



“TRANSFORMING LIVES IN NORTHWEST NORTH CAROLINA”

A Report on the Struggles and Opportunities Facing Workers Today



FINAL REPORT



**UNC
GREENSBORO**
Center for Housing
& Community Studies



Goodwill Industries of Northwest North Carolina, Inc.

“TRANSFORMING LIVES IN NORTHWEST NORTH CAROLINA”

UNCG - CENTER FOR HOUSING AND COMMUNITY STUDIES

**FINAL REPORT
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Contents

EXECUTIVE SUMMARY.....	1
TRANSFORMING LIVES.....	7
METHODOLOGY.....	9
Background Research.....	9
Geographic Scope.....	10
Research Through an Equity Lens.....	10
Innovative Community Engagement.....	11
NORTHWEST NORTH CAROLINA.....	13
The Northwest North Carolina County Dash.....	13
Subregional Divisions.....	17
The Size of the Study Area.....	23
Population Characteristics.....	25
Economy and Employment.....	29
Income and Poverty.....	33
Housing.....	35
Transportation.....	38
Education.....	40
Health and Well-Being.....	43
FINDINGS FROM OUR RESEARCH.....	45
Life in the Working World Today.....	45
A Shortage of Workers.....	47
Opportunity in Northwest North Carolina.....	53
Barriers to Economic Mobility.....	54
The Employers’ Response.....	61
Mobility and Equity.....	62
The Way Forward.....	63
COMMUNITY SURVEY.....	65
INNOVATION IN AMERICAN COMMUNITIES.....	71

APPENDIX A – County Transit Agencies

APPENDIX B – Report on Key Informant Interviews

APPENDIX C – Report on Focus Groups

APPENDIX D – Community Survey Instrument

APPENDIX E – Report on Innovation in American Communities

EXECUTIVE SUMMARY.

Goodwill Industries of Northwest North Carolina, Inc. and the University of North Carolina Greensboro's Center for Housing and Community Studies (CHCS) conducted an ambitious community needs assessment across Goodwill's thirty-one county service area stretching from Cherokee County in the west to Ashe County in the north to Forsyth County in the east.

Our objective was to learn more about the obstacles and opportunities encountered by low- and moderate-income residents seeking access to employment opportunities. We explored the social, structural, and environmental conditions in the communities where people live and work; whether those conditions hinder economic mobility and make it harder for people to achieve their goals; and whether the obstacles affect some racial, age or gender, groups more than others. If some people don't have the resources they need to find work, get to work, and advance in the workplace, we wanted to know why, and who gets left out.

We sought information and perspectives from community leaders, business executives, public administrators, educators and activists, and ordinary residents of the study area, through interview, focus group, and survey research. Our findings will be used to assess the needs of workers, to raise awareness about conditions in the labor economy, and to develop recommendations and best practices to improve economic mobility and workforce equity throughout the region.

Methodology.

Goodwill and CHCS developed a comprehensive, mixed-method study that would reveal vividly and multi-dimensionally the experience of northwest North Carolina residents as they seek employment or advancement in the workplace, and the environmental and structural barriers they find in their way. The research effort was grounded in previous work on economic mobility and community needs and a detailed study of available secondary sources. The primary research work then commenced with the development of an expansive community engagement plan consisting of key informant interviews, focus groups, and an opinion survey.

We conducted semi-structured, in-depth interviews with people from diverse backgrounds, including community leaders, business executives, educators, transportation planners, social service agency heads, and other labor economy experts. Then, we conducted fourteen focus groups, with eight to twelve participants in each group, with Goodwill staff and program participants, clients of Department of Social Services agencies, and employees of hotels, hospitals, and manufacturing companies. Nearly two hundred people shared their insights and experiences about life in the working world today, what companies and workers see ahead, and the obstacles and opportunities they face.

Finally, we conducted a survey of Goodwill program participants, drawing out information about the respondents' demographic and socioeconomic characteristics; employment status and background; reasons for unemployment or changes in employment; description of the job market, wage scales and training opportunities; transportation, childcare, benefits, and housing; community assets and resources; and equity in the workplace.

Northwest North Carolina.

To provide background and context for the findings presented in this report, we marshalled extensive publicly available data illustrating the geographic, demographic, and socio-economic characteristics of northwest North Carolina. The area is largely rural, generates less economic activity and lower incomes, and has a population that is less racially diverse, than North Carolina or the United States as a whole. Yet within the thirty-one counties, there are striking contrasts. The counties cover most urban-to-rural classifications, from densely populated urban counties, to small cities and suburbs forming parts of large metropolitan areas, to counties classified as "completely rural." In terms of economic activity, the region accounts for only around 16% of North Carolina gross domestic product, while also including three of the ten biggest county economies in the state. The population of the region is made of many parts, with diverse urban counties and the largest concentration of Native Americans in the state, yet with a significantly larger proportion of White residents and less diversity than North Carolina as a whole. It's older than the state population, and in the mountainous western areas has some of the counties with the highest median age in the state. Some of the counties

share in North Carolina's rapid population growth, while others are losing population, with twenty-seven of the thirty-one counties having negative population growth or growth that is less than the state average. Median household income of the thirty-one county area lags behind the state.

The region contains many pockets of vibrant manufacturing activity, not only around the urban areas but across large expanses between urban centers as well. Education and health care are the second-largest generators of employment, as in many other parts of the state and the nation, followed by retail, hospitality and food service, and construction, the last occurring especially in the western counties.

Housing, transportation, education, and health care were among the topics the people we spoke to were most interested in. We studied the data in these subject areas and identified important factors affecting the residents of northwest North Carolina. Indicators such as percentage of homes that are owner-occupied, median rents and home values, cost-burdened households, households with no vehicle, average commute times, licensed childcare slots available, number of uninsured, availability of mental health services, and incidence of depression varied widely across the study area, with few obvious patterns, but signs of resource deficits and struggles that would emerge as key concerns of our primary research.

Findings From our Research.

The project period of late 2021 to late 2022 was one of upheaval in the wider society and in the labor economy in particular, resulting from both the pandemic and long-term demographic and social changes.

Life in the Working World. Our research into the conditions of life in the working world yielded insights in many areas. Morale, while high in some places, was low in many others. Workers and managers – and their customers – suffered new kinds of stress. Unpredictability of shift hours, long a source of irritation in the workplace, seemed to grow in importance. Wages were increasing, but we saw disagreements about the extent or the staying power of these increases.

The Worker Shortage. The widespread and persistent shortage of workers was a new phenomenon and in the forefront of everyone's thinking. The reasons

advanced for the shortage illuminated the economic and psychological dynamics of the pandemic. Workers were afraid of being exposed to COVID. Unemployment insurance, stimulus checks, and rental assistance offered by the federal government in response to the pandemic compensated for some job losses and offered others a reason not to rush back to work. This gave rise to questions about work ethic in today's workforce. Some say wages, though rising, weren't enough to entice people back to work.

A complex, longer-term cause of the worker shortage was revealed when childcare facilities closed, and parents – mostly women – had to stay home from work. Even when some facilities reopened, they were scarce and expensive and, along with transportation costs, made the costs of work almost more than the benefits. This, and broader quality-of-life concerns, led many workers to reevaluate just what they want from life, and accelerated retirements and shrinking birth rates contracted the labor pool at the same time.

Opportunity in Northwest North Carolina. For all that, opportunities abound in northwest North Carolina. The variation in wealth and rurality among the counties in the region also translates to a mix of opportunities, with some counties attracting new and more advanced manufacturing, high-end tourism, and heated real estate markets, and others left behind. The barriers facing workers, one of the main subjects of this work, determine which of them can avail themselves of the opportunities that are on offer. Training and technological literacy will be as important as transportation and childcare resources if equitable access to opportunity is to be achieved.

Barriers to Economic Mobility. The barriers are real. Ultimately the goal of this project has been to identify the social, environmental, and structural barriers that make it harder for low- and moderate-income people to achieve stable and satisfying employment. Transportation was a barrier mentioned by almost everyone we spoke to. Those without a car have a hard time getting work in the first place, getting to the job once they've got one, and getting ahead in the workplace. Public transit can't always be relied on to get people where they need to go and when they need to go there. Even for those with cars, long commutes,

high gas prices, and rising costs of buying and maintaining vehicles constituted a barrier in itself.

Childcare was mentioned as often as transportation. Slots are scarce in some areas, even with facilities reopening, and the cost is not affordable for many. This factor alone makes it impossible for some to work. And the childcare economy is further stressed by a shortage of childcare workers and chronically low pay.

Housing, too, is a barrier to economic mobility. Wherever there is growth, economic activity, and a burgeoning of opportunity, there also are rising housing costs. Lower-income workers are priced out of these markets, forced to move further from commercial and industrial centers, leading to high transportation costs and less access to opportunity.

We identified numerous other barriers to economic mobility. In this largely rural region, good broadband internet coverage is not guaranteed, and monthly subscription costs are not affordable for everyone. Lack of digital literacy is itself a barrier, with many older workers telling us they're unable to operate even basic software. Screening for educational credentials and criminal background checks are disproportionate to the underlying risks, we were told, creating a barrier for some of the most vulnerable workers.

Finally, the so-called "benefits cliff" was cited frequently as a barrier. This term stands for a range of disincentive effects in which additional dollars of wage income result in a reduction in eligibility for public benefits. It can cost more to work than not to work. Families are forced to choose between vital public supports and the social and economic benefits of participation in the workforce.

Mobility and Equity. The resource deficits that workers struggle with affect some economic, geographic, racial, gender, and age groups more than others. Not only, but more often in diverse urban counties, some opportunities for advancement are allocated unequally. We heard of instances of inequity and occupational stratification in the hospitality, health care, and construction sectors. Sometimes, "who you know" can determine whether a person secures a higher-paying job. Housing inequity as well, with gentrification putting pressure on traditionally

affordable Black and Hispanic neighborhoods, can create a barrier to economic mobility.

The Way Forward.

The people of northwest North Carolina are full of ideas, solutions, proposals, and initiatives to address the barriers in the way of opportunity and advancement. They seek expanded transit services, and innovative multimodal approaches that incorporate walkability, bikability, vanpool, paratransit, and affordable ridesharing models. They seek expanded childcare subsidies, more childcare worker training and better pay, and greater reliance on evening service and in-home and family-care models. They expect employers to provide more on-site childcare services. They'd also like to see employers taking more action to meet their employees' housing needs. And they suggested reforms in the criminal background screening system that would allow worthy applicants to gain greater access to opportunity.

We concluded the work of this project by searching out examples of programs, initiatives, demonstrations, and pilot projects that other communities have tried and that the people of northwest North Carolina could learn from. We sifted through hundreds of projects and selected forty-nine that vary widely in type and method and involve state or local governments, nonprofit organizations, or partnerships between them. They address childcare, transportation, housing, digital equity, reentry, guaranteed income, the benefits cliff, and finance, offering local, replicable, sustainable approaches reflecting the ingenuity of advocates and local officials everywhere.

TRANSFORMING LIVES.

Goodwill Industries of Northwest North Carolina, Inc., is one of North Carolina's preeminent providers of employment and training services. Founded in 1926 by



Centenary United Methodist Church in Winston-Salem, its first mission was to provide a means of employment for residents with disabilities. Clothing and other items were gathered from community members and then repaired and sold by citizens with disabilities. Later, Goodwill expanded its mission to include individuals with socioeconomic barriers to employment. The philosophy of “a hand-up, not a hand-out” was the impetus for the founding of Goodwill and the organization remains committed to that concept today.

Today, Goodwill serves approximately 30,000 people annually with an additional 20,000 people served annually by affiliate organizations NCWorks and Crosby Scholars Community Partnership. Goodwill operates 50 stores with \$72.3 million in annual revenue and employs 1,100 people. Strategic partnerships with like-minded

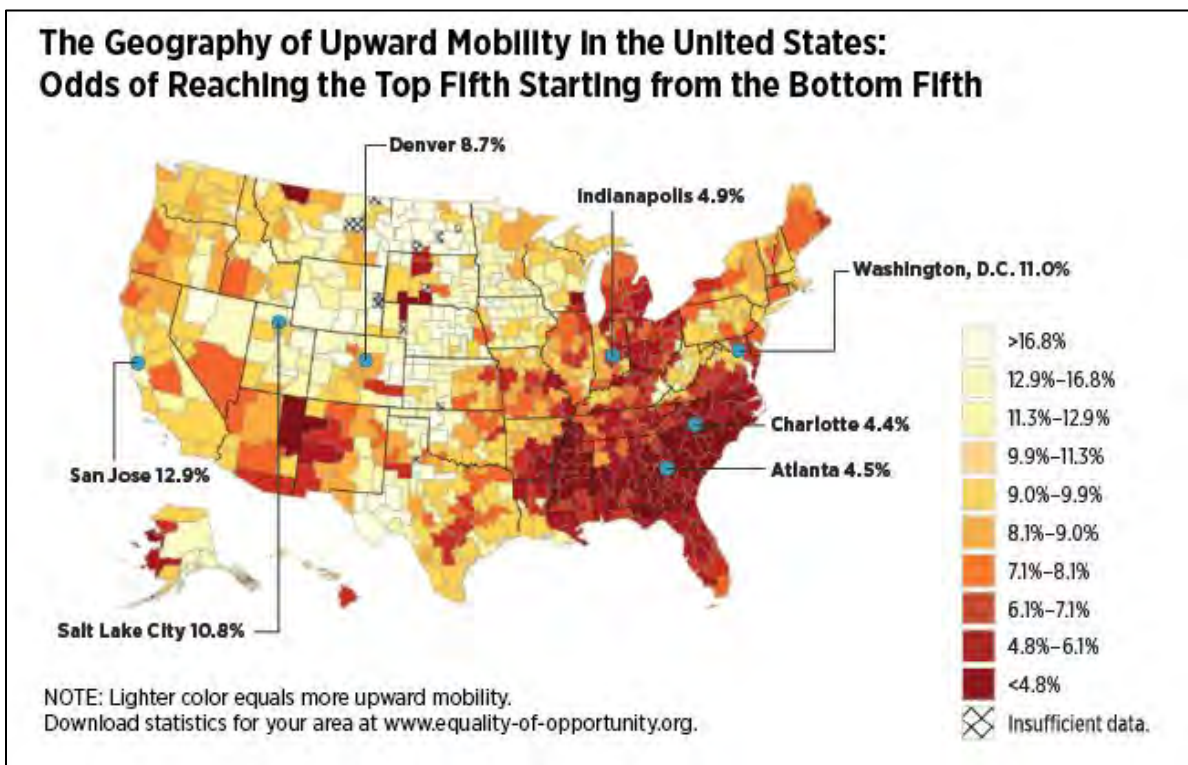


organizations have facilitated growth in Goodwill's mission services to meet the needs of the communities it serves.

Goodwill Industries of Northwest North Carolina, Inc. is a recognized leader among Goodwill-affiliated organizations globally for efficient retail operations and a focus on bottom-line results, which maximize the financial support for Goodwill's mission; enable the organization to invest in its people, facilities, programs, and community; create a strong financial

position with no debt; and position the organization for mission and retail expansion. Goodwill has been recognized by Goodwill Industries International for

its executive leadership and has been twice awarded the Weston Award for Nonprofits, which recognizes leadership and excellence in nonprofit management. In 2021, Goodwill received a significant gift that offered the possibility of transformational strategic impact. In furtherance of that goal, in April of that year, Goodwill issued a Request for Proposals for the purpose of selecting a qualified consultant with significant experience in the area of identifying and analyzing community needs. Its charge to the consultant was to conduct and analyze multiple needs assessments for the northwest North Carolina geographic area. The goal was to identify change elements and to develop innovative change strategies that align with Goodwill’s mission. Through this effort, Goodwill intends to address the barriers to advancement and promote economic mobility.



The Center for Housing and Community Studies of the University of North Carolina Greensboro responded with a wide-ranging community-engaged needs assessment plan. We took as our theme and starting point the work of Raj Chetty and his Stanford University colleagues, whose studies of intergenerational economic mobility have gained much attention among policymakers and researchers. Among other findings, they showed that the residents of the U.S.

southern states experienced far lower rates of economic mobility than those in many other parts of the country, and the counties of our study area were no exception. We set out to help Goodwill identify creative responses to this mobility deficit.

Our work in housing, health care, access to justice, and other areas of interest to community developers has made us deeply knowledgeable about the barriers that block low- and moderate-income people from receiving the services they need or from realizing the opportunities they seek – limited public transportation, inadequate or costly broadband service, scarce or unaffordable childcare, the burden of a criminal past. We have encountered these factors again and again in our work. Our proposal set out the scope and methodology of needs assessments in these areas. In some cases, these needs assessments are the first to be conducted in northwest North Carolina.

Our aim was to recommend and implement demonstration programs in selected part of the study area, targeting specific populations of need, in partnership with business, church, governmental, and nonprofit organizations – programs designed to offer proof of feasibility and to be replicable across all the regions and, finally, to lower these barriers to economic mobility.

Goodwill and the Center came together to launch this expansive research undertaking. They gave it a name commensurate with its ambition: “Transforming Lives in Northwest North Carolina.”

METHODOLOGY.

Together, Goodwill and the Center designed a comprehensive, mixed-method study that would reveal vividly and multi-dimensionally the experience of northwest North Carolina residents as they seek employment or advancement within the workplace, and the environmental and structural barriers they find in their way. The study consists of a number of components.

Background Research.

We began with a review of prior needs assessments, academic research, public commentary, secondary data sources, and relevant laws, regulations, programs,

and initiatives addressing the same subject matter and having, where possible, the same geographical reach. Some of the matter has been studied before, but more often we found that existing research is limited. Then, we turned to analogous work done in other jurisdictions. These initial steps formed the basic foundation for our work, confirming, or refuting, our preconceived ideas about what the needs are and where the resources fall short, informing the research design, and pointing us toward areas in need of further investigation.

Geographic Scope.

The study area extending from central North Carolina to the Tennessee border is too large to permit the implementation of programs across all identified needs in all geographical areas. Our research extended to the majority of the thirty-one counties, but gave its principal focus to subregions centered on Winston-Salem, the rural High Country around Wilkesboro and Boone, the Asheville urban center and the surrounding mountain counties, Morganton and the Catawba River Valley in the western Piedmont, and the suburban and commuter enclaves north of Charlotte. What we learned about one subregion, we found, often has relevance and application to similarly-situated subregions elsewhere in the study area.

Research Through an Equity Lens.

We took steps to ensure that our work was inclusive and respectful, and incorporated an equity lens. We understand that income inequality is a key driver of inequity in society, but we cannot fully understand the struggles and aspirations of low-income people except by also considering how race, religion, condition of disability, immigration status, ethnicity, youth and age, gender identity, and sexual orientation all play a part in determining economic mobility. Therefore, we frequently asked whether resources and opportunities in the towns and workplaces we studied were more accessible to some population groups than to others? What communities are most in need of investment? How can the residents of these communities shape our research and how can we center the voices within those communities? These questions sparked many interesting conversations and illuminated our areas of study. Through this process, we hoped that the people

whose lives we studied became less subjects of scrutiny, and more partners in transformational change.

Innovative Community Engagement.

We drew from a wide array of engagement strategies to ensure the voices of northwest North Carolina would be heard. What we studied, and what we will ultimately recommend, were in large part determined by what the members of the communities told us and what their perspectives revealed. We used several different and complementary research methods in implementing our engagement plan.

Advisory Committee. Our first point of encounter with the communities of northwest North Carolina was with the Steering Committee established to oversee the project. We worked with the Goodwill project team to recruit representatives of business, government, academia, and the nonprofit sector. We met regularly with the committee to consult on the direction of the work, to review research protocols, and to provide comments and feedback on our findings. In addition, members of the committee were instrumental in helping to identify interview subjects and to recruit participants in focus groups.

Key Informant Interviews. We conducted semi-structured in-depth interviews with people from diverse backgrounds, including community leaders, business executives, educators, transportation planners, social service agency heads, and other labor economy experts. Thirty-six interviews were one-on-one, and two were joint interviews, for a total of forty-nine people representing thirty-five organizations located in over twenty counties. Interviews were confidential, and the statements made to us will not be attributed to any person by name or by affiliation. We asked our interview subjects about employment trends, the effect of the pandemic, and the obstacles and opportunities faced by workers. Interviews were held via online video platform and were recorded and transcribed, and the transcripts were then thematically coded and analyzed by our staff.

Focus Groups. We conducted fourteen focus groups, with eight to twelve participants in each, for a total of approximately 140 participants. We convened groups of Goodwill staff in Winston-Salem, Statesville, and Asheville, with

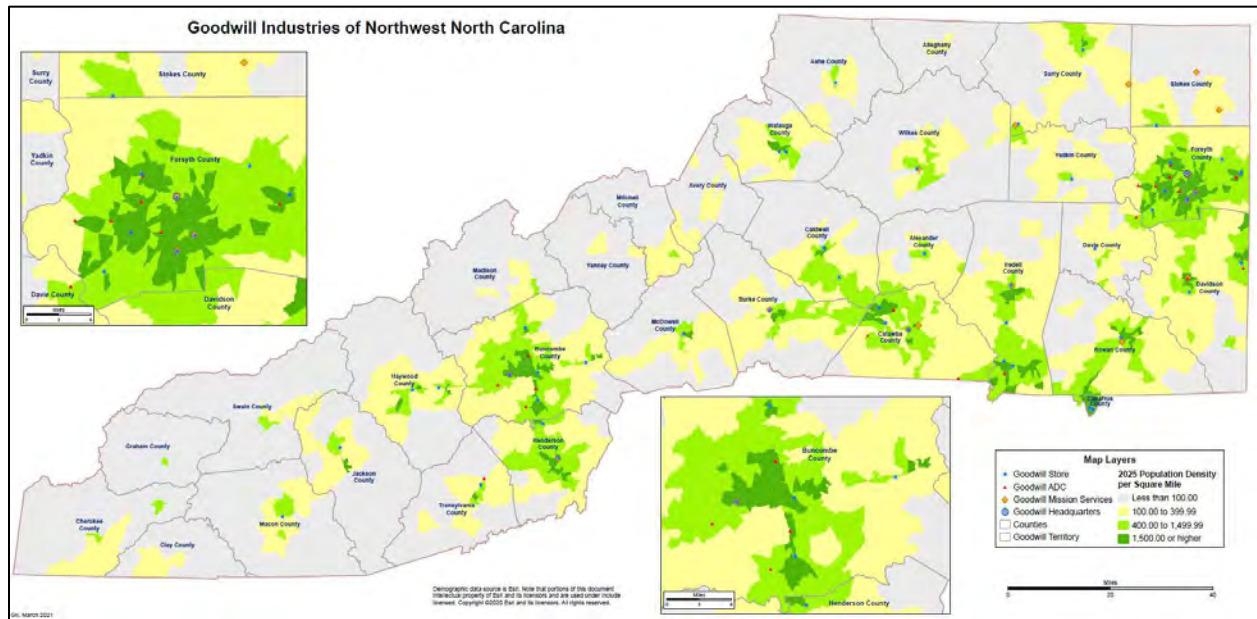
managers, program assistants, store workers, career specialists, and case managers on hand; Goodwill program participants who work in fast food, retail, white collar office jobs, warehouses, body shops, hospitals, beauty shops, aviation, and global logistics; Department of Social Services program participants; hospitality workers in positions ranging from front desk manager to housekeeping; manufacturing workers who told us how they overcame barriers and achieved success; hospital workers, who told us about life in entry level health care jobs as well as some more advanced administrative roles; and residents of western North Carolina who have struggled to return to the workforce after time in recovery from substance abuse or involvement with the justice system. We discussed employment trends, the effect of the pandemic, and the obstacles and opportunities faced by workers – the same subjects as in our interviews. The focus groups were all held in-person and were recorded and transcribed, and the transcripts were thematically coded and analyzed by our staff.

Public Opinion Survey. We conducted a survey of members of the community, consisting primarily of participants in Goodwill’s various programs. Survey responses were solicited through Goodwill’s participant mailing lists. We asked about the respondents’ demographic and socioeconomic characteristics; employment status and background; reasons for unemployment or changes in employment; description of the job market, wage scales and training opportunities; transportation, childcare, benefits, and housing; community assets and resources; and equity in the workplace.



NORTHWEST NORTH CAROLINA.

The Goodwill service area under study for the project consists of a vast part of the state, encompassing thirty-one counties and part of Cabarrus (the part that includes the population centers of Kannapolis and Concord but excludes the populous eastern suburbs of Charlotte).



The service area extends from the mountainous southwestern tip of the state in Cherokee County; to metropolitan Asheville; to the Yadkin River and Catawba Valley areas encompassing Morganton, Statesville, Mooresville, and the northern reaches of Lake Norman; to Boone and the High Country where the Blue Ridge runs through the northwestern part of North Carolina; to Surry and Stokes Counties along the north central tier; to Winston-Salem where Goodwill has its headquarters.

The Northwest North Carolina County Dash.

In this section of the report, we will describe the geographic, demographic, and socioeconomic characteristics of the study area. But before we do, we will introduce here an important resource that we have created for readers of this report. This is the “Northwest North Carolina County Dash” – a web-based dashboard displaying in an accessible and user-friendly manner a wealth of

information about the study area and each of its constituent counties. The dash is linked here:



The dashboard allows the user to view data across many indicators relevant to the project. Data may be shown for the study area as a whole, or for one county, or for any combination of two or more counties.

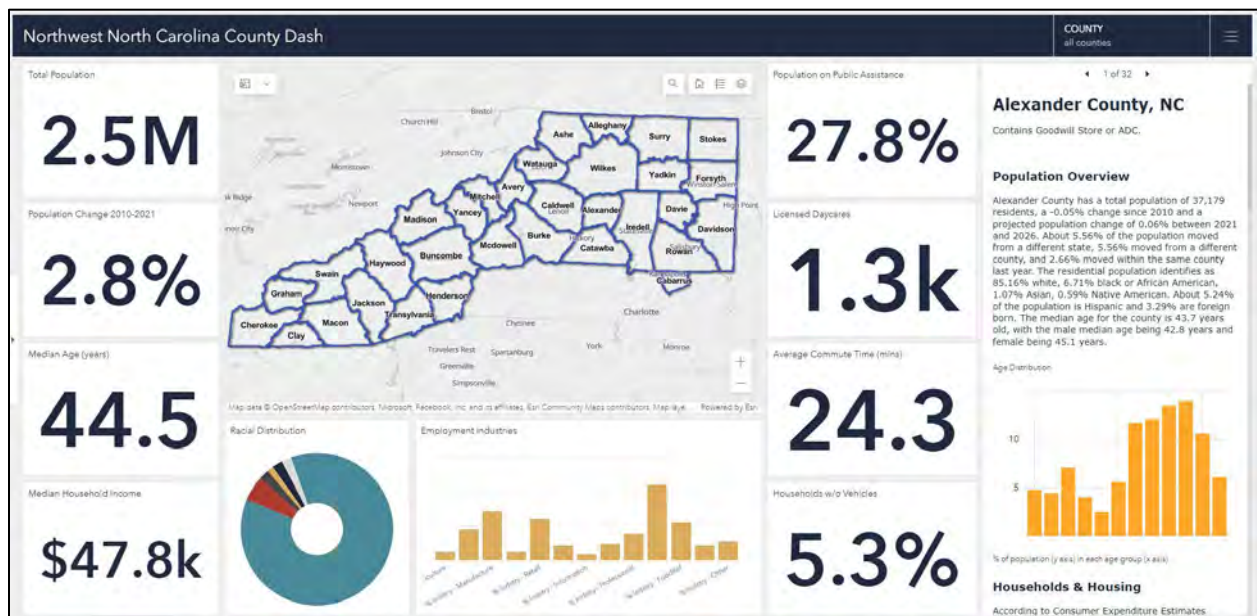
The interactive map in the center of the screen shows the counties selected and can be zoomed in or out. The “Layers” dropdown menu allows users to highlight on the map the borders of the selected counties; and enables the display on the map of the location of Goodwill facilities, population density, population change, commute times, households without vehicles, percentage of the population without a high school diploma, and the coverage of each of the North Carolina Councils of Government. A button at the upper right corner of the map opens a full-screen display of the map.

For the counties selected, whether one or more counties or the entire study area, the dashboard display shows total population, population change 2010 to 2021, median age, median household income, racial distribution of the population, key employment sectors, households without vehicles, average commute times, number of licensed daycare facilities, and percent of the population on public assistance. Racial distribution and key employment sectors are displayed graphically.

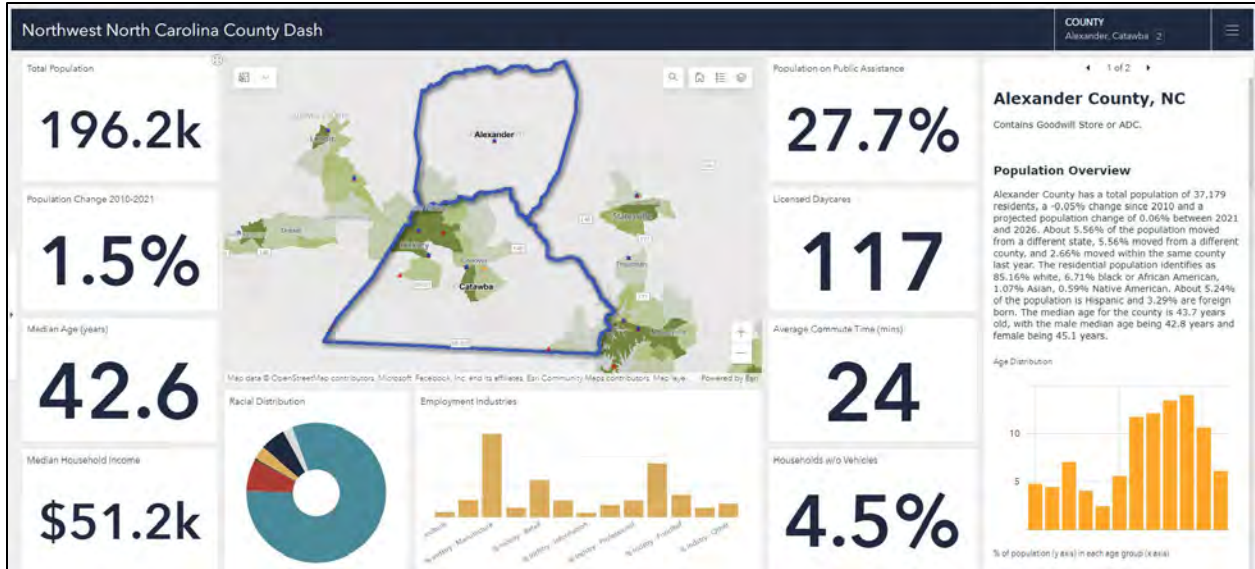
Along the right side of the screen, an expanded narrative description of each selected county is offered. This includes discussions of population characteristics; in-depth information about household spending on food and transportation, internet and cellular subscriptions, and a housing profile of the county; educational attainment data presented narratively and graphically; information about employment; and health metrics including health care expenses, insurance coverage, and disease prevalence.

Finally, clicking a bar at the extreme left of the screen opens a panel containing two important features: instructions for use of the dashboard, with a video tutorial also included; and, in the lower portion of the panel, a link to an Excel spreadsheet containing all 179 data indicators we have compiled for the study area, including those chosen for display on the dashboard and many more. Each data point is shown for each county and for North Carolina as a whole. This spreadsheet will be an invaluable resource for users interested in more in-depth research into the geography, demography, and socioeconomic characteristics of the study area.

The images below show just a few of the possible configurations.



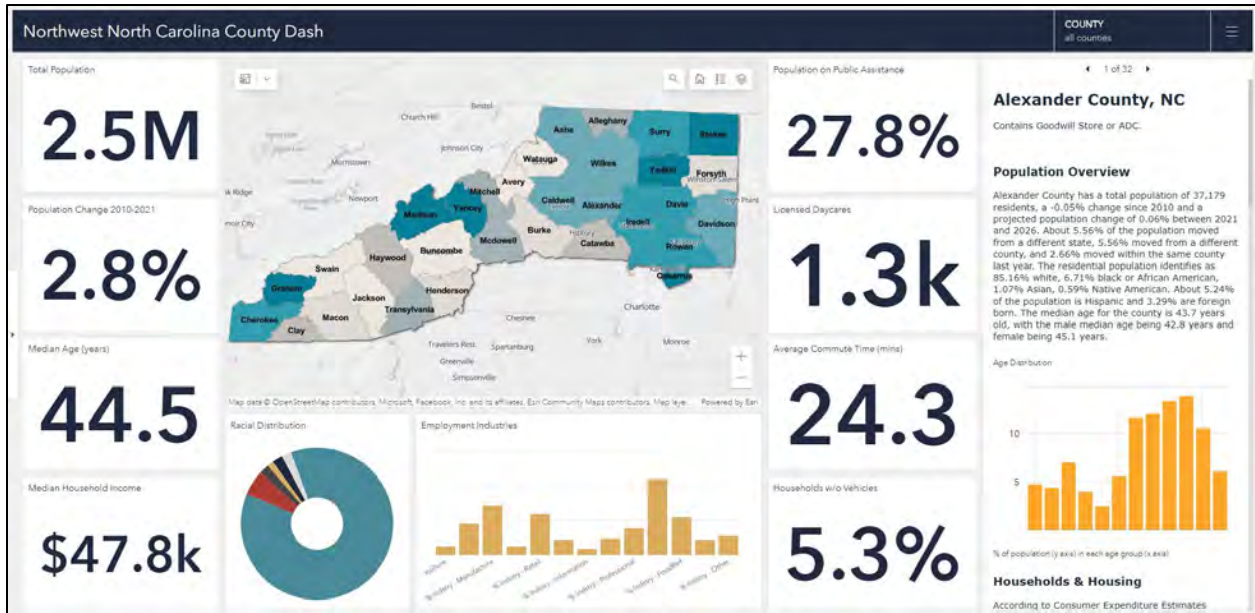
The example above shows the default screen, with all counties selected and highlighted.



The example above shows two counties selected and highlighted and population density.



This is a full-screen map displaying relative population density across the study area and no counties highlighted.



Finally, this example features a screen with all counties selected, none highlighted, and average commute times displayed on the map. These examples only hint at the options available to the user of the dashboard.

In addition, as described above, researchers will have access to the expanded dataset which can be downloaded from the left panel of the dashboard display.

