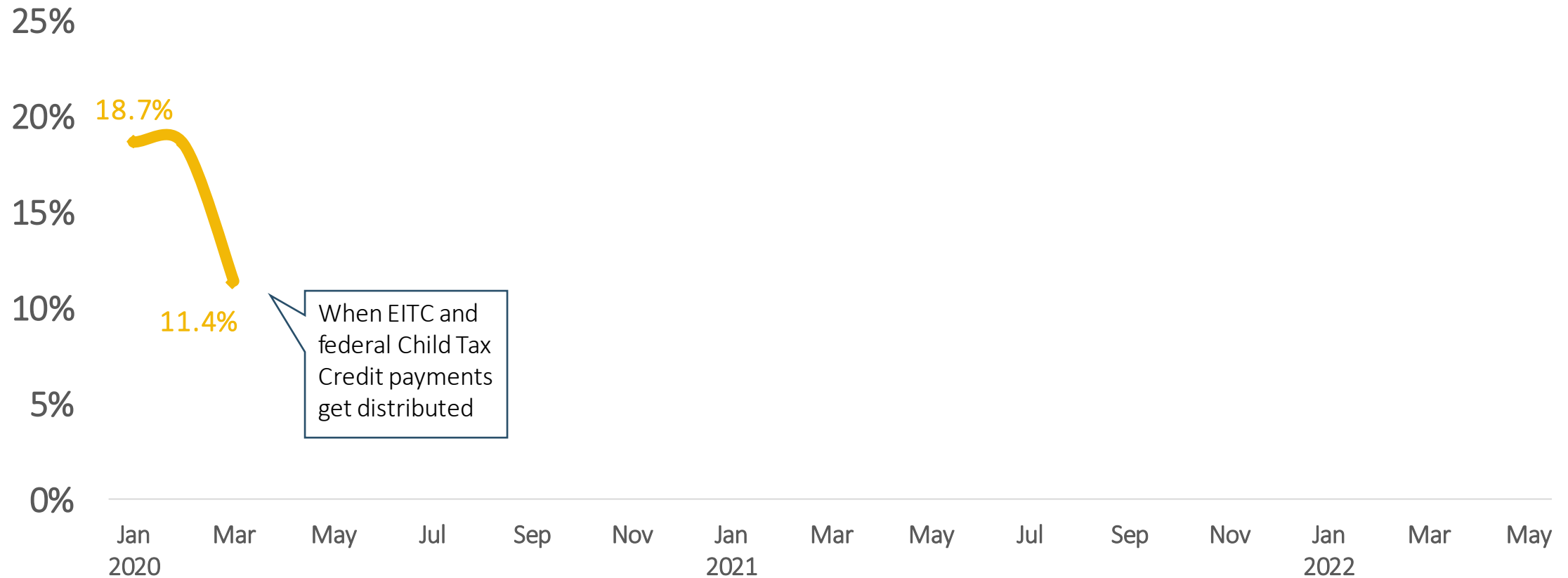
Data from Mass. Dept. of Public Health, Mass. Dept. of Unemployment Asst., U.S. Census Bureau, American Community Survey, 2016-2020 estimates

# COVID relief: A \$115 billion partnership between the state and federal government.



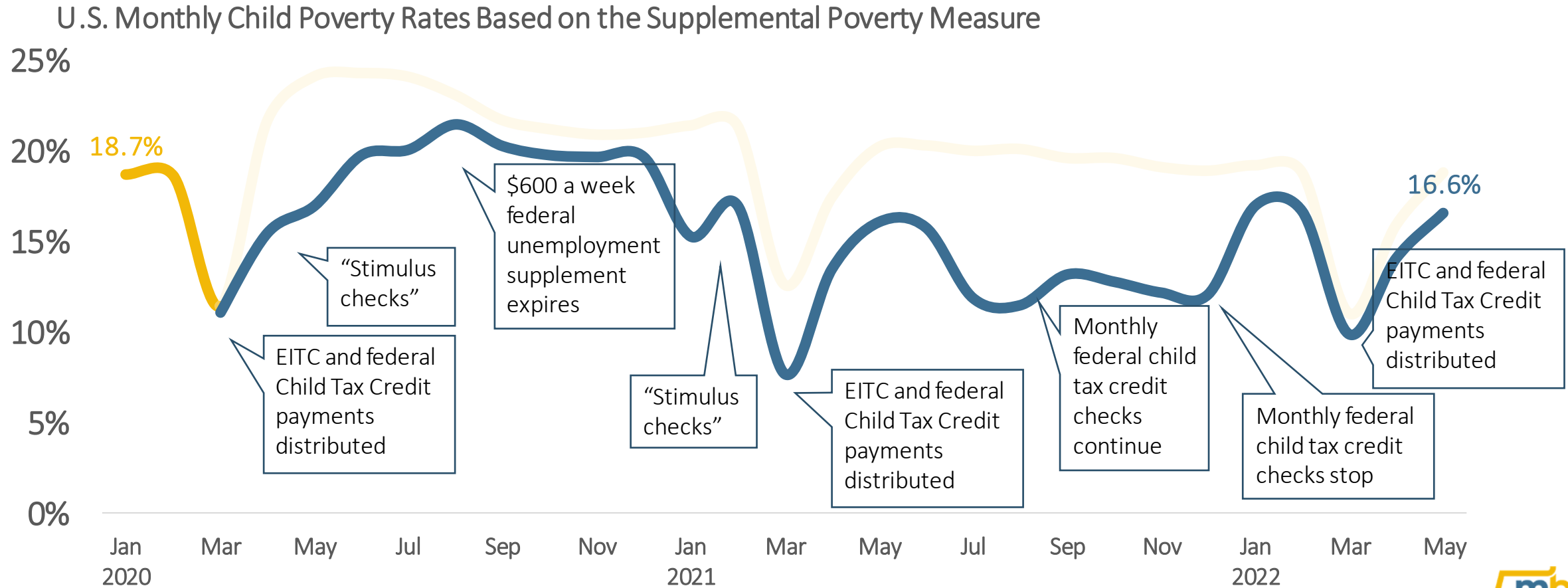
# Even before the pandemic, existing benefits helped keep children out of poverty.

