



ALICE COVID SURVEY REPORT

2020

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United Way
of Buffalo & Erie County

INTRODUCTION

The COVID-19 pandemic has had devastating consequences on our community. Its health, social, and economic effects have magnified existing inequities and deepened structural barriers to prosperity for many. As United Way of Buffalo & Erie County, we work to bring people, organizations, and resources together to create systemic community change. We recognize that now more than ever our community needs to come together to rebuild the community to be more equitable and more resilient than it was before the pandemic.

An essential first step in creating systemic change is understanding key issues, and so we conducted research designed to better understand the impact of COVID-19 on households in Buffalo and Erie County. We intend for these findings to guide and inform how best to support families most in need through what will likely be a long-term recovery.

Our work places priority on households living in financial hardship, which we use as an umbrella term to include both poverty and ALICE households (see *Figure 1.*).

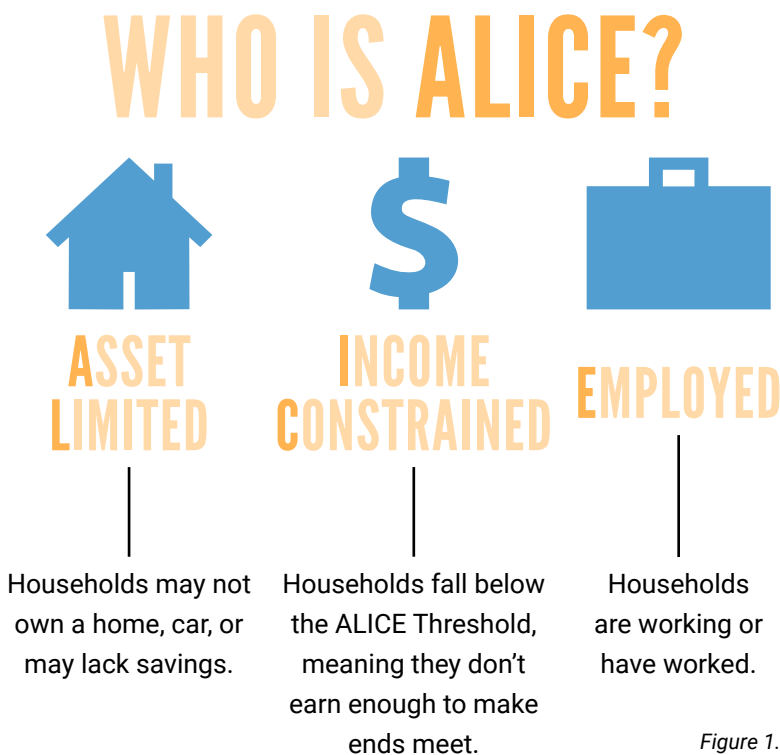


Figure 1.

ALICE (Asset Limited, Income Constrained, and Employed) households are living above the federal poverty level but still struggling to make ends meet. The reason why we include ALICE in our definition of financial hardship is because while these households are struggling financially, we know they are an often invisible population who is not captured in more traditional measures of need and are also not eligible for many public assistance programs. By using what we call the ALICE Threshold to determine who is living in financial hardship, we are able to more comprehensively identify needs in our community and develop response efforts accordingly.

METHODOLOGY

We partnered with our state association, United Way of New York State, in addition to local United Ways throughout New York to distribute a survey electronically. Some of the ways that we distributed the survey included sending a link to

the survey to our email distribution list, developing targeted ads on social media, and asking our community partners to share the survey with their clients. The survey was open online from October 13 through November 3, 2020. Anyone in New York was eligible to participate in the survey and the results were kept confidential.

The survey included questions about the individual completing the survey, their household, and household concerns and changes related to the COVID-19 pandemic. Questions about household income, household size, and household composition (e.g. number of adults, children, and seniors) were used to determine whether the survey participant's household was above or below the ALICE Threshold. As previously noted, households below the ALICE Threshold are those living in what we call financial hardship.

We received 1,593 responses from Erie County residents. Participants skewed heavily toward those above the ALICE Threshold (84% above ALICE Threshold vs 15% below ALICE Threshold). In addition, the sample was largely composed of participants who identify as white (87%) and female (73%) (see *Figure 2.*).

