

GEODC

Pandemic Impacts / Economic Resiliency

The Institute for Policy Research and Engagement (IPRE), Oregon Economic Development Districts and Resource Assistance for Rural Environments (RARE) Oregon members began to meet in September 2020 to brainstorm and coordinate a strategy on next best steps forward for COVID-19 recovery efforts. Although the United States was still in the midst of the pandemic, RARE with the support of IPRE felt their service efforts towards recovery were best directed towards a needs assessment to assess the current situation and address those specific needs as we continue to navigate through the pandemic. RARE members around the State of Oregon interviewed 10-15 stakeholders in their region that provided information about what they are seeing, issues the community incurred, and things that went well since the beginning of the pandemic in March 2020 to the time of the interviews in January and February of 2021.

Eastern Oregon followed similar trends of COVID-19 impacts that were seen across the United States; these include:

- Black, Indigenous, and People of Color were affected disproportionately
- Childcare shortages
- Significant impacts on tourism, hospitality, food, and beverage industries
- Mental health concerns

Trends that are region specific and rural specific to Eastern Oregon include:

- Under employment- businesses looking to hire, but no workforce
- Lack of broadband access
- Issues with regulations on shutdown orders for areas with small populations and low number of COVID-19 cases

Key Themes

Throughout the interview process, it became evident that there are regional challenges or barriers that may impede economic resilience and recovery. The challenges appeared in the majority of interviews, regardless of sector or industry. They can be considered “Wicked Problems” as they are inextricably linked to many other challenges. Solving wicked problems requires flexibility, a long-term resource commitment, and a strategy that builds the capacity within a community to address the issue (OSU).

The key themes do not reflect all of the needs expressed from stakeholders during the interview process, but are points and aspects that were expressed most often by the interviewees. In the report there are

subcategories in the key theme sections. The subcategories explain aspects within the key theme that are important to Eastern Oregon.

The key themes are:

1. Workforce Development
2. Barriers to Technology
3. Barriers to Housing
4. Inequalities
5. Information and Communication Sharing
6. Health and Wellness

Workforce Development

Unemployment has been a hot topic throughout the pandemic. When the pandemic was declared in March 2020, comparisons of the Great Recession were on people's mind. Eastern Oregon was hit especially hard by the Financial Crisis in 2008— unemployment rates were high and it took a long time for the region to recover (see appendix A for unemployment rates by county for years 2006 to 2016). Eastern Oregon was just starting to feel the forward momentum and growth post Great Recession prior to the pandemic.

Coincidentally, the effects on employment from COVID-19 have had less of an impact on the region in comparison to the urban areas of Oregon. Eastern Oregon did see a shift in employment; but for many areas in Eastern Oregon, businesses could stay open under the essential business orders. As the pandemic has progressed, jobs lost due to the initial impacts of COVID-19 have been recovered.

Through the pandemic, many of Eastern Oregon's industries are voicing that they need workers; especially in manufacturing. Prior to the pandemic Greater Eastern Oregon struggled with a high migration trend, which limited the workforce options; now the pandemic has exacerbated the issue for employers. Employers are trying to incentivize workers by paying above minimum wage and offering other work bonuses; but are still finding it difficult to find and retain workers. In February 2021, over 400 jobs were available in Morrow and Malheur County; with most of the jobs being above minimum wage. People may be slow to return to the workforce due to lack of childcare options, health concerns, and possibly due to unemployment benefits. Aside from the shortage of workers, other workforce concerns are the high turn overs (unable to retain workers), employee commutes, and training. Many of the interviewees voiced a concern for the workforce in Eastern Oregon.

Barriers to Technology

Access to broadband has been an ongoing issue for Eastern Oregonians prior to the pandemic. Lack of access has inhibited economic development for the region- affecting countless aspects of everyday life such as paying bills online, communication, business marketing and education. According to recent affordability data, Oregon lags behind many other states, with only 24.5% of its residents having access to a low-priced (\$60/month or under) internet plan.¹ As we shift into the new normal, use of online technology will continue to be utilized and demand for access will continue.

As many aspects of life and business pivoted to the digital realm during the pandemic, accessibility and knowledge became an exacerbated issue for Greater Eastern Oregon. To follow CDC guidelines to social distance and work from home, everyone shifted as quickly as they could, learning and implementing simultaneously.