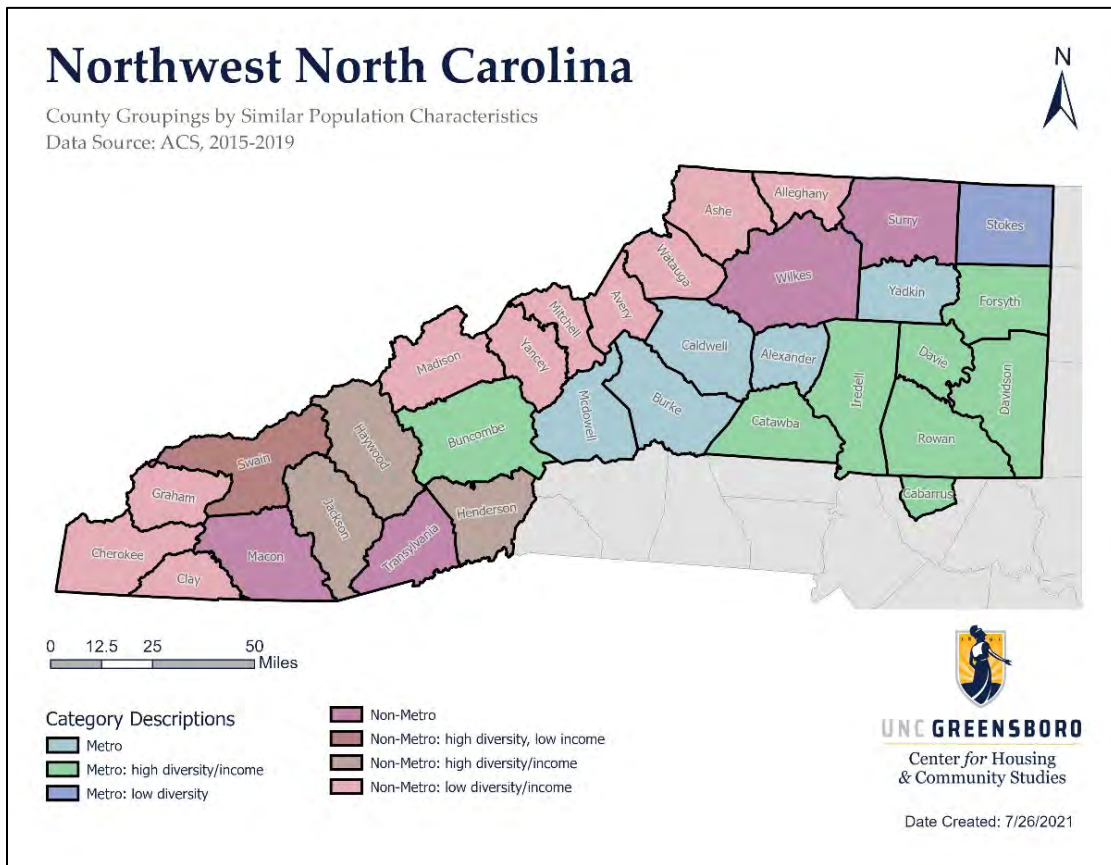
A	EW	EX	EY	EZ	FA	FB	FC	FD	FE	FF	FG	FH	FI	FK	FL	FM	FN	FO	FP	FQ	FR	FS	FT	FU	FV	FW	FX																											
1. Location Name	medicare	SS	benefit	SS	disable	SS	retire	pet	AR	HI	pet	CAN	pet	CHOL	pet	KIDN	pet	CPD	pet	CASH	pet	ACES	pet	CS	pet	MO	pet	DE	pet	DIAB	pet	POOR	pet	BPHG	pet	HIGH	pet	POOR	pet	PA	pet	OBES	pet	POOR	pet	NOSLE	pet	TROK	pet	BPMI	pet	EN	pet	TECH
2. Alexander County, NC	7167	13875	1054	10355	28.1	15.7	7.55	85.25	3.15	8.9	7.3	9.55	19.35	21.95	24.55	11.45	21.7	33.8	33.65	15.6	29.7	33.5	14.2	35.55	3.8	67.2	59.3	76.35																										
3. Alleghany County, NC	2305	4770	570	3830	31.5	14.25	8.15	85.05	3.9	10.9	9.3	9.85	22.65	22.8	25.1	14.1	28.15	37.65	36.35	16.5	31	35.1	16.9	35.3	4.7	89.45	57.2	76.9																										
4. Ashe County, NC	8970	11391	3305	8928	29.5	15.6	8.15	86.3	3.3	9.1	7.8	9.25	18.15	20.9	24.35	11.85	20.95	35.75	35.15	14.95	28.05	34.15	14.25	34.3	3.95	68.3	63.25	77.3																										
5. Avery County, NC	4174	6371	607	5211	28.95	16.6	7.5	85.05	3.3	9.05	7.8	9.35	19.3	22.25	24.85	11.7	22	35.2	34.35	15.65	29.15	34.9	14.5	35.1	3.9	67.4	62.3	76.5																										
6. Buncombe County, NC	53937	92858	9507	74826	26.2	16.6	7.45	86.75	2.9	7	6.25	8.85	15.95	18.8	23.05	9.9	17.15	29.95	30.9	13.6	23.2	27.9	11.85	30.55	3.2	67.05	67.65	76.8																										
7. Burke County, NC	17880	31332	4597	23843	28.2	14.9	7.4	85.1	3.3	9.3	7.6	9.75	20.45	22.65	24.55	12.25	22.9	35.05	33.4	16.05	29.8	36.05	14.9	36.65	4.05	67.9	60.25	77.45																										
8. Cabarrus County, NC	29497	55279	6884	48306	20.25	16.1	6.5	87.1	2.75	6.25	5.9	9	17.95	17.1	22.35	10.2	17.8	31.8	31.8	13.75	25.35	36.15	15.05	34.85	3.05	65.05	66.8	77.65																										
9. Caldwell County, NC	16590	28598	6356	22042	30.15	15.5	7.55	85.15	3.3	9.55	7.65	10	20.05	23.3	26	12.45	23.35	36.35	34.5	16.3	35.8	15.05	36.15	4	68.1	59.3	77.25																											
10. Catawba County, NC	29734	57423	7064	45407	23.95	14.85	7.15	86.15	3.1	7.7	6.6	9.2	19.75	20.05	24.1	11.5	20.65	34.1	33.25	14.7	28.45	35.75	13.25	37.1	3.55	66.6	62.9	78.2																										
11. Cherokee County, NC	1472	1472	1564	11618	31.15	14.65	8.55	86.55	3.55	9.9	8.55	9.55	17.55	21.55	24.7	12.7	22.05	36.8	36	15.45	28.6	33.15	15.15	36.45	4.3	89.25	61.35	78.05																										
12. Clay County, NC	3334	6028	615	4902	30.9	14.9	8.7	86.95	3.45	9.3	8.2	9.3	16.9	19.85	24.55	12.25	20.7	36.55	36.45	14.65	28.4	33.2	14.35	34.5	4.05	69.2	64.1	78.2																										
13. Davidson County, NC	31446	57619	8299	44343	27.95	15.85	7.2	85.75	3.25	8.75	7.25	9.8	20	21.95	24.55	12	22.05	35.25	33.8	15.7	29.6	37.9	14.25	36.05	3.85	67.8	63.55	77.4																										
14. Davie County, NC	9200	16998	1930	13500	27.1	15.75	7.6	86.8	3.05	7.8	6.85	9.15	17.55	19.5	23.45	11.05	19.4	32.9	33.65	14.35	26.8	32.3	12.95	35.3	3.55	66.4	65.8	77.2																										
15. Forsyth County, NC	63021	116705	13701	92094	25.25	14.9	6.6	87.2	3.1	6.9	6.25	9.5	19.4	17.7	21.65	11.85	19.75	32.55	31.4	14.3	26.8	36.8	12.45	37.9	3.6	67.25	64.5	78.2																										
16. Graham County, NC	1896	2967	445	2193	30.55	15.15	8.05	85.05	3.55	10.15	8.55	9.95	19.8	23.7	25.6	12.4	23.95	36.25	35.1	16.65	31.15	34.9	15.95	35.7	4.4	68.05	59.9	76.95																										
17. Haywood County, NC	13528	27792	3399	21765	28.65	15.9	8.05	86.7	3.1	8.25	7.15	9.3	16.2	19.1	24.5	11.05	18.85	32.65	33.55	14.55	25	33.35	13.2	36.15	3.65	67.6	65.9	76.95																										
18. Henderson County, NC	30427	52812	4358	43856	26.55	15.65	7.95	87.8	3	7.2	6.75	8.7	17.25	16.95	22.3	10.6	17.65	31.55	33.95	13.2	24.95	31.85	12.15	33.15	3.4	68.05	68.2	76.65																										
19. Iredell County, NC	30343	56399	6969	44360	26.2	16.4	6.95	86.9	2.85	7	6.05	9.1	17.5	18.65	22.2	10.5	18.6	31.9	32.95	13.85	26.35	32.75	12.1	34	3.25	66	66.4	77.75																										
20. Jackson County, NC	7787	12957	1332	10475	26.9	16.65	7.15	85.15	3.1	7.95	6.9	9.55	16.85	19.45	24.9	10.85	19.35	32.55	33.05	15.75	26.05	34.15	13.35	35.6	3.55	66.25	62.25	76.7																										
21. Macon County, NC	10988	17372	1692	14235	29.6	14.9	8.3	86.6	3.35	8.85	7.85	9.1	18	19.25	23.6	11.65	20.55	34.25	36.1	14.5	28.85	33.2	13.9	32.35	3.9	68.5	64.85	77.5																										
22. Madison County, NC	4879	7975	1213	6657	28.3	15.85	7.75	85.9	3.1	8.5	7.25	9.45	16.6	20.1	24.85	10.85	19.55	33.75	34.1	15.2	27.25	31.5	13.5	34.85	3.65	66.8	63.9	77.4																										
23. McDowell County, NC	9467	17672	2944	12618	28.35	13.8	7.55	85.25	3.3	9.15	7.55	9.7	19.45	22.7	24.45	11.75	21.85	34.9	33.8	15.9	30.1	33.85	14.7	35.8	3.9	67.1	60.1	76.4																										
24. Mitchell County, NC	3750	6231	918	4500	29.25	15.55	8.05	86.1	3.3	8.95	7.75	9.3	18.55	20.45	24.3	11.7	20.95	34.45	34.75	15.05	28.9	34.5	14.15	33.55	3.9	67.95	62.7	77.5																										
25. Rowan County, NC	26212	48236	7501	36433	27.8	14.9	7.05	85.9	3.2	8.3	7	9.7	20.55	20.4	23.75	12.05	21.25	34.35	32.65	15.45	29.75	34.55	13.85	37.85	3.8	67.8	62.05	77.35																										
26. Stokes County, NC	8568	18139	2752	13746	28.75	15.75	7.85	85.65	3.2	9.15	7.5	9.55	18.5	22.35	25.3	11.6	21.4	34.3	34.4	15.95	28.3	34.45	14.35	35.35	3.9	67.75	61.05	76.8																										
27. Surry County, NC	14965	25244	4352	18758	26.55	14.9	7.4	85.15	3.4	8.4	7.75	9.8	21.9	22.4	24.3	12.25	23.2	34.8	34.3	15.95	29.85	35.55	15.2	36.3	4.05	67.85	60.15	76.15																										
28. Swain County, NC	3172	5363	816	4508	29.85	15.1	7.55	84.8	3.7	10.45	8.5	10.75	19.95	25.7	26.1	13.55	25.9	36	33.5	17.9	31.65	36.3	17	37.95	4.65	66.9	54.6	76.9																										
29. Transylvania County, NC	9411	15985	3399	13200	29.75	15.4	8.6	87.25	3.3	8.55	7.85	9.16	18.8	23.55	11.6	19.4	34.95	35.5	14.25	26.4	31.85	13.4	33.35	3.9	69.1	64.95	78.1																											
30. Wilkes County, NC	8613	14491	980	12162	25.15	16.85	6.6	83.5	2.9	7.6	6.5	9.55	15.7	18.1	24.85	9.95	17.95	30.5	32	16	25.1	30.8	12.75	32.5	3.2	65.45	65.4	75.1																										
31. Wilkes County, NC	14455	25693	4310	19533	29.45	14.7	7.8	85.2	3.4	9.7	7.9	9.95	20.4	22.65	25.7	12.15	23.2	35.15	35.35	16.25	30.5	33	15.35	36.8	4.1	68.1	58.85	76.8																										
32. Yadkin County, NC	7486	13622	2054	10415	28.3	15.45	7.45	85.15	3.3	9.15	7.55	9.7	21.55	21.85	24.65	12.1	22.8	34.5	34.6	15.95	29.6	35.35	14.85	34.65	3.9	67.45	60.95	76.45																										
33. Yancey County, NC	4842	7952	997	6193	29.95	15.35	8.15	85.89	3.4	9.45	8.05	9.5	18.5	21.1	24.85	11.95	21.75	35.75	35	15.55	29.3	34.05	14.75	34.35	4.05	68.25	61.9	77																										
34. North Carolina	1731861	3212054	393248	2432815	25.21	15.81	6.72	86.71	3.07	7.17	6.27	9.33	18.78	18.4	22.38	11.43	19.68	33.33	31.74	14.33	26.88	33.67	12.63	35.97	3.57	66.85	64.35	77.73																										

Subregional Divisions.

The study area is geographically diverse and includes a dense urban center anchoring each end of the area, suburban enclaves and commuter catchment areas serving Charlotte, Greensboro, and parts of eastern Tennessee along with Asheville and Winston-Salem; extensive rural sections of the state; and sparsely-populated

and hard-to-traverse mountain regions as well. The area defies easy division into subregions, as key characteristics are seldom concentrated in any one area. We considered several subregional definitions, as shown in the following maps.

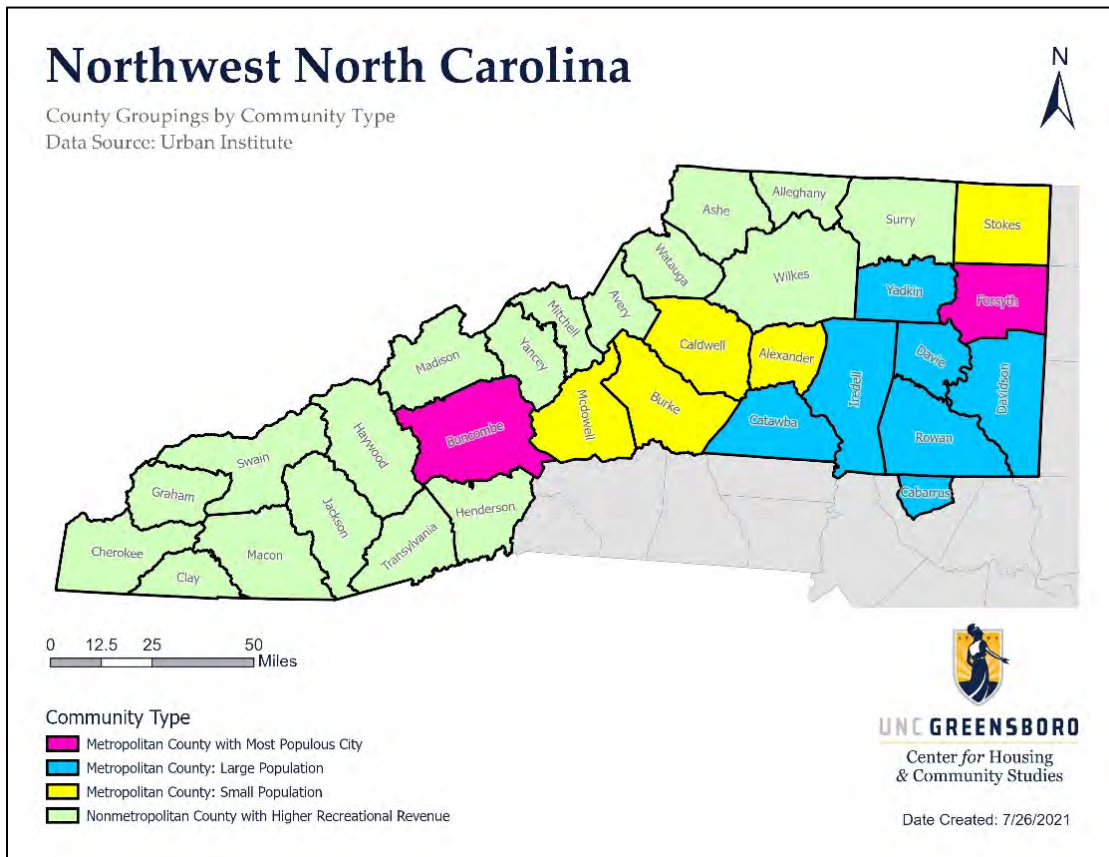
As the maps reveal, each of the subregional groupings illuminates a different, and useful, definitional characteristic, but none is definitive. Each of them in some way guided our thinking or helped us to structure our research efforts, but none stood out as better than the others.



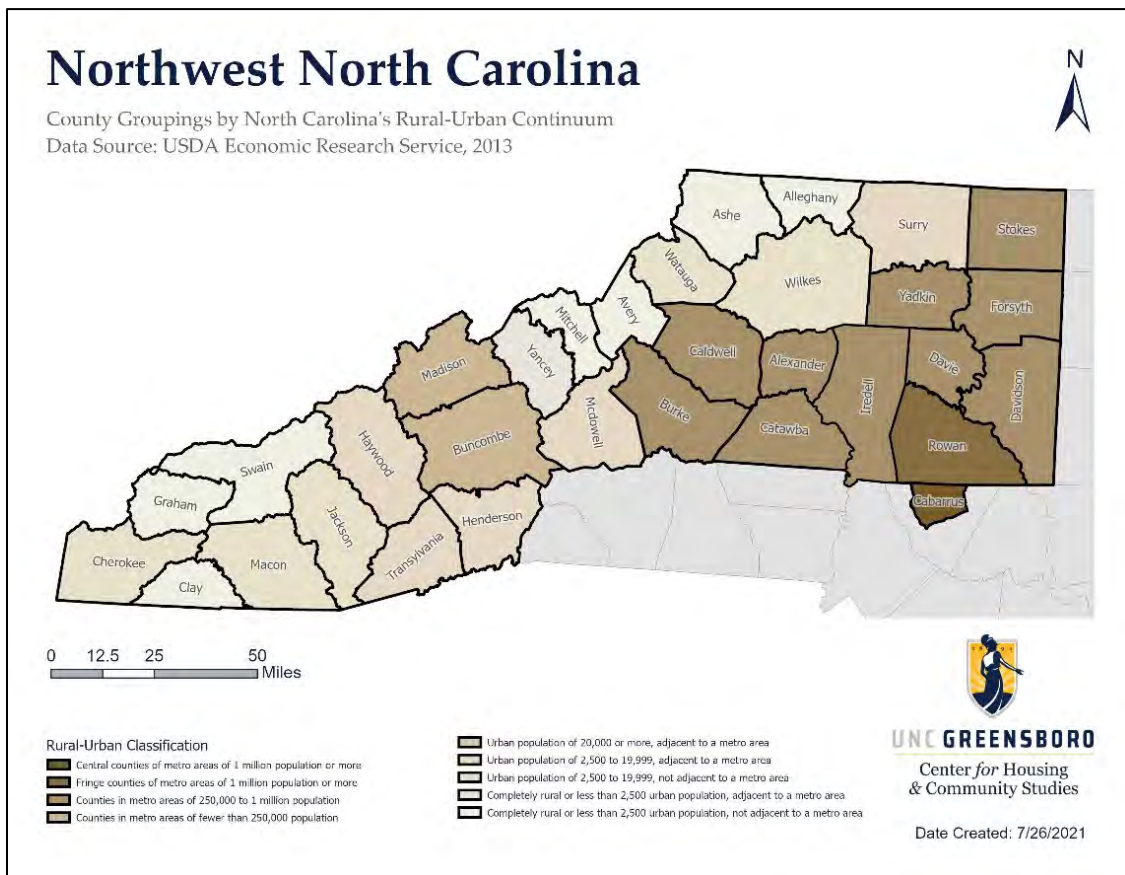
The first map above groups counties by similarities in racial diversity and income levels. These general categories were borne out by our observations. For example, the group of counties colored in pink, along the north-central tier from Madison to Alleghany, together have a median household income of \$43,300, compared to \$47,800 for the study area as a whole, and \$55,073 for all of North Carolina, while the seven counties' combined population are 94.2% White and 1.7% Black, compared to 86.8% White and 5.3% Black for the study area, and 67.3% White and 21.4% for North Carolina. As these numbers show and as we'll see in the following

sections, the study area is far poorer and less diverse than North Carolina as a whole, and this group of seven counties is poorer and less diverse even than the study area. Racial disparities had low salience for some of the focus group participants in these counties, with comments to the effect that “In our area, we don’t really have racial issues,” or, “It’s just all White here.”

Another notable characteristic illustrated by this map is that not only Buncombe and Forsyth, but the cluster of green-colored counties to the south and southwest of Forsyth share the urban character of “Metro: high diversity/income.” Our travels in Iredell and Rowan led us through the mid-sized cities of Mooresville, Salisbury, and Statesville, none smaller than 35,000 in population, compared to, say, Boone or Morganton with about 18,000 each. Even excluding populous Forsyth, that cluster of five counties and a portion of a sixth has a combined population of 904,500, accounting for fully 36% of the study area population, a median household income of about \$56,000 – significantly higher than the \$47,800 median household income of the study area – and a diverse population that is 78.8% White and 11.5% Black.

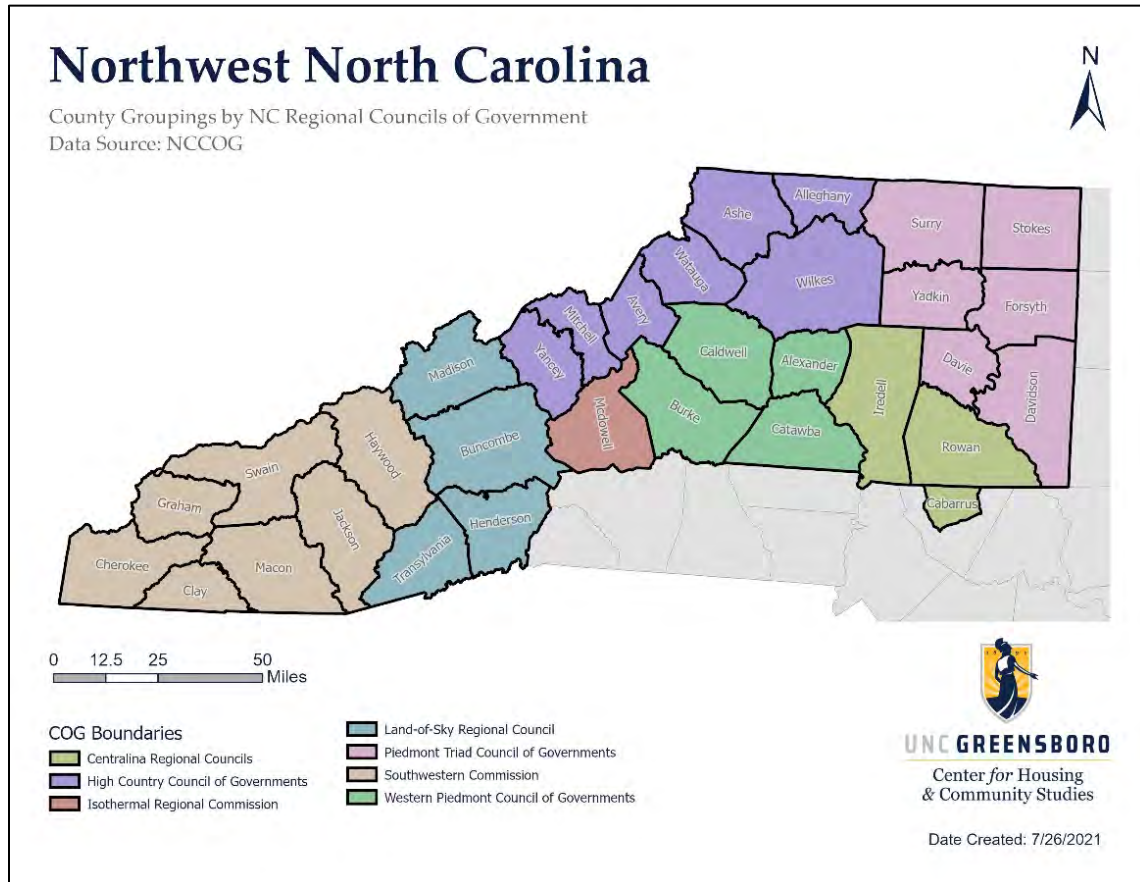


The second map, just above, offers a grouping which overlaps somewhat with the first one. This ranks counties as metropolitan areas by population size and nonmetropolitan areas. This, too, is a useful and accurate grouping, illustrating as it does the large western and northern tiers of the study area which are the most rural, even including Watauga. That has a notable city, Boone, which we visited in the course of our work, but with a population of 18,000, it's a relatively small city. The four-county yellow-colored cluster also has cities of that small size, including Lenoir and Morganton, but together with a much larger city, Hickory, form a metropolitan statistical area with a population above 365,000 and proximity to Charlotte.

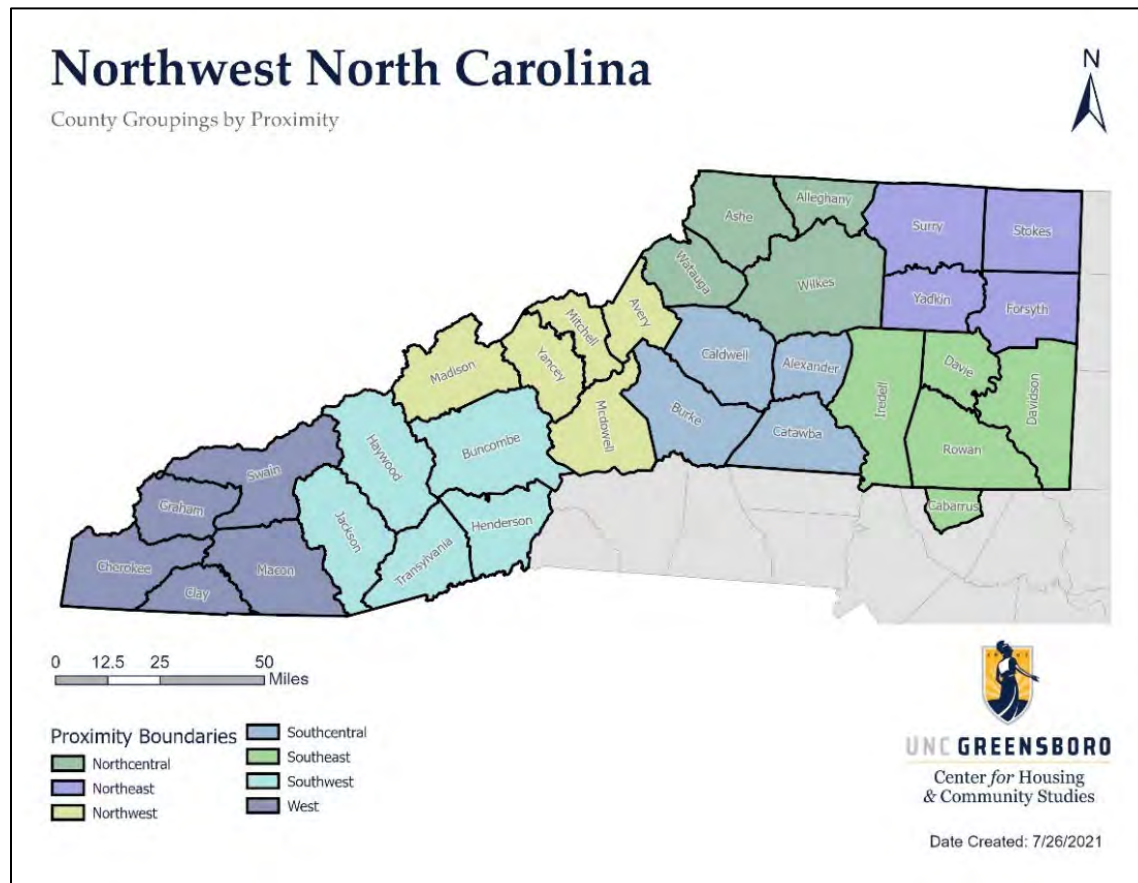


The third map above, offering yet another perspective on population sizes, groups counties according to a rural to urban continuum, with the darker-shaded counties being part of metro areas with larger populations. Our research highlighted numerous factors situated along this continuum. The study area is predominantly rural, particularly in its northern and western reaches as we've said. Naturally, qualities of rural life emerged very strongly in our research. Transportation was one

of the most important elements, with shortfalls in public transit resources and long travel distances the norm. Internet and cell phone service coverage was another, and a general lack of employment opportunities was described by many of the people we spoke to who live away from urban centers.



The fourth map delineates the boundaries of the North Carolina Regional Councils of Governments (COGs), which are administrative rather than topographical or demographic. These played a significant role in our research, in connection with both our wide-ranging interview series and the organization and recruitment for our focus groups. We spoke to administrators, planners, and workforce development professionals with all but one of the COGs making up the study area – the Southwestern Commission, the Land-of-Sky Regional Council, the High Country Council of Governments, the Western Piedmont Council of Governments, and the Centralina Regional Councils. These leaders play important roles in regional coordination and governance in North Carolina and were crucial supporters of this work.



The last map shows a division of convenience based on proximity. This is a somewhat arbitrary division, but can be useful. It correlates in significant ways with important geographic, demographic, and social factors. For example, the remote, mountainous counties forming the southwestern section of the study area constitute a natural grouping. Watauga, Ashe, Alleghany, and Wilkes together make up the so-called High Country, at least by some definitions. The rural counties of Yadkin, Surry, and Stokes in the northeast form a natural commuter radius of Winston-Salem and the Piedmont Triad.

Regardless of subregional boundaries, we endeavored to have as many counties represented in our research as possible. While Buncombe and Forsyth were somewhat overrepresented in the interview phase, our informants overall accounted for twenty of the thirty-one counties. Our focus groups, conducted in-person in the field, and the exigencies of travel determined for us a kind of regional grouping. We made a trip to Buncombe and McDowell, one to Burke, one to

Watauga and Wilkes, one to Forsyth, and one to Iredell. Each of these trips gave us a chance to tour a different subregion and allowed us to take in its geographical, cultural, and social characteristics.

The Size of the Study Area.

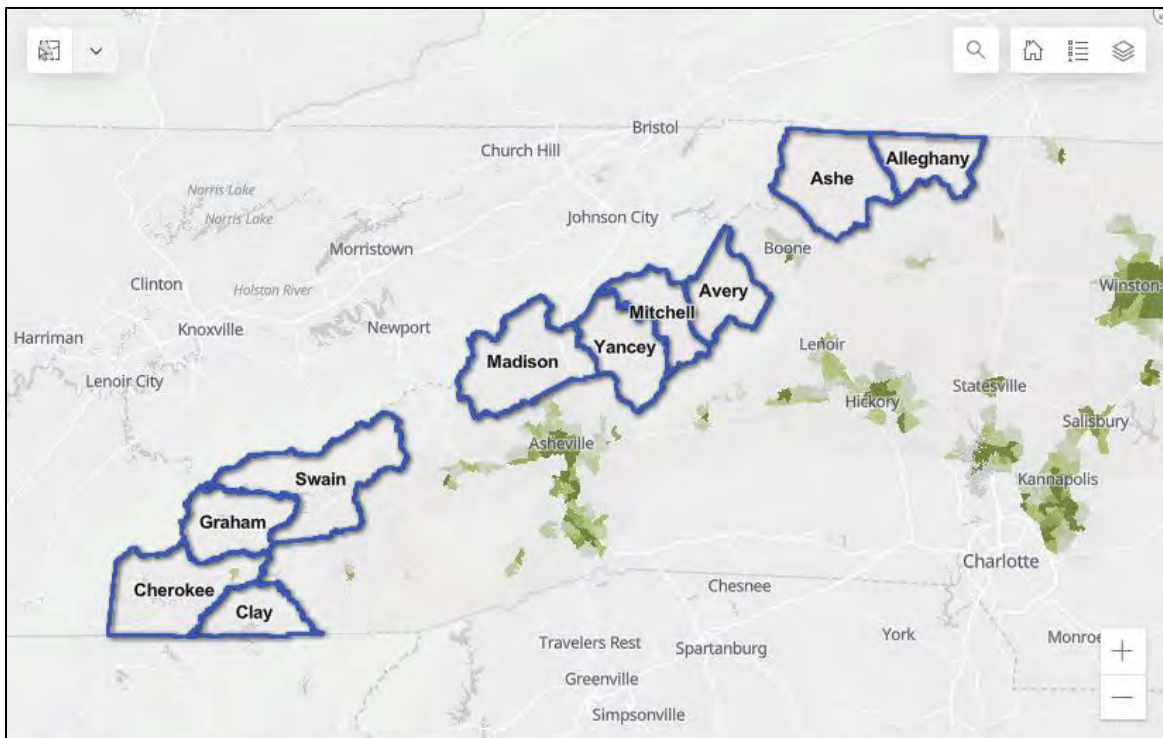
The following table shows several indicators of the size of the study area and of the counties making it up.

County Name	GDP 2020 (in thousands)	GDP Study Area Rank	GDP State Rank	% Change 2019 - 2020	Population 2021	Rank	% Pop Change 2010 - 2021	Land Area	Land Area Rank
Alexander	739,515	23	73	-3.5	37,179	20	-0.05	259.99	27
Alleghany	277,924	30	89	2.4	11,059	30	-0.86	235.06	29
Ashe	710,994	24	75	-4.2	26,634	24	-2.37	426.13	17
Avery	554,003	26	80	-4.4	17,370	27	-2.4	247.09	28
Buncombe	12,841,285	2	7	-5.5	261,600	2	9.77	656.67	2
Burke	2,272,384	9	37	-3.9	90,030	9	-0.97	507.10	10
Cabarrus*	3,445,726	8	15	-5.5	107,672	8	20.97	180.88	32
Caldwell	2,148,490	10	39	-1.9	81,933	10	-1.32	471.57	12
Catawba	7,814,440	4	11	-4.8	159,029	5	3.03	398.72	19
Cherokee	754,277	22	72	1.6	28,362	23	3.35	455.43	13
Clay	231,176	31	93	-1.3	11,045	31	4.33	214.75	31
Davidson	4,163,009	6	24	-4.7	165,973	4	1.9	552.67	5
Davie	1,273,892	19	63	-1.6	42,623	18	3.35	264.11	26
Forsyth	21,051,877	1	5	-11.3	382,075	1	8.96	408.15	18
Graham	208,546	32	95	-4.6	8,414	32	-5.04	292.08	25
Haywood	1,698,857	14	47	-2.7	61,866	13	4.79	553.69	4
Henderson	3,519,817	7	28	-4.6	117,507	7	10.09	373.07	21
Iredell	8,500,010	3	9	-0.1	180,474	3	13.19	573.83	3
Jackson	1,404,411	17	58	-1.7	43,904	17	9.02	490.75	11
Macon	1,371,901	18	59	-6.4	35,141	21	3.59	515.56	8
Madison	372,973	29	87	-4.3	21,769	25	4.84	449.57	14
McDowell	1,407,608	16	57	-3.9	45,327	15	0.74	440.61	16
Mitchell	502,025	27	82	-10.8	14,808	28	-4.95	221.42	30
Rowan	4,760,637	5	19	-2.8	141,092	4	1.92	511.37	9
Stokes	927,928	20	68	-7	45,262	16	-4.51	448.86	15
Surry	2,134,260	11	40	-5.8	71,238	11	-3.31	532.17	6
Swain	618,762	25	77	-0.4	14,309	29	2.35	528.00	7
Transylvania	1,649,396	15	49	1	34,172	22	3.27	378.53	20
Watauga	1,876,058	13	43	-7.2	56,186	14	10	312.56	24
Wilkes	2,091,717	12	41	-5.3	68,105	12	-1.78	754.28	1
Yadkin	806,914	21	70	-5	37,420	19	-2.57	334.83	22
Yancey	381,683	28	72	-4.7	17,799	26	-0.11	312.60	23
Study Area	82,953,705				2,138,148			10,149.13	
North Carolina	499,517,501				10,474,324			53,813.00	

The table includes the gross domestic product (GDP) of each county making up the study area, GDP rank among the counties in the study area, GDP ranked in the state, percent change in GDP from 2019 to 2020, estimated 2021 population, population

rank among the counties in the study area, percent population change from 2010 to 2021, land area, and land area ranked from largest to smallest in the study area. Cabarrus County values are one-half of the county totals, reflecting that only the northern portion of the county is included in the study area.

As the table illustrates, the study area includes counties ranging dramatically in size, from Forsyth County, with a \$21 billion GDP ranking first in the study area and fifth in the state, to Graham County in the west, with its \$208 million GDP ranking last in the study area and 95th of one hundred in the state. As a whole, the study area includes 32% of the state’s one hundred counties by number, but only 17% of the state’s GDP, 20% of its population, and 19% of its land area. These size measures are in line with expectations for an area that we have already noted is largely rural and mountainous. Even the two richest and most populous counties – Forsyth and Buncombe – rank only fifth and seventh in GDP, respectively, in the state. The four largest county economies in the state, those of Mecklenburg, Wake, Durham, and Guilford, together generate economic activity of \$239 billion, nearly three times the entire GDP of the study area and accounting for nearly half of the state’s GDP.

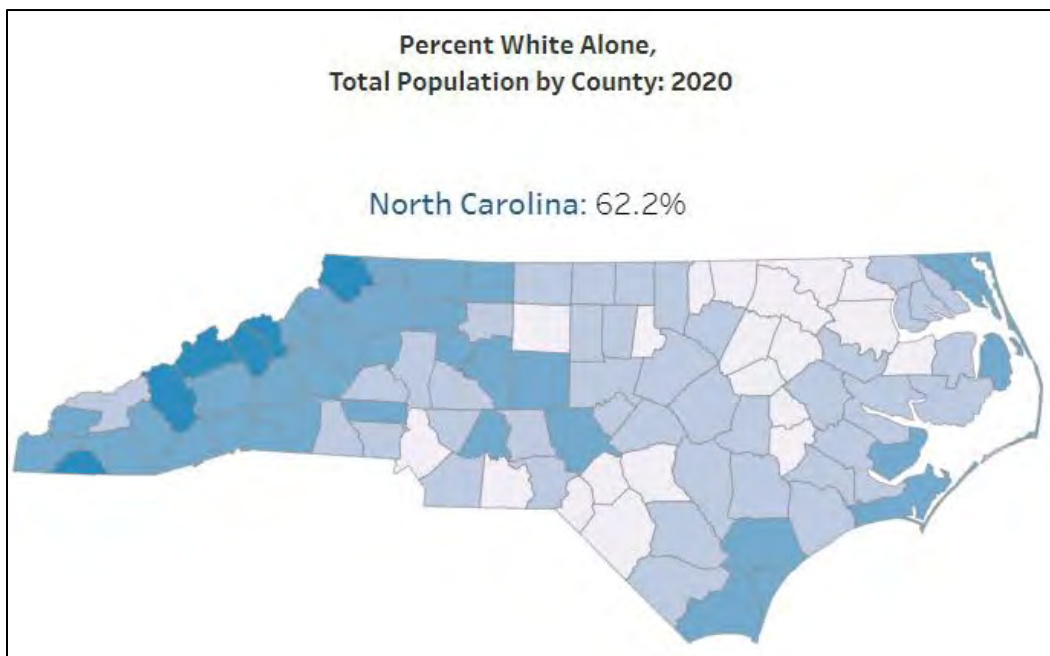


The ten smallest counties in the study area by population, shown in the map above with population density displayed for contrast, account for about a third of the land area of the study area. Together they have a population of 171,569 – smaller in total than any of the three largest by population – Forsyth, Buncombe, or Iredell. The combined GDP of those ten counties is just over \$4.6 billion, just a fifth of the GDP of Forsyth alone. The median household income of the ten-county area is \$41,700, less than the \$47,800 for the study area as a whole, making this a relatively poor section as well.

These comparisons reveal the character of the western and northern sections of the study area, sparsely populated, relatively poor, with big, open spaces. But the study area possesses modest engines of economic activity centered on small urban population centers as well. In the sections that follow, we will examine these contrasts in more detail.

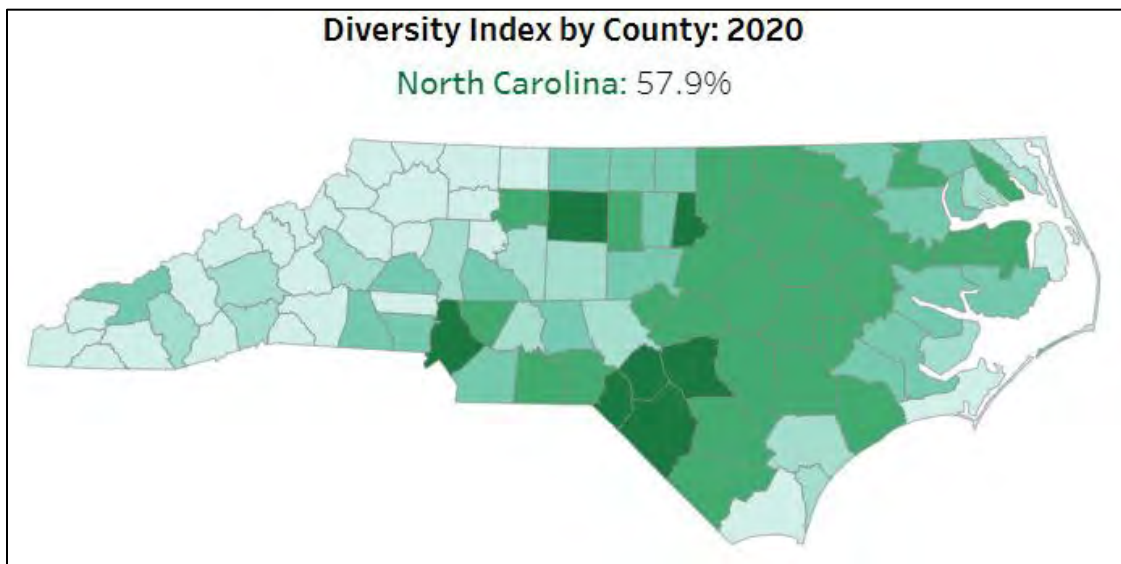
Population Characteristics.

In this subsection, we will examine population characteristics of the study area. The population of the study area is 2,138,148. That population is 86.8% White, 5.3% Black or African American, 2.2% Native American, 1.2% Asian, 2.2% other races, and 2.1% two or more races.



The map above indicates that North Carolina as a whole is 62.2% White. The bluer counties are those with higher percentages of those identifying as White, revealing that the study area is markedly more White than the state as a whole.

The Diversity Index, calculated by the U.S. Census Bureau, is a measure of diversity, with a higher index score representing higher diversity. The map below is a mirror image of the previous map, with higher proportions of Whites in the population equating to lower levels of diversity. The study area, indeed, includes counties with some of the lowest proportions of Black residents in the state, with Mitchell at 0.13% Black, Graham at 0.19%, and Ashe at 0.78%.



Without doubt, the study area is not racially diverse, compared with other parts of the state, but the diversity story doesn't end with the measurement of White and Black county populations. Notably, Native Americans make up a significant part of the populations of several of these predominantly White counties. Parts of several counties – Cherokee, Graham, Haywood, Jackson, and Swain – lie within the Qualla Boundary, a land trust supervised by the United States Bureau of Indian Affairs and home to members of the Eastern Band of Cherokee Indians.



The map above shows in light blue the noncontiguous parcels that together constitute the Qualla Boundary. Native American residents of the five-county subregion containing these parcels make up 10.8% of the population – a far larger proportion than 2.2% in the study area, 1.1% of North Carolina, and 2% of the United States as a whole. Swain and Jackson Counties, where the largest parts of the Qualla Boundary are located, together have Native populations of nearly 20%. In the course of our research, we spoke to residents of these counties, and learned about the particular characteristics and conditions of this unique subregion.