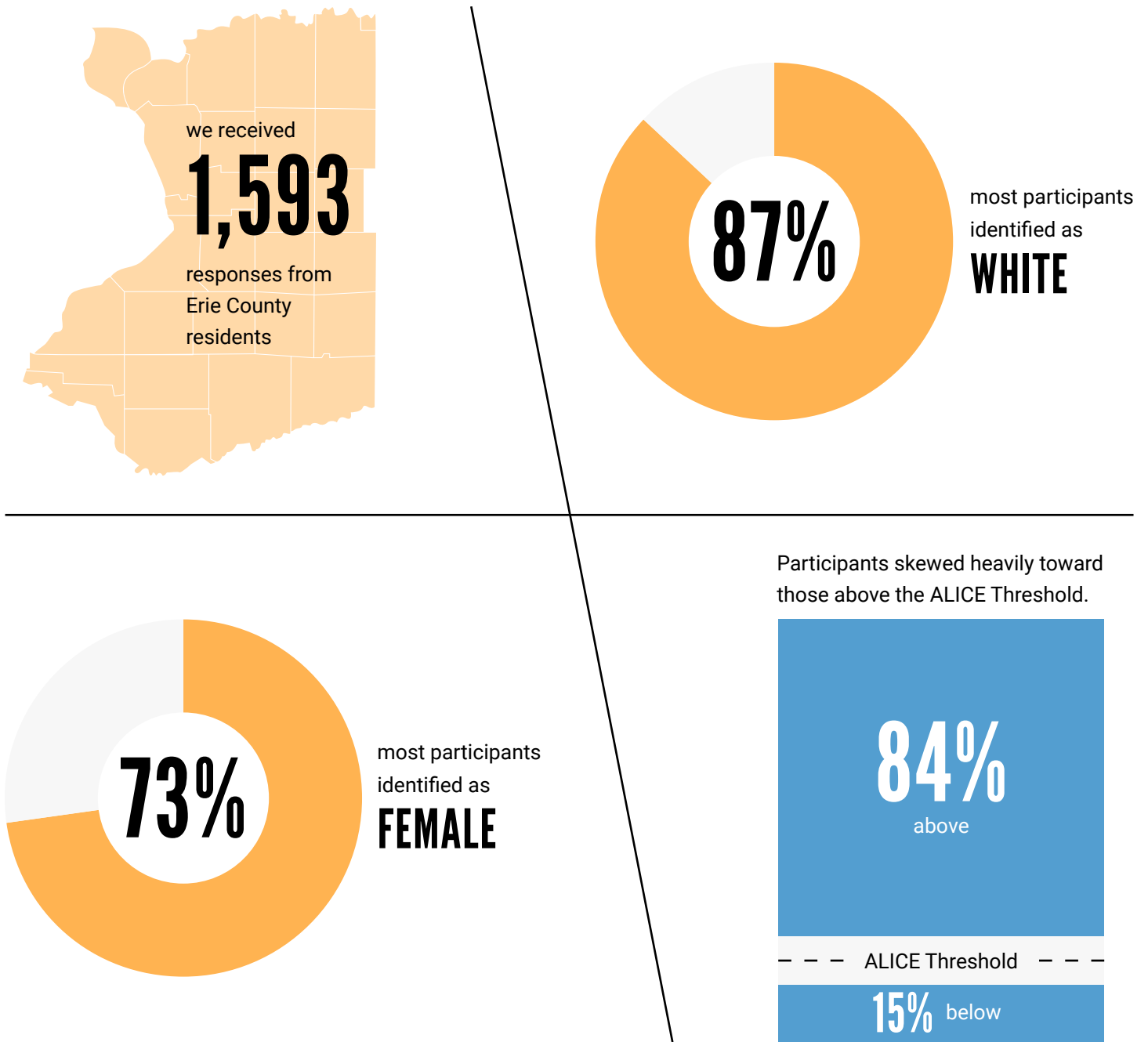


Figure 2.

DATA LIMITATIONS

The skewed nature of the demographics of the sample limited the types of comparisons we could draw. For example, because of the small number of participants of color, we were unable to compare survey responses by race or ethnicity. In addition, there were some questions that only went to certain survey participants (such as those with children in the household), but we cannot compare the responses of households above/below the ALICE Threshold because it would make the groups too small to ensure that a test of significance would be valid.