Education Sector

The school districts had to pivot quickly from in class to online learning. School districts worked quickly and diligently to provide laptops and tablets as well as hotspots for students; internet providers also tried to support people during this shift by offering waivers for installation costs and free or reduced subscriptions. This quick technology shift put a strain on parents, students, and teachers- each learning and trying to navigate new platforms. Attendance from students has been an issue with online learning- which can be attributed to limited broadband strength that can't support children going to school and parents working from home on the same router. An evident takeaway from this experience has been that those that were already comfortable and had access to technology prior to COVID-19 excelled.

Small Businesses

Small businesses owners' level of technology use in Eastern Oregon has grown throughout the pandemic. Many small businesses have shifted to ecommerce tactics (selling and marketing online), while other businesses held on to their existing business as usual model and decided to wait out the initial disruption of the pandemic (thinking the pandemic wouldn't have lasted as long as it did). At this point in the pandemic, businesses cannot dismiss the growing trend of ecommerce - from 2019 to 2020 there has been a 44% increase in US ecommerce sales.² Interviewees voiced concern for small business support with technology. Many business owners are intimidated by technology and website development, which is limiting their potential to increase their market and profits.

Positives

The forced leap into technology provided opportunities and positive shifts that organizations will continue to utilize. Zoom and Facebook provided quicker and more frequent connectivity- increasing shared resources and reducing travel time and costs. Telehealth is a growing industry and great option for rural residents that have limited access to health care facilities (but without reliable broadband, this technology's full potential cannot be accessed by all individuals yet). Technology hasn't pushed out the need for face to face interactions, but it will definitely continue to be utilized and implemented post COVID-19.

¹ Tyler, Cooper. (2021, April 12). *Internet Access in Oregon: Stats & Figures*. Retrieved from <https://broadbandnow.com/Oregon>

² Prazych, L. (2021, February 8). *U.S. Ecommerce Grows 44 Percent In 2020*. NV Publications, Inc. <https://boardconvertingnews.com/2021/02/08/u-s-ecommerce-grows-44-percent-in-2020/>.

Barriers to Housing

Access to housing is another issue that has been an ongoing issue for Eastern Oregon prior to the pandemic and continues to be an exacerbated problem through the pandemic. Over the course of the pandemic, housing demands are increasingly outnumbering available housing; this has led to price appreciation-further driving out first time buyers and low income workers.

Impeding on Economic Development

The lack of housing options is an extension of the workforce issue; it prevents skilled workers from staying in and moving to the area. The manufacturing and health industries are experiencing growths in the region, but can't fill open positions partly due to lack of housing options. A trend communities are experiencing is their workforce commuting to work and living in further away larger metropolitan areas; and unfortunately many of these cities are across the border in the states of Idaho and Washington. A few factors contributing to this trend are: access to amenities for a better quality of life and easier regulations for building in the bordering states. The border state cities of Boardman, Hermiston, Milton-Freewater, and Ontario are experiencing population migrations to ID and WA. Employees of the ports in Umatilla, Hermiston, and Boardman tend to live in the Tri-cities area of WA. A similar issue is happening on the Oregon-Idaho border; Ontario is experiencing an out migration of its middle and upper income residents and even its businesses.

Other Considerations

Another barrier to consider is the increase in the price of timber over the past year. The National Association of Home Builders recently released a report that said lumber prices have added nearly \$36,000 to the average price of a new single-family home, and nearly \$13,000 to the price of a multifamily home since April 2020.³ Contractors were already less incentivized to take on building projects in rural areas due to profit margin comparisons to larger metropolitan areas such as Bend; now with increased costs for building material, profit margins are even tighter. Communities are offering builders incentives, such as tax breaks, donated lots and discounts, to get much needed housing.

COVID-19 has also pushed employers and workers to shift their views on traditional work norms- according to the US Census, 5.2% of workers worked from home in 2017; with the pandemic that number has increased exponentially. A research firm, Global Workplace Analytics, estimates that employers and employees will recognize the benefits of telecommuting, and that between 25% and 30% of the workforce will be working from home multiple days a week by the end of 2021, even after the world recovers from the shock of Covid-19.⁴ With the trend of remote working forecasted to continuing past the recovery of the COVID-19 disruption, rural areas can capitalize on the "zoom town" trend, by incentivizing people to relocate to rural towns and structuring housing and apartment models to include an extra room for an at home office.

Inequality

³ *Solving the Lumber Crisis*. NAHB. (n.d.). <https://www.nahb.org/advocacy/top-priorities/material-costs/solving-the-lumber-crisis>.