The Hispanic population of the study area ranges from the lowest proportion, 2.2% in Graham County – also one of the lowest in diversity – to the highest, 13.5% in Forsyth County. The Hispanic population of North Carolina is 10.1%. The Hispanic population tends to be larger in more populous counties like Forsyth, but that is far from the strongest predictor of Hispanic presence in a county. After Forsyth, the counties with the largest Hispanic population are shown in the following table:

Name	% Hisp	Pop
Yadkin	11.89	37,420
Surry	11.82	71,238
Alleghany	11.28	11,059
Henderson	10.66	117,507
Catawba	10.49	159,029
Rowan	9.63	141,092

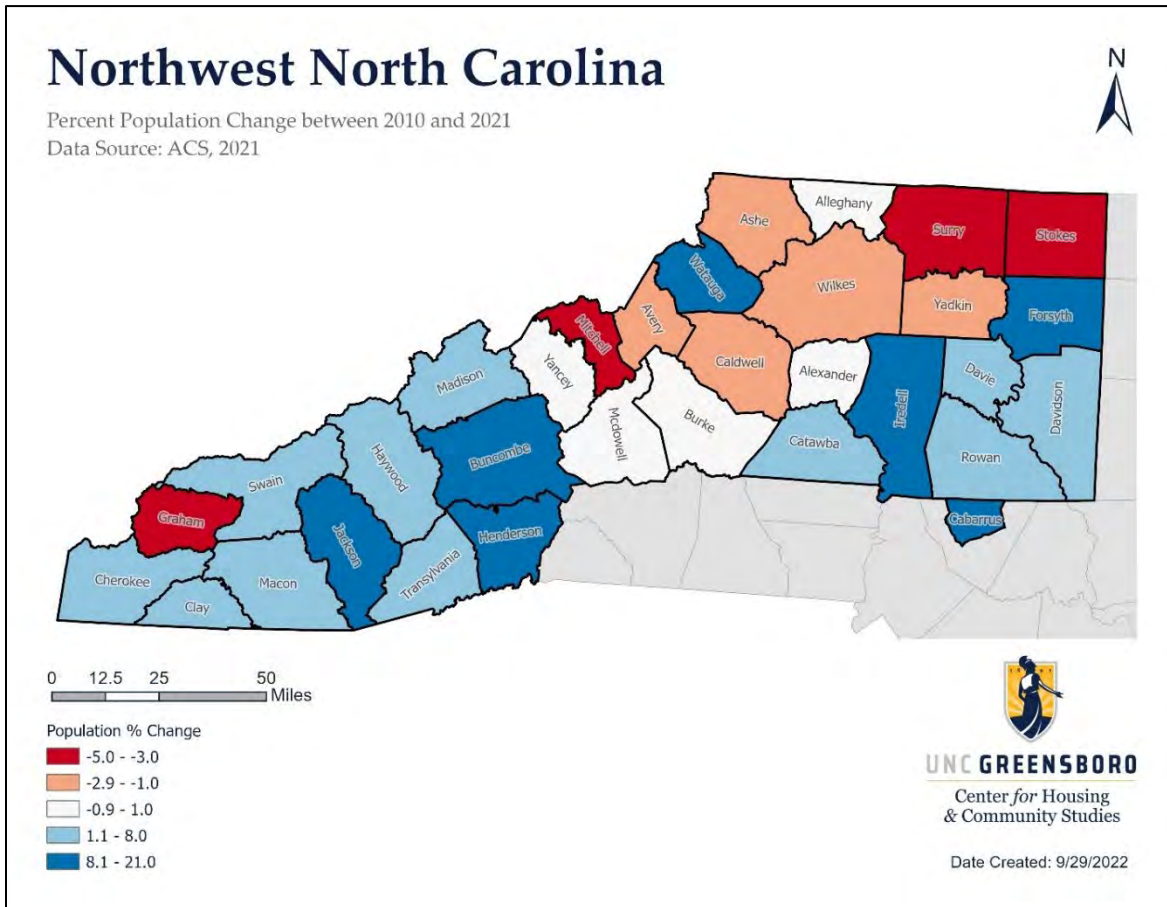
As the table illustrates, the largest Hispanic populations reside in some of the smallest counties by population. Moreover, this isn't explained by the predominance of any particular industry sector in these local economies. Manufacturing, construction, and food service, which employ many Hispanic workers, don't make up a notably large proportion of industry in these six counties. Manufacturing is 17.6%, construction is 9.0%, and food service is 8.7%, as compared to 14.0%, 8.8%, and 10.8% for the entire study area.

The median age of the residents of the study area is 44.5 years, much older than North Carolina's median age of 38.7 years. Within the study area, the more densely populated urban areas are somewhat younger, with Forsyth County at 38.4 years, Iredell at 40.6 years, and Buncombe having a median age of 42.2 years. The youngest county in the study area is Watauga, at 31.9 years, reflecting, we surmise, the large student population there. The oldest counties are the remote, mountainous ones at the far western tip of the state, with Clay County having a median age of 52.2, Cherokee 51.5, Transylvania 51.1, and Macon 50.1. These four together have a total population of just 108,700, with a median age of 51.2, and, as we'll see in the section on health and well-being, a relatively high incidence of chronic illness.

Population growth is a marker of the economic health of a region and, in this respect, the study area's diagnosis isn't clear. North Carolina as a whole is one of the fastest growing states, and a magnet for migration both nationally and internationally. Its population grew by 9.5% from 2010 to 2021. Some counties within the study area are growing even faster than that, especially those clustered north of Charlotte, with Cabarrus growing at a rate of 21% and Iredell at 13.2%. Some of the counties surrounding Asheville are also growing rapidly. Buncombe itself has seen a growth rate of 9.8%, while people who reside in Asheville who are

in search of affordable housing options have spurred Henderson’s population growth by 10.1%.

But the smaller, poorer, more rural counties are shrinking. Leading the pack again is Graham County, which saw a negative 5.0% population change over the 2010 to 2021 period. Mitchell County’s growth rate was a negative 5.0%, and Stokes and Surry in the northeast quadrant of the study area saw population declines of 4.5% and 3.3%. Estimates of population growth in the next five years project North Carolina to cool somewhat to a population growth rate of 5.6%, with broadly similar trends expected throughout the study area. The map below illustrates the various experiences of population change within the study area.

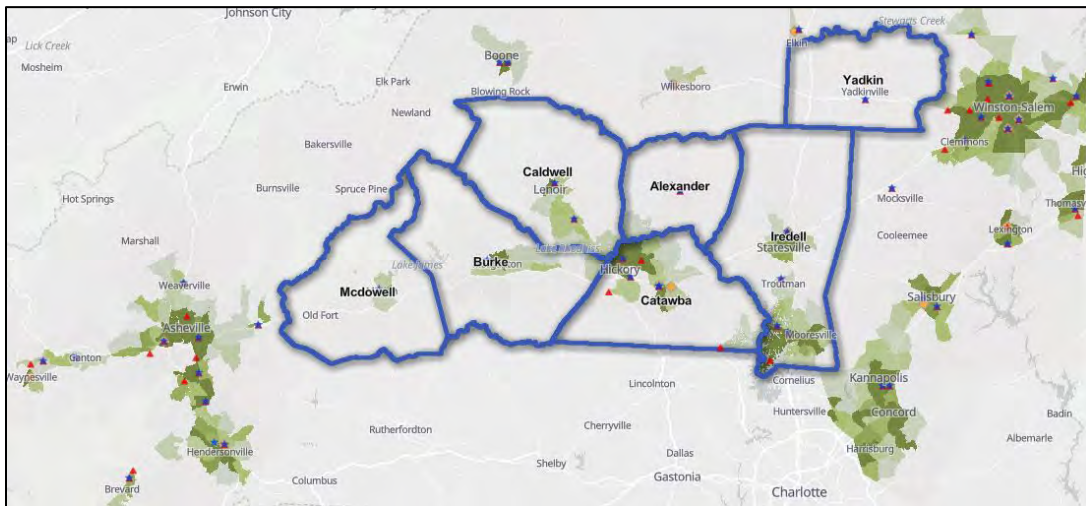


Economy and Employment.

In the section on “The Size of the Study Area,” we discussed the economy of the study area and of individual counties, introducing GDP as a measure of economic

activity. Here we will look beyond the top-line number to the types of economic activity that are the most important in the study area.

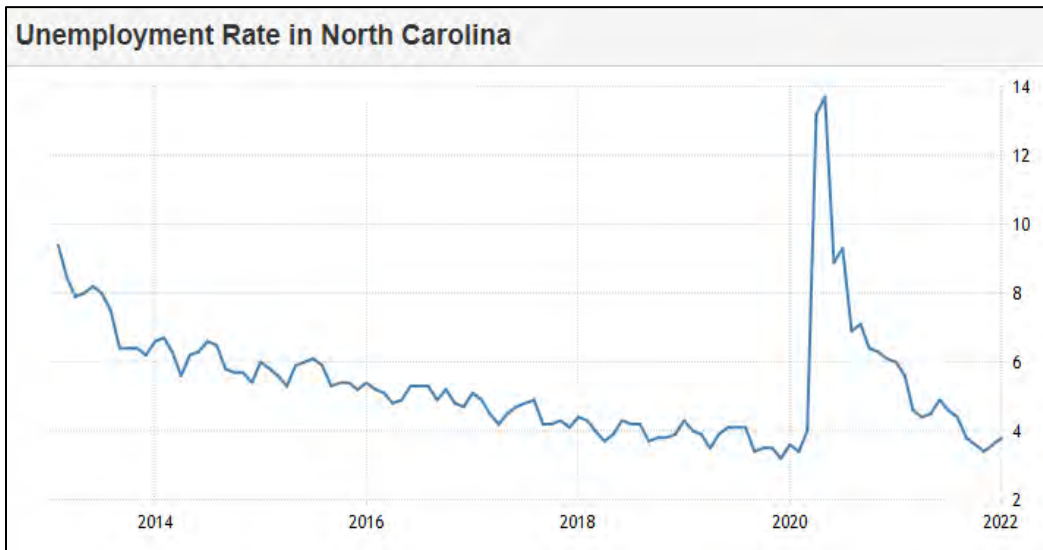
We started with a hypothesis that manufacturing activity would tend to cluster around population centers, but we quickly found the situation a little more nuanced. Manufacturing is the second largest major industry category in the study area, second only to “Education and Health” (two quite large categories in their own right). Manufacturing accounts for 14% of all employment in the study area. But the four largest population centers, Buncombe, Cabarrus, Forsyth, and Watauga, with a combined population of just under a million, together devote only 9.3% of their employment to manufacturing. The seven counties with the largest portion of their employment devoted to manufacturing are Alexander, Burke, Caldwell, Catawba, Iredell, McDowell, and Yadkin. These are smaller counties: their combined population is still only two-thirds of that of the four largest population counties, yet their manufacturing sector is by far the largest, at about 25% of total employment. The following map helps to explain why.



The seven counties are shown overlaid with population density. These counties are situated in areas between the biggest population centers around Asheville and Charlotte but within commuting distance from them, and smaller population centers are contained within them. Thus, McDowell is just east of Asheville. Alexander, Burke, Caldwell, and Catawba can draw from the smaller cities of Morganton, Lenoir, and Hickory. Yadkin is just west of Winston-Salem. Iredell has

Forsyth and Cabarrus counties have finance sectors at or greater than that size. Graham County again brings up the rear, with 2.3%. Similarly, the “professional and business services” category, which accounts for 13.4% of employment nationwide, and 10.9% statewide, is only 7.5% of employment in the study area. None of the counties of the study area reaches even the statewide mark, with only Yadkin, Buncombe, Forsyth, and Davie reaching the 10% level, with many of the counties having professional sectors in the 3% to 6% range.

When we look at employment, we see a familiar pattern, with small western and northern counties having indicators of poor economic condition, and the more populous counties faring much better. The labor force participation rate – the percentage of the population currently working or actively looking for work – is one of those indicators. In North Carolina as a whole, the rate is 62.17%. But again, the study area counties lag behind. In the western counties of Avery, Clay, Cherokee, and Transylvania, the percentage in the labor force is in the mid- to high-40s, and only Cabarrus, Iredell, and Catawba meet or exceed the statewide mark.



The unemployment rate is a useful metric and one that is familiar to the general public, though it does not account for those who are not looking for work. The North Carolina unemployment rate was 3.5% in August, 2022, according to the Bureau of Labor Statistics. Only a few of the study area counties had more unemployment in 2022 than the state average: Graham, with 5.0% unemployment,

Clay, with 4.0%, Cherokee, Jackson, and Mitchell, each with 3.9%, and Forsyth, with 3.8%. The North Carolina unemployment trend is shown in this graph.

Income and Poverty.

Median household income in the United States in 2021 was \$71,000. Median income in North Carolina was just over \$55,000. Median income in the study area was \$47,800. Median income in the poorest county within the study area was \$38,300, in Alleghany. By this measure, the study area lags behind.

Four counties in the study area had higher median household incomes than the state median. Cabarrus, Iredell, Davie, and Henderson had incomes ranging from \$56,000 to \$68,000. To us, this is a revealing measure. These counties are suburban counties adjacent to large cities, with their tremendous engines of economic activities as we have seen, but these four counties do not themselves contain large cities. Large cities have, in addition to high GDPs, large, diverse populations and an array of urban pathologies. The adjacent suburban counties reap the benefits of economic activity, without the hidden costs. This is a regional phenomenon familiar to North Carolina researchers.

Median income measures can reveal inequality as well. Forsyth and Watauga Counties, two of the larger population centers, have among the highest proportion of very poor households, with 11.7% and 7.5%, respectively, earning less than \$10,000, compared to the state average of under 6%. Those same two counties also boast some of the highest proportions of rich households, with Forsyth having 5.1% of households earning between \$150,000 and \$199,000 and Watauga having 5.2%. Alleghany, Graham, Ashe, and Avery have the lowest with between 1% and 2%. In an indication of income differences within counties, Forsyth and Watauga's Gini coefficient (an index measure of inequality) is among the highest in the state, at around 0.5.

We use two measures to assess the incidence of poverty in the study area – percent of the population below the federal poverty level, and an index measure of percent of households receiving public assistance such as Supplemental Security Income and Supplemental Nutrition Assistance Program benefits.

The percent below the poverty line for North Carolina is 14.7%. Although, as we have seen, by some measures the study area is poorer than the state as a whole, by this measure the study area has counties that are poorer and some that are richer than the state average.

Which counties these are, however, defies easy prediction. The most populous urban counties, for example, are inconsistent. Cabarrus, Iredell, and Buncombe are among the richest by this measure, with between 10% and 11% below the poverty line. Watauga and Forsyth are among the poorest, with 25% and 17%, respectively. Similarly, the smallest counties that – by some measures – lag behind the rest of the study area and the state are inconsistent by this measure. Graham County is one of the poorest, with 17% below the poverty line, while nearby Clay County is better-off than the state average, with under 13%. Some of the suburban counties, for example Cabarrus, Iredell, Haywood, and Henderson, are better-off by this measure, while the rural, northern ones, such as Swain, Wilkes, and Alleghany, have some of the largest populations living below the poverty line.

The proportion of households receiving public assistance aligns with the poverty-line indicator in some respects, and diverges in others. Again, Iredell, Henderson, and Buncombe Counties are among the richest by this measure, with the percent receiving public assistance between 17% and 21%, compared to the state average of just under 27%. The rural western and northern counties of Alleghany, Wilkes, and Cherokee have the highest proportion of households receiving public assistance, ranging from 44% down to about 35%. Transylvania, too, is in that category, although by percent below the poverty line, it was just a bit better-off than the state average.

A striking divergence is Watauga County, the county with the highest percentage of people living below the poverty line. It actually has fewer people receiving public assistance, with 25%, than the state average. This again could be attributed to the disproportionate student population, which may skew the numbers of people living below the poverty line but, because of eligibility or transience, receiving less public assistance.

Housing.

The lack of affordable housing is one of the most urgent problems facing the residents of northwest North Carolina, according to our research in these communities.

Housing tenure in North Carolina is characterized by a high level of home ownership. In North Carolina as a whole, about 65% of homes are owner-occupied, exactly in line with the U.S. percentage. Within the study area, the large urban counties, which are more likely to have multi-family apartment-type housing options, have slightly less than the state percentage, with Forsyth, Watauga, and Buncombe three of the four lowest counties for owner-occupied housing. The rural counties of Graham, Mitchell, and Cherokee, and suburban counties like Davie and Yadkin, have higher levels of owner-occupied housing. These areas, with a deep-rooted culture of home ownership and few rental options, have percentage of owner-occupied housing ranging from 76% to above 82%.

A measure of housing hardship is the percentage of households that are cost-burdened; that is, households spending more than 30% of their income on the mortgage or rent and utilities. We'll examine cost-burdened renters below, but we can measure cost-burdened homeowners as well. The counties in the study area range from 15% to 22% cost-burdened homeowners, and the distribution within that range allows for few general conclusions. The larger population counties of Forsyth, Buncombe, and Watauga have cost-burdened homeowner percentages in the 18% to 19% range. The western and northern rural counties that have attracted so much of our attention, such as Clay, Alleghany, and Cherokee, have some of the highest percentages of cost-burdened homeowners. The suburban and commuter counties of Stokes, Haywood, Iredell, Cabarrus, and Davidson cover the range from lowest to highest.

Median home value is another measure of housing health, a complex one capturing a notable paradox of the housing economy. A county's home values increase when its economy is healthy and growing, and more people want to live there. When that happens, the resulting appreciation in home values builds family wealth. But at the same time, it makes housing less affordable for those who don't already own, and thus is a measure of housing precarity.

One conclusion jumps out from a review of median home value by county, a conclusion supported by our qualitative research: Asheville and its environs have the highest home prices. Buncombe, Watauga, Transylvania, and Henderson are the four top counties for median home value. (This is one of several indicators for which various estimates are on offer: our dashboard number from the North Carolina Housing Finance Agency estimates \$238,000 for Buncombe 2021 median home value, while the private firm Redfin estimates over \$400,000. All sources agree the values are rising in 2022.)

No generalization can be drawn from the list of counties with the lowest median home value. They include lower-income counties of the mountainous west, suburban counties of the Yadkin River and Catawba Valley areas, and rural High Country ones, with median home values ranging from \$92,000 to \$125,000.

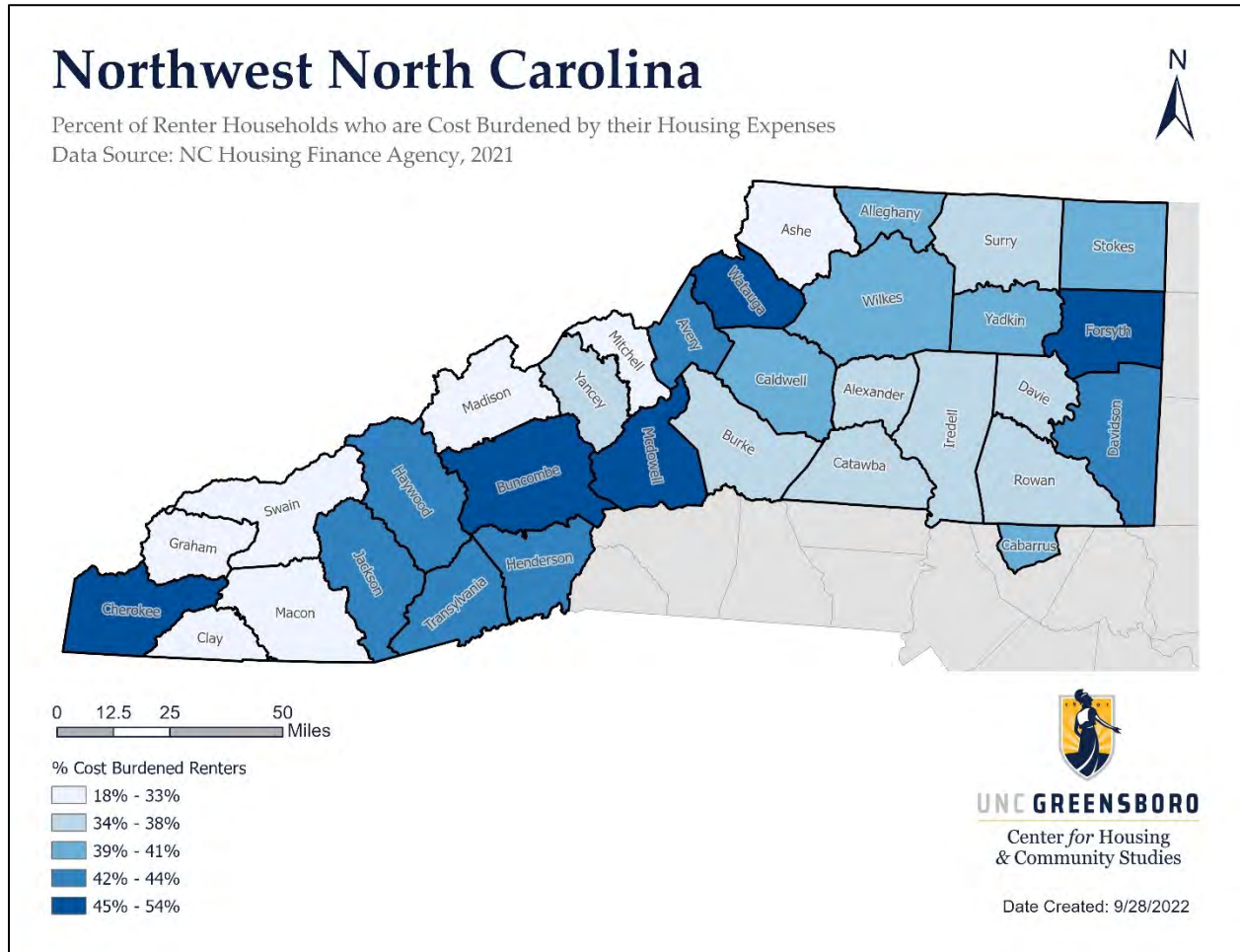
In thinking about these attributes of single-family home ownership, we examined the proportion of multi-family housing in the study area. As expected, the multi-family developments make up a larger proportion of urban housing than suburban or rural. Watauga, Buncombe, and Forsyth counties are three of the four counties with the largest proportion of units in complexes of 20 to 49 units. (Avery is the other of the four, perhaps reflecting the need to accommodate the spillover from Boone just over its northeastern boundary.)

More multi-family dwellings means more renters, and indeed three of the four counties with the highest proportion of renters versus home owners are Forsyth, Watauga, and Buncombe. (Jackson, not Avery, is the other of the four, for reasons that would bear further investigation.)

Median rent, like median home value, is a measure of economic health, in-migration, and gentrification, while at the same time a measure of the housing affordability crisis that many are experiencing across the country, including in our study area. Median rent ranges from \$499 in Graham County – once again the most extreme case – to \$975 in Buncombe – once again on the other extreme.

As we have inquired into cost-burdened owners, we also inquired into cost-burdened renters, perhaps the more familiar of the two to those who study housing precarity. Watauga, Buncombe and Forsyth are in the top four of counties with the

highest percentage of cost-burdened renters. The numbers are striking; 54% of Watauga renters are cost-burdened, 48% of Buncombe County renters, and 46% of Forsyth renters.



Other counties with high percentages of cost-burdened renters include McDowell (50%), Cherokee (46%), Avery (44%), and Jackson (44%). Compared to Watauga, Buncombe, and Forsyth, these are on the opposite end of the urban to rural continuum. They have far less population density, and two of these four, McDowell and Cherokee, are the two counties with the lowest percentage of housing of units in complexes of 20 to 49 units. Yet these counties have high levels of cost burden, reflecting low incomes and a shortage of affordable rental units.

When counting the percentage of households that are *severely* cost-burdened – meaning the household must spend more than 50% of its household income on mortgage or rent, and utilities – the results are somewhat consistent. Thirty-eight

percent of Watauga renters and 24% of Forsyth renters are severely cost-burdened. Buncombe renters are not as severely cost-burdened, however: at 19% they are in the middle of the pack. And again, Jackson, Avery, and McDowell have fairly high levels of severely cost-burdened renters.

A final indicator of housing troubles is vacant properties. High vacancy levels suggest a slow economy, with low demand, low real estate values, and limited resources available to maintain and repair homes. They are associated with decay, when vacant buildings cause the value of nearby homes to decline, continuing the cycle that eventually causes entire towns and cities to fall into disrepair.

Some of the same rural and suburban counties that we've mentioned in this section in connection with low values and rents and high levels of cost burden, also rank high in percentage of vacant homes. Avery, Graham, Alleghany, and Jackson Counties are the four highest in this indicator, with 38% to 55% vacant properties, compared to a statewide average of about 15%. The big urban counties have sharply varying levels of vacancy, suggesting that large, urban centers are not necessarily correlated with high levels of vacancy. Watauga, a county facing more than its share of difficulties, has one of the highest levels, at 38%; Buncombe is just under the statewide average, at 13%; and Forsyth, with all of its urban challenges, has one of the lower levels of vacancy, with 11%.

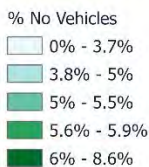
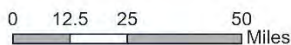
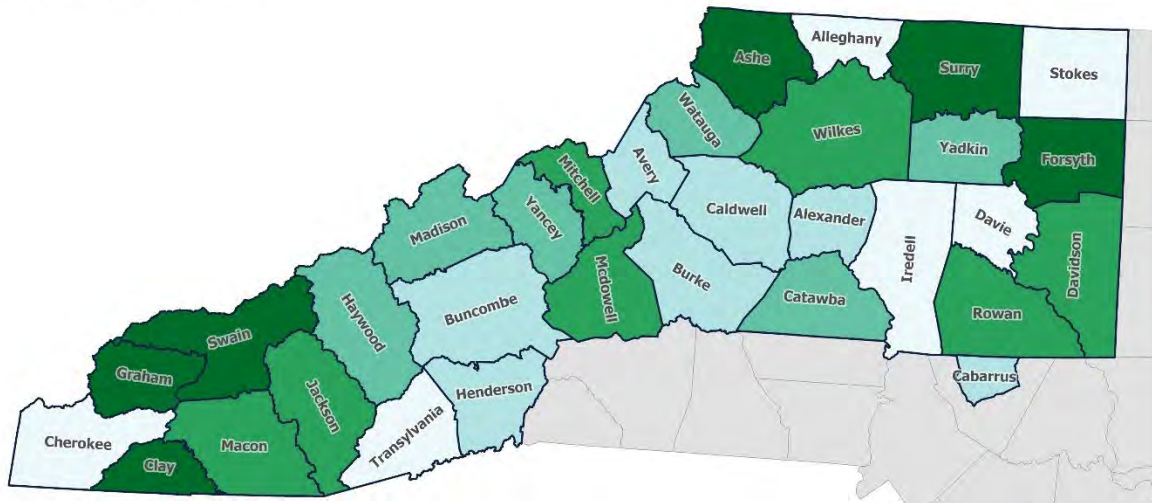
Transportation.

A shortage of accessible transportation resources and the high cost of transportation were major themes in our research. In a region with limited public transportation, a shortage of affordable used vehicles, and high gas prices, many residents struggle to obtain affordable transportation, presenting a big obstacle to advancement in the workplace.

A key measure for this topic is the percent of households with no vehicle. The following map shows that the extent of this problem is uneven throughout the study area. Those with the lowest percentage of households with no vehicle are scattered from Cherokee and Transylvania to Alleghany, Stokes, Davie, and Iredell. But these counties lie adjacent to ones with very high levels of households with no vehicle, including Forsyth, Ashe, Surry, and Clay.

Northwest North Carolina

Percent of Households with No Vehicle by County
 Data Source: ACS, 2021



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Ashe, Surry, and Clay Counties are relatively rural in nature, sparsely populated, with long distances to travel to reach work, school, and services. They, like all counties in the study area, have some form of public transportation system, but most of the systems we examined have limited service. The routes often don't extend to all the places people live and work, and if they have scheduled service at all, they usually don't operate after the first shift. A list of county transportation agencies is included as Appendix A to this report.

Many of those with their own vehicle use it to commute to work. In North Carolina, 82% of workers drive alone to work, and workers residing in the study area are no exception, with a fairly level rate of driving alone, ranging from 73% to 87%. Carpooling to work is relatively rare, with a North Carolina statewide rate of 9% of workers, and the workers in the study area carpooling at rates ranging from 7% in Transylvania to 14% in Clay. Other counties with low rates of carpooling include Stokes, Catawba, and Cherokee, and the two large urban counties of Forsyth and

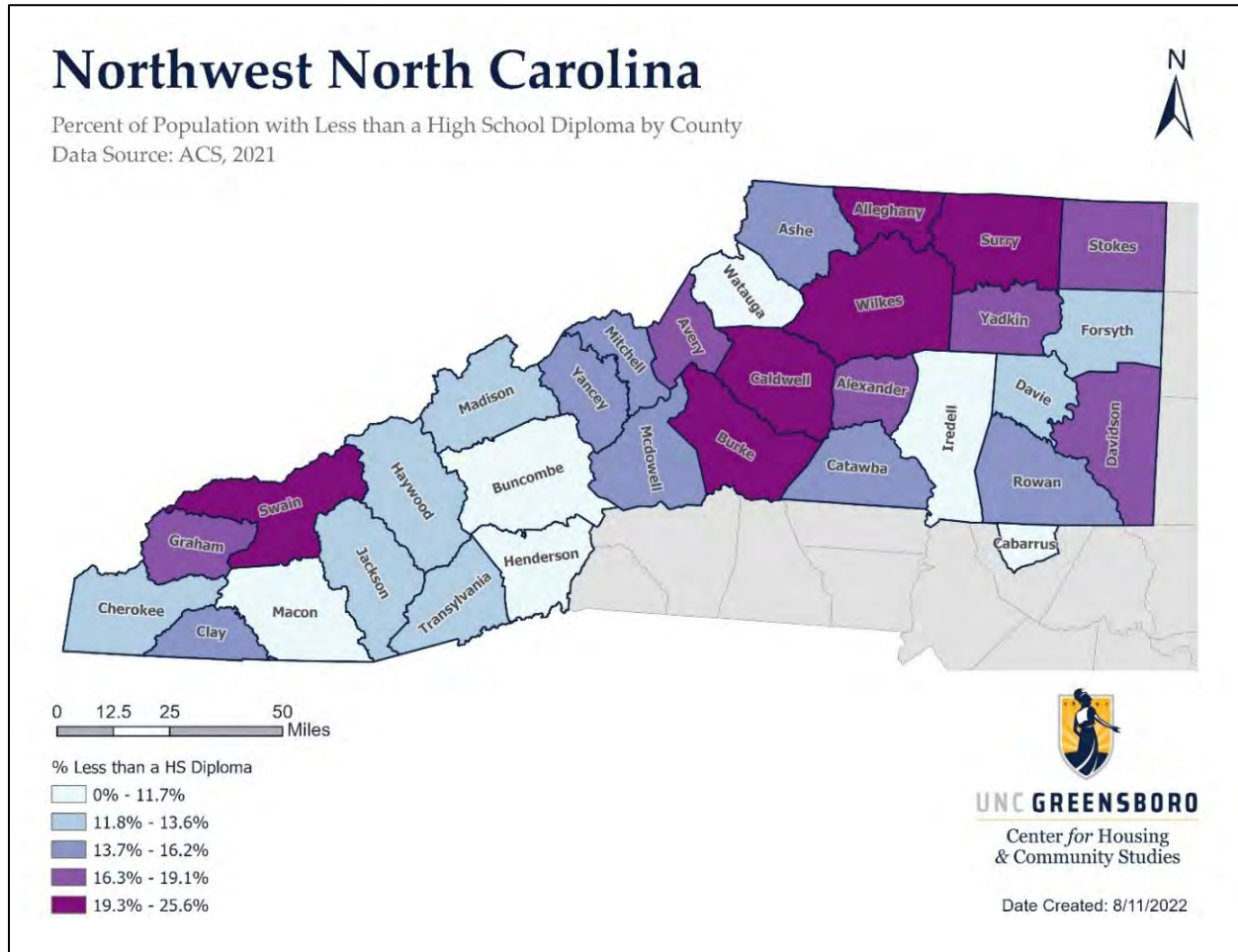
Buncombe. Counties with high rates of carpooling include Avery, Ashe, McDowell, and Alleghany. It's difficult to say why Stokes should have nearly four times the carpooling rate of Avery, when their geographical situation is more like than unlike – but it underscores the importance of understanding the differences between counties, if solutions are to succeed.

Given the dominance of the personal vehicle for travel to work, an equally important transportation indicator is average commute time. This, too, is difficult to draw general conclusions from, other than the fact that commute times in the study area are long. The average commute time for the study area as a whole is just over 24 minutes. Commute times for individual counties range from 19 to 29 minutes. The big urban counties have some of the shortest commute times, with Buncombe at 20 minutes, Watauga at 21, and Forsyth at 22. This is likely because the large employment centers are relatively near to anyone living in those counties (as opposed to those commuting to those centers from neighboring counties). But the county with shortest commute time, 19 minutes, is Swain, a rugged, rural county with no major employment centers either in the county or in a neighboring one. Swain is a county with one of the highest rates of households with no vehicle, and a high percentage of residents not in the labor force, so it could be that relatively few people have occasion to commute to work. Jackson, Avery, Henderson, and Macon are other counties with shorter average commutes. Madison, Stokes, and Graham have longer ones, but it might simply be that the absolute differences in minutes between the shorter and longer commutes aren't very significant.

Education.

A little over 13% of North Carolina residents have less than a high school diploma – a key indicator of educational attainment. The study area varies substantially in this regard, with counties ranging from 10% to nearly 26% without a high school diploma. As the map reveals, the counties with the lowest rates of high school diplomas include ones with little resemblance to one another, except that they aren't big, urban counties. Swain, Alleghany, Surry, Caldwell, Wilkes, Burke, and Graham have the lowest rates, ranging from 19% to 26%. This disparate list includes rural and suburban counties with populations ranging from 11,000 to 90,000, with

a variety of topographical features and industry mixes. One thing that binds them: they are all in the lower third of median household income, though we don't know whether this is a cause or an effect of low educational attainment.



Toward the other end of the educational attainment spectrum, we examined the percentage of people with bachelor's degrees or higher. The North Carolina rate is 32%. Twenty-six of the study area counties have lower percentages. As expected, the large urban counties rank first, second, and fourth in this category, with Watauga, Buncombe, and Forsyth having rates of 43%, 41%, and 34%, respectively. The third rank is held by Cabarrus, home of wealthy Charlotte suburbs Kannapolis and Concord. The Asheville suburb counties of Transylvania, Henderson, and Madison have the next three highest rankings, but it then drops off sharply, with Graham having a low rate of 13% and Swain having 18%. But Yadkin County, with its Winston-Salem suburbs, does not repeat the performance of the Asheville

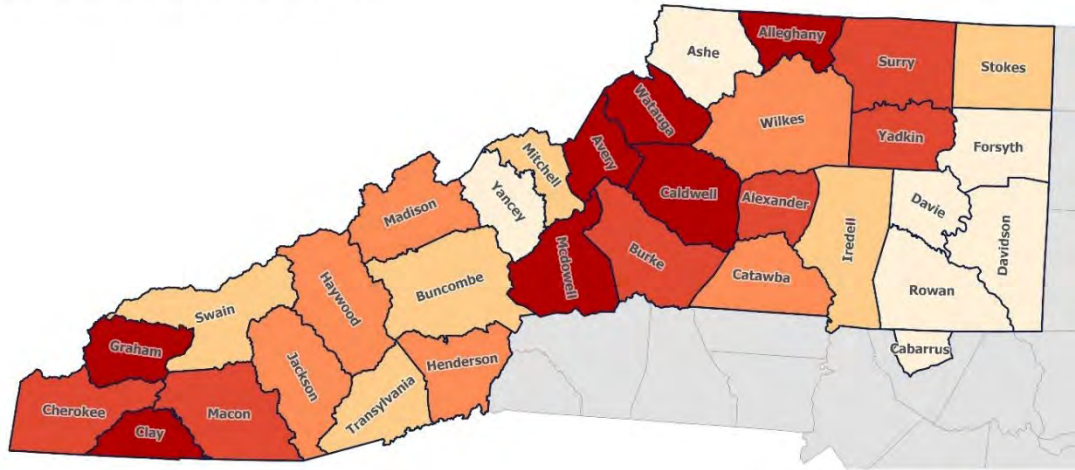
suburbs; it has the lowest rate of college education in the study area, with under 12%.

Early childhood education and childcare were important topics in our research, particularly as they relate to availability and affordability of services. Lack of services can deprive children of needed developmental education, but for the purposes of our research, it can present an enormous obstacle to economic mobility for the family. We looked at the licensed daycare capacity for each county. Using the population of each county and the percentage of children ages 0-4, we calculated the number of childcare enrollment slots per child in the county, as a rough comparative measure of capacity. The resulting slots per child range from 0.37 in Yancey County to 1.27 in Clay County. Davidson, Forsyth, Buncombe, Cabarrus, and Surry Counties are bunched in the middle of the range. Rural counties such as Transylvania or Ashe have fewer; but similar ones, for example Clay and Macon, have more. Again, no particular geographic county profile stood out as having more or fewer available childcare slots.

The map below shows licensed daycare facilities per 1,000 children 0-4 years, with results that align well with our calculations above.

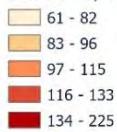
Northwest North Carolina

Number of Licensed Daycares per 1,000 Children Ages 0 - 4 Years by County
Data Source: NC ECE 2022 and ACS, 2021



0 12.5 25 50 Miles

Licensed Daycares per children 0-4



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Health and Well-Being.

Our dashboard includes numerous indicators of community health, and we reviewed several of them to get a glimpse of the health and well-being of the study area residents.

About 19% of North Carolina residents lack health insurance. About half of the counties of the study area have more, and about half have less of their populations uninsured. Watauga and Buncombe, two of the three key urban counties, are ranked first and second in having their people insured, with only just under 16% uninsured. Forsyth County has nearly 20% uninsured. The counties with the most uninsured are Alleghany, Surry, and Yadkin, all clustered together along the northeastern boundary of the study area, with between 21.5% and 22.6%. The suburban counties north of Charlotte include some with fewer, and some with more, uninsured.

We calculated the percentage of the population receiving mental health care services. This is intended as an indicator of the mental health of the community, though we caution that a high percentage could also indicate good availability of mental health services. Just over three percent of North Carolina residents receive mental health care services. About a third of the study area counties have fewer of their residents receiving such services, and about two-thirds receive more. The counties with the highest percentage of their residents receiving mental health services are Haywood, Swain, Burke, Catawba, and Surry – again, not a group of counties with distinctly similar characteristics. Those with the lowest percentage are Davie, Forsyth, Stokes, Henderson, and Cabarrus. Those are relatively wealthy counties by median household income, but the correlation of wealth with good community mental health is not well understood, so we are not drawing any conclusions from these rankings.

Depression is one of the mental health conditions whose correlation with wealth is most contested, so we looked at depression incidence in the study area to see what it might reveal. The Centers for Disease Control and Prevention estimates 22.3% of North Carolinians have depressive symptoms. Only Forsyth and Iredell Counties had less incidence of depression than the statewide average, with 21.7% and 22.2%, respectively. Swain, Caldwell, and Wilkes had the highest incidence of depression, with between 25% and 26%, though the difference between the highest and lowest in the study area is not large. Comparing depression incidence with median household income reveals a rough correlation; broadly speaking, the higher income counties had lower incidence of depression, but the correlation is not strong.



FINDINGS FROM OUR RESEARCH.

The UNCG research team had the opportunity to visit with and ask questions of almost two hundred members of northwest North Carolina communities. Whether we were talking to workforce development professionals, county social services directors, regional transportation planners, professors, business executives, or just everyday folks who were striving to succeed, or who had already achieved success in life, we took up the same topics. What's going on in the working world today? What's it like for workers in these towns and cities? What are the big obstacles people face in trying to get ahead? What could we do to improve economic mobility in northwest North Carolina? The responses we received were wide-ranging and illuminating.