U.S. Child Monthly Poverty Rates Based on the Supplemental Poverty Measure

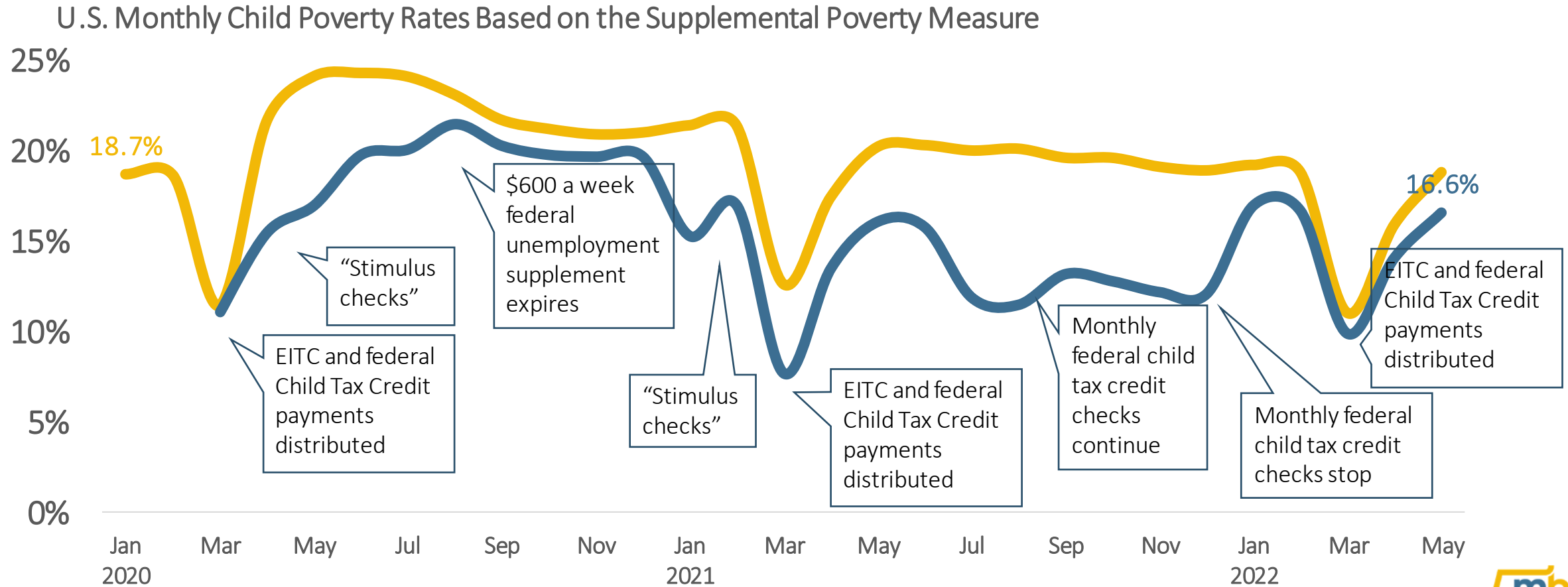




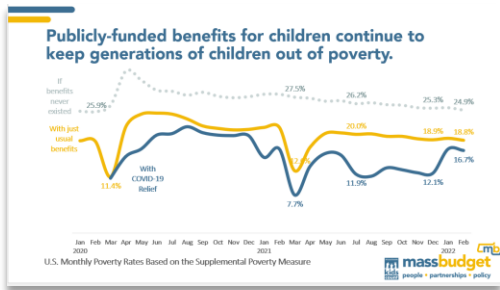
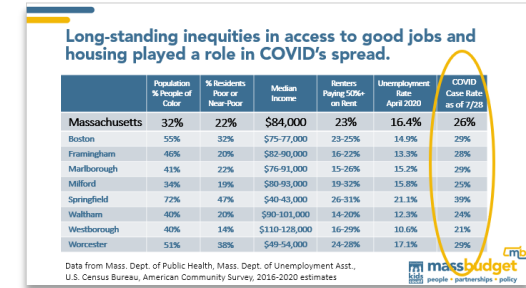
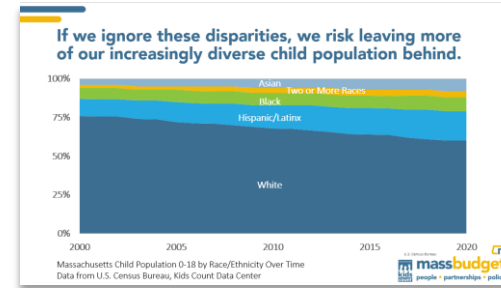
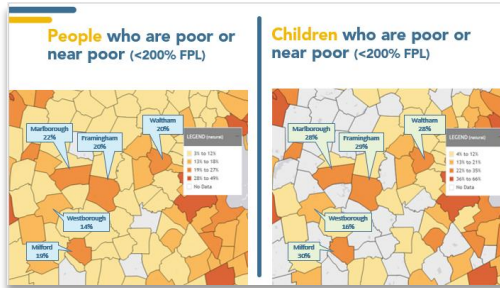
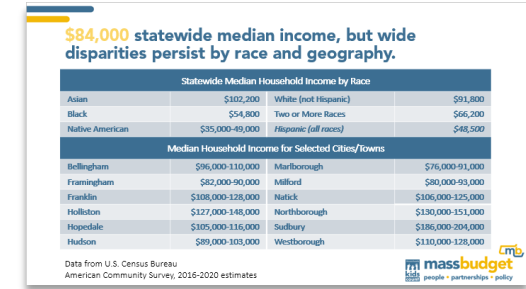
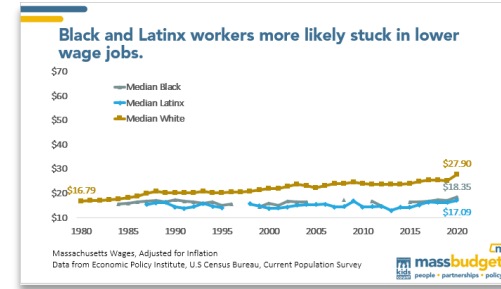
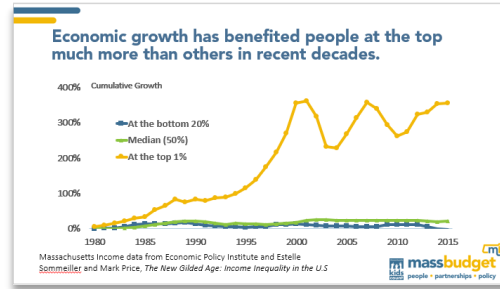
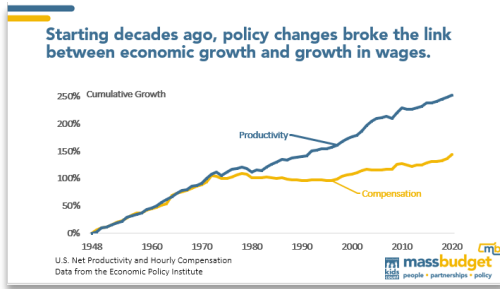
# A series of federal COVID relief measures directly reduced child poverty.



# A series of federal COVID relief measures directly reduced child poverty.



# We tell the story of our communities with data from the Census Bureau.





# A final few words about the 2020 Census and data.



- The pandemic dramatically affected **data collection** in 2020 – both the **decennial Census** and the annual **American Community Survey**. Massachusetts grassroots efforts increased participation.
- The 2020 Census likely **missed 1 out of 20 young children**.
- **Population estimates** based on the Census are used to distribute funding.
- At stake:
  - Accuracy
  - Equity
  - Power
  - Lots and lots of money

# Much of federal funding is affected by Census counts.

ARPA Coronavirus Fiscal Recovery Funds  
\$8.7b COVID relief

Emergency Rental Assistance Program  
\$894m COVID relief

Special Education  
\$321m + \$67m COVID relief

Title 1 funding for low-income school districts  
\$259m

Child care block grants  
\$150m + \$383m COVID relief

Fuel assistance (LIHEAP)  
\$139m + \$215m COVID relief

Women, Infants, and Children (WIC)  
\$81m