⁴ Gusinow, S. (2020, April 29). *Office Spaced*. Oregon Business. <https://www.oregonbusiness.com/article/tech/item/19051-office-spaced>.

Through the progression of the pandemic, contrasts in education level, wages, race and access to childcare services have become prevalent influences in individuals' ability to stay healthy and continue to provide for themselves and their family.

Ability to telecommute for work has played a large factor in wage disparities. If individuals were able to telecommute, they were more likely to be able to continue to keep their job and continue to work and they were able to self-isolate; lowering their risk to covid-19 exposure. Many of the workers that couldn't telecommute were laid off by employers and those that continued to work at the workplace have experienced higher rates of contracting COVID-19.

Those that fall into the low wage earners category (typically jobs in service, hospitality, food and beverage) weren't able to recover as quickly and showed more declines than those with higher income. The graphs on the next page show the impacts on low wage earners. The pandemic has been difficult on the majority of the population, but two groups in Eastern Oregon, Latinx and single parents, have been impacted more and need further support as the pandemic continues.

Latinx

Nationwide the data on the number of cases and deaths due to COVID-19 show BIPOC individuals having higher rates in comparison to the Caucasian population. Eastern Oregon shared similar results. Residents reporting Hispanic ethnicity accounted for 41% of Umatilla County's total COVID-19 cases in 2020, compared with 34% from non-Hispanic residents and 25% from residents whose ethnicity was unknown, according to a report released by the health department this week.⁵ Malheur, Morrow, and Umatilla county all show data of Hispanic individuals experiencing higher rates of cases and deaths from COVID-19. Contributors to the higher rates are attributed to working in industries that can't be done from home and tend to be in close vicinity to other individuals (manufacturing and agriculture). Latinx families also tend to live in multi-generational homes; putting elders, who are at a higher threat of complications with COVID-19, at risk.

The pandemic also highlighted accessibility issues for the Latinx community. Public services that are open from 9am-5pm don't fit the time schedules for workers in manufacturing and agriculture industry, creating barriers to access assistance; especially healthcare. Another barrier is language- information is not readily available in Spanish. Lastly, there is a lot of mistrust of the government amongst the Latinx community, making free services and assistance underutilized by this community.

Single Parents

Closures of schools and daycare facilities put single parents in a bind. Unable to care for children and continue to work, many single parents (typically women) left the workforce. Poverty rates are higher for women than for men, both in the U.S. and Oregon, though the gap isn't as wide in Oregon. Women's lower average earnings, their greater family care responsibilities, especially among single mothers, and their longer life expectancies mean more women face poverty than men.⁶ Women dominant professions, such

⁵ Dole, B. (2021, March 16). *'We failed them:'* New data shows Hispanic residents disproportionately impacted by COVID-19 in 2020. East Oregonian. https://www.eastoregonian.com/coronavirus/we-failed-them-new-data-shows-hispanic-residents-disproportionately-impacted-by-covid-19-in-2020/article_42cacb2a-8387-11eb-acf0-7f681277073b.html.

⁶ Nelson, J. (2020, November 10). *Quality Information, Informed Choices*. QualityInfo. <https://www.qualityinfo.org/-/poverty-and-the-oregon-workforce>.

as education, care providers (elder and child) and hospitality services, have experienced the highest shift in unemployment from COVID-19. Even among women who were not single parents, the graph below shows that women were more likely to leave the workforce during this time.

Prior to the pandemic, there was a shortage of affordable day care providers and centers for parents. Child care in Oregon is among the least affordable in the country, forcing many parents who would prefer to work to drop out of the workforce to provide care.⁷ Making investments that expand access to affordable child care would allow those parents to remain in the workforce while easing the burden that child care can have on family budgets.

Dealing with a health crisis – childcare centers did their best to follow CDC guidelines and protocols, but outbreaks still occurred, causing closures and leaving parents stuck. Prior to the pandemic, day care centers operated on tight margins. Closures and increased safety measures have made it extremely difficult and stressful for the providers. Extra support for childcare providers will be a high priority moving through the pandemic, as well as looking at increasing access to affordable childcare services.

Information and Communication Sharing

Early on in the pandemic information was misconstrued by national leaders causing confusion for the country. Part of the general population took COVID-19 seriously, while others thought it wasn't severe or real. At the state and local level, leaders responded by quickly sharing information they received. State level agencies such as Business Oregon, Travel Oregon, and Oregon Manufacturing Extension Partnership were helpful in sharing and updating information to counties, cities, and businesses. As the pandemic has progressed, information gathering and sharing has become easier and more streamlined.