Our findings are reported in detail in two subreports that provide in-depth discussion of all issues we studied. The Report on Key Informant Interviews is attached to this report as Appendix B, and the Report on Focus Groups is attached as Appendix C. Those reports feature the voices of northwest North Carolina, presenting in their pages extensive direct quotations from interviews and focus groups. We provide a summary in the following pages, but the fuller treatment in those subreports should be consulted.

Life in the Working World Today.

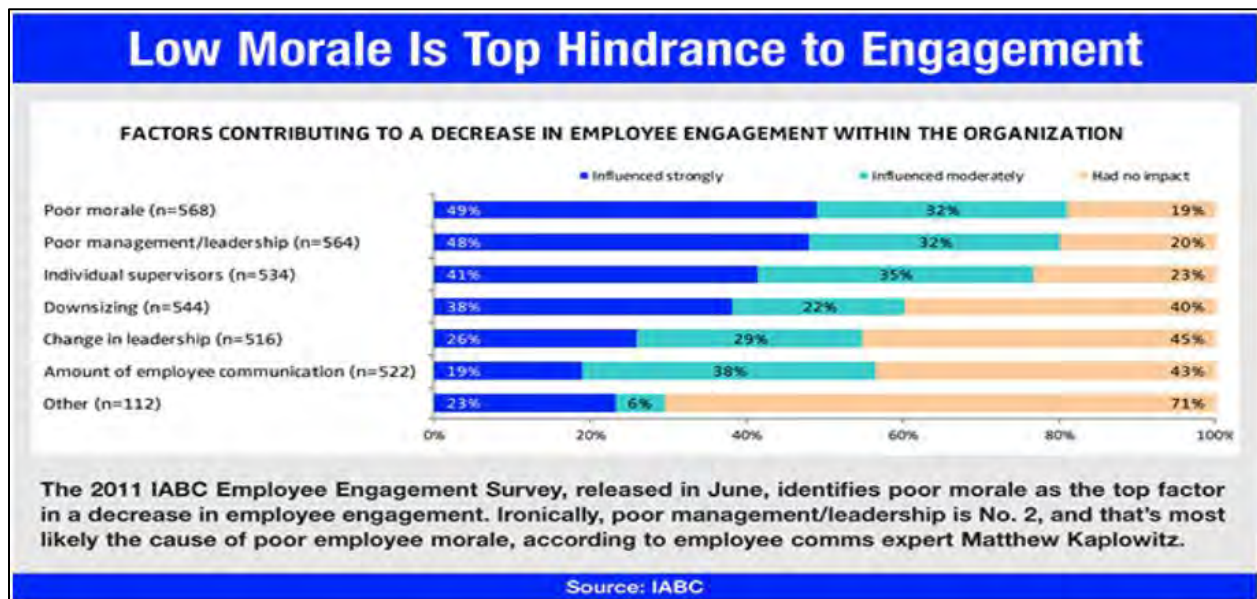
In broad terms, this was the question we had for the North Carolinians we spoke with in interviews and focus groups. What's it like now for residents who work, who are looking for work, and who have ambitions to advance their fortunes in the working world today? We framed this question in various ways. What opportunities do you see? What are the obstacles? Where do we go from here?

The workers we spoke to were eager to discuss their experiences, and they gave us a sense of what their lives are like. Three topics that came up often were morale, limited or unpredictable shifts, and wages.

There appear to be great variations in morale. Some workplaces seem to promote good morale among the workers, while others seem less concerned. Good morale results when managers treat people in the right way, making them feel as if they

were part of a team. Good pay is not a precondition of high morale; indeed, workers reported choosing morale and camaraderie over pay as their animating values.

Low morale is more common. The pandemic contributed to this. With positions hard to fill, the remaining workers are forced to do extra work. Workers feel devalued and taken advantage of. Workers who deal with the public endure abuse from customers. Middle managers carry extra burdens but without commensurate pay increases. Opportunities to advance are limited, causing a sense of stagnation. Fear rules some workplaces.



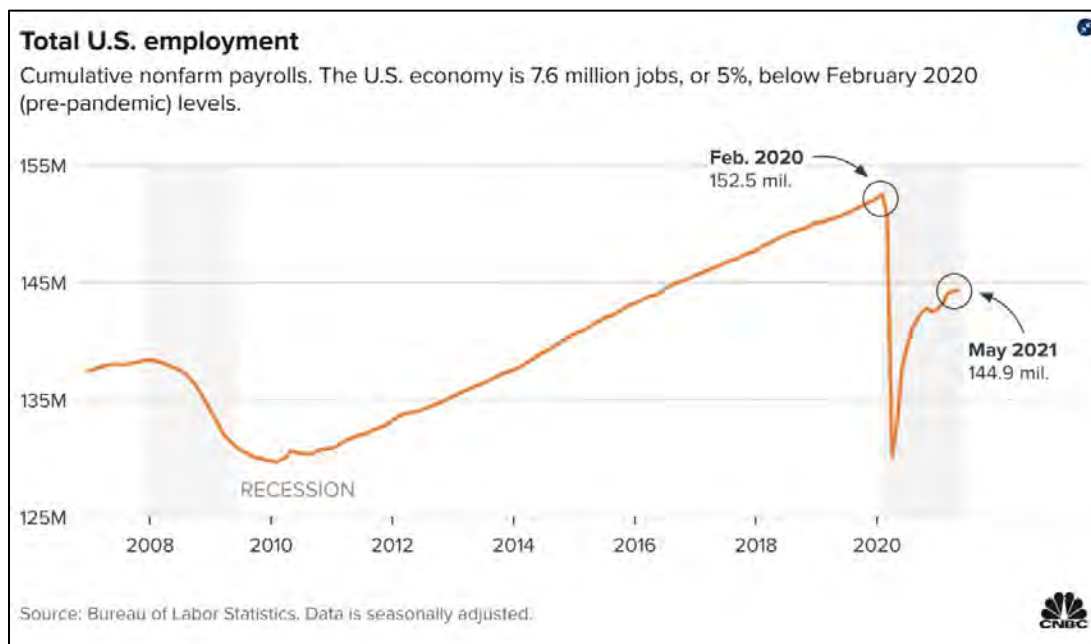
The unpredictability of shift hours is one of the hardest aspects of life in the working world. Shifts change from day to day, rendering impossible other commitments, for example to family life or to a second job. Workers worry that if they leave to take care of a sick child or are delayed by weather, they'll be punished. Employers won't help workers schedule around classes or training.

A fundamental quality-of-life issue for workers is, of course, wages. Here we see a difference in our expert respondents and the workers themselves. The experts' consensus view was that wages are rising to unprecedented levels. Our workers were unsure. Some indeed had encountered substantial increases. But many had not, and even those who had still felt that wages weren't high enough. People aren't able to "make ends meet." It isn't a living wage. It hardly makes sense to work at all. The risk of exposure to COVID is an added cost of work. Rising inflation

is an added cost. Discontents decades in the making are coming to the surface in the time of the pandemic.

A Shortage of Workers.

The “Worker Shortage,” the “Great Resignation,” the “Quiet Quitters.” As we began the qualitative phases of our research, a phenomenon, by whatever name the headline writers were calling it, was occurring. In the first year of the pandemic, the year prior to the beginning of our work, people had lost their jobs in historically-significant numbers. The problem hadn’t been a shortage of workers but rather a shortage of jobs. The so-called worker shortage began in 2021 as businesses were reopening after that first, catastrophic phase of the pandemic, and it was really getting underway just as we were beginning our conversations in the communities of northwest North Carolina. Whenever we asked about the situation in the working world as it stood then, this often was the first thing on people’s minds. Executives, public administrators, and workers all told us that there just weren’t enough people to fill the jobs. Businesses are shutting down or reducing their hours; wages are bidding up; everyone is in a kind of upheaval. We asked about the reasons for the worker shortage, and received well over a dozen different theories.



Don't Know What's Going On. Some threw up their hands, saying they just didn't know where the people had gone. Experts were baffled, never before having

seen such a phenomenon. People are unsettled to see reliable old corner stores with their doors closed, and we sensed some worry about the future. Similar head-scratching went into the question of how those people are surviving who were staying out of the workforce. Perhaps not as many workers need a traditional job as was once the case. People are smart and resourceful, and they figure out ways of getting by.

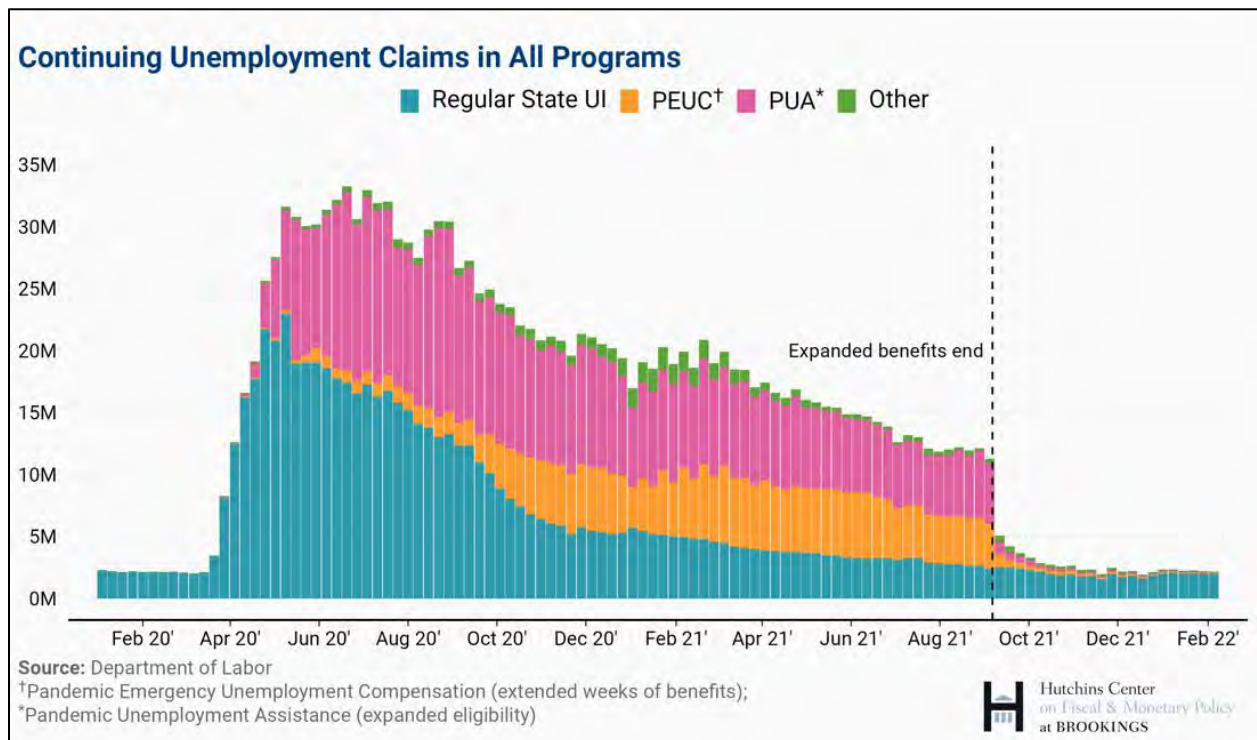
Fear of Exposure. Most people offered the perhaps obvious point that the pandemic was somehow responsible for all of this. Fear of exposure to the virus certainly was a prominent factor. Business sectors that relied on in-person work suffered shortages, with workers unwilling to take the risk, especially in lower-wage sectors like fast food, health care, and meat-packing. Conversely, unvaccinated workers who wanted to work were prevented by mandates.

COVID Assistance. One of the theories we heard most often was that generous COVID relief payments made it unnecessary to work. This theory was logically compelling, and persisted as the favorite of many we spoke to, despite the fact that the payments weren't intended as an alternative to work but rather to assist those forced out of work. In any case, while the extended unemployment benefits expired early in our study period, there were other forms of assistance – the stimulus payments, rental assistance, and other COVID relief programs, and there was an idea lodged in many minds that, with all this money, there was no point in working. We heard many opinions on this point, some saying workers were making perfectly rational cost-benefit calculations before rushing back to work, others saying the payments were a disincentive and were being abused.

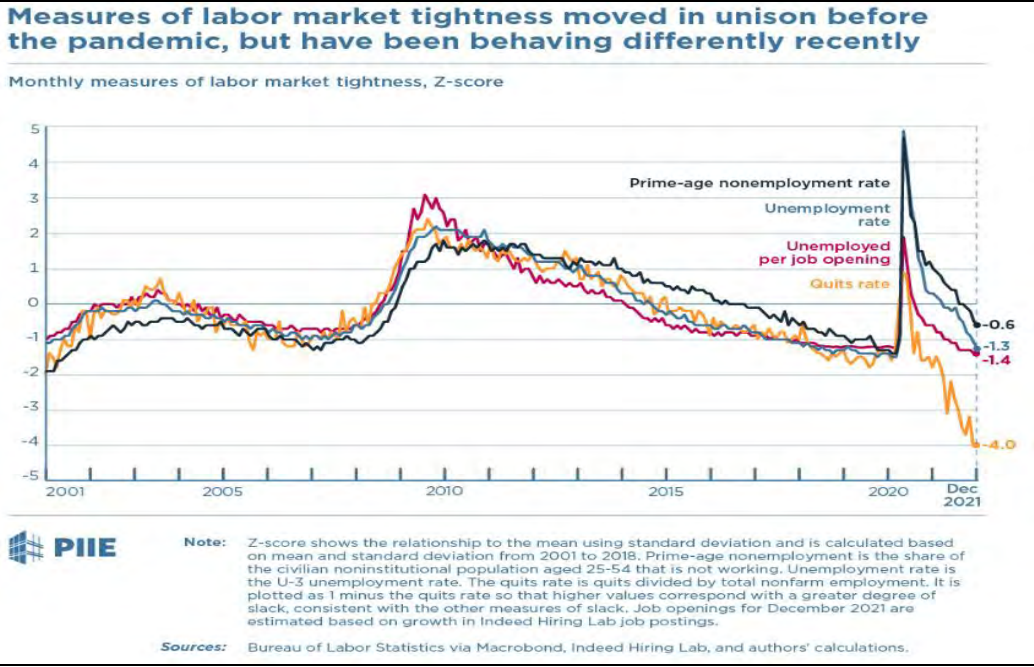
Work Ethic. This issue of abuse of government assistance was just one element of a broader commentary about the willingness of workers to work. Some referred to COVID rescue programs as “handouts” and “freebies,” words that have been used since long before COVID to delegitimize transfer payments to low-income people. The experts we interviewed were split on this point, some lamenting that their efforts to promote self-sufficiency were being undermined by federal largesse, but others suggesting that only those who don't understand the conditions of the working poor would call them “lazy.” We heard that epithet more often from

workers about other workers than from experts. Some of them said people don't have the same work ethic as they themselves did or as people had in the past.

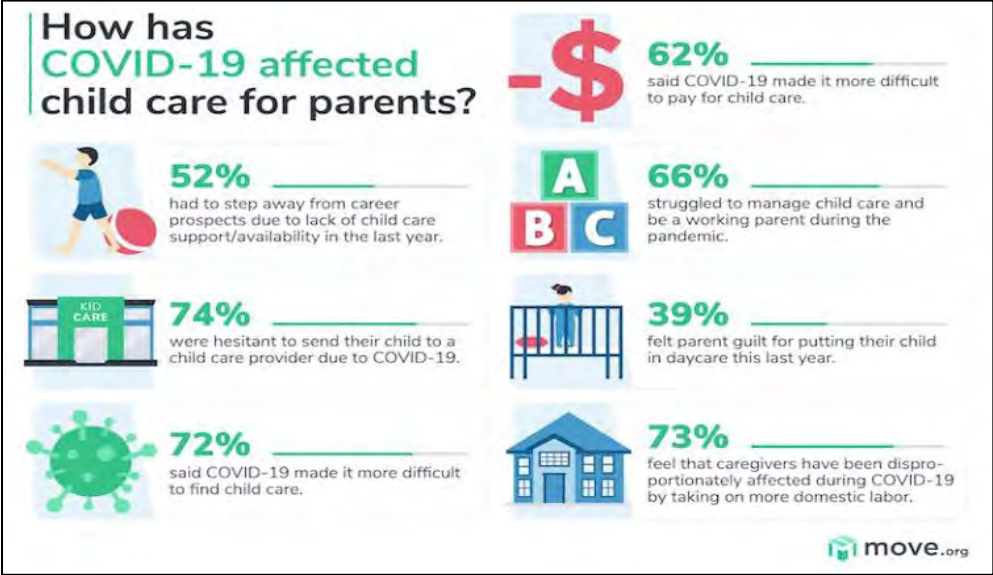
As the conversations delved deeper, more participants acknowledged that people do struggle, and that they themselves have had times of struggle. And in a theme that would be struck throughout our discussion of the costs of work – in childcare, in transportation, in lost benefits – many of the people we talked to recognized that for some, the net income from going to work could be less than from not working. That could explain a good part of the worker shortage.



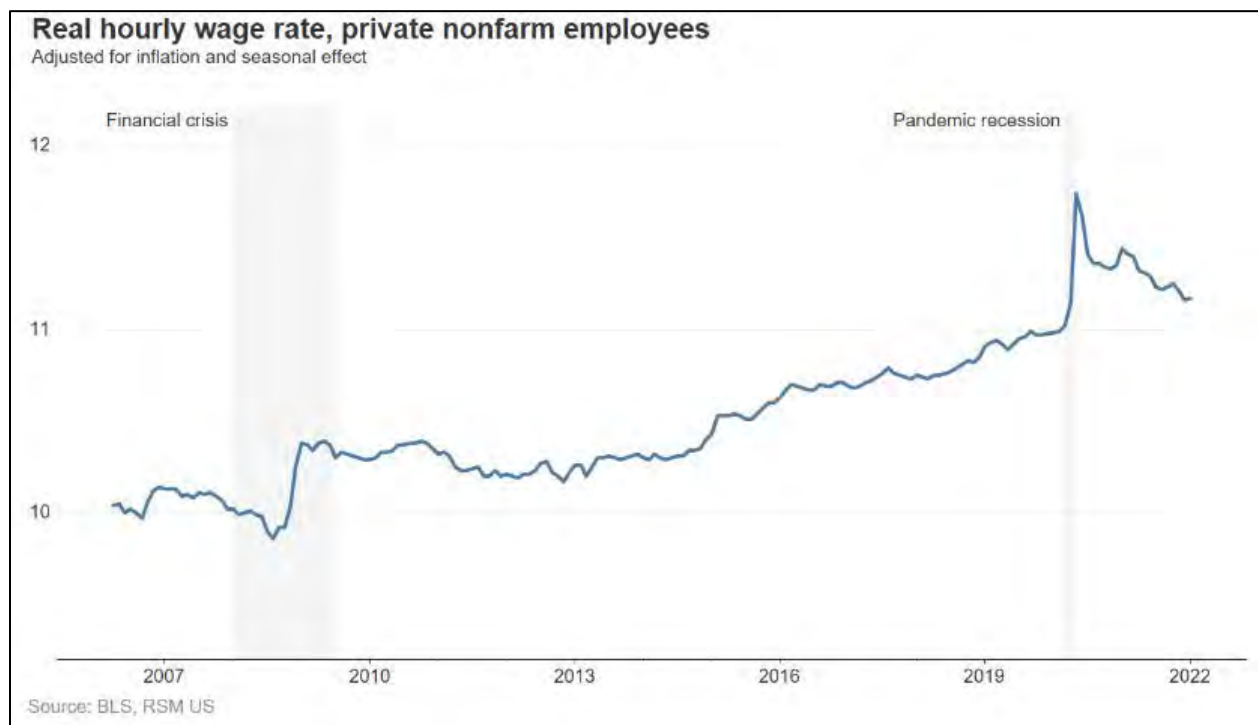
Compensation. A related point is that the wages on offer were not good enough to lure some workers back to the workforce. Most agreed that wages were rising in some sectors, but jobs were remaining unfilled. Many families were still experiencing financial precarity. The hourly wage might go to twelve or fifteen dollars an hour, but respondents say that's still not a living wage. Then, inflation began to absorb those increases. Six months before inflation reached its highest level, it had already become one of the most prominent concerns of the workers. So, decisions about whether to go back to work were made in part by the perceptions that in real terms not much progress had been made.



Staying Home with the Kids. One of the reasons why people were staying away from the workforce, especially women, was simply the need to care for their children. This was nothing new, except that school closures so increased the scale of the problem that many women were forced to leave the workforce, and many were having difficulty finding their way back. And even higher wages wouldn't cover the cost of childcare, if childcare services were even available. Thus, we see another calculation like those relating to COVID relief payments and wages: staying at home could turn out to be the sensible, financially superior choice.



Reevaluating Everything. In addition to the financial calculations we have just considered, many workers were making another calculation that might be characterized as philosophical or moral. The pandemic, by causing an unprecedented interruption to a lifetime of work, or by overturning so many previously settled expectations, or by making some of the unpleasant aspects of work even more unpleasant, led many workers to reevaluate just what they want from life. The pandemic had come at the end of a decades-long stagnation in real wage growth and a shift to part-time employment. The decision whether to return to work was framed as a decision whether to go back to “that crap job.”

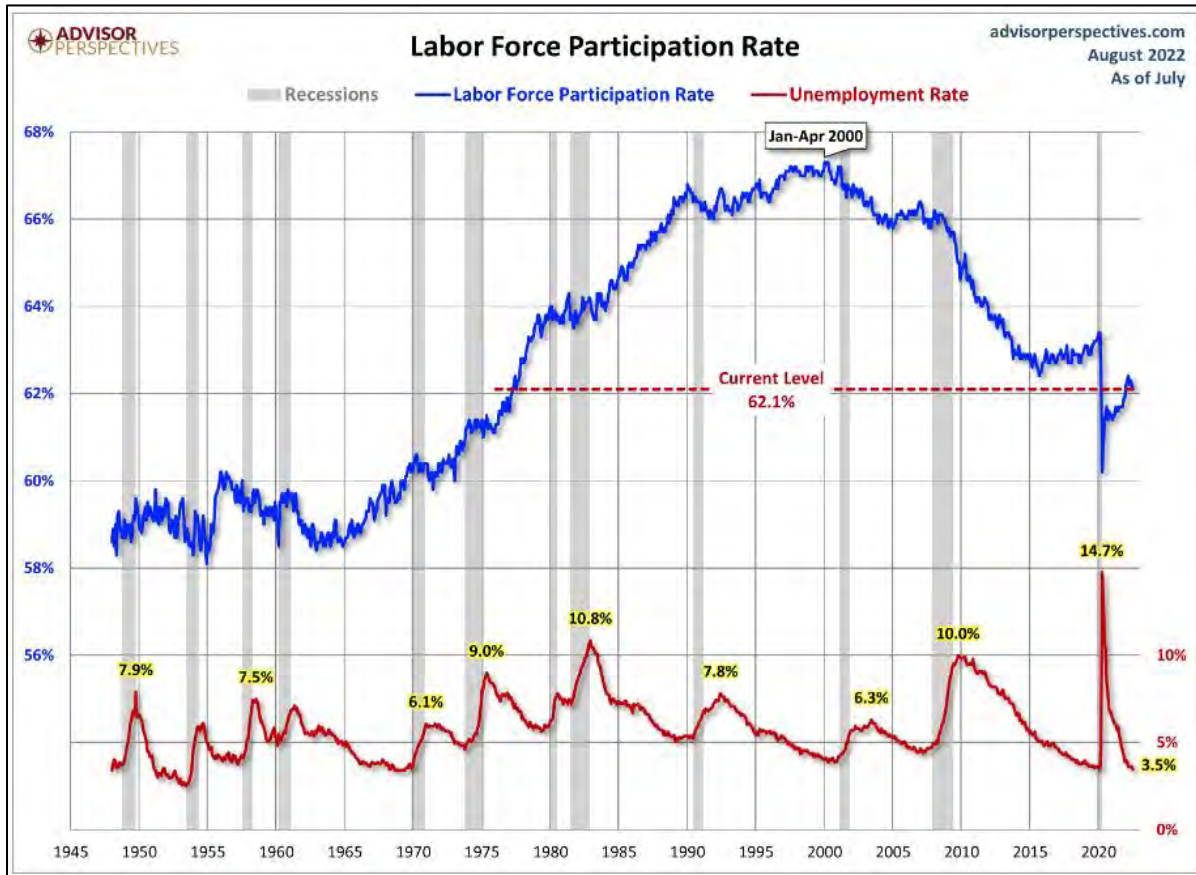


Shrinking Workforce. Demographic trends have contributed to a shrinking workforce. These are long-term trends that have been underway for decades. Lower birth rates and an aging population are shrinking the workforce, making it harder for employers to find qualified workers. As the workforce ages, retirements take a larger bite out of the labor force participation rate.

That said, the pandemic seems to have accelerated the already strong trend. The mass job losses that occurred in 2020 affected many older workers who weren't yet ready to retire but found themselves sitting at home. Many of them decided to turn that situation into a retirement, and didn't go back to work. We were told that

this shift included not only boomers in their sixties, but also some older Gen Xers in their fifties who went through that reevaluation we heard about, and decided to go in a different direction from what they'd planned before COVID.

These phenomena of aging and early retirement combined with more restrictions on immigration resulted in significant shortfalls in labor force participation. This won't bounce back, and employers will have to make long-term adjustments.



Over-Screening. Our informants agreed that employers are subjecting prospective employees to unreasonable screening criteria, and that is contributing to the worker shortage. Criminal background was most-often mentioned, with nonviolent charges, minor offenses, and incidents that happened long ago all grounds for disqualification. This is occurring even in cases where the underlying crime isn't reasonably related to the job description. Sometimes the hiring personnel whose attitudes were becoming more lenient are hindered by strict corporate policies. Many of those same employers lament their inability to find enough employees who can pass a background check.

Drug screens, too, are seen as overly restrictive. Applicants in recovery are sometimes finding few pathways to employment or employers willing to accommodate their drug treatment commitments. Educational eligibility criteria were screening out too many applicants, demanding academic credentials that were unnecessary or disproportionate to the job's requirements. This kind of strict screening was perhaps a holdover from the days when employers enjoyed several applications for every position, instead of the other way around.

Opportunity in Northwest North Carolina.

The flip side of the worker shortage, with many job openings and employers offering incentives, is a sense of opportunity. Some workers have seen their own lives improved. Many said there are opportunities in their towns – for those who want to work. But for every worker with a sense of opportunity, there was another with a sense of dwindling opportunity. For every town where a new manufacturing business was locating, there's a town that saw disinvestment and hollowing-out over decades. That history won't be reversed overnight by the pandemic, or at all.

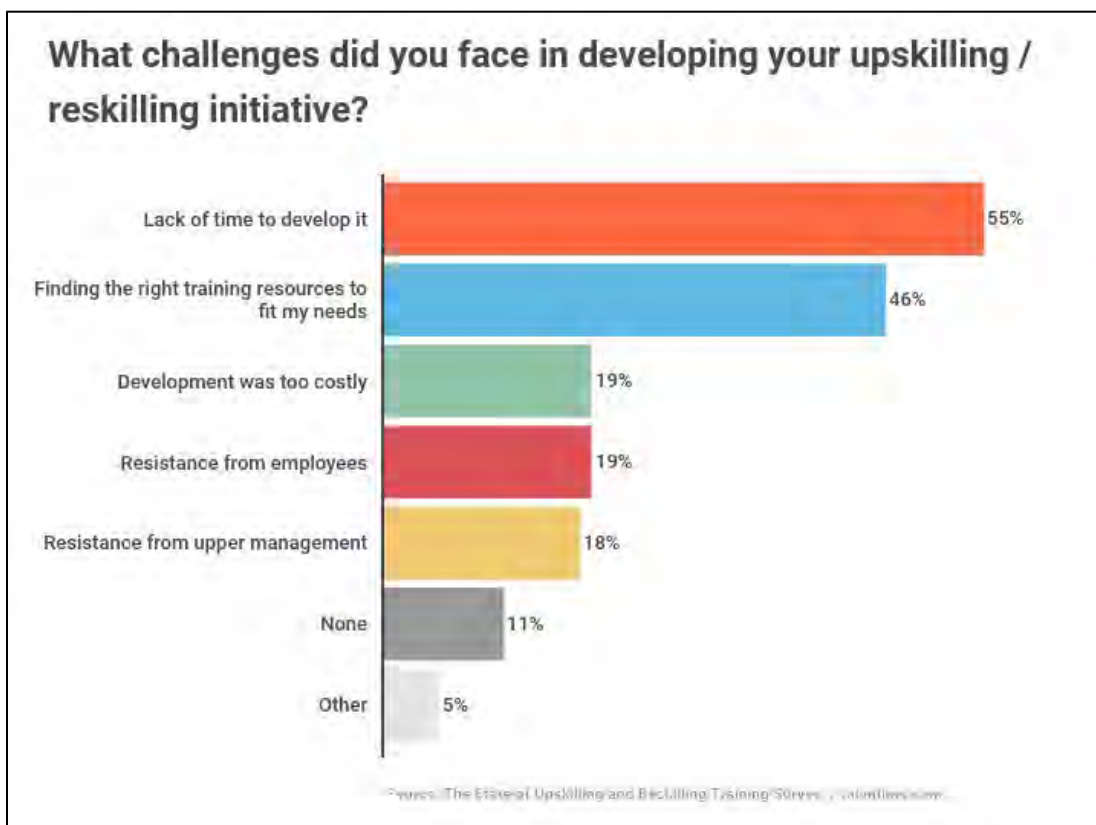
The barriers to economic mobility, which we explored in great depth in our work, make opportunities inaccessible to many. If the availability of more and better jobs in a community drives housing prices sky-high, it becomes impossible for some to take advantage of the opportunities. If the jobs are not on the bus route, some workers can't get to them. If childcare services are unaffordable, some have to stay home.

A mismatch between the skills workers have and the skills employers need make opportunities less accessible. The demands of changing technology are putting pressure on workers. Forty and fifty-year-old workers who were trained in an earlier time aren't ready for the opportunities of today. Workers displaced by relocation and changes in health care, manufacturing, and other industry sectors are having difficulty catching up.

Technology can be either a gateway or a barrier to opportunity. Those, especially younger workers, who are eager to learn new skills will be in a position to take advantage of new opportunities. But others, including older workers seeking to

enter new fields and workers with lower digital literacy, feel daunted by the technological requirement of many new jobs.

More generally, training was one of the key concerns of people we spoke to. Many applicants are screened out of jobs because they don't have the necessary training, but they see barriers in the way of obtaining it. They can't afford to pay the cost of training. Employers want trained applicants but don't always provide training. Young people who want training in manufacturing, technology, and health care fields are instead encouraged to go to four-year colleges from which they may not benefit.

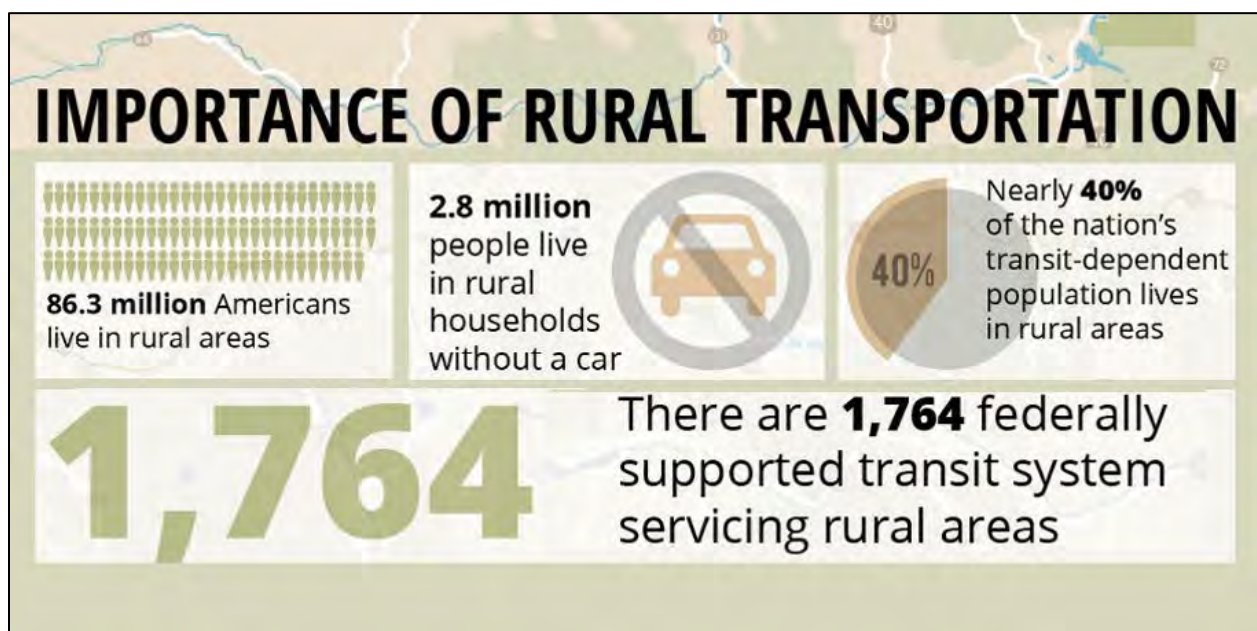


Barriers to Economic Mobility.

Ultimately the goal of our research and of this entire project has been to identify the social, environmental, and structural barriers that work hardships on low- and moderate-income people and make it harder for them to achieve stable and satisfying employment. The goal is not so much to remedy a deficiency in the worker, in respect of education, ability, work ethic, or something in their past, but rather to remedy something in the community in which the worker lives, goes to

school, and works. These are features of the social and physical infrastructure that can be fixed with money, public awareness, and cooperation among community stakeholders.

Transportation. The thirty-one county study area extends from dense urban spaces to suburban to mountainous to wide-open rural ones, and they vary widely demographically and socially and in the types of economy they have. But everywhere we heard the same complaint: we just don't have enough transportation resources, and if you don't have a car, or if you don't have two cars, you're going to have a hard time.



Many low-income workers don't have cars. Local and regional public transportation systems throughout northwest North Carolina provide vital services with limited resources, but it isn't enough. Many places don't have scheduled service, and those that do feature bus routes that don't reach many of the places people need to go. Whether someone seeking to better themselves can get a good job depends on where the job is located. Many of the higher paid manufacturing jobs are located away from the city and town centers and are inaccessible without a car. Even buses that go to the workplaces often go only on weekdays. Workers on second and third shifts face higher transportation barriers than those who work first shift. Adding bus loops that go further or to particular neighborhoods is a priority for many local transit administrators.

Bus fares can be high, as much as five dollars for a round trip, and more for some demand-response services. Others are affordable, and a few are free. Whether the service is expensive or low-cost or free often depends on the attitudes of local administrators: some see public transportation as a luxury, some say that it should pay for itself through fares, while others think transportation is a public service that the community should provide so that low-income people who don't have cars aren't left behind.

The worker shortage that has been so prominent a theme is manifested in the transportation space as well, with a driver shortage causing the disruption and sometimes cancellation of bus service. These shortfalls force workers to turn to alternatives such as Uber and rides with friends, but these are more expensive or unreliable. Those who can, walk.

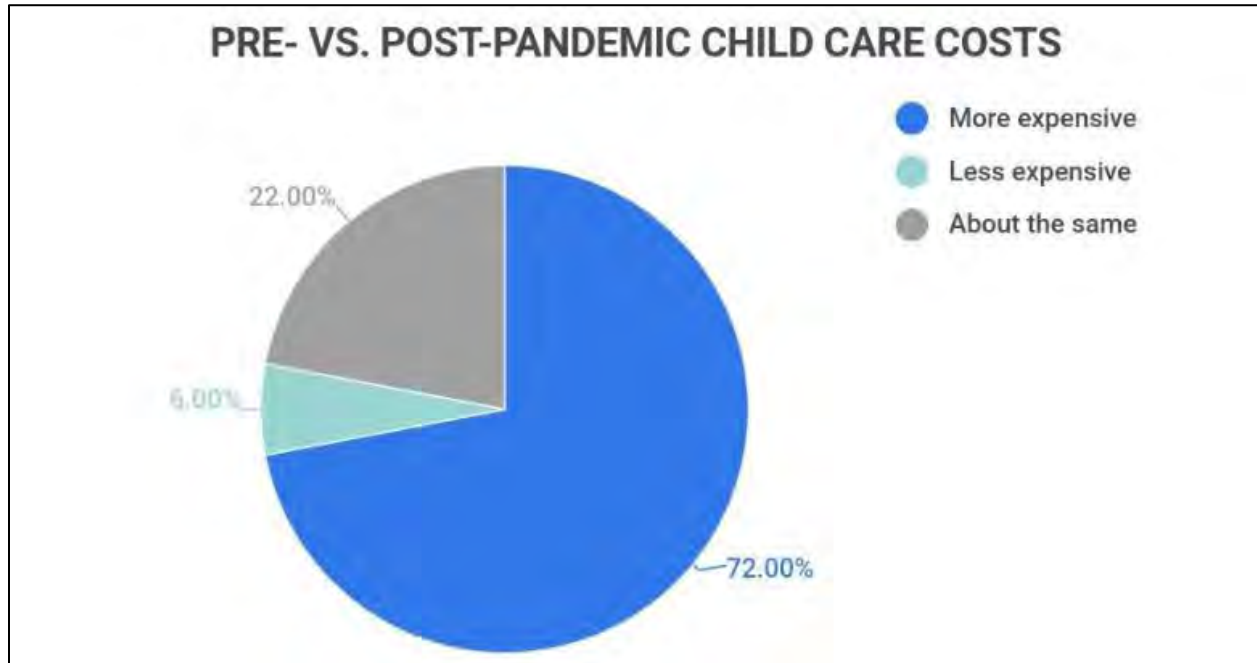
The transportation barrier is by no means removed for people who do have cars. Cars are expensive to purchase, a barrier made worse by pandemic disruptions that have driven used car prices to new heights. Cars are expensive to maintain. A low-income person may only be able to afford an old vehicle in poor condition, and the inevitable repairs aren't in the budget. Just as we were conducting our focus groups, gas prices were reaching their peak; but even in normal times the cost of gas is a tremendous barrier for people in rural counties where commuting distances can run to thirty and forty miles each way.

Childcare. Childcare was one of the two barriers mentioned by far the most often in our research – transportation was the other. Governments provide childcare subsidies for low-income people, but it's not enough. We learned that the shortfall in childcare resources is hindering economic mobility.

The cost is prohibitive; and, for some, the cost simply forecloses the possibility of work. In two-earner families in particular, often one elects to stay home, usually though not always the mother. The prices for childcare vary, but \$1,000 per month is not unusual in some locations.

As with many goods and services, access is determined by complex supply and demand factors. Operators of childcare facilities face costly regulatory hurdles. The supply of open spots in licensed facilities is constrained, and the supply is further

worsened by the shortage of childcare workers. The pay is low enough so that rising fast food wages have played a part in suppressing the supply of qualified workers in this sector as in others.