It is important to note that these results are not generalizable. This is due to the method we used to recruit survey participants. While we are confident in the validity of our data, the discussion below can only describe the experiences of those who took the survey and cannot be used to describe the experiences of all households in Erie County.

RESULTS

One set of questions in the survey focused on concerns surrounding COVID-19. A majority of survey participants expressed concerns in some form about what their lives have been like since the start of the pandemic. The most common concern reported by survey participants was about members of their household contracting COVID-19; 81% of participants reported this concern (see *Figure 3*). Even when comparing responses from above and below the ALICE Threshold, contracting COVID-19 was still the most common concern. This finding suggests that contracting COVID-19 is a predominant concern amongst survey participants.

81% of participants reported members of their household contracting COVID-19 as their greatest concern during this time.


Figure 3.

However, we found that there were some concerns which were more prevalent among households below the ALICE Threshold. They were all related to household finances. For example, 52% of households below the ALICE Threshold indicated concern about how to pay for

housing expenses (e.g. rent, mortgage, utilities), compared with 15% of households above the ALICE Threshold. In other words, over three times as many households below the ALICE Threshold told us they were worried about how to pay for their housing compared to households above the ALICE Threshold. Other concerns, which were more prevalent among survey participants in households below the ALICE Threshold, included paying off debts like bills and credit card payments, providing enough food for the household, and a reduction of hours/wages (see *Figure 4*). This finding supports what we have already known about households below the ALICE Threshold: making ends meet can be worrisome and stressful.

OVER THREE TIMES AS MANY HOUSEHOLDS BELOW THE ALICE THRESHOLD TOLD US THEY WERE WORRIED ABOUT HOW TO PAY FOR THEIR HOUSING.

OTHER CONCERNS which were more prevalent among survey participants in households below the ALICE Threshold included:



paying off **DEBTS** like bills and credit card payments,

providing enough **FOOD** for the household,

and a **REDUCTION OF HOURS/WAGES**.

Figure 4.

THIS FINDING SUPPORTS WHAT WE HAVE ALREADY KNOWN ABOUT LIVING IN FINANCIAL HARDSHIP: MAKING ENDS MEET CAN BE WORRISOME AND STRESSFUL.

While the results above focused on concerns, the survey also asked questions about changes to households since the start of COVID-19. For example, one question asked if employment has

changed for any household members since March 1, 2020. More survey respondents below the ALICE Threshold reported living in households where someone has lost a job, whether it be temporarily or permanently.

In addition, other questions focused on changes households have made in order to make ends meet. Similar to our findings regarding concerns, households both above and below the ALICE Threshold reported needing to make changes to the way they handle their household finances. However, again similar to what we found above, many of these changes were more prevalent among households below the ALICE Threshold.

Other examples of changes that were reported by a higher proportion of below ALICE households include: receiving food from a food bank/pantry, selling belongings for cash (including vehicles), taking money out of a retirement account, and finding new ways to make money (like a new job or gig work) (See *Figure 5*). These findings enhance previously identified themes; not only is it stressful to try to make ends meet, but it also can require time and effort above and beyond paid employment.

HOUSEHOLDS BELOW THE ALICE THRESHOLD WERE MORE LIKELY TO NEED TO:

-  **BORROW MONEY** from family and friends,
-  **RECEIVE FOOD** from a bank/pantry,
-  **SELL BELONGINGS** for cash (including vehicles),
-  **TAKE MONEY OUT** of a retirement account,
-  **FIND NEW WAYS TO MAKE MONEY** (like a new job or gig work).

The results of this survey show that living through the COVID-19 pandemic is difficult for everyone. Families have had to make many changes to their regular lives in order to get through this difficult time. They are also, regardless of their economic background, regularly worrying about a loved one contracting COVID-19. However, this research shows that households living in financial hardship are facing additional challenges on top of those faced by all families. For households living in financial hardship, there is more to worry about—and more trade-offs to make. Living in financial hardship can be a stressful experience; this pandemic has just increased the amount of hard choices families have to make. It is critical that COVID-19 response efforts prioritize households living in financial hardship, recognize the effects of living through a sustained traumatic event, and build systemic solutions which remove barriers to economic prosperity.

Figure 5.