Issues in communication and information were experienced heavily at beginning of the crisis with constant changes to website information and ambiguity of regulations/guidelines. This made it difficult to find information with many occurrences of repetitive and redundant sharing. Information sharing trickled down to the county and city level organizations through individuals that had access to the governor's press conferences and roundtables, from state level agencies and the health departments; otherwise organizations searched for the information themselves.

Individuals experienced difficulty in finding information, especially on county and city webpages which are convoluted with other department information. Individuals relied heavily on newspapers and social media outlets like Facebook, twitter and Instagram for finding up to date information. With the increased reliance on technology during COVID-19 to comply with social distancing measures, social media and video conferencing platforms has become an important portal for sharing and engaging with community members and informing the public on changes in regulations or financial assistance opportunities. Depending on access to broadband- the use of online platforms has increased communication and access to conferences, webinars and meetings for individuals.

Increased Collaboration

Organizations at the state, county, and city level have increased communication and collaboration to work together during this unprecedented event. People have gone above and beyond to support those in need, and regional meetings among organizations have been created to increase communication and solve

⁷ Oregon had the second highest average annual rate for center-based infant care and the fourth highest for four year-old care in 2014. *Parents and the High Cost of Child Care*, Child Care Aware of America, 2015, p. 27, available at <http://usa.childcareaware.org/wp-content/uploads/2016/05/Parents-and-the-High-Cost-of-Child-Care-2015-FINAL.pdf>.

issues. Also collaboration and generosity has been noticed among community members- people have been looking out for each other, providing items and food for families in need, and supporting local businesses. As unfortunate as it is to be in a crisis, COVID-19 has broken silos and increased collaboration among individuals, organizations and communities.

Health and Wellness

Mental Health

Mental health is a prominent concern- isolation, stress, and uncertainty are all common feelings experienced throughout the COVID-19 crisis. On top of a worldwide health crisis, natural disasters, political, and social issues have added an extra heaviness on individuals in 2020-2021. 1 in 3 adults in Oregon reported symptoms of anxiety and/or depressive disorder since May 2020. As mental health becomes less taboo and social stigma wanes, Oregon will see a growth in this sector of the health industry. As of May 2020, there were 5,860 Substance Abuse, Behavioral Disorder, and Mental Health Counselors in Oregon, and the industry is projected to see a growth of more than 7,500 jobs open in this field between 2019 and 2029.⁸

Outdoor Recreation

As “safer at home” orders continued throughout 2020, individuals became accustomed to the slower pace of life. People began to take advantage of the extra time to engage in hobbies, spend time with family, or to travel locally. Many families utilized the downturn to prioritize more time together by sharing meals and enjoying outdoor recreation. An increase in sales for cycling and camping equipment excelled during the pandemic. “[US Camping equipment] Sales increased 31% in June 2020 as consumers looking for a respite from home life pitched tents in their yards or at local destinations. As a broad swath of consumers sought out safe activities during the stay-at-home period, sales were less likely to be driven by those looking for epic moments and more likely to be driven by those seeking quality family time outdoors.”⁹ Outdoor recreation has been a major component for mental health of individuals through the pandemic.

Eastern Oregon saw an influx of visitors to its outdoor recreation areas. Hunting licenses and outdoor recreation related sales has increased since COVID-19. Oregon sold 18% more angling licenses and 6% more hunting licenses of all categories in 2020 versus 2019.¹⁰

An influx of visitors also puts strains on the area as capacity is limited in regards to services and infrastructure. As more new visitors come to explore the beauty of Eastern Oregon, education on safe and responsible outdoor recreation practices will be needed.

⁸ U.S. Bureau of Labor Statistics. (2021, March 31). *21-1018 Substance Abuse, Behavioral Disorder, and Mental Health Counselors*. U.S. Bureau of Labor Statistics. <https://www.bls.gov/oes/current/oes211018.htm#st>.

⁹ *America Outdoors: Consumers Are Flocking to These 5 Activities*. NPD Group. (2020, August 23). <https://www.npd.com/news/thought-leadership/2020/consumers-are-flocking-to-these-5-activities/>.

¹⁰ Banse, T. (2021, February 18). *Gone Fishin': Northwest States Catch Lots More Angling And Hunting License Sales During Pandemic*. Northwest Public Broadcasting. <https://www.nwpb.org/2021/02/17/gone-fishin-northwest-states-catch-lots-more-angling-and-hunting-license-sales-during-pandemic>.