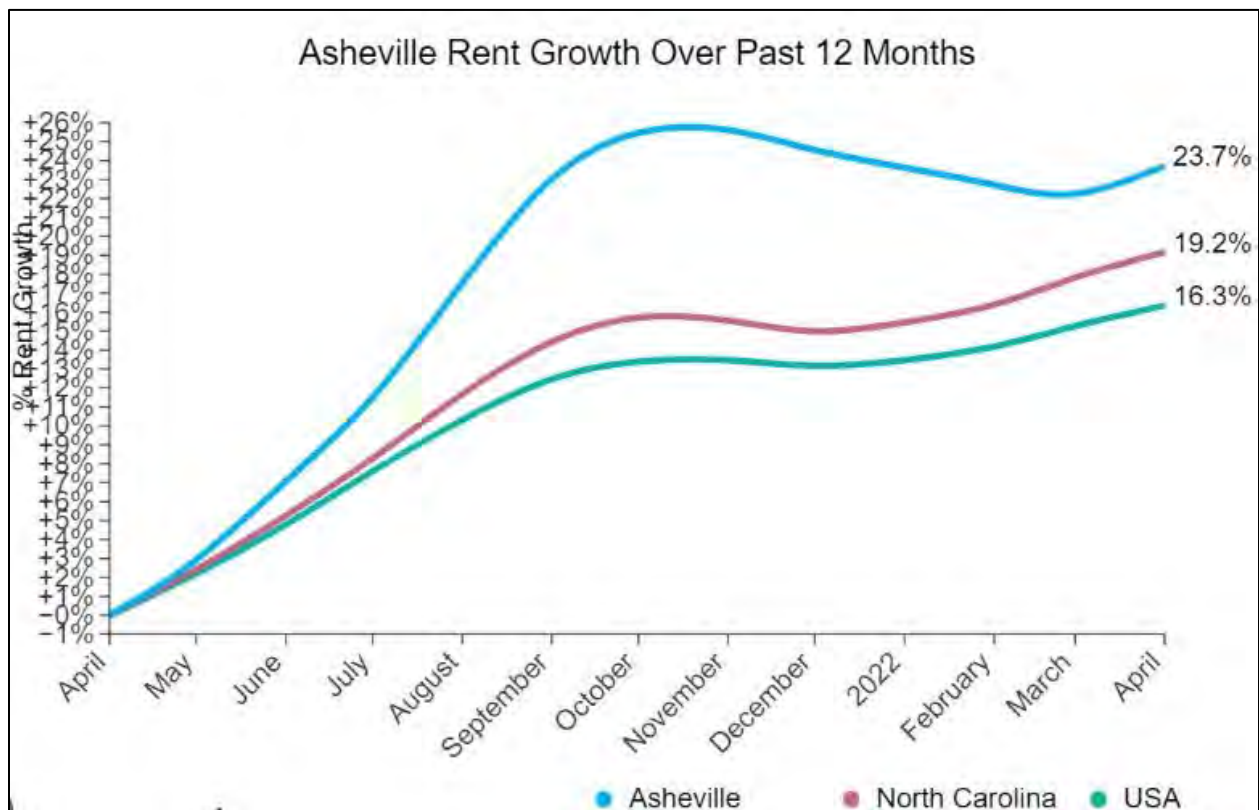
Childcare problems intersect with transportation problems, when the childcare facility is miles away, sometimes miles in the opposite direction from work, adding hours and costs to the parents' already costly and time-consuming commute.

Just as workers turn to family and friends for help with transportation, they turn to a network of informal and traditional childcare resources. Of course, grandparents continue to play a large role – if, that is, the grandparents aren't themselves working. Those who can look after the children sometimes offer their services to others outside their own families, in a more or less informal, unaccredited form of childcare facility that is gaining support. Babysitters play a role, though an expensive and situational one.

Housing. In northwest North Carolina as everywhere else in America, the supply of affordable housing is perilously low and dwindling. This is another major barrier to economic mobility. Prices are high and getting higher in every section of the study area, both for rental and for ownership.

Housing development continues, especially in Asheville and other gentrifying areas, but these are for luxury rentals and, as we were told again and again, million-dollar houses. Affluent migrants from other states are relocating to Asheville and almost every other part of the study area, bidding up the prices. Low- and moderate-income local people feel pushed aside.

Economic mobility is impaired when people are forced to look ever farther away from commercial centers in search of homes they can afford. The farther away they go, the more likely they are to be out of reach of the bus routes. What they save on housing costs is absorbed in increased transportation costs. In the end, while the high-end development generates economic growth and prosperity for some, an internal contradiction will eventually be revealed when businesses can't find workers who live close enough to be able to come to work.

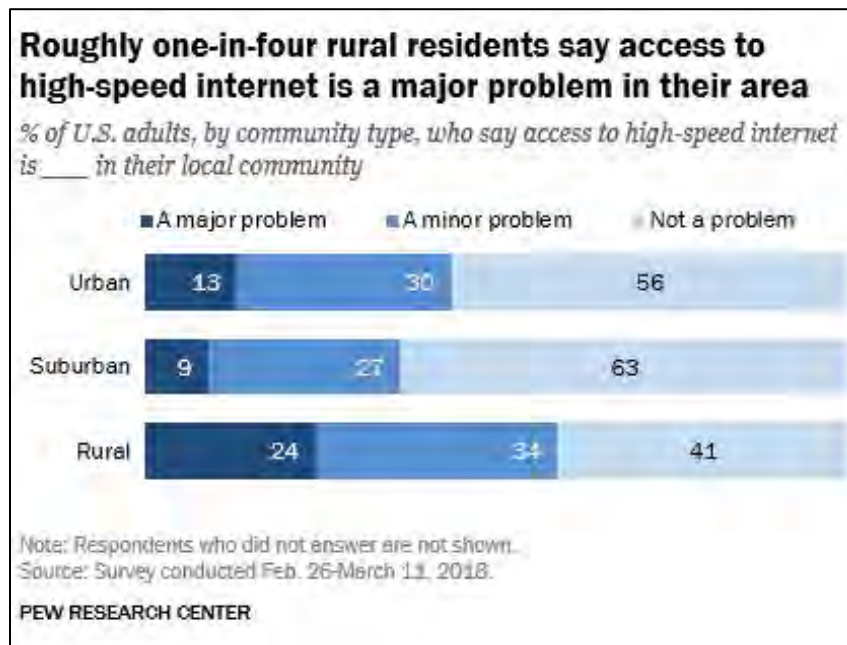


Discussions of housing are hampered by the same confusion over terminology that prevails elsewhere: some people think “affordable housing” refers to high density, high crime communities that bring down property values. For this reason, people often oppose affordable housing development. Meanwhile, public housing plays a

vital role in some of the communities we visited, and the main problem is, there isn't enough of it. In some of these places, homelessness is on the rise.

Digital Divide. The digital divide is an umbrella term referring to a cluster of related elements, each of which can function as a hindrance to economic mobility. These include cost of broadband service, broadband infrastructure coverage, digital illiteracy, and access to cell phone service. As we were conducting our research, school closures and remote classes were still occurring, bringing to the forefront many questions about equity in the digital age.

A broadband internet subscription is unaffordable for many low-income families. Some subsidies are available, but access remains uneven. But our experts were pondering a deeper question: is internet access a luxury available to those who can pay the market price, or is it a necessity that should be thought of as a public good? This is the same debate that underlies people's struggles over transportation, childcare, and housing.



Affordability is a secondary concern in parts of the study area that just aren't reached by the broadband infrastructure. Many of the places we visited have spotty coverage or none at all. Rurality itself is a driver of digital inequity, with economic activity hampered by gaps in service.

Limitations in broadband access can make it hard to apply for jobs and hard to have jobs at all. Remote work opportunities, desired by many, are inaccessible to those without adequate internet resources.

Cell phone service is often more accessible to low-income people than broadband, leading many to deem cell phones an adequate substitute. Although cell phones perform many essential functions, they don't perform the functions of connected computers. They're not as good at sending and receiving documents, and they can't meet the needs of today's workplaces, we were told. Moreover, they suffer from the same service gaps in rural sections – and even some urban ones – as broadband. And finally, cost remains a barrier. A person might have a cell phone, but they don't always have it turned on or have minutes or data left on their plan.

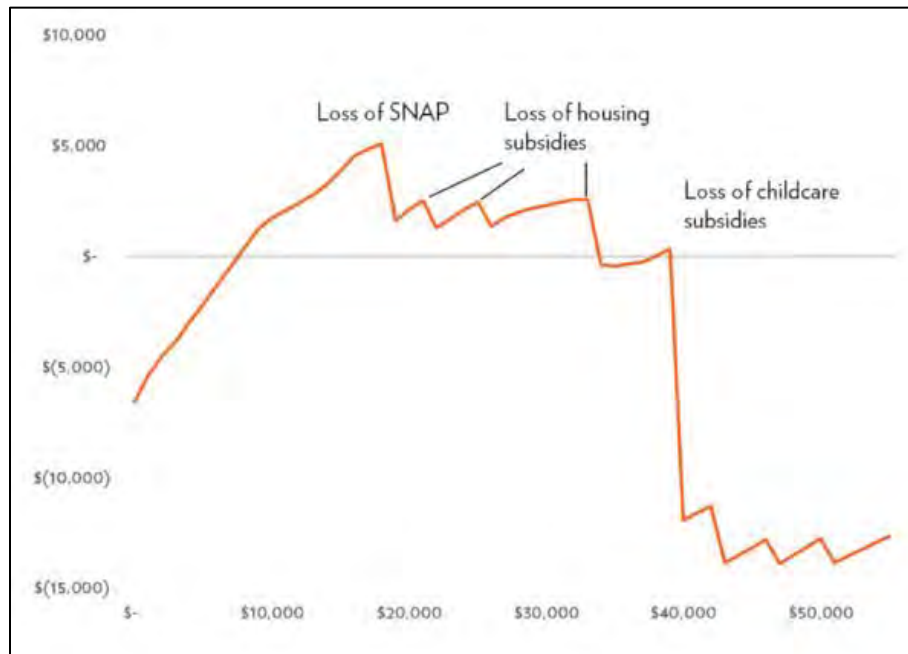
Criminal Background. We have shown that, according to our informants, low- and moderate-income people living in the study area face many daunting obstacles that hinder economic mobility. For a person with a criminal record, that situation is made much worse. Even if they can find gainful employment or affordable housing, they find they are disqualified. Even if they can scrape together the price of a car, their license is suspended.

Criminal background screening for housing and employment has become a flashpoint in the debate over reentry. Opinion among managers is beginning to shift, but it's taking time. Financial and social supports and other kinds of local experimentation are helping to advance the needed reforms.

Benefits Cliff. The term “benefits cliff” stands for a range of disincentive effects in which additional dollars of wage income result in a reduction in eligibility for public benefits. A worker whose housing subsidy or childcare voucher will be reduced or eliminated will be less likely to seek work or advancement in the workplace. It's not unusual for the worker to be worse off after the hire or promotion than before. It helps to explain why people are reluctant to enter the workforce, and it stands as an obvious and severe barrier to economic mobility.

The benefits cliff picks up themes we have heard before. It can cost more to work than not to work. Staying home can be the rational option. It doesn't reflect on a person's work ethic. On the contrary, many workers are frustrated and feel the

eligibility rules are keeping them down. SNAP benefits, childcare vouchers, and housing subsidies are not giveaways; they are necessary supports for families forced to live in a state of vulnerability that some more affluent people, we were told, have a hard time understanding.



The Employers' Response.

In the decades leading to the pandemic, businesses benefited from an oversupply of labor and several applications for every opening. They bid down wages, benefits, and working conditions. More recently, they've seen a reversal, with new challenges in finding qualified workers. The logic of the marketplace dictates that wages, benefits, and working conditions must improve, and that indeed is beginning to happen. We found, though, that more will have to be done. The barriers to economic mobility that have been the subject of this study will have to be overcome before sustainable improvements in the labor economy are achieved. The employers will be expected to share in the cost of this effort, we were told.

This might entail a culture change in some quarters. Employers customarily expected workers to show up on time and ready to work. How they got there was someone else's concern, but if shortages continue, it will be in their interest to contribute more than was customary. People we spoke to are reconsidering the possibility of childcare provided by the employer on-site – an option that was

formerly rejected because of cost and regulatory complexity. Employer-provided housing and housing subsidies, are also back on the agenda. The pressure to relax some of the screening criteria will build. And, more employers will become willing to bear the cost of training, if that's the only way to procure trained workers.

Some more intangible changes are underway. Some believe the balance of power is shifting somewhat in the direction of the workers, especially younger ones who are bold enough to make demands their parents wouldn't have dared. Flexibility and workplace culture are important to them. Workers want to be supported and feel valued.

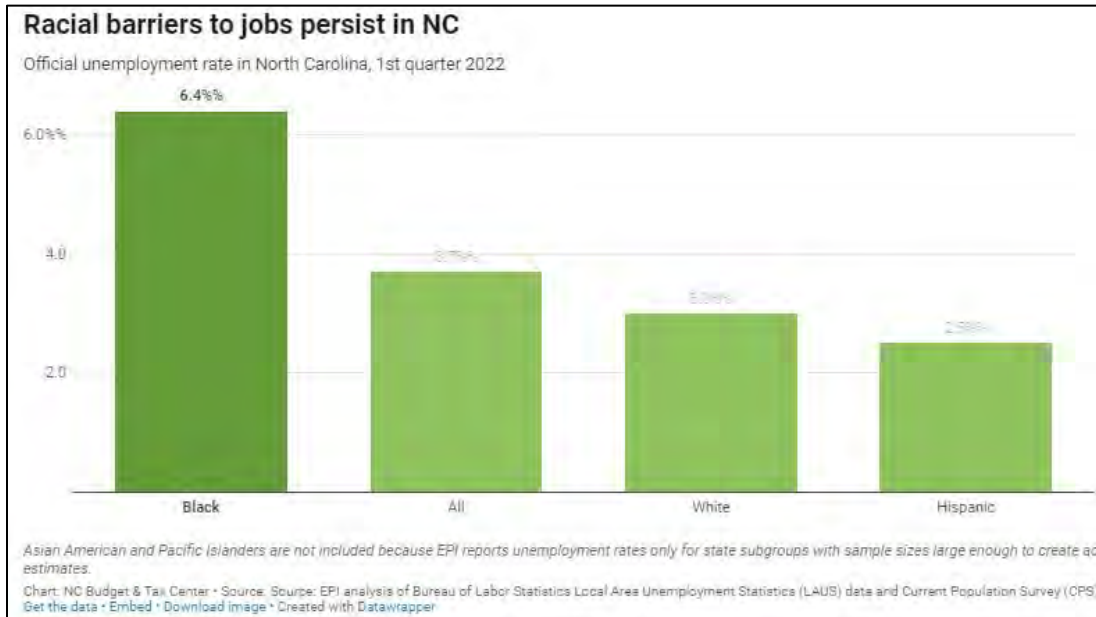
Mobility and Equity.

The resource deficits that workers struggle with affect some economic, geographic, racial, gender, and age groups more than others. Thus, barriers to economic mobility give rise to inequities in the workforce. We asked our informants and focus groups about this. Some, particularly in the counties with the smallest minority populations, saw little of concern in this regard. Those representing more diverse communities were more apt to be aware of disparities of this kind.

They said that in some parts of the study area, deficits in education, wages, and housing fall more severely on women and communities of color. Unemployment is greater in those groups. Opportunities for advancement are allocated inequitably in some areas. Women and people of color are underrepresented in business leadership. Rural communities that never used to think about these issues are starting to do so. Criminal background screening criteria affect Black and Latino men disproportionately.

We asked about occupational segregation. Are higher-paying jobs being reserved for White men, with women of color relegated to low-wage jobs? We found this indeed does occur. In the hotel industry, the housekeeper jobs are often held by Black and Latina women, although hotel managers we spoke to told of efforts to recruit from those ranks for more senior positions. In health care, Certified Nursing Assistants and other lower-ranking positions are often held by Black women, with little pathway to promotion. Construction jobs in some markets are held more often by White and Latino men from the suburbs than by Black men in the

neighborhoods. The construction case is an example of traditional practices that reinforce racial disparities. It's who you know, we were told, with construction managers hiring through their networks. These are practices that on the surface don't seem racially motivated; they will be difficult to change.



As we delved into the subject, we found more dimensions of inequity. For example, gentrification has a racial dimension, with traditional Black neighborhoods threatened with dispossession. The pandemic affected people of color disproportionately and slowed efforts toward workforce equity. Even psychologically, people suffering from discrimination and generational poverty can find it more difficult to gain success and may not even believe it's possible.

The Way Forward.

At every stage of our research, we explored solutions, proposals, programs, and initiatives to address the inequities and obstacles we found. While it wasn't the primary purpose of this report, we did hear many promising ideas in all areas of interest. The Report on Innovation section of this report will set forth ideas from around the country showing how other communities have dealt with these same issues, but here we will summarize briefly some of the ideas suggested by the people we interviewed and gathered for focus groups.

Saturday service and extended evening service were among the suggestions to improve transportation. More reliance on bicycle transit, a movement that would include bike racks on vans and buses and bike lanes on rural roads and would provide a means of “last mile” travel to places the vans and buses don’t go. Park-and-ride lots would help relieve auto drivers of having to navigate that costly last mile. Build urban spaces with residential and employment centers closer together. Eliminate bus fares. Expand bus service. Have businesses run bus services to and from their workplaces. Move to a vanpool model in which a private operator rents a paratransit vehicle to the employer with insurance included. Repurpose underutilized medical transport resources to run scheduled service. Provide an Uber-like service, but for everyone, and affordable.

Evening service was suggested for childcare as well. Expand in-home childcare facilities by relaxing the regulatory barriers. Have county governments and businesses open and operate childcare facilities. Subsidize the wages of childcare workers. Invest in early childhood education, recognizing the importance of a good, reliable, consistent place to learn and be nurtured to a child’s life course.

Among the housing suggestions we heard often was to have businesses provide housing for their workers or subsidies to help with the rising cost of housing. Provide assistance to first-time home buyers. Build more housing. In the reentry arena, “ban the box” was offered as a solution, along with initiatives to raise awareness among managers about equitable hiring practices. More support for people in recovery. Inventive solutions to the benefits cliff came forth, such as in-kind compensation that wouldn’t be considered income, or subsidies that would turn the cliff into a slope.

These are only a small handful of suggestions from the people we spoke to. They and others are described in more detail in the appendices, and in later phases of this project, Goodwill will begin a concerted effort to identify feasible, sustainable, replicable interventions that have the potential to create transformational change in northwest North Carolina.



COMMUNITY SURVEY.

The Goodwill Community Survey was produced in a collaborative effort between Goodwill and CHCS. The survey, rendered easily on mobile and desktop browsers, was disseminated through Goodwill’s mailing list of program participants. One mailing was done, Goodwill electing not to distribute the survey through other channels. Two hundred ninety-nine responses were received, which provide a useful sample of the Goodwill program participants though not a representative sample of the northwest North Carolina population. The survey instrument is shown in Appendix D.

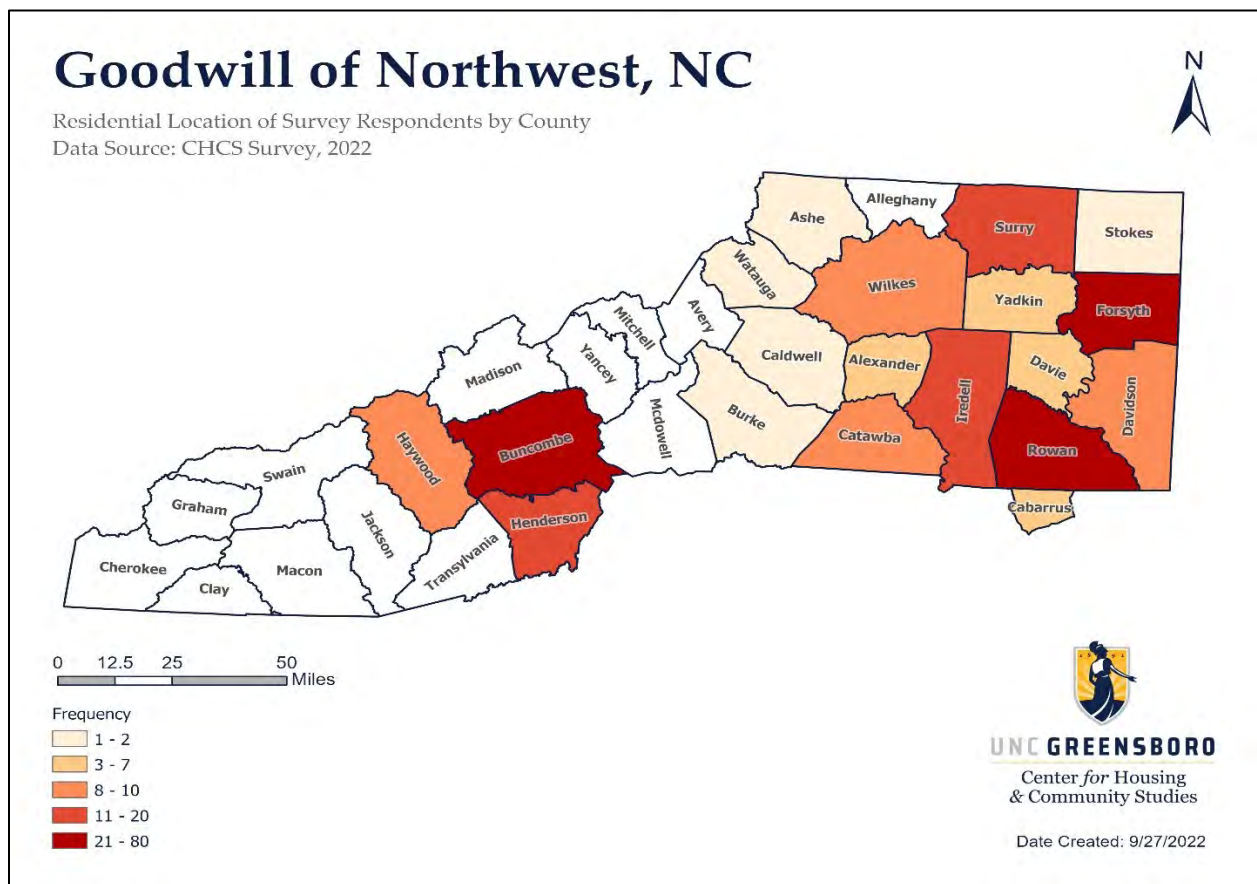
Characteristics of the Respondents. The following table shows key characteristics of the survey respondents.

Gender		Community Tenure	
Female	200 (71%)	Less than one year	27 (10%)
Male	70 (25%)	1 to 5 years	53 (20%)
Other or prefer not to answer	10 (4%)	6 to 10 years	31 (12%)
		More than 10 years	152 (58%)
Race/Ethnicity		Marital Status	
Black or African American	68 (26%)	Single, never married	109 (42%)
White or Caucasian	169 (63%)	Married or domestic partnership	75 (29%)
Other or not listed	17 (6%)	Widowed	17 (7%)
Hispanic or Latino	13 (5%)	Divorced or separated	57 (22%)
Household Income		Age	
Less than \$15,000	68 (25%)	Under 18	15 (6%)
\$15,000 to \$24,999	57 (21%)	18 to 29	33 (12%)
\$25,000 to \$34,999	49 (18%)	30 to 39	53 (20%)
\$35,000 to \$49,999	28 (10%)	40 to 49	46 (17%)
\$50,000 to \$74,999	30 (11%)	50 to 64	94 (35%)
More than \$75,000	36 (13%)	65 or older	30 (11%)
Caregiver Responsibility		Housing Status	
Not a caregiver	145 (57%)	Homeowner	98 (38%)
Share responsibility with others	59 (23%)	Rent/Lease	95 (37%)
Primary caregiver	50 (20%)	Other status combined	62 (24%)
<i>Note.</i> All numbers are based on valid responses to each question.			

A large majority of the respondents were female, underscoring the bias of the sample. The respondents were approximately 63% White and 26% Black or African American. For comparison, the study area population as a whole is 87% White and

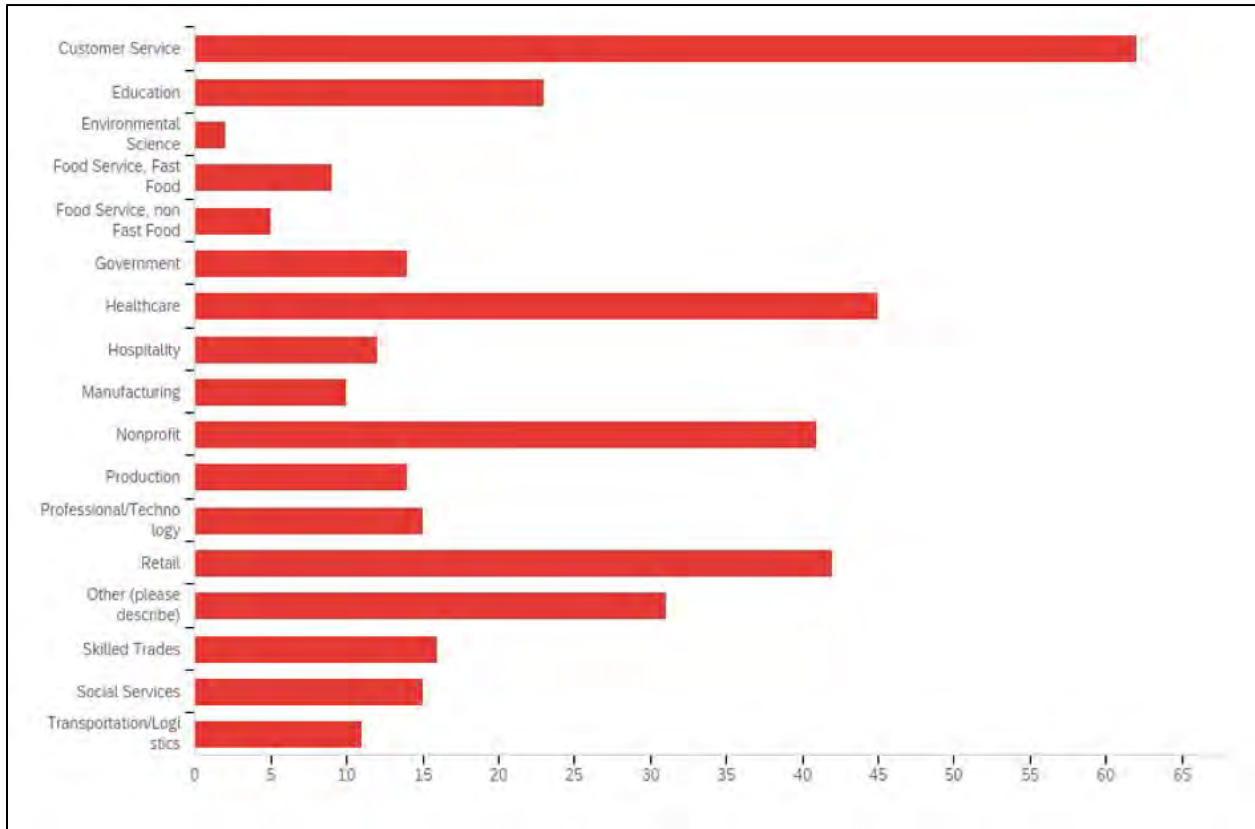
5% Black or African American. The age of the respondents is somewhat older than the study area population, with nearly half the respondents 50 years of age or older. Nearly half the respondents had household incomes under \$25,000, reflecting the relatively low-income level of many Goodwill program participants. Disaggregating household income by race revealed the striking fact that nearly twice as many Black as White respondents were in the less than \$15,000 bracket. Not shown in the table, the respondents were well-educated, with two-thirds having some college or college degrees.

The map shows the geographic distribution of respondents. They are, understandably, clustered around the two main Goodwill service hubs in Asheville and Winston-Salem.



Employment. Less than half of the respondents were employed full-time, not unexpected for a group of people enrolled in training and work preparation programs. The two next largest categories were employed part-time, at 13%, and out of work and looking, at 12%. By far the largest industry sector of those who

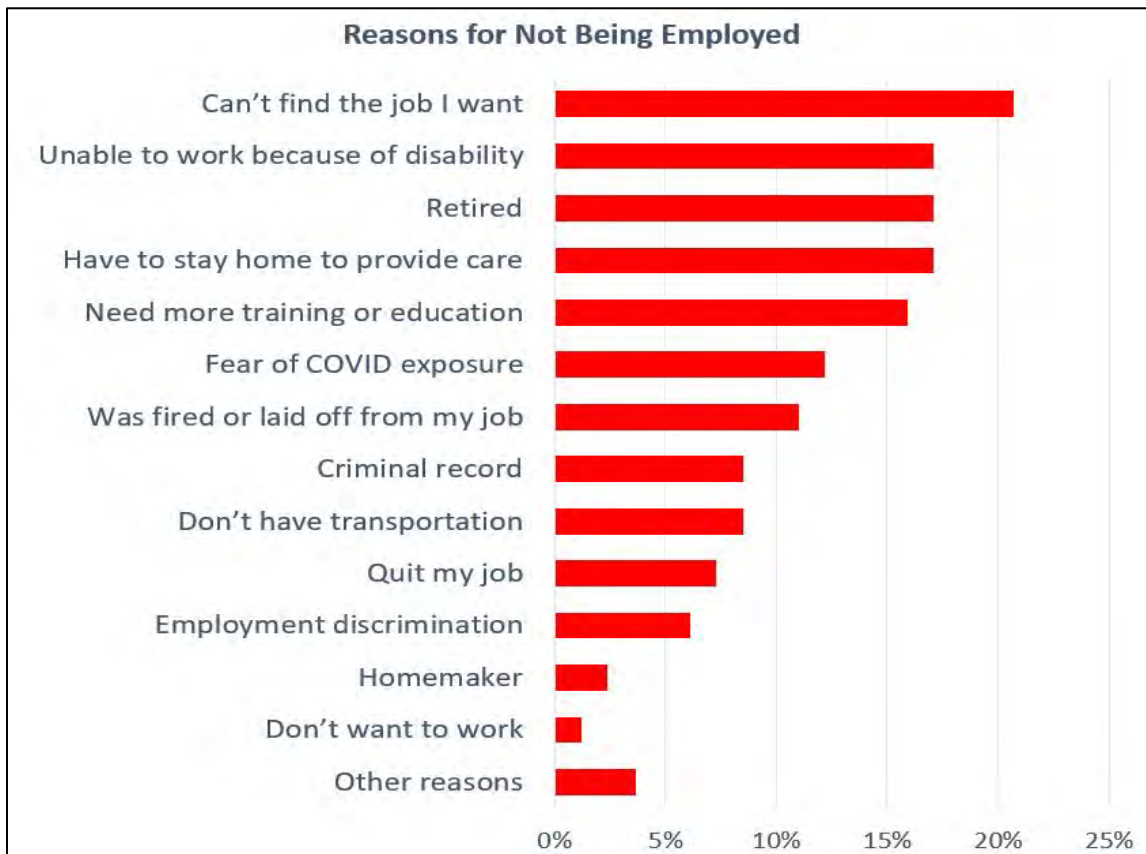
were employed is customer service, followed by health care, retail, and nonprofit. These differ in some respects from the study area employment distribution, which has greater percentages employed in manufacturing and food service, but is similar in other respects, with comparable percentages in health care, education, and retail.



The overrepresentation of retail and nonprofit workers may reflect that many of the program participants work for Goodwill in the retail stores or in other capacities.

A third of the respondents had been in their current positions for less than a year, suggesting an element of volatility in the job market, certainly in line with what we learned in our research. The responses also suggested some movement from part-time to full-time work, with a quarter of respondents telling us they are in training and planning to look for a new job, and significant numbers of respondents saying either that they've asked for more hours (with some getting them and some not) or that they have been offered full-time employment with their current employers.

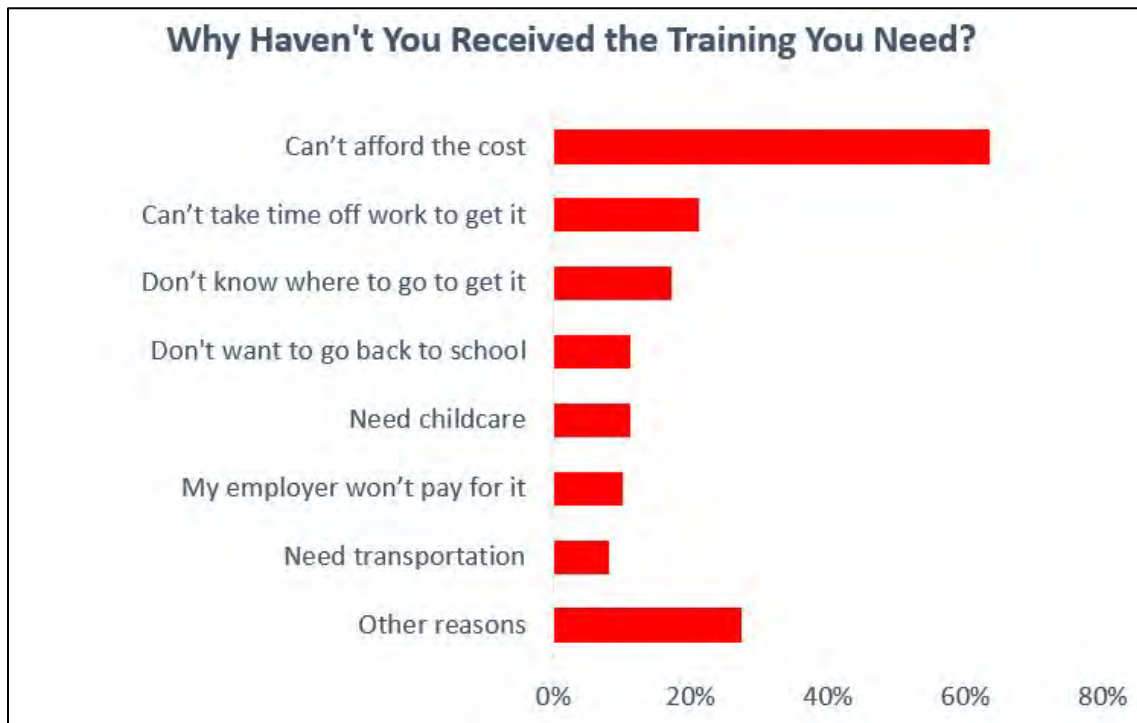
We asked those not employed, why not, and received a wide variety of responses, with no single reason dominating the list. The large percentage unable to work because of disability likely reflects the large number of persons with disabilities among the Goodwill program participants. Otherwise, the reasons aligned with the many we talked about in the course of our research into the so-called “worker shortage.” The small number who answered, “don’t want to work,” echoes the discussion about whether people “just don’t want to work,” which we discussed at great length.



A somewhat different mix of reasons motivated those who responded to the question, why did you leave your last job? The top categories included, didn't like working for the employer, job wasn't paying enough, I was laid off, job ended, and I was fired.

Training. We asked the survey respondents whether they needed more training or education to advance in their job or career. Nearly half said yes. Then we asked, if the answer is yes, why haven't you received all the training and education you

need? This was an important follow-up to what we learned in interviews and focus groups about this topic. The answers to the survey question are in line with what we learned there, with the top two answers, can't afford the cost, at 38%, and can't take time off work, 13%. Other reasons: need childcare, need transportation, and my employer won't pay for it. These factors will be relevant to future conversations about the investments employers will have to make to attract and retain the well-trained workers they need. They might have to do more to make sure the workers get that training.

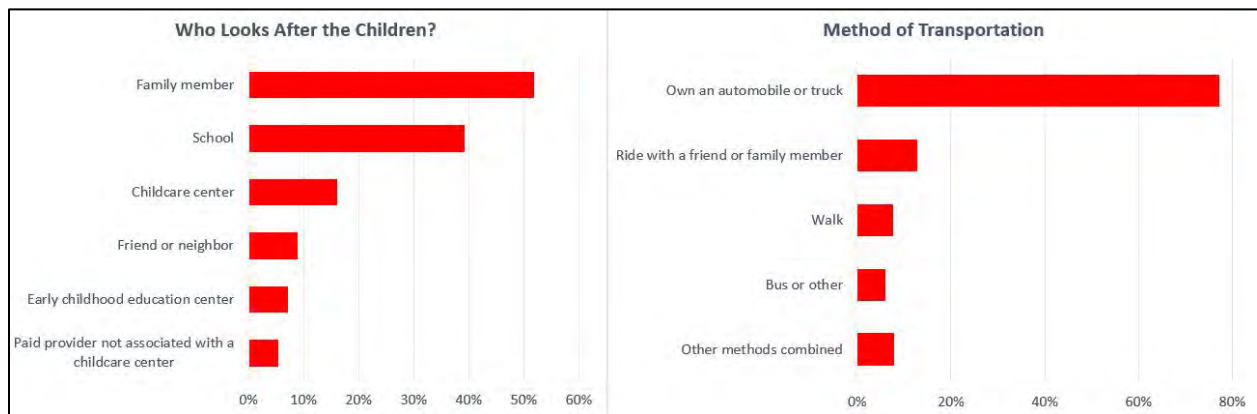


Wages. The survey shed a little light on an issue that was an important subject of our research. We asked about wages and benefits in the respondents' communities. We'd heard from experts that wages were rising fast, but then we'd heard from many workers that maybe they weren't. The survey responses were similarly inconclusive. Twenty-seven percent said wages are rising, 38% said they're staying about the same, and 6% said they're falling.

We were also interested in the relationship between wages on the one hand, and eligibility for public benefits on the other. We knew that higher wages could cause benefits to decline or even be cut off, a phenomenon known as the benefits cliff. We asked the survey respondents whether they had taken steps to keep their work

hours or wages low in order to avoid this unwanted consequence. Nearly 12% said that they had. We don't know whether a similar percentage of the general population have taken such steps but, if they have, it would represent a large amount of lost opportunity.

Childcare and Transportation. We asked a question each on the subjects of transportation and childcare, two subjects that loomed large in our research on the barriers to economic mobility. To those who work and have children, we asked, who looks after them while you're at work? Interestingly, the top two answers were family member and school. That's understandable in light of the scarcity of affordable and available childcare options in most communities. Childcare center, at 16%, and early childhood education center, at 7%, account for a small proportion of childcare in the real world, at least according to these respondents.



To the question, what method of transportation do you use most often, for work or other purposes, automobile or truck accounted for 77% of the cases. Ride with a family member was next at 13%. Public transportation is so limited, as we learned from our research, that even walking got more responses than bus or other, 8% versus 6%.



INNOVATION IN AMERICAN COMMUNITIES.

Over the previous pages, we have described in depth and in different ways the state of things today in northwest North Carolina. There are two-and-a-half million striving people there, seeking success and prosperity and sometimes finding obstacles in their way. We've learned a great deal about what the obstacles are, and heard about many interesting ideas for how to remove them. In this section of our report, we are going to devote more attention to the ideas that creative people around the country have come up with to address these same issues.

We set out to find examples of programs, initiatives, demonstrations, and pilot projects that other communities have tried. These vary widely in type and approach. Some are sponsored by local governments and others by private nonprofit organizations. Still others are backed by partnerships between several organizational stakeholders who saw opportunities to pool their brainpower and their resources to create something for the good of their communities – something that none of them acting alone could have achieved.

We think some of these projects could inspire people here in northwest North Carolina to think in new ways. Some of them might have applicability here, with whatever adjustments might be necessary to reflect the local circumstances. And at the very least, these projects will remind us of the ingenuity of people everywhere, and give us hope that these sometimes intractable problems really do have solutions.

We have collected forty-nine examples. Each is given a page with a brief description and a link where more information may be obtained. These pages, which we've called the "Report on Innovation in American Communities," are collected in Appendix E.

The examples in Appendix E are grouped by broad categories: Childcare, Transportation, Housing, Digital Equity, Reentry, Guaranteed Income, Benefits Cliff, and Finance. In the following pages, we will provide an overview of the projects collected there.

Childcare. Nine examples address the shortfall in childcare resources, which we have discussed extensively in this report.

1. ITCS. The Infant and Toddler Childcare Startup, based in Leelanau, Michigan, seeks to remedy one aspect of the shortage of childcare facilities. An array of regulatory hurdles makes these facilities expensive to establish and maintain. ITCS offers banking, accounting, and record-keeping help to the providers, thus lessening a big part of the fiscal burden.

2. Childcare Incentive Pay. As we've reported here, low pay is leading to labor shortages in the childcare sector. The City of Boise seeks to address that by offering one-time \$1,500 grants to childcare workers. That represents about a 6% pay raise for someone earning \$24,000 annually.

3. CIRCLE. The Community Innovation and Resilience for Care and Learning Equity grants are an initiative of Early Milestones, a Colorado nonprofit. These grants, rather than targeted specifically to pay scales, are targeted to innovation more broadly, funding projects that make childcare more affordable; fill gaps in infant and toddler care; strengthen providers' financial stability; boost workforce preparation; and contribute to the health and learning of all children, including those with special needs and dual-language learners.

4. Kalispell Chamber Childcare Plan. The Kalispell, Montana Chamber of Commerce mounted a four-pronged approach to the shortage of childcare resources. They will do outreach by fielding volunteers to do advocacy throughout the community that will call attention to the need; to provide education by establishing a scholarship at the community college for students in early education; to add space for childcare centers by utilizing available vacant properties and seeking potential areas for expansion; and to promote home-based childcare by providing technical assistance, business planning, and financial assistance.

5. Little Sproutz Early Learning Center. In a notable example of the new trend toward employer-provided childcare, the gas station and convenience store chain Sheetz opened an onsite childcare center at its operations facility in Claysburg, Pennsylvania. The center can accommodate 146 children, grandchildren, and legal dependents of the more than one thousand workers at the complex.

6. STAF. Illustrating the urgency of the childcare resource shortfall, the Governor of New Mexico launched the Supporting Teachers and Families Initiative, calling for state workers and National Guard members to volunteer to become licensed childcare workers (and K-12 substitute teachers as well). Volunteerism is just one more tool in an all-hands-on-deck approach to fulfilling this community need.

7. Employer Sponsored Childcare Benefit Program. The United Way of Southwest Virginia is launching a two-year pilot program, the Employer Sponsored Childcare Benefit Program, is designed to return manufacturers to full production and bolster workforce participation. The program treats childcare like health insurance and similar benefits. Participating Southwest Virginia employers will pay a portion of their employees' childcare expenses, but, during the program's pilot phase, not the full bill. Private foundations, other investment partners, and the Commonwealth of Virginia are helping to get the program off the ground.

8. CCSC. The Nevada Strong Start Childcare Services Center is a one-stop hub for future and current childcare providers, parents, and guardians. Providers and parents will have a centralized place for all childcare-related services. Specific supports for providers include networking opportunities, small business loans, and help navigating the licensing process. Meanwhile, parents can get referrals to childcare providers and secure subsidies that make childcare affordable. The resource center is designed to help facility-based centers, in-home providers, and even people who provide childcare for their personal network (known in the industry as "family, friend, and neighbor care").

9. Tyson Foods Childcare and Learning Facility. Tyson Foods, like Sheetz, is stepping up with on-site childcare for its employees. They hope to attract and retain workers by providing greater access to affordable childcare for frontline workers and their families. The company plans to build an on-site childcare and learning facility at its new Humboldt, Tennessee, poultry processing plant, and recently announced a program at its Amarillo, Texas, beef plant to work with two local providers to provide free childcare to the children of second shift workers.

Transportation. Twelve examples address the transportation needs of residents of communities throughout the country, whether rural, suburban or in dense urban

cores, and range from ride-sharing to bike-sharing to microtransit to fixed-route bus systems.

10. Blackfeet Transit Microtransit. A Blackfeet Reservation and neighboring towns were underserved by existing transit resources. This program places into service a new microtransit program targeting this specific area, providing both on-demand and scheduled options. A smartphone app, and a phone line for those without smartphones, allows users to connect and order rides conveniently.

11. CiBiC. Also accessible via smartphone app, the Civic Bicycle Commuting Program in Los Angeles promotes bike riding in groups. The system pairs riders according to skill level, finds the most efficient routes, enhances safety through numbers, and mobilizes support for alternative transportation approaches.

12. Mobility Improvement Initiative. The City of Cleveland faced sprawl, population loss and the weakening of old public transportation systems, especially in neglected low-income neighborhoods. This project will build on existing data and scholarship, using technologies to reduce cost and increase efficiency in the current system, and identifying bottle-necks and inefficiencies in the system. It will guide new investments and resource allocations to dynamically foster better transportation access, connecting affordable housing and employment opportunities.

13. Driven 2 Success. This pilot project is sponsored by an Indianapolis nonprofit organization whose mission is to create opportunities for success in the Far Eastside neighborhood and surrounding communities. They provide affordable housing, resources, and training to promote self-sufficiency of underserved and economically disadvantaged community residents. This microtransit pilot will offer reliable transit to residents of four zip codes, with service to job sites, grocery stores, childcare, schools, and medical facilities, for \$2.00 a ride.

14. Maine Public-Private Pilot Program. Maine employers are struggling to find workers, and those who live in more remote areas don't have the transportation resources to get to those companies. The Maine Department of Labor will provide financial support to private companies that expand ridesharing, van pools, and other subsidized transit options to serve workers who lack transportation or live too far away from their place of employment.

15. METGo! This is one of the few free microtransit services we encountered. The Town of Wise and City of Norton in the rural western tip area of Virginia was severely underserved by public transportation. A local nonprofit organization, Mountain Empire Older Citizens, launched the first-ever ride-sharing microtransit service, with smartphone reservations on short notice and available to ride to the most popular destinations, at no charge. This is an example of a low-cost, geographically targeted transit solution that can change people's lives.

16. Metro Micro. On the other end of the rural-urban continuum is this Los Angeles pilot that targets underserved residents not adequately served by existing transit systems. This rideshare approach can be accessed through a smartphone app, runs from 9 to 9, and, while not free, only charges one dollar per ride.

17. MIP. The Tulsa, Oklahoma, Microtransit Implementation Project is a new on-demand microtransit service specifically-targeted to six zones within the city that are underserved by existing transit services. The ridership in these vulnerable, economically neglected neighborhoods won't support those big, expensive city buses. This is another example showing that low-cost microtransit can fill in pockets that aren't otherwise reached.

18. MaaS. This Boston pilot posits that a menu of low-cost emergent mobility services, like bike-sharing and ride-hailing, can complement and feed into existing higher-cost legacy transit systems. The program provides low-income workers in targeted communities with mobility service bundles at subsidized costs, freeing buses from low-demand routes to be repurposed for higher-volume routes, while at the same time providing new alternatives to car travel.

19. Wilson RIDE. This on-demand microtransit service replaced the fixed-route bus system in Wilson, North Carolina. The on-demand service requires no advance reservation. It operates like Uber or Lyft but costs \$2.50 per ride rather than \$20. The system achieves this efficiency by matching riders who are going in the same direction. This is a good example of how smaller vehicles, smartphones, and advanced algorithms can add up to an entirely new model of local transit for small towns and cities.

20. UCMS. We have discussed in this report the persistent spatial mismatches between the places low-income residents live and work and the places where fixed-route bus systems go. This Milwaukee pilot project deploys labor-centered and employer-centered on-demand microtransit solutions to achieve efficiency, cost savings, environmental sustainability, and transit equity.

21. OUT. Underserved Kansas City youth were missing out on out-of-school time (OST) activities and learning opportunities because they lacked transportation options. Optimized Unified Transportation (OUT), a collaboration of the University of Kansas and local community organizations, approached the Kansas City Area Transportation Authority and other local mobility providers to identify the specific accessibility challenges and structural impediments face by the kids, and to develop innovative interventions to improve access and equity.

Housing. Seven examples illustrate diverse approaches to housing innovation, from cooperative models, to co-housing to programs that reduce energy costs.

22. Cooperation Jackson. Jackson, Mississippi's Sustainable Communities Initiative is an economic development network of community-led, equitably managed enterprises to address the low social mobility, limited access to quality affordable housing, and food insecurity in Jackson. The SCI purchases vacant lots and abandoned properties and builds permanently affordable housing through community land trusts and cooperative construction practices.

23. MAHC. The Midwest Association of Housing Cooperatives based in Taylor, Michigan, provides training, education, and support services for housing cooperatives. We have discovered in the process of reviewing these examples from around the country that the cooperative model is a popular and well-understood pathway toward affordable housing. This organization is dedicated to cooperative principles of limited equity, lower monthly costs, and democracy in the community.

24. Mountain Projects. This is an example from our own study area, in Jackson and Haywood Counties. Mountain Projects is a Community Action Agency with offices in Waynesville and Sylva. Their Weatherization Assistance Program is making housing more affordable for low-income, elderly, and disabled residents through grants to improve energy efficiency in their homes.

25. Red Lodge Mountain Employee Housing. Workers want to work at this winter resort but have trouble finding housing that's close to this hard-to-reach mountain getaway. In this first of several examples of employee-provided housing, Red Lodge Mountain in Red Lodge, Montana entered into a partnership with the Forest Service to redeploy a ranger bunkhouse in the winter season. Staff can rent one of twelve furnished single rooms with shared common rooms for an affordable \$13.00 a day.

26. Renaissance West Community Initiative. This Charlotte neighborhood redevelopment initiative places affordable housing at the center of a collaborative community with a holistic, place-based approach including a cradle-to-career education continuum, and wraparound services including health, after school, academic support, recreation, and job training programs. They help residents thrive by elevating the standard of living for the lowest-income residents, while providing affordable housing opportunities for residents in higher income brackets.

27. Riverside Crossing Housing Cooperative. This Hamilton, Montana housing cooperative serves adults of ages 55 and up. As one of many variations on the cooperative housing theme, this model provides financial stability and a chance for seniors to maintain independence. This approach could have value in any community with an aging population.

28. RCDI. The Regenerative Community Development Initiative and the Thunder Valley Community Development Corporation partnered to build a planned community called Thunder Valley in Pine Ridge, South Dakota. Thunder Valley residents build their own homes and preserve the Lakota way of life through the Initiative. Residents have access to community design workshops, such as landscaping, community planning, recreational outdoor space design, and others. Thunder Valley contains 86 multifamily units, 31 single family units, commercial space, a gym, and a youth center on the 34-acre site. The RCDI provides housing as well as investments in education and skills training.

Digital Equity. We included four examples of projects relating to various aspects of digital literacy and supporting internet access in rural and other communities underserved by existing broadband infrastructure.

29. CIP. The Community Internet Program is sponsored by Tech Together, a nonprofit organization in Washington, DC. They believe broadband access is a necessity, not a luxury, an important distinction we've described in this report. The CIP arranged to place high speed internet antennas on city-owned rooftops, to provide internet access to households eligible under the federal Affordable Connectivity Program, at low or no cost to the users.

30. ConnectEd Nebraska. The Nebraska Department of Education, the Office of the Chief Information Officer, Network Nebraska, and the University of Nebraska unveiled ConnectEd Nebraska, a new educational internet program for Nebraska K-12 schools. This program is powered by *eduroam* and provides students and educators with free and readily available access to guest wireless networks at participating ConnectEd Nebraska *eduroam* schools. ConnectEd Nebraska strives for equity in the state, helping underserved students stay securely connected.

31. TechSpark Initiative. Another Jackson, Mississippi, project is a program from Microsoft's TechSpark Initiative, seeking to promote digital equity by sponsoring digital literacy workshops for unemployed and historically underrepresented people, skills training programs, and intensive and structured programs designed to accelerate the growth of qualifying startup companies.

32. Philadelphia Digital Equity Plan. This initiative of the City of Philadelphia addresses affordability and access to broadband devices, and it tackles barriers of language, race, limited digital literacy skills, and disabilities – the factors that contribute to the digital divide. It is intended to serve as a roadmap for digital equity for the next five years. Key strategies include building the city's capacity to advance digital equity through existing programs, gaining support from state and local governments and creating revenue-generating streams to support digital equity programs.

Reentry. We have four reentry-related initiatives in our compilation of projects. These take diverse approaches ranging from expungement to financial support to building an ecosystem of service and support for people in recovery.

33. CLEAR. Community Legal & Access Education & Referral is a Portland Community College Expungement Clinic. This is a low-cost approach with a big

benefit. Clients pay \$33 for a background check, and if they're eligible, the clinic processes the expungement, helping many to overcome barriers to housing and employment.

34. INSPIRE. Investments Supporting Partnerships in Recovery Ecosystems is an initiative of the Appalachian Regional Commission, administered in our study area by the Land of Sky Regional Council. They provide an array of services to help people in recovery from a substance use disorder to get the training and preparation they need to connect with rewarding employment.

35. PROSPER. Workforce Solutions of North Central Pennsylvania offers this three-year workforce investment program with an innovative approach to training: job seekers in recovery get skills training, on the job training and supportive services; and employers get education on substance use disorders, drug testing best practices, and the benefits of hiring people in recovery.

36. REEMERGE. This South Carolina initiative is a 12-month reintegration program committed to helping formerly incarcerated citizens manage the reintegration process. They assist clients with employment options, obtaining identification, expungements, and basic job readiness skills. They also utilize coaching, training, and entrepreneurship sessions to help participants earn a living wage or attain business ownership.

Guaranteed Income. We selected nine guaranteed income and basic income projects from around the country. We found that many communities are electing to address resource deficits not by subsidizing or investing in the resources that are needed, but instead by supporting financially the people who need them. This approach was not a big topic in our interviews and focus groups, but we couldn't help but see how popular they are in some of the places where we looked for ideas.

37. Elevate MV. Based in Mountain View, California, this program provides monthly direct payments of \$500 to one hundred sixty-six extremely-low-income families. The program is designed to do two things: enhance financial security and empower people. These families have flexibility to spend the funds on whatever they choose.

38. Embrace Mothers Guaranteed Income Initiative. Single mothers account for 60% of all Birmingham, Alabama, households with children. This partnership

between the city and a nonprofit organization provides unconditional monthly cash payments of \$375 to one hundred ten of those single mothers for a year.

39. In Her Hands. Dr. Martin Luther King, Jr. was the inspiration for this Atlanta-based program. Dr. King was a proponent of a universal basic income, and In Her Hands will carry out this vision by providing an average of \$850 per month for 24 months to 650 women in three communities in Georgia. This \$13 million initiative, powered by a partnership with the GRO Fund and GiveDirectly is already one of the largest guaranteed income programs in the South, a region where women of color face significant structural barriers to economic security and wealth-building.

40. People's Prosperity. St. Paul, Minnesota, launched a guaranteed basic income pilot project, providing \$500 to 150 families for up to 18 months. As part of this first experiment, all participating families are enrolled in CollegeBound St. Paul, a citywide savings account initiative. The program, which went into effect in fall 2020 and is starting to come to a close, is an example of how providing people with a guaranteed income can give communities a boost and impact their work and personal lives.

41. Philadelphia WorkReady Initiative. Philadelphia is joining other U.S. cities in attempting an experimental economic mobility pilot that will give recipients cash payments, no strings attached. The city is giving up to 60 people \$500 a month, for at least twelve months. Recipients will be selected from a pool of 1,100 people who have received federal support through TANF, or Temporary Assistance for Needy Families, for five years. A total of \$322,000 will cover the costs, drawing from existing TANF funds.

42. BIP. Young adults aging out of the foster care system face daunting social and financial challenges. This innovative Santa Clara County, California, basic income program provides a \$1,000 stipend per month to up to 2,500 of these young people to help them take that big step toward independence and self-sufficiency.

43. YALift! Another program directed at young adults, the Louisville, Kentucky, YALift pilot will give 150 participants \$500 per month for a year with the goal of relieving financial strains while they pursue higher education, learn a trade or start a career. The money will come with no restrictions, giving recipients full control

over spending it on what they need. The monthly payments will cost \$900,000 for the pilot's 12-month run, with half the funding coming from Metro United Way and the other half from Mayors for A Guaranteed Income.

44. Excel Pilot Program. Durham, North Carolina's Excel Pilot Program is one of the few we've seen that has as its target population formerly incarcerated people who face even more severe obstacles to housing and employment than others. 109 formerly-incarcerated individuals were randomly selected by the Center for Guaranteed Income in Pennsylvania to receive an unconditional cash transfer of \$600 per month. The pilot will last one year.

45. Arlington's Guarantee. This is a guaranteed income program with a focus on economic mobility. Two hundred Arlington, Virginia families that have household income under 30% of the area median income for a family of four were selected to receive \$500 per month for 18 months, to spend as they wish on what they consider most important – pay off debt, pursue education or employment, college savings, or allowing parents more time with children and less time away from home working a second job. The program secured assurances from providers of public assistance that none of the Guarantee payments would cause a reduction in benefits.

Benefits Cliff. In the course of our research, and our extensive discussions of the benefits cliff, one question that came up often is whether any solution short of Congressional or state legislative action could help. The answer from three communities offers some hope that solutions crafted at the local level could have an impact.

46. The Benefit Bridge of Allen County. Many have argued that any workable solution to this problem will have to turn the cliff into a gentle slope. This Ohio pilot provides that kind of solution by making bridge payments to ease participants through the transition from public assistance to work. With these kinds of initiatives, a significant disincentive to work might be removed.

47. Benefit Bridge. This similarly-named program in another Ohio County makes payments for up to six months for rent, car insurance and car payments, childcare, and direct cash transfers. The program also provides case management, training in financial literacy, connection to peer support, and recovery services, for a

comprehensive, short-term transition package aimed at navigating over the hazardous cliff that low-income people face.

48. CEPP. The Cliff Effect Pilot Program provides a portion of childcare funds to Colorado families who would otherwise lose all childcare assistance because of raises or promotions. Ultimately, the pilot aims to provide stability for families so that they can continue to advance economically and professionally. Currently, ten counties are administering pilots, and the Colorado Department of Human Services has reached out to others to expand the pilot.

Finance. Finally, we identified one program in the financial sector that qualifies as a pilot project worthy of note.

49. Capital for the Commons. Capital for the Commons is a loan fund operated by The Industrial Commons, a Morganton, North Carolina, incubator for social enterprises and industrial cooperatives. The project will ensure small to mid-size, locally owned and democratically operated businesses in the communities and sectors in their service area have the capital necessary for expansion and growth. Their plan is to have, by 2030, a robust fund of \$5 million. They will encourage local businesses to increase job quality by reviewing and approving loans based not just on their risk level but on the businesses' democratic and sustainable practices.

November 1, 2022



North Carolina Transit Agencies

County	Transit Agency	Website
Alexander	Greenway Public Transportation	https://www.mygreenway.org/
Alleghany	Alleghany in Motion (AIM)	https://alleghanycounty-nc.gov/index.php/alleghany-in-motion/
Ashe	Ashe County Transportation Authority	http://www.actatravels.com/
Avery	Avery County Transportation	https://www.averycountync.gov/departments/transportation_department.php
Buncombe	Asheville Rides Transit (ART)	https://www.ashevollenc.gov/service/transit-maps-schedules/
Buncombe	Mountain Mobility	https://www.buncombecounty.org/governing/depts/transportation/
Burke	Greenway Public Transportation	https://www.mygreenway.org/burke-routes
Cabarrus	Concord Kannapolis Rider Transit	https://ckrider.com/
Cabarrus	Cabarrus County Transportation Service	https://www.cabarruscounty.us/Government/Departments/Human-Services/Transportation
Caldwell	Greenway Public Transportation	https://www.mygreenway.org/burke-routes
Catawba	Greenway Public Transportation	https://www.mygreenway.org/burke-routes
Cherokee	Cherokee County Transit	https://www.cherokeecounty-nc.gov/233/Transit
Clay	Clay County Transportation	https://www.transportation.claync.us/
Davidson	Davidson County Transportation Services	https://www.co.davidson.nc.us/258/Transportation
Davidson	PART	https://www.partnc.org/
Davie	YVEDDI – Yadkin Valley Economic Development District	https://yveddi.com/yveddi-public-transportation/
Forsyth	City of Winston-Salem Public Transportation	https://www.cityofws.org/765/Transportation
Forsyth	WTSA	https://wstransit.com/
Forsyth	PART	https://www.partnc.org/
Graham	Graham County Transportation Department	http://grahamcountytransit.org/

Haywood	Haywood County Public Transit	https://www.haywoodtransit.com/
Henderson	Apple County Public Transit	https://www.hendersoncountync.gov/planning/page/apple-country-public-transit
Henderson	Western Carolina Community Action	https://www.hendersonville.com/directory/western-carolina-community-action-inc/
Iredell	Iredell County Area Public Transit	http://www.rideicats.com/
Jackson	Jackson County Transit	https://www.jacksonnc.org/transit
Macon	Macon County Transit	https://www.jacksoncountytransit.com/
Madison	Madison County Transportation Authority	https://maconnc.org/transit.html
McDowell	McDowell County Transportation Authority	https://www.macontransit.com/
Mitchell	Mitchell County Transportation Department	https://www.madisoncountync.gov/transportation-authority.html
Rowan	Rowan Transit System	http://mcdowelltransit.org/
Rowan	City of Salisbury Transit	
Stokes	Yadkin Valley Economic Development District	https://www.countyoffice.org/nc-mitchell-county-department-of-transportation/
Stokes	Medicaid Transportation Service	https://www.rowancountync.gov/231/Rowan-Transit-System
Surry	Yadkin Valley Economic Development District	https://salisburync.gov/Government/Transit
Transylvania	Transylvania in Motion	https://yveddi.com/yveddi-public-transportation/
Watauga	AppalCart	https://www.co.stokes.nc.us/departments/medicaid_transportation_services.php
Watauga	Sunway Charters	https://yveddi.com/yveddi-public-transportation/
Wilkes	Wilkes County Transportation Authority	https://www.transylvaniacounty.org/departments/transportation
Yadkin	Yadkin Valley Economic Development District	https://www.appalcart.com/



Goodwill Industries of Northwest North Carolina, Inc. Workforce Equity Assessment 2022

UNCG - CENTER FOR HOUSING AND COMMUNITY STUDIES

Report on Key Informant Interviews

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Contents

≡ INTRODUCTION ≡.....	1
THE WORKFORCE EQUITY ASSESSMENT.....	1
Purpose of this Report.	2
Objectives of the Study.....	3
≡ PART I ≡.....	4
MOBILITY AND EQUITY	4
Racial, Gender and Age Disparities.	5
Criminal Background.....	6
OCCUPATIONAL SEGREGATION	7
In Hospitality.	7
In Health Care.	8
In Construction.....	9
BARRIERS TO MOBILITY.....	9
It’s Who You Know.....	9
Self-Imposed Barriers.....	10
Gentrification.....	10
Pandemic Effects.....	11
Improving Economic Mobility.....	12
≡ PART II ≡.....	13
A SHORTAGE OF WORKERS.....	13
Don’t Know Where They Are.	13
Survival Mode.	14
Fear of COVID Exposure.....	14
Unemployment Insurance.	15
No Work Ethic.....	16
Fairly Compensated.	17
Staying Home with the Kids.	17
Reevaluating Everything.	18
The Workforce is Shrinking.....	19
Screening Out Too Many Workers.....	21
Workers Don’t Have the Right Skills.	22
Workers Are Moving Around.....	23

Still More Theories.....	24
THE EMPLOYERS' RESPONSE.....	24
Pay and Benefits.....	25
Helping Workers Overcome Barriers.....	25
The Workers Have More Power Now.....	28
Employers Will Have to Think Creatively.....	29
≡ PART III ≡	30
BARRIERS TO EMPLOYMENT.....	30
TRANSPORTATION	31
Bus Service is Limited.....	32
Buses Don't Go Where or When the Jobs Are.....	33
Buses and Childcare.....	34
Rural Bus Service.....	35
A Shortage of Drivers.....	36
Bus Fares.....	37
New Routes.....	37
Cars.....	38
CHILDCARE	40
High Cost of Childcare.....	40
Shortage of Places.....	41
Location of Childcare.....	42
Family Care.....	42
A Shortage of Childcare Workers.....	43
HOUSING.....	44
High Cost of Housing.....	44
The Case of Asheville.....	45
The Further Out You Go.....	46
INTERNET ACCESS	47
Digital Divide.....	47
Luxury or Necessity.....	49
High Cost of Internet Service.....	49
Limited Coverage.....	49
Cell Phones.....	50

CRIMINAL BACKGROUND.....	50
Screening.....	51
Support Systems.	52
THE BENEFITS CLIFF.....	53
The Disincentive Effects.....	53
Cliffs and Deserts.	54
Not Stupid.	55
Changing Benefits Policies.	55
≡ PART IV ≡.....	56
THE WAY FORWARD	56
Transportation.	56
Childcare.	58
Housing.	59
Reentry.....	59
Benefits Cliff.....	60
Ways of Thinking About Change.....	61
THE ROLE OF GOODWILL	62

≡ INTRODUCTION ≡

THE WORKFORCE EQUITY ASSESSMENT

The Center for Housing and Community Studies of the University of North Carolina Greensboro, and its sponsor, Goodwill Industries of Northwest North Carolina, Inc., are conducting a workforce equity assessment across Goodwill's thirty-one county service area stretching from Cherokee County in the West, to Ashe County in the North, to Forsyth County in the east.

Our objective is to find out more about the obstacles and opportunities encountered by low- and moderate-income residents seeking access to employment opportunities. We're exploring the social, structural and environmental conditions in the communities where people live and work; whether those conditions hinder economic mobility and make it harder for people to achieve their goals; and whether the obstacles affect some racial, age or gender groups more than others. If low- and moderate-income people don't have the resources they need to find work and to connect with the services they need, we want to know why, and who gets left out.

We are seeking information, perspectives and insights from community leaders, business executives, public administrators, educators and activists, and ordinary residents of the study area, through interview, focus group and survey research. Our findings will be used to assess the needs of workers, to raise awareness about conditions in the labor economy, and to develop recommendations and best practices to improve economic mobility and workforce equity throughout the region.

For the first phase of our data gathering, we conducted semi-structured, in-depth one-on-one interviews of community stakeholders. Interviews were conducted remotely. The interview subjects were assured that their comments would not be reported in a manner that would identify the person speaking by name or by affiliation. The comments directly quoted in this report are lightly edited for clarity. Interviews were between half an hour and an hour in length.

We interviewed forty-nine people representing the following thirty-five organizations:

Ashe County Economic Development
 Department
 Asheville Hotel Group
 Burke Chamber

Burke County Department of Social Services
 Centralina Regional Council

Centralina Workforce Development Board
 Davidson County Department of Social
 Services
 Dogwood Health Trust
 Down Home North Carolina
 Economic Development Coalition for
 Asheville-Buncombe
 Forsyth County Community and Economic
 Development Department
 Forsyth County Health and Human Services
 Department
 Goodwill Industries of NWNC, Inc.
 Graham County Planning and Economic
 Development Department
 Hanesbrands
 High Country Council of Governments
 High Country Workforce Development Board
 Iredell County Department of Social Services

Iredell Economic Development Corp.
 Land of Sky Regional Council
 MAHEC Family Health Center
 McDowell County Department of Social
 Services
 Mitchell County Transportation Department
 Mountain Area Workforce Development
 Board

Salisbury-Rowan Community Action Agency
 Second Harvest Food Bank
 Southwestern Commission
 Surry County Economic Development
 Partnership

Transylvania in Motion

Wake Downtown
 Western Carolina University

Western Piedmont Council of Governments
 Wilsonart
 Winston-Salem State University
 WXII

Purpose of this Report.

In this report, we give a detailed account of what we learned from our interviews. We present the data we acquired through this phase of our research, data which, as the reader will discover, consists in the words spoken by our interview subjects in response to the topics we raised.

We raised a great many topics, from the state of the job market today, to the surprising shortage of workers that prevails across all industry sectors, to the attitudes of the workers and their employers, the shifting bargaining power between them, and the opportunities presented to workers by the changes happening now. We talked about inequities in the job market and in the workplace, and the social conditions that limit economic mobility for some groups, particularly for women and people of color. We talked in depth about the many and daunting economic and environmental barriers that keep people from getting ahead or from even working at all, starting with transportation and childcare at the top of the list and also including housing, internet access, information and educational deficits, the extra burdens carried by people emerging from drug

addiction or involvement with the justice system, and the special case of the so-called benefits cliff that imposes prohibitive costs on workers trying to improve themselves.

We brought to the process our own understanding of these conditions, these inequities, these barriers and burdens. We confronted, with our team of researchers and in our conversations with our interview subjects, questions that often arise in needs assessment research: Why research things we think we already know about? The answers were helpful and illuminating. “Just because you know it doesn't mean you understand it,” said one of the people we asked about this. “You have to go out there to understand it.”

Our research is community-engaged: we went out there to ask the community members what *they* think. In many parts of our study area, especially away from the two key urban areas of Winston-Salem and Asheville, these questions haven't often, or ever, been asked before. We tried to uncover the local details and particularities, and the ferment of local thinking processes about what people need and how they would go about addressing these issues. Without that, said one of our informants, “What it would lack is nuance, but more so insight to the question, ‘So what?’ or ‘What's behind that?’”

We were reminded by our informants that, while some of us may consider these topics to be familiar, they are not familiar to everyone. On the contrary, as we heard again and again in various contexts, most people in northwest North Carolina hardly think about them at all. Changing that is one of the objectives of this work. Goodwill supports a project like this because, in the words of one of the people we spoke to, “You would be shining light on this problem, you'd be bringing it to the forefront with Goodwill making everybody aware of this because of the vast outreach and service area that Goodwill of the Northwest has.” We have to “keep on beating the dead horse,” as one person put

“Just because you know it doesn't mean you understand it. You have to go out there to understand it.”

it with tongue in cheek, in order to bring to the attention of residents and policymakers the hardships and inefficiencies and backward incentives in the workforce and the workplace. “When we quit talking about the issue,” we were told, “then we have truly failed.”

Objectives of the Study.

This subreport will try to fulfill the purposes described in the foregoing paragraphs, but it will be only a step toward fulfilling the overall objectives of the workforce equity assessment as a whole. This is but the first phase in the process of acquiring the data we need to carry out those objectives. In later subreports we will present what we learn from focus groups and roundtable discussions with workers, social services clients and other local residents; and from surveys of public opinion. The questions we are asking and the information we are collecting are intended to help Goodwill to achieve its goals.

So, we are presenting data in the form of our informants' statements, but our ultimate intention is to produce, as one of the people we spoke with expressed it, "not just a data dump, but more of a roadmap by which we could actually make a difference." This project will be a roadmap that will furnish Goodwill with the foundation on which to build a long-term strategy for difference-making in the communities it serves. This strategic process will likely point Goodwill in new directions, beyond the work it already does well toward investments and interventions in sectors of the workforce and of the economy where they have not been before. They want to come up with ideas, plant seeds, dream of "what ifs." They want to implement pilot projects designed to demonstrate solutions to partners, philanthropists and policy makers who then might be willing to participate in wider disseminations of solutions that really make a difference.

We won't present definitive recommendations for those kind of solutions in this subreport. Here we present some of the tools Goodwill will need in working toward that goal. But this subreport

"Not just a data dump but more of a roadmap by which we could actually make a difference."

will point toward solutions in several important ways. First, we hope that the detailed information presented here about a very wide range of topics will deepen the reader's insight into the nature of these problems. The fuller picture that emerges from the data will help to equip Goodwill with the understanding they will need in order to address the problems. Second, inevitably remedial ideas emerged naturally from our conversations about the problems. And third, toward the end of our interviews we specifically asked what our informants would do to improve economic mobility and to address the obstacles faced by workers; they offered imaginative and actionable suggestions. In these ways, the data presented here can eventually be applied to further Goodwill's objectives, and all the while, as one of our informants said, "keeping the spotlight on it."

≡ PART I ≡

MOBILITY AND EQUITY

Economic mobility means climbing up the ladder. It means achieving a higher standard of living, making more money, getting a better-paying job. For a person, or for a generation, or for the people of a region, more economic mobility happens when the social and material conditions exist which help and support that person, or people as a whole, in their efforts to gain access to employment opportunities. The conditions can be the sort of things that help define what kind of society people live in, for example, social cohesion, strong families, low levels of racial segregation and high levels of school quality. Or they could include the kinds of nuts-and-bolts resources that make access to education and employment easier, like transportation so people can get to work easily and on-time; or childcare services so families have someplace trustworthy

and affordable to take the kids; or safe and affordable housing; or good internet access. Deficits in these areas can hinder people’s ability to become employed, to hold onto employment and to advance from one job to another. These deficits act like barriers to economic mobility. Moreover, the deficits that do exist affect some economic, geographic, racial, gender and age groups more than others. In other words, these barriers to economic mobility give rise to inequities in the workforce. In this report, we’ll examine what it’s like to seek access to work these days, and we’ll take an inventory of some of the barriers that make it harder for the people of northwest North Carolina to achieve economic mobility. One of the community leaders we interviewed spoke to us about access to work and economic mobility. “What are the really true needs of that community to be economically viable as a family or it as part of that community?” she asked. “It’s really about economic mobility, right? In my mind, economic mobility and access equate together.”

“It’s really about economic mobility, right? In my mind, economic mobility and access equate together.”

That’s the approach we’ll take throughout this report. In all that follows, the detailed depiction of today’s job market and the in-depth discussions of the different barriers to employment, we will detect the inequities implicit in these phenomena and the hindrance to economic mobility they cause in some people’s lives. But before proceeding to those sections, we will devote some attention to the explicit concerns about inequity and mobility that were expressed by the people we interviewed.

Racial, Gender and Age Disparities.

One of nonprofit leaders we spoke to said she saw inequities in the Asheville area. “Based on the data I’ve seen from numerous sources,” she said, “as far as folks in this area, as nationally, people of color are paid less, as also are women, for the same jobs.” An executive in the Western Piedmont area gave an assessment of racial and ethnic disparities in her area. “There was a lot of disparity in the African American community, with education, with wages, with housing. Not as much in the Hispanic community or the Asian community. It was probably, as kind of an order, is probably African American, Hispanic, Asian, white, when you looked at how the disparity ran.” Others we spoke to gave similar accounts. “Economic distress in our community definitely falls along racial lines. Educational achievement gaps mirror our economic opportunity gaps that are there,” said one. “We are a community that is probably eight to nine percent people of color, and that community tends to have, you know, easily twice to three times the unemployment rate that the overall sort of metro area faces.” A central North Carolina nonprofit executive commented on disparities in her area. “You could look around in any boardroom,” she said, “in any of the counties in our area, and you will see some disparities, even more so in the rural areas. And then obviously, you know, wage disparities based on not only race, but gender, too.” Another western North Carolina person made the same point about the rural areas. “Even in those

suburban rural counties, they're thinking about it now," he said. "So, a rural focus, a focus on people of color, you know, that's happening outside of Buncombe County."

In addition to employment, and wages in general, advancement within the workplace is also an issue. "If there was a job where you could get to that good paying job where you can feed your family, you can pay for childcare, you can pay for rent," said one person, "I'm not convinced that that is actually available, and if it is available, I don't know how available it would be to people of color, or women."

Our western North Carolina informants were able to provide information about the circumstances of Cherokee people. We learned that the Cherokee have good avenues of employment and advancement. "The casino is so big," one person said, "and there's so many

"If you could get to that good paying job where you can feed your family, you can pay for childcare, you can pay for rent, I'm not convinced that that is actually available."

different positions and so many ways of growth there." A nonprofit director in the area said, "They have a lot of funding that they get, they're funded very well through the casino business, and actually that has been probably one of our, they are definitely one of our largest employers in our region." For businesses within the jurisdiction of the tribal government, indigenous people can receive hiring preferences. "We

have what we call Native preference," one of our informants told us." If you're an indigenous person, or you're an enrolled member of a tribe, you get preference over anyone else, and so it kind of pushes you to the front of that line." She added, "They definitely have some pathways for indigenous people to grow."

Apart from the special circumstances of the Cherokee people, we saw near-consensus about the inequities in the northwestern North Carolina workforce. Only one person said otherwise. "I don't know that we necessarily see, as far as gender or race or nationality, I don't know that, as far as Iredell, I don't think that we see a lot of that."

Criminal Background.

We'll discuss criminal background checks and the struggles of reentering people in later sections, but here we'll report that, according to our informants, the barriers to employment encountered by those with criminal backgrounds fall heaviest on Black men. "Especially coming from the minority community to begin with," said one business leader, "which puts you in a handicap, you know, right out of the gate, and you throw criminal convictions on top of that, and, man, they've got it really, really rough." Not only barriers to employment, but arrest and prosecution are imposed inequitably in the first place. One county administrator told us, "We have a system that's been broken for a really long time, because people have been racially profiled in the past, and individuals have gotten very punitive sentences for the same crime another person has

committed, just like them, with no jail time, or it was dropped down to a misdemeanor versus a felony.” That felony stays with the person throughout his life, hindering economic mobility.

One person who works with reentering people said that even efforts to address discrimination fall short. “Some of these brothers,” he said, “it’s like fresh out of prison, that’s willing to shovel crap for a job. They would love to have a laborer like that on a lot of them crews, but they don’t know how to communicate with them. They don’t know what a microaggression is. A lot of construction workers could give a damn about racial equity training.”

“You take all those other barriers, and you’ve got a felony conviction, and you’re a 30-year-old African American with a hard time getting to work and you’ve got two little kids at home.”

So, the situation of reentering people is an important matter of equity. “We really talk about diversity,” said one executive we spoke to, “especially African American males, and the percentage of them that at some point have been locked up, and the taint that that puts on their name and their ability to find a job for years and years and years, has got to be fundamentally rethought, right? And because you take all those other barriers, and you’ve got a felony conviction, and you’re a 30-year-old African American with a hard time getting to work and, and you’ve got two little kids at home.”

OCCUPATIONAL SEGREGATION

An important element of workforce equity is the reservation of higher-paying jobs for white people, or sometimes white men, and the relegating of women and people of color to lower-paying jobs. This kind of occupational distribution by race or gender tends to perpetuate workplace inequities. Our informants were aware of these systemic tendencies, and told of efforts to overcome them.

In Hospitality.

Hospitality is one of the largest sectors in many tourist-dependent northwest North Carolina counties. We spoke to several people about the low-wage job categories in this industry, most importantly the housekeepers – a job often held by women of color. It’s a low-prestige job, said one of our informants. “There is something about people of color going to work in predominantly white spaces, and what are the other barriers and feelings about that?” she said. “There’s a lot of folks that were housekeepers, and you know, they’d go in, you go in the back door, no one sees, you know, that kind of thing, but there’s no, you know, you get paid by how many rooms you clean and stuff like that.”

An executive we spoke to commented on the housekeeper jobs. “Those jobs are valuable for folks who need them,” he said. “But how as a community can we structure career paths within

hospitality, out of hospitality or into higher, you know, to positions of greater responsibility and greater income within the industry?"

In Health Care.

The position of certified nursing assistant (CNA) is often cited as an example of occupational segregation. We asked our informants about it, and found a general agreement that persistent high barriers block CNAs and other entry-level health care employees from advancing to nursing. An executive we spoke to said the progression is hard for anyone. "The challenge with healthcare, especially in the clinical space, there is not easy career ladders to go from, like a nursing assistant to registered nurse. That's a big leap in terms of education, time, you know, very rigorous course of study, hard for working adults to do." Another expert pointed out that it's even harder for people of color. "The barriers that people have with getting into nursing and stuff like that, you know, it's challenging, especially for Black folks."

Training is available. A nonprofit executive commented on the programs available to CNAs at the large hospital in her area. "That was one of those disparities that they were seeing," she said.

"The challenge with healthcare, especially in the clinical space, there is not easy career ladders to go from, like a nursing assistant to registered nurse. That's a big leap in terms of education, time, very rigorous course of study, hard for working adults to do."

"And there are those CNAs that actually took advantage of the paid progression to go up and become nurses. They had a good number of CNAs that took the path. But it wasn't equitable, and not because of anything that Atrium had done, because of other barriers that they face." The director of a community organization said they will help pay for the training it takes to advance.

"We'll pay," she said. "If we have someone that comes into our program, and they say they want to be an RN, then you know, a lot of times, some of the prerequisites are that they become a CNA, so we help them along, by paying for those certifications, as long as we see that they're on a progressive path, you know, they're making progress, we're going to continue to pay for those courses so that eventually, they do get to that RN."

But another informant suggested some of the women are held back by the syndromes of poverty. "By the time that they get the job," he said, "become a CNA, to make it as a single mother, and also learn how to make the system work for them with the childcare vouchers, the Medicaid and food stamps, learn how to make that system work for them, they tend to stay there. And they don't reach higher. There's not a continuum the way it is for a lot of white folks."

In Construction.

We heard from our Asheville informants about another industry that, with its quite entirely different dynamic, could also serve as a case study of occupational segregation. Here, we were told, rather than steering people of color onto lower-paying career pathways, the construction industry uses a de facto preference system favoring white men. Said one Asheville observer, “With my racial equity lens, it's not that easy for Black people to work for the city and the county, because, especially in those jobs that relate to like construction and things like that, because most of those people that work on those jobs are people that are from the outskirts.” A nonprofit executive said, “All the hotels and new construction and things like that, you see a lot of crews that are not from Asheville. I think that's really interesting. A lot of crews come in from Tennessee, and you usually do not see African Americans. You usually see white men or Latinx folks.

“All the hotels and new construction and things like that, you see a lot of crews that are not from Asheville. A lot of crews come in from Tennessee, and you usually do not see African Americans.”

BARRIERS TO MOBILITY

We'll explore in detail in the following pages the most important barriers to advancement, but in the context of this introductory discussion of economic mobility and racial and gender equity in the workplace, we observe that the barriers come in many forms and are deeply embedded in social and economic systems. “When we look at systemic racism, sometimes it's unconscious, I would say like, it's implicit,” commented one of our informants.

It's Who You Know.

“It's been like a 101 of HR practice forever,” said one executive. “Employers hire predominantly from the friends and family network, right? That's how it makes sense. Go to your best workers, you throw some referral bonuses out there, and you try to – good people refer good people.” But, he added, “If you're not a part of those networks, you're not accessing the economic opportunity in a region.”

A community leader put this in blunt terms. “The advanced manufacturing sector in western North Carolina is a realistic career pathway that you can go in and afford to live in this area. But it is dominated by white folks,” he said. “They're usually from areas where their cousins get the jobs, their friends from school get the jobs and their friends get the job, because, you know, most people hire from networks anyway. And so, the opportunity gap stems from that.” He said this extends to city and county hiring. “Those people have a buddy system within the city and county government that leads to a poor experience for a Black person.”

In line with the Native preference that we described in a previous section, one of our informants said the network system works in the Cherokee people's favor. "Here it's a lot of who you know, not what you know, right? So if they know you, a lot of times our tribal leaders can kind of push you through the system and put you in that position." She analogized this to a small-town way of doing things. "Everybody knows everybody here," she said. "When it's like that, they can definitely weed you out pretty quickly if you don't have a good reputation."

Self-Imposed Barriers.

When we spoke of advancement in the nursing field, we hinted at the barriers people sometimes impose on themselves. "Self-confidence," said one county administrator, "the whole generational poverty, if they can't see past their current environment, they may want to do better, they think they can't do better, they don't know how to do better." She added, "I've got a roof over my head and food, I'm not really thinking about how to improve that. And if I think that's all there is, and this is all I can do, then I think some people can stay very stuck." Another administrator who works with low-income people said to the same effect, "As disheartening as it is to say, I think they sometimes just get complacent and okay with where they are, and think that this is how I'm supposed to live, and when you have to strive and work hard and kind of dig yourself out of a hole, then people – a lot of times we say they just kind of give up and think, 'Well, this is how it's gonna be. I'm struggling, I'm always gonna struggle.'"

A nonprofit leader said, "What folks feel, and my observations is that, you know, 'This is where I'm from, this is where my family's from, and the best I can get is cleaning folks' rooms that are coming here as a tourist.'" And in addition to the psychological constraints this represents, there's also a practical one, which we've alluded to previously. If the new job requires training,

"They can't see past their current environment, they may want to do better, they think they can't do better, they don't know how to do better."

the worker might not be able to invest the time. "It's often a place where a resident might find themselves stuck because they can't afford to leave the low-paying job they have, to access the training, to access the better job." This underscored the importance of paid training, which can help folks over the obstacles they

face, but which itself can be allocated inequitably. Said one person about "earn while you learn" programs, "That's an opportunity gap for Black people, because we don't have access to that. When they recruit people for the pre-apprenticeships," he said, "they're not coming from the city limits. They're not coming from within city schools."

Gentrification.

As we'll see in a later section devoted to housing resources, Asheville confronts some special challenges that are more severe than in other parts of the study area. We did not compile extensive information about gentrification in Asheville, but our informants told us enough to hint

at a racial dimension of gentrification effects, similar to what other gentrifying places have experienced.

Asheville possesses amenities and natural resources that make it an attractive destination. “We get a lot of folks that are not from here that come in,” said one of our informants. “The more folks that want to move here because of our beautiful mountains, and because of all of the cultural pieces that people like, the folks that are from here are getting pushed out through housing, workforce, all of that. I think from an equity perspective, it's just exasperating when you're a person of color.”

The craft breweries are a flashpoint for gentrification effects, in Asheville as elsewhere. One nonprofit leader told us, “The breweries is another definitely – a predominantly white space.” She continued, “The chamber just came out with a report that they're bringing in about a billion dollars. But the thing is, some of these breweries also gentrify neighborhoods, and they're getting tax incentives, but their employees are not from here, and you don't see a lot of folks of color in these breweries either.”

Pandemic Effects.

As with every other topic of interest for this study, the pandemic has had a big impact on efforts to address workforce inequities and improve economic mobility. And as with some other topics, the impact has had both positive and negative characteristics.

First, the pandemic affected low-income workers the most. “Hardest hit, people of color were more impacted, women were more impacted because of the pandemic,

“Employers that were looking for a diverse slate of team members, what's going to happen is they're going to throw that out the window now, because they're going to take who they can get.”

so what the pandemic did, it took the most vulnerable parts of our society and hit them the hardest.” Moreover, it further advantaged those with the ability and resources to work from home. “Those work-from-home jobs,” said one executive, “those tend to be higher-educated, higher-earning individuals, but you know, those jobs that have to be in person, those were hit the hardest and those tended to be filled by preponderance of women, people of color.”

In addition, the pandemic slowed efforts toward more equitable practices that had been underway prior to the pandemic. Said one nonprofit executive, “The momentum we were gaining around diversity, inclusion, equity and belonging for the last – up until 2020, when George Floyd, that happened, and then on top of it, the pandemic, I think, has further divided the distance of equity, and inclusion.”

The worker shortage that emerged from the pandemic – the subject of Part II of this report – put pressure on employers to sideline their workforce equity efforts. “Employers that were looking for a diverse slate of team members,” said another of our informants, “what's going to happen

is they're going to throw that out the window now, because they're going to take who they can get to work, and not worry about if you have an all-white team, because to keep my doors open as a restaurant, I'm not gonna care about that as much as I would have on making sure that my team reflect the people that come through my door." Said another, "The workforce is hard enough right now to get some people into the workforce to be hired. It's going to tie my hands as an employer if I have to then select X amount of black or brown individuals on a career path over a white person."

But there's an upside, according to our informants. One business leader said equity work will be enhanced by the spotlight the pandemic shone on the struggles of vulnerable workers. "I do think that's one of the positives to come out of the last year," he said, "is many organizations, especially the larger organizations, but probably some of the smaller organizations, are being more, you know – maybe they were doing it unintentionally prior to the pandemic, prior to the social justice concerns, but I think most organizations now, there's a diversity, equity, inclusion focus in their work, and they do that in a very intentional way, which, you know, maybe pre-pandemic was on their agenda, just not as high priority or not as focused."

Improving Economic Mobility.

Our informants looked to the future, thinking about what it will take to improve economic mobility. One person said it wouldn't be enough to get someone a job; it will require an effort that, as he put it, "Reorients the conversation to one of building career ladders and focused on economic mobility, that you might be able to access a \$14 an hour job today, but the real question

"Paid training, as an additional measure of frankly just equity, of like leveling the playing field if you are in a \$12 an hour job, but you can't afford to leave it to access that eight weeks of training to access the \$18 an hour job."

is, as an individual, 'how do I get myself to that \$18 an hour job and beyond to the 24 and \$28 an hour job?' So, I would try and would love to see more conversation around mobility in terms of career paths and mobility paths for individuals, getting more people to the front door but then providing the support beyond the front door."

Another idea, as we suggested above, is financial support for training. "Paid training," we were told, "as an additional measure of frankly just equity, of like leveling

the playing field if you are in a \$12 an hour job, but you can't afford to leave it to access that eight weeks of training to access the \$18 an hour job." Another expert, citing an example from another state, advocated for "A one-stop shop for helping people move up the economic ladder, so they have solutions around transportation, education, digital equity, it's all in one place, one physical place."

One nonprofit executive said it might cost employers to address these issues. "We have to think differently about how we treat our folks," she said. "And if it hurts the bottom line, and that's the

catalyst to change, then so be it.” Another expressed outright skepticism that such efforts will be effective. “There’s a lot of trainings people are doing to check the box,” he said, “and say they did it, but like, no, no, it’s not equal opportunity in Asheville. It’s not like investments being made in places where it needs to be made to have a sustainable change for communities impacted by systemic oppression.” And another executive, assessing his own organization, admitted it wouldn’t be easy to turn the ship around. “How do you change?” he asked. “To be honest, we also have, you know, a 125-year history as a white-led organization, so how do you authentically build partnerships across the community?”

In Part IV, we’ll discuss more of the ideas put forward by our informants for addressing workforce equity and improving economic mobility. Now, though, we’ll dive into the complex currents of today’s labor economy.

≡ PART II ≡

A SHORTAGE OF WORKERS

Our interview series began at an interesting time, when the world economy had reached a significant stage of emergence from the shutdown and contractions resulting from the COVID pandemic. We always intended to begin our interview questions with a birds-eye view of the labor economy and a general review of conditions facing workers. But in this new world, what this view revealed was a striking and unusual situation of a worker shortage, which everyone commented on from the start. “It’s fascinating times,” said one executive. “We are in a workforce shortage. Crisis is probably not an exaggerated term.” Said another, “The employers, you know, they can’t find folks to fill their jobs.”

“It’s fascinating times. We are in a workforce shortage. Crisis is probably not an exaggerated term.”

The problem seems to affect every employer. A business person told us, “The struggle as far as talent is across the board. So, it may be a little more acute in healthcare and hospitality, but all the employers are feeling pain. There’s no sector that’s untouched. We’ve got employers that would add a couple of hundred jobs today, if they could. Many of those jobs are paying 17 to 19 dollars an hour with full benefits from day one. And they can’t fill those jobs.”

We’ll have more to say about how employers have, and how they should, respond to the changes in the environment, but here we will dive deeper into the worker shortage. Where are the workers?

Don’t Know Where They Are.

We asked our key informants what they thought might explain the worker shortage, and we heard countless theories about this. But it was all guesswork, and no one was certain. One person

said, “I don't know where the people are at that's not working, truthfully, I don't.” A business executive told us, “Nobody can quite figure out the depth to which the labor markets have changed in the last couple of years, you know, both the high end and at the hourly workforce.” And, speaking of his own neighborhood, another person said, “Little convenience store right up the road from my house here has been shut down because there's nobody to work there. I don't know. I wish I knew the answer why that's occurring.” It emerged that this wasn't only a matter of workers not taking jobs, but also of workers leaving the jobs they have. “With so many people leaving the education sector and leaving the hospitality and retail sector,” said one person who works with low-income people, “it's almost as if we don't really know what's going to happen.”

Survival Mode.

“I just can't figure it out,” said one of our informants. “I'm wondering how they're getting by, to be honest,” said another. But most of the people we interviewed have some experience working with people on the lower end of the wage scales, and they weren't surprised that people might be “getting by,” while staying away from the job.

One person attributed it to “folks being able to live on less.” Another pointed out, “Humans, especially folks of low income, you find a way to survive. Low-income folks are the most resourceful folks I've ever seen in my life.” Another person told us, “People who live in poverty,

“Nobody can quite figure out the depth to which the labor markets have changed in the last couple of years, you know, both the high end and at the hourly workforce.”

you know, they always figure it out. They'll figure it out.” And clearly, some of these people have been struggling since long before the pandemic, and it's only now that some observers are wondering where they are. “Because,” said one of our informants, “either way, they were surviving before. They were struggling, so it's just – I think people are willing to survive and struggle a little bit differently, than work a job with the wages low and you're still not going to make your ends meet.”

So to the question, how are they getting by? we were told by one executive, “Being poor doesn't equal being dumb. Poor folks are as smart as any rich individual I've ever met, and in many ways, they're smarter, because they have to have street sense to be able to survive as they do.” And underscoring this point, another executive said, “Our families who have been in generational poverty are very self-sufficient. They have other ways to get what they need. They barter, they do things differently than what most of us sitting around that table.”

Fear of COVID Exposure.

We explored with our key informants the question whether the dislocations in the labor supply were temporary responses to the pandemic, or longer-term shifts in the market. As we will see, some factors point to the long term. “This shortage of workers and employees is not going to go

away overnight,” one person said. “I credit that to a number of things.” But one factor that was often mentioned is temporary by its nature: fear of exposure to the coronavirus. Some of the people we spoke to attributed the shortage to, as one put it, “All the pandemic factors of fear of COVID.” Another said, “I think people are unnerved about COVID, even though our numbers have gotten better, it’s still out there. And people I think are still leery of that.” A third said, “People are just, you know, resistant to getting out still.”

Exposure risks were associated with particular industries, some said. “Having workers working together, for example, meatpacking plants, if you think about people working together, that’s where COVID really hit hardest,” we were told. “Just tailor made for COVID spreading, it’s cold, viruses like the cold, they’re working, you know, shoulder to shoulder.” Another person said fast food is vulnerable. “With McDonald’s, their business model has always been set up to recruit the high school students. And when you’re talking about those that’s kind of afraid of the COVID issue, I think that they’re the ones not going to work. It’s the high school students.”

The politically-charged issue of vaccination bears on this issue, too, with unvaccinated workers unwilling or unable to reenter the workforce. As one of our informants told us, “It’s just life circumstances that are hindering people to go into their field of employment at this time, you know, be it their beliefs around the vaccinations or whatever.”

This is only one facet of the terribly complex multifaceted phenomenon that is the pandemic, most of which falls outside the scope of this report. But it came up repeatedly, of course, and we’ll make reference to it in various contexts. Certainly, the dangers of COVID in the workplace affect low-income workers more than others. As one of our informants, someone who works directly with poor

“That’s what hinders many of our participants from being able to maintain employment. It was already a struggle, and now it’s even more so with the onset of COVID.”

people, put it, “That’s what hinders many of our participants from being able to maintain employment. It was already a struggle, and now it’s even more so with the onset of COVID.”

Unemployment Insurance.

One of the most often-cited theories about what’s behind the worker shortage is that workers were receiving unemployment insurance and other forms of public assistance, and didn’t need to rush back to the job market. A public administrator told us, “It may be because there were incentives, due to the stimulus, things that folks got with the CARES money or the ARPA money or the, you know, whatever funding is out there.” Many suggested that the benefits act as a disincentive to work. Said one, “I just think people, for lack of a better term, take advantage of the unemployment and the monies that were available.” And another said the same. “We have been having quite generous unemployment benefits,” he said. “And so that’s also, you know, been slowing down people’s interest in getting back to work.”

Sounding a theme that emerged at several key points in the course of our research – whenever we spoke about public benefits – our informants said that workers often make perfectly rational decisions about whether to work or not. “They were wholly disincensed to go back to work with the unemployment benefits that existed,” said an executive we spoke to, “and, you know, in

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some cases, it's my understanding that they made literally twice as much staying home as they would going back to work.”

And it was a comparison not only of income, but of expense. One of our informants expressed the workers' calculation this way. “Why should I go to work when I can stay at home and draw just as much money if not more than I would if I worked a job, you know, going in and getting ten dollars an hour and having to worry about transportation and childcare and lots of

other things?” The same thinking applied to other benefits. “Even though the employment benefits have run out,” said one business person, “we are still receiving a child tax credit, up to about \$300 per child, which is huge, and I think that sort of income that's coming in passively is allowing people to question “Why do I work?””

But unemployment insurance and other benefits, while important, weren't a sufficient explanation. The funding for these expired at various points during our interview series, and still these missing workers hadn't reappeared. “Even if everybody on unemployment went to work today,” said one executive, “we would still be short employees.” Said another, “That number only encompasses people that are actually drawing unemployment, it's really not a true picture of the people that are unemployed, because some people have opted not to go back to work either.” And a person who works with low-income people commented, “I definitely see folks who, you know, when they were laid off or not going to work because they was getting unemployment and everything, it seems like when that ended, people weren't in a rush to go to work.”

No Work Ethic.

While some, as we've noted, saw these as rational decisions, in the comments of some others there was a note of disapproval, a sense that people were “taking advantage.” We heard terms that seemed meant to delegitimize COVID rescue programs. “A lot of it is there's a lot of handouts,” said one person. “There's a lot of money being given away out there.” Another person told us, “I think there's a lot of, hate to say it but freebies out there that are preventing people from working.” This person implied that assistance funds were being misused. “Our programs really push for people to become self-sufficient, and right now, they don't have to be self-sufficient.” One of the county administrators we spoke to disputed this interpretation, saying “affluent people” don't understand how other people live. “They don't have a realistic view of the working poor,” she said. “And they believe people that are not thriving, are lazy, and not because they've not had the opportunities – or that they don't have the work ethic.”

Several of our informants addressed the question whether the worker shortage might be caused by laziness. They said no. “I certainly don't think they're lazy,” said one business person. A person who deals with workforce issues said, “We got to get beyond this stuff, ‘Oh, people are lazy, they don't want to work.’ I think it is more that people want to be valued and fairly compensated in working now.” And a third person said, “I don't think it's lazy, I don't believe in that at all.”

Fairly Compensated.

Even with the increases we have seen, it's not enough for some people. For example, said one of the people we spoke to, “At the service sector jobs, there's just higher demands. Right now, there're fewer people that want to work for lower pay with minimum benefits.” So, many of those workers who are asking to be fairly compensated are still hanging back. One person said their daughter was one of them. “They did increase her pay,” he said. “I think it was like a dollar, maybe, but it wasn't enough to retain her to work in a fast food restaurant environment.”

Another person pointed out that the mass layoffs that happened at the beginning of the pandemic made some workers leery. “That really turned everybody's world upside down,” he said, “especially in the hospitality and tourism industry, so, I think those people are hesitant to go back into this because, you know, ‘I got burned last time, I mean, that affected my livelihood, that affected my family.’” And he said this was true, “even though we are seeing fast food places have elevated their pay, restaurants have elevated their pay, or even doing, you know, at McDonald's, the hiring bonus, a sign-on bonus.”

The wages are increasing, but the jobs openings aren't being filled. It's unclear how far this can go. One executive said that in a high-cost area like Buncombe County, it might go far. “A year or two ago, we would have thought a \$15 an hour job was a pretty good paying job for an entry level position in our region. Today, that's not really competitive, or it's nothing someone's going to get excited about. So, we got a lot of companies in the 18 to 20 dollar an hour range, and they're still struggling to meet their workforce needs.”

“A year or two ago, we would have thought a \$15 an hour job was a pretty good paying job for an entry level position in our region. Today, that's not really competitive.”

This topic of wage levels will come up in many contexts throughout this report, when we discuss the response of employers to market pressures, the struggle for a living wage, the benefits cliff, and equity in the workforce. But for now, we will keep our focus on the various reasons people offered for the worker shortage.

Staying Home with the Kids.

An important factor in this discussion is one that was already operative in recent years, but grew dramatically in importance as a result of the pandemic and the school closures that ensued.

Workers, mostly women workers, left their jobs to take care of their children. And according to our informants, many of them are not returning.

One of our informants said, “We saw women in particular leave the workforce disproportionately, for child care concerns. We're not seeing them return to the workforce as quickly.” Other saw the same thing. Said one, “I think we're only starting to see what the long-term impacts of this are going to be, the huge numbers of women that have been chased out of the workforce, largely because of childcare issues, most of them not coming back.” Said another, “Disproportionately, women in the workplace have left the workplace to take care of their school-aged children, due to COVID, that had to work from home, *per se*, because their children were home from school and they had to be home. So, they're outside the workforce too. Some have left, some are not coming back, some will come back.”

At this writing, intermittent school closures still occur. “So, what are you to do if you are a parent,” asked one of the people we spoke to, “and you’re working at a place that you really can’t

“I don’t know how people do it other than to lose their job because they had to take care of their kids.”

leave and you don’t have that flexibility. I don’t know how people do it other than to lose their job because they had to take care of their kids.”

But families’ struggles extend beyond the episodes of remote-schooling. We’ll devote a later section of this report entirely to childcare and its high cost and its effect on workers’ lives, but here we’ll observe that even today’s higher wages often aren’t enough to

make working worth it. Said one person who works with low-income people, “Jobs that are hiring at wages that people now who need childcare, they're taking care of parents, they need other care, to go outside of their home and work and so the wages are not at a place where it allows them to work and pay for those things.” Another person said something similar. “Childcare becomes an issue. That's already very expensive for a family, so it may make more sense for someone in the home to stay home with the children.” And said a third person, “Families had to make decisions about who's going to stay at home, who's going to work.”

Reevaluating Everything.

We’ve seen that some workers concluded it would make better financial sense for one of the household to stay home with the children rather than try to pay for childcare with the wages they could earn. But some workers are staying home for less tangible reasons. They’re making a judgment about the quality of their lives. One person said, “People ask the question, ‘What am I doing with my life?’” We’ve already seen that some workers are holding out for higher wages, and that some feel they’ve been burned before. We’ll speculate in a later section about the shifting power relations between employers and their employees. Some of the rethinking that our informants described to us suggests the possibility of significant changes happening. “People are really checking in about ‘How does work make me feel? And how does it add to my life?’”

said one person who follows workplace trends. “And I think organizations and everybody is having to rethink that.”

The pandemic catalyzed much of this kind of reevaluation. One person said, “COVID and the quarantine time really gave a lot of people time to reflect and again, ‘Why go to the crap job?’” She added, “Oh, you know, we survived COVID, yes, there was some more unemployment benefits and things like that – but they're really thinking about what they want for their lives.” And it brought to the surface some feelings that may have been simmering for some time. “When you're not treated well,” we were told, “you're not progressing and you're not moving to the next step.”

Hospital workers had some of these experiences, we were told. One person said, “So many people were labeled essential workers and had to go to work. and really, you begin to think and understand when your job doesn't have the proper PPE for you and you really begin to evaluate where you're at.” Another said, “The health care industry has a really hard time finding workers because they don't trust them to begin with, and the path is not clear as to, ‘How does this work out for me? How is this a viable option for me?’” We heard that hotel workers went through it, too. Said one executive, “Absolutely it’s pandemic-related. We hear that a lot of people are getting out of the hospitality business because they don’t want to deal with the crazy guests and the insanity of people anymore.” Said another, “Working third shift at a hotel, at the beginning of a pandemic, you really evaluate where you're at and what you're doing.”

“COVID and the quarantine time really gave a lot of people time to reflect and again, ‘Why go to the crap job?’”

The reevaluation that some workers are doing led them to reconsider the balance in their lives. “We have heard work life balance so much,” said one public administrator, “that it's become the new term, that, you know, ‘I don't want my work to consume my day, I want my free time, and my own needs to be met. And I just want to work to be able to meet those needs.’” In a later section, we’ll describe a generational renegotiation that’s happening over issues from wages, to benefits, to flexible schedules, to things that some employers haven’t had to think about before: lifestyle, and work-life balance.

The Workforce is Shrinking.

Another factor that was already developing but was catalyzed by the pandemic is the demographic trend toward a smaller workforce. Lower birth rates and an aging population were already in evidence, and the trend was happening, but the pandemic seems to have prompted many workers to retire sooner than they otherwise would have done.

Births account for part of the equation. One administrator said, “My generation and those after me did not procreate, so there's not as many people to fill these jobs that are becoming vacant.”

Another pointed out, “Over the years, there has not been that great of an increase in childbirth. Actually, births have decreased, so we are now working with a smaller workforce, and society has not procreated and reproduced at levels, so that also makes for a smaller workforce.”

The other part (not counting deaths) is retirement. Some are occurring in the normal course of events. “We have an older, aging workforce, across society,” said one person. But many of our informants believe the pandemic sped up the retirements. “Some of those were probably directly related to COVID,” said one county administrator. “Folks retired, they chose now as the time to get out of the field when they could retire.” An executive we spoke to said, “What has happened is COVID has introduced an opportunity for boomers to retire early.”

“We saw three times the normal rate of retirements last year for people that just chose to exit the workforce, because they could.”

We heard this theme struck again and again. “You’re seeing baby boomers who retired,” one person said, “and some of them are thinking, ‘Hey, it’s time for me to really retire.’” Said another, “They felt like, you know, ‘Hey, I don’t need to work anymore. I don’t want to and I don’t need to, so I’m going to go ahead and retire.’”

In some cases, early retirement wasn’t a choice; it was forced upon the workers.” One person explained to us, “All of a sudden, we had a lot of boomers that went ahead and retired when they had the opportunity. Some of them didn’t probably have the opportunity. They probably were forced to when COVID hit, but some of them went out, and now they’ve been out so long, they’re just, they’re not going to come back.”

Two of our informants were able to quantify this retirement trend. Said one, “We saw three times the normal rate of retirements last year for people that just chose to exit the workforce, because they could.” And said another, “We’re seeing three times the retirement rate of a normal time.”

One executive told us the phenomenon isn’t limited to boomers. “We also had a lot of our Gen Xers that reevaluated where they were in their work life and said, ‘You know, we’re close enough to retirement that if we do this, we could make this work. And we have a better quality of life.’ So, we’ve had Xers who are not coming back to work either.” Another executive said that between the boomers and the Gen Xers, “You’ve got nine million less people in the workforce working.” She let that sink in. “There’s a difference of nine million physical people from boomers to X less than. So, you’ve got a generation gap of just sheer people to be able to go into the workforce.”

We were told that taken together, these factors are significantly changing the labor economy. “If we want to solve those workforce challenges, understanding the demographics of our country, with lower birth rates, less immigration, other things, then we’re going to have to attack those challenges. Employers can’t just rely on the past where they may have been able to post a job, and then have twenty people apply. That’s history.”

Screening Out Too Many Workers.

We'll explore in greater depth in a later section the pressures employers are feeling and the responses some say they will have to make. One that emerged from our interviews, and that helps explain the shortage, is the system of screening many employers use in the hiring process. Some of these screening practices are increasingly being seen as relics of the old days when employers had their pick of applicants and could leave others to worry about the struggles of those left out.

Criminal background is the screening criterion we heard about most often. Many employers have been too rigid in their requirements, we were told. "We have a criminal record system that's not very forgiving," one administrator said. "And so we will have employees apply for positions with that history, that may be ten years, twenty years, thirty years old, and it never rolls off. And you will have to entertain a conversation with people about that history." This kind of approach to hiring often reflects a mismatch between the perceived problem and the solution. Said one informant, "Kids make mistakes when they're younger. Then they think they're stuck there, or they just get caught in that crime cycle." Said another, "When you start looking at what the felony was and what it involves, and how long ago it was, I would like to think I'm a wiser person at 61 than I was at 21." Good faith efforts to increase employment access get blocked. We were told, "There are still jobs that say they will help but they still discriminate for things like past convictions."

"Employers can't just rely on the past where they may have been able to post a job, and then have twenty people apply. That's history."

And strict screening hurts not only those applicants who are eliminated, but it also hurts the employers, who struggle to find workers. "Many of our employers say," one person told us, "We can't find enough employees who can pass a background check. That's our biggest challenge right now. One hundred people sign up and maybe two of them come back clean. That's difficult."

Other factors in addition to criminal history are addressed by screening criteria: academic degrees, credit scores, and, some argue, addiction recovery status. "Some jobs still are looking at credit scores in this economy," said one of the people we spoke with, "and so these are things that are barriers for employment." Speaking of college degrees, another person said, "One of the things that always is very irritating to me that employers do, is they will say, you know, a master's degree is required. Is it really required to do the job?" Another person agreed that's sometimes unfair and unnecessary. "A lot of our people," she said, "are just wicked smart, and already know how to do the job, but they require the education on your application, so a lot of times they don't meet those qualifications."

Drug treatment and recovery issues are different in nature from these other screening issues, but they're alike in sometimes unnecessarily limiting access to employment. Speaking of people

trying to reenter the workforce, one of our informants said, “They’re in programs, they’re in recovery, and most of our employers are just not able, equipped and able to handle that. They’re just trying to make widgets, make their hamburgers, do whatever.” Said another person, “We need some kind of program to connect people who were in recovery with jobs, and get them on some kind of career path.”

Workers Don’t Have the Right Skills.

Some workers find themselves screened out for a good reason: they lack the skills needed for the job or, some of our informants told us, for today’s job market as a whole. This could help explain the worker shortage. “We probably do have workers who could go to work,” one said, “but they don’t have the right skills for the jobs that are needed.” Said another, “There are challenges with mismatch of skills, absolutely.” Said a third, “There seems to be a gap on that, that our workforce is not prepared for what is out there.”

One of the employers we interviewed was exasperated. “We have expectations with the work that we do, with a high volume of work, with accountability around expectations that we have to meet,” she said. “And so the job market is bringing us individuals who really cannot sustain that kind of work.” This is a familiar struggle to all who work in the field of workforce development:

“A lot of our people are just wicked smart, and already know how to do the job, but they require the education on your application, so a lot of times they don’t meet those qualifications.”

industry is changing, and whether in manufacturing or in health care or in other sectors, not all of the workers are keeping up. “Many decades of skill mismatch conversation still hold some truth,” said one person. “We’re adapting as a society to this concept of lifelong learning, and the jobs and skills and career tracks that you might be on are not

going to sustain you for thirty years. And so I think that’s part of in terms of willingness to return to work.” Another person warned, “The work that is coming is, you know, at an industry level, pretty advanced, right? Like you’re gonna have a hard time getting into the medical field if you don’t know technology.”

Our informants made it clear that this “mismatch” is just one manifestation of a decades-long transformation of work in America, with deindustrialization, disinvestment and neglect – the background story of our study and of our political and economic life today. “We have a whole generation of people who are displaced from the work that exists now,” one person said. “That’s the struggle right now, is an entire population between the ages of 20 and 50 who were trained for something that doesn’t exist anymore.”

One of our informants suggested that the mismatch – and perhaps the worker shortage – might be temporary. “There’s always a settling out of supply and demand,” he said, “and it’s just highly lopsided at the moment.” But given the magnitude of the problem, that settling-out may persist for some time.

The people of Goodwill are the experts in this area of worker preparation and skills development. While not the principal focus of this report, these are inextricably linked to wider social and environmental barriers to employment, and we will return to them from time to time in the pages to come.

Workers Are Moving Around.

Some job openings aren't attributable to the "missing workers" that we've been concerned with in the previous paragraphs. The widespread availability of jobs, and rising wages and recruitment efforts of employers, are luring some workers from one job to another, leaving new vacancies behind. "The people that are actually working," one of our informants told us, "are realizing that they can shift into a better paying job." The pay increases we're seeing in fast food and other service sectors, in jobs that didn't used to be considered the most desirable, are attracting workers from higher prestige but now lower-paying situations. "Some people are like, 'Well, I'm going to work at Taco Bell instead of in an office space.'" And previously very competitive higher-prestige sectors are becoming more accessible. "I've lost some folks to the school system to be social workers or teachers," said one person. "Whereas before, school social workers were golden opportunities that, you know, maybe one a year would come open, and to have every school district or every school to have several positions open is not usual."

"It has really come to light recently, and I feel like a lot of people are like 'You know what, I can do better going somewhere else.'"

"I have more vacancies," said one frustrated employer. "Folks are leaving us because there are lots of opportunities." Another person observed, "It has really come to light recently, and I feel like a lot of people are like 'You know what, I can do better going somewhere else.'"

One job becomes a stalking horse for the next, making life difficult for employers. One of them explained to us, "Because of the shortage, people were using us to really go get the job they wanted. In other words, we're a good job, we pay well, but we weren't necessarily their choice job. But once the first-choice job found out they were interviewing with us and knowing that we paid well, suddenly that first choice job, you know, increased wages and opportunities." As we will see, at least some of the power is shifting to the workers.

Still More Theories.

The sheer effort exerted by our informants to puzzle out the worker shortage was in itself remarkable. In addition to the leading theories described in the foregoing paragraphs, they

“Our younger people are starting to be like, ‘Yeah, we need to go work.’ And so they’re getting out there and trying to get involved, but they don’t really know what they’re doing.”

offered others. Some said it was simply a matter that some workers got used to working at home during the pandemic. This applies at least to some categories of workers. One of the employers we spoke to said, “we lost some staff to go home and work from home.” Another said of the people she encounters, “They’re interested in jobs they can work from home or have flexible schedules in.” One person

spoke as much of herself as of the workforce as a whole. “This past year, we’ve all just been at home working and if we can, in our mindsets, we’re like, ‘Oh, this works. We can get stuff done at home. We can also do our full-time job and have a life. We made all that work. Why can’t we keep doing that every day?’”

Young people would have their own struggles, we were told. In addition to the fear of COVID exposure, which we mentioned already, some said the culture of work itself had changed. One (not very old) person told us, “The day I turned sixteen I had a drivers license. No restrictions. I was gone. But also, working. That was where I was building my soft skills.” By contrast, he said, “Kids are not doing that and they’re hampered in a lot of ways. It hasn’t helped anybody as far as workforce in getting that introduction and easing the way for young folks to get that first job.” Another (also not old) person said, “Our younger people are starting to be like, ‘Yeah, we need to go work.’ And so they’re getting out there and trying to get involved, but they don’t really know what they’re doing.”

A nonprofit leader we spoke to pointed out that some people – largely women – are staying away for another reason: the fear of losing their government benefits – a legitimate fear that we’ll explore in depth in a later section. He said, “That’s why I think a lot of these women don’t be wanting to go to work, cause it don’t make sense to go to work.”

THE EMPLOYERS’ RESPONSE

In the preceding paragraphs we’ve described the worker shortage, on which all of our informants commented, and the ideas they offered about why it might be happening. That’s important because these widespread and consequential phenomena will have profound implications for the lives of workers. One of these must certainly be the added pressure on employers to do more to recruit and retain workers. How far they will go, and how extensive the changes will be, remains to be seen. But already we’re hearing about some very important changes. “Organizations are going above and beyond to bring people in,” we were told.

Pay and Benefits.

The first thing employers have done is to raise wages, a trend upon which we've already commented. "We've seen a lot of that pressure.," one administrator said. "Employers respond with wage increases." Said another, "Wages are rising, as that's one of the initial things that you'll see companies do when they can't find talent. They're doing incentive sign on bonuses, employee referrals, benchmarking benefits to make sure their benefit packages are competitive."

This trend will continue, we were told. "Some folks believe that it will correct itself and some folks believe that it will stay that way and go higher," said one of the nonprofit executives we spoke to. "I am of the opinion it's probably going to stay this way. It's going to be hard to unravel going forward." The changes will be far-reaching, she added. "The workforce in the future will look very different, and employers will I think bear the burden of that. Not only will they increase wages, I think they'll have to change benefits as well, benefit packages to meet the needs of individuals and their needs." Another nonprofit leader agreed, recognizing at the same time that it will be difficult for some to remain competitive. "I really think that employers are really gonna have to dig deep and look at that," she said, "because if you want to be in this economy and attract talented people, and people who will stay with you, you've got to make sure you have the best working environment."

““The workforce in the future will look very different, and employers will bear the burden of that. Not only will they increase wages, they'll have to change benefits as well.””

Helping Workers Overcome Barriers.

We'll be reporting about the barriers to employment, with deep dives into transportation, childcare, criminal history, training and many others. Here we'll address a contested question: will the pressure on employers be so intense that they will go beyond pay increases and consider providing, or paying for, the services that would help workers overcome these barriers? In the good old days, from the employers' point of view, and perhaps still today, employers look to governments, nonprofits, and workforce development boards to do the training and transportation and whatever else is needed to deliver competent, healthy, on-time workers to their front door. Will they now consider providing transportation, childcare and the rest of it? Our informants were divided and uncertain.

One expert on labor economics thought the employers would resist. "I've had company heads come to me after I do presentations about the bus system and say, 'Yeah, we should have buses running out to us.' And my question back to them is, 'Well, why don't you have a shuttle that runs from downtown straight to your company? Why are you asking taxpayers to do that?'" Another person agreed. "No," she said, "they're so used to getting like a bunch of free money from the state that it's honestly like pulling teeth to get them to pay for things that are not

something that their business team thought up to make them more money, like right now, this quarter. Like not to be disparaging, right? but like, that's the reality of, like, that's business versus government.”

But on closer examination, the attitudes of employers are more nuanced, and some have tried to provide at least some kinds of supports, for example in the area of transportation. “I know several companies who will pay to get passes for their employees,” said one executive, referring to bus passes. “I do know several employers who will buy month-to-month pass for their

“Would it be worth us paying ten dollars each way to get them there for the day? Probably would be.”

employees so that they can get back and forth to work and that's a benefit for them.” But bus passes won't help if the bus doesn't go the workplace. A regional planner we spoke to told us, “There was one particular employer that actually put money into a shuttle service.” This is an idea we'll talk more about in later sections of this report, but it exemplifies the kinds of things employers will do, in their own interest, when they need workers

as much as they do now. Other ideas were mentioned, like an employer-led vanpool service for the workers. A business executive explained the calculation an employer might make. “At the end of the day,” he said, “it's just math, right? To subsidize or at least put a cap on what we would be willing to reimburse for Uber every day to get somebody to work, you know, would it be worth us paying ten dollars each way to get them there for the day? Probably would be.”

Employer-provided childcare has more of a history, according to our informants, but also perhaps more headwinds for employers. “We don't really have many employers offering onsite childcare,” said one executive, though we did hear of companies that do or in the past have done so, among them Harrah's Cherokee Casino, Mission Health in Asheville, and Mitchell Gold + Bob Williams in Hickory. As to why it's so rare, we heard a about the financial and regulatory burdens that have made it difficult to implement. The regulatory framework is prohibitive, some said. “The ones that I've talked to,” said one local leader, “have said that it's not feasible, with those state laws the way they are now and all the rules and regulations that are required with childcare.” It's that and the sheer cost, said one business executive who said she's thought about it. “It is not worth the insurance and all of that and the renovation that I would need to do on my building financially to open a childcare,” she said. “It's just the insurance, the liability,” said another person, referring to the Cherokee Casino. “I'm not sure a lot of other businesses could.” But to the extent the employers are deterred by legal risk, said one business executive, that could be managed if necessary. “The lawyers will win as long as the risk outweighs the benefit,” he said. “But if the only way for us to get workers at scale is to have adequate childcare, then they'll kick the lawyers out of the room.”

Several of the people we spoke to suggested that bigger companies would be more able to provide childcare. “Your average employer doesn't have those kinds of resources,” said one.

“Where they do have those resources, yeah, we're hearing them and I'm excited. It's a great outcome, to hear those employers talk about, you know, putting a daycare center on the campus and things like that. But those are expensive solutions, for sure.” Another person said, “You would think that a Walmart could just build a nursery, a daycare center on the back of their building.”

That same person, who couldn't just build a center on the back of her building, pointed out another obvious solution that could be within reach of smaller companies. “We are instead offering a \$2,000 credit to all of our employees right now who can find care, that they can apply for reimbursement of up to \$2,000 a month if they are caring for someone,” she said. “They would rather do that than have me build a childcare.”

Employers are under pressure to relax screening criteria, too. “Definitely, there's a shortage,” said an expert in the field. “There's people who are willing to hire folks with backgrounds now that didn't used to.” Said another person, “You have seen a great relaxation in both the kinds of drug screening and the kinds of criminal screening that are required to, you know, to access employment.”

This is an area where – in a reversal of what we said about childcare – smaller companies may have more flexibility than bigger ones. One county administrator told us, “We're probably fortunate here, because we have a lot of local family-owned companies that kind of set their own corporate policy.” Compare big firms with baked-in policies, we were told. “If it was left up to some individual employers, they would, but if they've got company policies that haven't been written, or rewritten for twenty years, they're stuck in enforcing policies.”

“It's a great outcome, to hear those employers talk about, you know, putting a daycare center on the campus and things like that.”

This also appears to be a generational shift in process. “Some of them are starting to be more woke,” said one nonprofit leader, “especially as some of the younger folks are stepping into position. Some of the folks that's been in those positions for long periods of time are not trying to change that.” Those who are very cautious can get help from outside organizations who work with reentering people and can vouch for them. “They were very willing to engage that population,” said a person from one of those organizations, “knowing that they have been to some extent vetted by us, right? Like we're telling you, they're clean, we're telling you, they have a support network around them.”

The people we interviewed mentioned other employer responses that are, or might, be forthcoming. Some employers needing to recruit workers are paying for training more than in the past. “Doosan, Kewaunee, Niagara Water, NGK, all of those places that – and I'm not saying they're a lot higher paying, but I think they're running around the 18 to 20 dollar mark an hour, and they're unfilled as well. I mean, they're offering apprenticeships to recent high school graduates, some of them, to train them and pay them and give them a career and they're just

not finding many takers on that.” One leading company provides assistance to employees seeking homeownership, according to one of our informants. “The Biltmore Estate,” he said, “has a program where they fund or match contributions to savings accounts for first time homeowners.”

One response that won’t benefit workers is more automation. “We saw obviously, and I think we’ll continue to see accelerated automation, because of the workforce tightness,” according to

“In manufacturing, and even in skilled trades like welding and things of that nature, we may see more automation than what we’ve been accustomed to in the past.”

one executive we spoke to. “In hospitality, manufacturing and healthcare, greater and greater investments in automation, because of the workforce challenge we’re facing. Which means the availability of truly entry level work is hard to come or becoming harder to access, because now, to function in that more highly automated setting, you’re going to need even additional training to be successful.” Another person

said, “My biggest fear from this workforce question is companies are going to start to figure out, or they’re going to start to make the equation of, ‘Okay, what does it cost to bring an employee in? And how much does machinery, equipment cost, in automation? And does it make more sense for me to automize versus bringing in a person?’” A third person agreed. “Automation,” she said, “will come into play in the future, higher than we’ve seen now, so in manufacturing, and even in skilled trades like welding and things of that nature, we may see more automation than what we’ve been accustomed to in the past.”

The Workers Have More Power Now.

After decades in which real wages declined and employers had their pick of applicants for every job opening, now power is shifting back in the direction of workers, wages are rising, and employers, we were told, are under pressure to make real concessions to struggling workers.

“I would say right now that it is an employee market,” said one woman who works with low-income people. “The jobs are there,” she said. “If folks are even very entry level, if they’re interested in working right now, it is an employees’ market.” Said one executive, “Business and industry, they have benefited from the years of lower wage and suppressed wages. Now, not making them the bad guy, they have stepped up. I mean, a lot of business and industries are getting it and they’re raising their wage.”

The higher wages were mentioned with amazement and enthusiasm by many of our informants. In a representative comment, one person said, “I’m hearing, you know, fast food at \$15 an hour or \$20 an hour.” Said another, “Where the normal wage, you know, pre-wage-war, maybe 2018 was 10 to \$12. Now we’re seeing fifteen-plus. Fifteen, seventeen, eighteen dollars an hour and more, across all industries.” And it’s not only the hourly wage; signing bonuses are common now, suggesting the competition is on the other side of the table now. Again speaking of fast food, one person who works with young people told us, “They’re paying \$18 an hour with the \$1,000 bonus,

just to get you in the door for your first 90 days, which is pretty crazy to see.” Others said the same thing. “Across the county, we hear that. We see job postings for bonuses, come work for Hardee’s and get a thousand-dollar sign-on bonus.”

Beyond the recent wage increases, and beyond the immediate effects of the pandemic, lies a generational power shift that has been underway and may now be gathering force. “Whereas boomers,” said one business executive, “the boomer generation, the relationship with the employer was more hierarchical, right? Like you worked for the organization, as an employee, and you did what the employer asked of you. You got your benefits and that’s what you got. There was no negotiation. I see a workforce in the future of negotiating of – ‘I want more PTO, I’d like this benefit, I’d like my schedule to be this way and this way to accommodate my family and my lifestyle. So, I see the employee having much more negotiating power with the employer.”

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“Workforce flexibility and the workforce cultural issues,” said another executive, “are really emerging as huge differentiators for people returning to work, and I think employers are struggling to figure that out.” Sounding a similar theme, an employer told us, “Instead of ‘Whatever it takes to get this job, I’m coming to you to sell myself to get this job,’ it is ‘What are you going to do for me if I come to work for you?’”

In this environment, it would appear that the workers are newly-empowered. “There have been some additional opportunities,” said a county administrator, “which now open up to anybody who has even some skill.” And according to one of the educators we spoke to, “They have so many opportunities to work and do different things, at low pay, high pay, you name it. I mean, there’s just, you know, the markets just great right now.”

Employers Will Have to Think Creatively.

A consensus emerged that the employers’ predicament is serious. Unable to find workers, forced to curtail hours and limit operations, businesses and the larger economy will face threats to growth. In this environment, said one business executive, “The pressure is on us, and that’s industry as a whole, to think more creatively.”

One of our experts pointed out, “They’re not used to thinking about that.” But the conditions they face will force employers to think more about the quality of employees’ lives. “They want to hear what their employees want,” said one person. They will have to provide “that healthy

“That healthy workspace to where your employees are connected to the outcomes, the values, and they're going to stay, they're going to work harder.”

workspace to where your employees are connected to the outcomes, the values, and they're going to stay, they're going to work harder, if they need to adapt to another job, another locate, you know, another job within, they'll do it. But it's all about the way that they're treated.”

Another expert told us the employers will have to change the way they think about the needs of their employees. “They're not asking that question, ‘Well, what's behind the scenes here? Is this a transportation problem where, you know, a child was sick, and we needed that car to get to the hospital, or the doctor, and mom had to take the kid to the doctor, and so dad can't get to work today. And he's scrambling and he can't get to work?’ You know, these are the kinds of conversations that employers, I would suggest, need to better understand.”

A nonprofit leader put it this way, speaking of the new approaches employers will increasingly try to cultivate. “Instead of saying, you know, ‘We want you to have this skill and this skill and this skill,’ they start off with, ‘Do you want to do this? Can you contribute to this? You know, how do you feel about this?’”

Our discussion up to now has revealed much about the needs of workers. The next sections of this report will explore these head-on, in more detail, and will begin to confront the question, what to do about it?

≡ PART III ≡

BARRIERS TO EMPLOYMENT

In this Part III we’ll take on, one at a time, the social, environmental and structural barriers that work hardships on low- and moderate-income workers and make it harder for them to achieve satisfying and stable employment. We’ll put each one under a microscope. But first we should emphasize that these issues are not always separate. They interact with each other, and together form part of a syndrome of poverty that places achievement virtually out of reach for some North Carolinians. One of our informants, who works with very low-income people, said “It's not just one issue, it's multiple issues, you know, it may be that they may also lack transportation, they may have already been behind on just monthly household expenses, they may have already been jumping from one job to another because of the lack of childcare.” A nonprofit leader we spoke to said, “What we do is put barrier after barrier for people to be able to grow.” Often as a result,

some folks can't work at all. "They cannot get a job," said one nonprofit executive "They have so many other barriers that are keeping them from getting to a job or keeping it." And said another nonprofit leader, "You can't maintain school, you can't maintain work when you have all of these other issues that are impacting your ability to do so. Everyone already has issues, regardless of how much money you make, but when you're impoverished, those issues are multiplied by so much more."

We'll keep our attention focused on that segment of the workforce that stays in the shadows, that never appears in the workforce development center, that lacks economic mobility and gets consistently left behind. And we'll consider how these people we've called "resilient" and "survivors" might contribute to the solution of the social and economic problems we're talking about. This will help everyone. "There are employers counting on that segment of society to come and save their business and work for them," said one administrator, "and that's a tough one too because there's a lot of other issues, whether it be transportation or opioids or background on the lower-end worker."

"What we do is put barrier after barrier for people to be able to grow."

TRANSPORTATION

"Transportation is the big one," said one of the experts we interviewed. Again and again, when the conversation turned to the barriers that low- and moderate-income workers face, this was the first thing that came to mind. This is a long-standing, structural problem in northwest North Carolina. "The problem for our county," said one commentator, "like many cities in the South particularly, is that we were designed around the automobile, most cities that were created post-World War II, with very sprawling infrastructure." These long-term planning decisions make it hard to address workforce needs. "Although the jobs may exist, there is a disconnect about getting people to those jobs if they're relying on public transportation." Yet our informants were uniformly serious about making public transportation systems work better and become more capable of getting people to their jobs.

While highways and automobiles move most people, public transportation is an essential service for those who don't drive. "Regarding the percent of occupied housing with no vehicles available," one person told us, "the state average is 5.8%" – a percentage representing over

"Transportation is the big one."

600,000 people and perhaps half of those living in poverty. Public transportation connects people to work and all kinds of public amenities. "Access to health care and nutrition and employment," said one administrator, and "not only employment, but education and low-income housing." Said one administrator, "We do a lot of medical transportation." Public transportation connects college students, we were told, via "a shuttle that goes on campus to and even goes off campus."

Bus Service is Limited.

Our interview subjects described the bus systems serving their areas. (We'll use the term "bus" to refer both to large urban transit vehicles and to the smaller vans, minibuses and paratransit vehicles often used on small town and rural routes in northwest North Carolina.) No one said the buses were adequate to serve the needs of the people. Similar assessments came from every town and county represented by our informants. "We do not have a robust public transport, we do not," said one person. Said another, "So as far as public transportation, it does not exist." A third person said, "It's limited, and it's small buses, and they don't go everywhere throughout the county." Another said, "I mean, there's the buses. Let's say you just need like a one-time kind of thing or for a few days, you could set that up. The routes are limited." Another said, "We don't have really a bus system." Another said, "There are challenges with any kind of mass transit. We have limited bus service."

Much county-level transit service is provided on a demand response basis – the "one-time kind of thing" – permitting residents to make a reservation in advance for a single trip on a van or other paratransit vehicle. Away from some of the city and bigger towns, said an expert we spoke to, "All of our other transit agencies are what they call demand response, meaning that if you need to go somewhere, you call them, they come and pick you up to take you to your

"They were running every half hour; now they're running only once an hour. So, it's a long time. They're spending basically an extra day per week on the bus."

appointment, or wherever." Demand response systems are ill-suited for commuting to work, we were told. "If you can somehow work it out to where they can get you to your employment," said one person, not hopefully, "that's great." Because we're concerned with work in this report, we devoted our resources primarily to a consideration of scheduled, fixed-route service.

Of the biggest urban bus systems, only Asheville's received a single favorable comment. "The city of Asheville has a pretty robust public transportation network," said one local leader. "They invest a lot of money in their transit system." But, he said, "It's oftentimes not conducive for individuals trying to get a good paying job. They may live in inner-city Asheville, but the higher paying jobs may be in South Asheville." As we will see, even the best systems don't go where – and when – people need them to go.

The Winston-Salem bus system was not considered "robust" by anyone we spoke to. "There's at least a bus system," said one of our informants, "but everything that I understand it's a highly inefficient one." A business executive observed, "The problem in Forsyth County is that the public transportation is so limited, that it's really not efficient, meaning it should not take you an hour to get from Patterson, the east side of Patterson, to Hanes Mall for a job at the Gap." Inefficiency means some buses are underutilized. "We have a number of buses that are running where we average less than ten people an hour," one person said, "and we have a group of those buses

running, so those are very expensive buses to run.” Inefficiency also means running key routes infrequently. “The other thing,” we were told, “is our buses only run once an hour.” This, he said, represented a reduction in service – something we heard about other systems, as we will see. “They were running every half hour; now they’re running only once an hour. So, it’s a long time. They’re spending basically an extra day per week on the bus. Somebody put it well; they said ‘It’s like a part time job that I don’t get paid for.’”

Buses Don’t Go Where or When the Jobs Are.

We noted above that only scheduled, fixed-route service is likely to be useful for those wishing to commute to work. But many of the bus systems we heard about seem to fall short of that objective – particularly when it comes to higher-paying jobs.

One community leader pointed out, “An issue for those manufacturing jobs, especially for folks living in Asheville, is that the public transportation system stopped right before, and so it’s hard to get – if you are low-income, you don’t have a car, and you need transportation to those manufacturers to get those type of jobs, it’s just not feasible.” Others offered similar observations about the Asheville area. “South Buncombe County and West Buncombe County,” said one, “are kind of the two big manufacturing corridors, most of which is beyond a public transportation reach.” And said another, “The jobs that are the better paying entry level jobs are off the bus line, because you’re looking at the manufacturing.” Workers at the biggest employer in Mitchell County faced the same dilemma. “We have an Amazon distribution center here in the county, it’s called PRC,” we were told. “That is not a bus stop that’s on our fixed route.”

“If you are low-income, you don't have a car, and you need transportation to those manufacturers to get those type of jobs, it's just not feasible.”

It’s a problem for those who work at these manufacturing plants and other major employers, but the deeper problem is that some workers can’t go after these jobs in the first place.

“The universe of jobs that they’ve really got access to,” one executive said, “are those that are on the bus line, and if they ain’t on the bus line, they’re not getting there. It’s not even an option for him.” Said another, “Certain industries, if you are public transportation dependent, you may be out of reach.”

We heard of cases where transit administrators are making it a priority to match routes to needs. In Mitchell, one administrator stressed the importance of regularly reviewing the routes. “In six months’ time we can redo the route. We’ve got stops that are not working. We can alleviate some and we can add some.” The six-months review is practiced in Burke County as well, we were told. “It seems like maybe about every six months that they do a reevaluation and then they come back out and they ask questions again. ‘Who are we missing, and what can we do to improve?’ And they’ve done a great job of trying to hit where they need to hit the employers that they need to hit so that transportation is less of a barrier.”

In Winston-Salem, we heard, just the opposite seemed to be happening. One observer asked, “Why do we even have a bus stop downtown? Right? There are no jobs for people downtown. So why is the bus going downtown? Well, it’s a legacy of when the jobs were downtown.” But it isn’t simply that underused buses go downtown where the jobs aren’t; it’s that most of the buses go downtown. Winston-Salem uses a radial route system that requires many riders to travel to the downtown depot and change to another bus, doubling the travel time. “The average time is over ninety minutes one way because everybody’s coming downtown,” one expert said. “All the buses need to come downtown, and then we need to switch buses and go to another.”

“You’re not just talking about that person being able to get back and forth to work, but that person has to drop their children off at daycare.”

Several of our informants pointed out that even if the bus goes to the place of employment, it will go only during regular working hours from Monday to Friday. Said one nonprofit leader, “The bus ends at 6 PM. What are you supposed to do? There’s no bus on Sundays. What are you supposed to do?” An executive said, “Oftentimes those routes don’t align with employer shift numbers when you have a first shift that begins

at 7 AM.” A local administrator said the same. “We will start at 6:30 or 7. But if you’re needing to be to work really early, sometimes we don’t accommodate those hours. If you’re getting off work after 4:30 out there, again, don’t necessarily accommodate those hours. Second shift, we don’t accommodate those hours. We could get you there but we couldn’t get you home.”

And as we’ve mentioned, what services do exist may not be safe from budget cuts. “Some of those routes have now been changed,” one of our informants told us. “And so those who were able to ride, let’s just say, from China Grove, which is a really small rural town in Rowan County, to Salisbury where, you know, there are more jobs and it’s more of the city part, that’s no longer in existence as of a couple months ago, so you have people who were travelling between those two areas, maybe Kannapolis on down, they now don’t have access to their jobs and they have to figure out how they’re going to get there.”

Buses and Childcare.

The childcare system will get its own section, but here we’ll take note of the obvious interaction between transportation and childcare. This is an illustration of what happens when poor people face multiple barriers at once. One county administrator painted a picture. “You’re not just talking about that person being able to get back and forth to work, but that person has to drop their children off at daycare, or drop their children off at school, or have someone to pick up from school. You know, our schools here get out 2:30 in the day.”

This theme was sounded by several other informants. “That time to get kids to childcare and then to work,” said one, “especially on public transportation is virtually impossible.” Said another, “If I rode the free transportation bus, from my house, to my child’s daycare, to my employer, you’re talking about being on a bus for well over an hour, lugging a car seat, lugging the child.” And a

third person said to similar effect, “Let's say you've got to get your kid,” she said, “then you have to get on a bus, then you have to transfer downtown Asheville, then get – so you're talking maybe two hours before you even get to work. Then you've got two hours more to get home.”

Even this accomplishment – getting the child to childcare or school and yourself to work – is unstable, if the child has to be picked up early for some reason. “Even if I found someone that was willing to take me to work,” said one person, “if I have children, and they get sick, or things happen, I don't have my own transportation to now leave the job to go to the school or go to the daycare to pick up the child.” Said another, “If the daycare calls in the middle of the day? I mean, they ride a bus to work. How did they leave work?” We will consider these issues and others in the next sections of this report.

Rural Bus Service.

We’ve described the travails of some city and town bus systems, but most of our study area is rural in nature, and while most counties have bus service, the buses don’t venture far into the countryside.

“When you look at those rural areas,” according to one community leader, “that's who's left out. And I mean, even with the availability of or access to services, it's hard for those who live out in more rural areas of our counties, because there just isn't any public transportation.” This affects the supply of workers, said another. “In a rural area where there's not mass transportation, transportation is a big issue that also affects a tight labor market.” Rural transit systems just aren’t as good as urban ones, we were told. “In rural areas, a lot of times public transportation is not – the infrastructure is not built as well as they are in larger cities.”

“When you look at those rural areas, that's who's left out.”

The big spaces that characterize North Carolina bring special challenges. “The state goes forever,” quipped one of our informants. Another said, “We have a fairly large county, but we're spread out and with it being rural, then you have to make accommodations for trying to come up with affordable and efficient transportation.” Said a third person, a county administrator, “If I live in some of the furthest out rural areas, which are some of the poorest areas in our county, and I do not have my own transportation, it can cost to have a friend or someone to take you into the city to even get on any other transportation. It’s very costly.”

We’ll talk about cars in the next section, but to state the obvious here, most rural people use cars to get around. “In the rural area,” said one of our informants, “if you don't have a car, you really are just stuck there.” And if you do have a car, but only one, and two earners, the equation doesn’t come out much better. “Because,” said one executive, “if somebody has one car and that car goes down, that impacts them being able to get children to work, get children to daycare, that impacts them being able to get to work.”

In northwest North Carolina, the term “rural” covers a lot of ground. Within that category is the mountain region, presenting a transportation challenge of yet another magnitude. “Where it's all mountain though,” said one southwestern resident, “it's so hard. You can say, ‘Oh, it's a half a mile of the road.’ But really, it feels like a mile or two miles because of the curves. And because you're going, you know, vertical.” It can be difficult to get to and from work. Speaking of a region of deluxe resorts and million-dollar homes, one person told us, “Folks that work there can't really live there, so transportation-wise they have to come off and even though they might be fifteen, twenty miles away, they still might be two-hour round trip to work and back. And then when you're at 4,000 feet you got snow and stuff and bad weather.

With all of our discussion of the shortfalls of rural transit and the distances and the sparse populations it must grapple with, it bears mentioning that many people – perhaps most people – don't think rural public transportation is feasible; that's why we have a transportation

“There were a couple days that we were not able to run our fixed route because of not having the staff.”

infrastructure dedicated almost entirely to highways and automobiles. One of our informants, himself from a rural area, said as much. “In rural areas where there's not the mass transit system – yeah, you have some rural transportation authorities, but the route to get people to use those are so long because they have to run this route, or it is so expensive, where it is just not feasible for people to utilize them.” But this report reflects the

views of most of our informants, that more transportation resources should be made available in rural areas and throughout the study area. The ability of hundreds of thousands of residents to gain stable and satisfying employment is at stake.

A Shortage of Drivers.

We have suggested that the inadequacy of public transportation worsens the worker shortfall by making it harder for low- and moderate-income workers to fill those open positions. Another place where the transportation and the labor supply intersect is in the shortage of bus drivers. This sector confronts many of the same market dislocations as do other sectors.

An executive we spoke to told us, “One our biggest challenges for our transit systems, you know our schools can't find bus drivers, our transit systems can't find bus drivers either.” In some of the small county transit systems that lack the ridership volume of a larger service, the ability to cover routes is extremely sensitive to staff shortages. “There were a couple days that we were not able to run our fixed route because of not having the staff,” said one administrator. “They can't take you to your job regularly unless there's like a team of people going, because we don't have the drivers to genuinely offer that to people.”

As in other industries, the pandemic brought severe shortages. “As the pandemic progressed,” one person said, “I lost all four of those drivers, due to personal reasons, but I did lose them, and

so building that base, when you have an employee shortage, and people not applying for positions, certainly puts you in a position for being able to provide that backup service.”

Bus Fares.

Considerations both practical and equitable are at play in the discussion about public transportation, and this is no less true when the question is what fare to charge. It came up at several points in our interview series, and managed to illuminate some key questions about transit service. Within a small sample, fares varied greatly. For example, for the fixed-route service in Mitchell County, we were told, “It's five dollars. In county, that's a round trip. Two-fifty there, two-fifty back.” In Transylvania County, the fare for the same service is a fraction of that. “The cost of this service is \$1 per stop,” said an administrator, and “in our demand response transportation, we charge a dollar per stop.” This person told us, “In western North Carolina, if you go look at other counties, they're charging three or five dollars per stop, and so we are one of the lowest and have not raised that.”

Where one provider charges five times what another provider charges for substantially the same service, that reflects a philosophical difference about the nature of public transit. This was commented upon by two of our informants. “I don't know how else to say this,” said one administrator, “you really don't make money in transportation. And it's not about that. You're there to serve the public.” Another person, a regional planner, agreed. “Unfortunately,” she said, “sometimes transit is seen as a nicety that should pay for itself, instead of a community facility, or piece of infrastructure that is needed, and that the community should pay for.” When we explore solutions to the transportation deficits that hold workers back, we'll raise this question whether the solution should include a fare at the highest end of the scale or the lowest – or whether there should be any fare at all.

“You really don't make money in transportation. And it's not about that. You're there to serve the public.”

New Routes.

An encouraging sign appeared when we talked about adding new fixed routes in rural counties. We saw two examples of this, in Mitchell and Transylvania Counties, and the costs were not unreasonable, we were told.

An administrator explained, “We have incorporated a new type of service, which is normally what you see in larger cities, which is called a fixed route, where people are basically hopping on and hopping off, getting on and getting off, boarding and onboarding. And this has been a service that we've wanted to do for a long time, and we have found a way to connect the town of Rosman to the city of Brevard and Pisgah Forest.” Another described her county's new route. “We have just started a fixed route in Spruce Pine, thanks to a national RTAP grant that started

November 1” (referring to a Rural Transit Assistance Grant administered by the Federal Transit Administration).

We gained insights into the planning process for new routes, and the problems they can solve. One of the local administrators told us, “I kept seeing people walking out through there, on a very dangerous highway, very busy highway. And that started the wheels to turning that we needed a fixed route, you know, to serve the apartment complexes and take people to Walmart.” An outside observer with knowledge of the planning process for one of these initiatives said, “It was a kind of an aha moment for me, because I was – I didn't realize how many for our purposes, high density, multifamily housing clusters there were around Spruce Pine until I started traveling. So, there's lots of people in these little pockets who need to get to jobs, but have no way to get there.” These routes address two basic problems that are addressed in this report: that low-income housing is often located far from key employers, and that fixed routes often don't reach key employers.

“We already have the vehicle that we're currently using, and so initially, there really weren't a lot of startup costs.”

The cost of starting a new route is not high. “We already have the vehicle that we're currently using, and so initially, there really weren't a lot of startup costs,” we were told. “With us being a rural county, one of the big factors is gasoline, and with the rising costs of gas as we see from last year, that is a factor, but really, we did not have a lot of true startup costs because we already have the vehicle at the time.” But even if a new vehicle is needed,

the costs are not out of reach. The \$100,000 RTAP grant we heard about was sufficient to complete the project and keep it running for one year.

Expansion of urban bus service, by contrast, can be much more expensive. Speaking of the Asheville system and its service shortfalls, an executive told us, “It's really costly starting a new fixed route bus schedule, you know, so you're dealing with a bus that costs over half a million dollars right now.” He continued, “and it's just very hard to expand fixed route service.”

Cars.

Bus transit has consumed much of our attention here, but we spoke at length with our interview subjects about car travel as well. We focused on the precarious condition of car ownership among low-income people.

The first and obvious point is that cars are expensive to buy. “You have to have money to buy a car,” said one executive. “And most people here, like they don't have the money.” Prices are out of reach, and financing is not always a desirable alternative. A county administrator told us, “They can't always go to that most reliable car dealership, because they're not going to be financed, so they're going to go to these off the street places that charge them exorbitant interest and or have to pay these enormous down payments.”

Having succeeded in acquiring a vehicle, the car owner's problems are just beginning. "What happens," asked one of our informants, "when you buy a car that is not in good condition, it gets you going on a job, but then you have car problems, and then you need to have pay 1,200 for this or that?" A local administrator who works with low-income people said the same. "One other thing that we see is just the maintenance of a vehicle. You know, someone may have dependable transportation, but all of a sudden something happened, and now they're faced with repairs of that vehicle, and that can really set a family back." It's not only maintenance, one person pointed out. "To keep the registration, to keep the insurance, all the money, things you need, on a nine dollar an hour job." And badly-maintained cars are dangerous, said one person. "Does that increase their chance of getting into a car accident? Yes. Do they have health insurance? Probably not."

The long distances typical of our study area present additional challenges, as we have noted already. "It's a hard drive on your car and you're going to need tires, brakes," said one of our informants. And, said another, "If you have transportation, maybe you don't have money, gas prices are increasing."

The pandemic upended the used car calculus. On the one hand, many used federal stimulus checks to buy cars. "They got checks," a local leader explained. "People went out and bought cars, they bought used cars in the beginning when you could still get one. But they didn't have the knowledge, or the sustainability to go with it, they didn't know how to take care of a car, because they've never had one, they didn't know that they didn't know or didn't have a drivers license, they didn't know about car care, because they'd never had to care for a car. And now all of a sudden, these used cars are breaking down, taxes are due, all this stuff is due, and they no longer have the money to do that." And on the other hand, with this sort of demand putting pressure on the market, and supply chain disruptions reducing supply, used car prices have gone out of reach. "Because of the pandemic," we were told, "all the new car lots here are bare, and now you're charging way too much for even used cars."

"Because of the pandemic, all the new car lots here are bare, and now you're charging way too much for even used cars."

As we've already noted, this population of people without vehicles is small, only five or six percent of the total, and they can seem invisible to many. And as we've noted, employers will have to think creatively to help solve some of these problems. These concerns were echoed in the comments of one of our informants. "I think people running companies are in their cars, and they're not thinking about, they assume everybody else has a car, they just assume everybody has a way to get to work and that's not the big problem. So, because they don't really know about their own workers lives."

CHILDCARE

Childcare was mentioned as often as transportation, putting it at the top of the list of barriers to employment that our informants wanted to talk about. Said one person, “The other big issue is the need for universal pre-K and affordable childcare.” (We’ll be talking primarily about childcare services here, though pre-K and other early childhood education models will be mentioned.)

“If people do not have a place for their children to be cared for,” said a workforce expert, “they can't enter work, they can't seek work, they can't go to work, they cannot enter into a job training, a job development program, because childcare matters.” Childcare is the thing that “immediately comes to mind,” we were told. And invoking again those generational shifts that prove so influential in shaping our workforce needs and resources, a local administrator said these are issues that concern today’s two-earner households. “Before, it was one earner and one person at home, and now we have a difficulty with meeting the needs of our children that need daycare, because they both work to sustain the home that they live in.”

High Cost of Childcare.

Childcare services are so expensive, some of the people we spoke to wondered how low- and moderate-income families can afford it. One county administrator said, “If they don't have education, or have landed some sort of good job, like in manufacturing, I don't know how they're going to pay for childcare.” A person who works with poor people said flatly, “Childcare is unaffordable, especially if they have two or three children, and the younger the child is, the way more expensive it is.”

“I was paying more for childcare every three months than I was for a semester of college.”

Exactly what it costs wasn’t revealed by our research, but enough numbers were mentioned to suggest the prices vary. “You have two kids in childcare,” one person hazarded, “you're probably paying close to \$500. At least probably like 200, 300. Yeah, it's expensive.” Another said, “\$1,000 per month, which is an average around here.” Commenting on variations even within one county, a local administrator said, “An infant in the Mooresville area, you could pay \$1,000 to \$1,300, but up here in Statesville, our parents can't pay that, so the centers are charging, you know, still \$700, but our parents can't pay \$700.”

We heard from two people the striking claim that childcare is more expensive than college tuition. Said one business person, “I was paying more for childcare every three months than I was for a semester of college. And that still exists, that dynamic hasn't changed.” Said another, “They talk about the cost of four-year college degree. It costs more for early childhood education than it does a four-year college degree.”

Our informants made clear that childcare vouchers funded by the State of North Carolina and administered through county social services offices, are generous. One expert told us, “This is a pretty darn big subsidy, this is three kids, they would get a \$2,217 subsidy on that, so there are subsidies available if people know how to sign up for them.” One administrator said they did run short. “We get quite a good amount of funding for our county, but still we are not able – so, we currently have a waiting list in place.”

But clearly many families don’t qualify for or don’t apply for vouchers, and as we said in an earlier section of this report, the childcare arithmetic just doesn’t add up. “Childcare is outrageous,” said one executive, “and a lot of parents say that they can't afford – that they only work to pay for childcare. They might as well not work.” A county administrator added, “When daycare costs as much as you would bring home, then why work? And you’ve got a lot of people who would be willing to work, but can't afford the daycare.”

Shortage of Places.

High cost of childcare suggests scarcity, and our informants certainly described a critical shortage of childcare capacity. This was already happening before, but the pandemic devastated the childcare centers. “I do think coming out of the pandemic,” a business executive said, “that child care is – and I've heard it over and over again, from even my own colleagues – childcare is a huge issue.” Said one local administrator, “During the pandemic, obviously, are they even open?” Facilities weren’t open, and when they later reopened, often it was with only limited capacity. “They reduced the number of children that they could serve, because of the proximity – you know, that many children in the facility – so when you lost your daycare, you lost your means to be out there in the workforce.”

We learned that cost is blocking access, subsidies aren’t always available, and there aren’t enough spaces available to serve everyone anyway. “We have federal subsidy dollars to pay for people’s childcare today,” said one executive, “and they can't get it because we don't have childcare centers that have the classroom space.” A county administrator said the same. “When you're looking at trying to find a daycare for children, even though we can possibly subsidize that and help you with that, finding those slots to put them in to be able to work these jobs is another issue.” Said another, “They have government support, but they're full, and that's a big problem.”

“When you lost your daycare, you lost your means to be out there in the workforce.”

Then, multiply that problem by the number of kids in the family. “You can't find any providers that have openings,” one person told us, “or if you find a provider that has an opening, and you've got a parent that's got three children, some of our parents have to take children to three different centers. And there again, you know, they're dropping these kids off at three different centers, and why would you want to do that?”

The regulatory constraints we referred to when discussing employers' options are contributing to the shortage, for example by making it harder for smaller facilities to survive. An expert told us, "In the past, we've had a lot of home-based childcare facilities that maybe a stay-at-home-mom would keep five to ten kids or maybe five kids in her home. And there's been a lot of regulations put in place with that. That's not an option anymore." When we talk about possible solutions, this topic will be on the table.

Location of Childcare.

Childcare and transportation are intimately linked with each other. When it comes to childcare worries, said one of our informants, "There's the cost of the childcare, then there's the location of the childcare."

The shortage of facilities and the limited capacity means parents will often have to travel unreasonable distances from home to childcare to work. "That time to get kids to childcare and then to work, especially on public transportation, is virtually impossible," said one person, "unless you're working part time and you're spending about four hours traveling." And, said another, it's just a fact of rural life. "If you're out in a rural area without public transportation, and some communities are less economically developed, and so the jobs aren't there, the daycare providers aren't there."

Family Care.

The social context of childcare can't be understood fully without reference to the traditional, informal, inexpensive alternative of family care. Our informants stressed the importance of this. We concluded that family care is still widely practiced, but probably less than in the past.

"I think a lot of folks just try to rely on family members to help them out," said one person. Another person said it's a big disadvantage, "if they don't have, you know, a mother, a

"If they don't have a mother, a grandparent, aunt or uncle – somebody that's helping provide that childcare, because childcare is so expensive."

grandparent, aunt or uncle – somebody that's helping provide that childcare, because childcare is so expensive."

Said another, "It impacts families that have children, maybe don't have a grandparent or family member close by."

But old expectations about caregivers' ability to step in may not be justified. "We want to believe that Nana is at home," said one local leader, "and she can take care of the grandkids, right? But the reality is, the thing we don't want

to see, because we don't want to have to believe it, whether it's real or not, is that Nana has to work at Walmart because Nana lost her factory job before her retirement kicked in."

Along with family care, other informal arrangements might be getting a second look. These include, as we suggested above, a range of non-accredited childcare models. One nonprofit

executive told us about a grant-funded program that would pay a family member to care for the kids. “If your mom's the one,” she said, “she can watch your kids while you're in training, but that means that she's going to have to give up three shifts at work. We can pay her to do that.” Another is babysitting, which is structurally very similar to other paid family care approaches. “If there's no other way,” we were told, “you know, nowhere else to go, I mean, you'd have to hire a personal babysitter, and a lot of people have ended up doing that.”

A Shortage of Childcare Workers.

The worker shortage is a main theme of this report, and nowhere is the shortage more dire or the consequences more threatening to the survival of the providers than in the childcare sector. It's difficult, as we've shown, to keep facilities open, especially in pandemic conditions. But they face the added disadvantage of rising wages – which they can't match.

One employer told us that her employees, who can pay, can't find spaces. “We still have employees in my office that are without their old childcare, pre-pandemic childcare options, because, even though they've reopened, they just don't have room because they don't have staff.” One nonprofit leader explained some of the constraints the facilities operate under. “Childcare center centers are state regulated,” she said. “You have to have a certain number of teachers in the classroom per child. And so, like I say we've had a hit, you know, we serve all these children, yet, you know, we've lost maybe 27, 30 teachers. That's a lot.”

“Every fast food restaurant you drive by, giving them signing bonuses to go do fast food work, so people aren't wanting to go work for childcare.”

We've mentioned that some employers have considered contributing to the cost – a very desirable development if it happened – but it won't entirely solve the problem. “Even if the manufacturers or employers would help pay for childcare, that's still an issue because they can't find enough employees to take care of the children.”

The problem is the wage scale. “The childcare workforce here,” said one nonprofit leader, “and I'm sure other places, I don't think they're valued, I don't think they're paid enough.” A business leader we spoke to said they can't compete with the prevailing rates. “They're not paying,” she said. “They can't afford to pay what they need to pay to take care of children. And right now, every fast food restaurant you drive by, giving them signing bonuses to go do fast food work, so people aren't wanting to go work for childcare.”

It's the same with benefits. One of our informants who formerly worked in the field told us, “I was skilled for twenty years in childcare, and so I moved from a classroom to management, which was great, but I didn't have a 401k, didn't have sick time.” One of the county administrators said, “Our providers can't pay what the school systems pay. They can't pay the insurance.” So, according to another of our informants, they in fact move on to school jobs. “They like working

in the daycare, but the minute they get the degree, they want to move up and work at the school, because it's less hours, and more pay, and they still get to work with kids. So why not?"

The people we spoke to worried that the childcare facilities' survival is at risk. "The way that the childcare system is," said one, "it's very hard to make money." Said another, "They can't financially make it work, the pandemic has increased their cost, and they don't have any workers." And a third added, "Childcare was already a dying business in our county and probably across the state even before the pandemic, because we don't pay our teachers enough."

HOUSING

Two main aspects of housing are directly relevant to the goals of this study. One is spatial: we wanted to know where low- and medium-income workers live in relation to where they work – or would work if they could? The other is economic: what housing costs do workers have to pay with the income they earn at their jobs? On both counts, we found that housing in northwest North Carolina often acts as a barrier to employment, like transportation and childcare and other factors which we address in this report.

High Cost of Housing.

To our questions about the main obstacles faced by low- and moderate-income workers when seeking employment, few mentioned housing as the number one barrier (that top spot being shared by transportation and childcare – and perhaps the benefits cliff), but nearly all expressed deep concern. Most of those commenting on affordability of housing, from Jackson to Mitchell to Burke to Catawba said affordable housing is scarce. "There's not a lot of housing complexes here," said one county administrator. "All the apartment complexes," said another, "what I call desirable apartment complexes here are full. It's hard to even find a one-bedroom under \$800. And so that is difficult." Said another, "The lower end worker, there's absolutely no place to get to rent. Very, very, very few rental opportunities in the region." And yet another said, "it's a challenge across the board. Housing is an issue here."

"Very, very, very few rental opportunities in the region."

In an indication of where housing resources are going in some of these areas, we heard repeatedly about high-end development. "Contractors and folks that build houses have been building million-dollar houses and not workforce housing for the last 20, 30 years," said one person. "The lakes got million-dollar homes being built," said another. And another spoke about "super, super high-end real estate, super, super high-end million-dollar homes."

A few told us affordable housing could be found in their areas, generally referring to single-family homes for purchase rather than rentals. "There's actually a lot of good affordable housing in communities," said one central North Carolina informant. A person located in Iredell County said,

“Built in the last 20 years, it's all been affordable housing,” but added that affordability has declined more recently. Another said, “Rowan County I would say has more affordable housing,” when compared with areas closer to Charlotte.

Those just quoted were speaking of market housing (“naturally-occurring affordable housing,” as housing experts say). Others spoke of public and subsidized housing. Low-income people face a dilemma, we learned. Public housing is an affordable alternative, but not one that brings satisfaction. “People have been stuck generationally,” said an expert we spoke to, “and I think people just want an opportunity to thrive, and I don't think folks feel like they have that opportunity to thrive in their public housing communities.” And to the question, which we will take up in the following paragraphs, about how close to work people live, public housing leaves few options. “In public housing,” said one person, “we dictate where people can live, and that dictation of where people can live usually means they're not living, they don't have the choice to be close to work.”

“People just want an opportunity to thrive, and I don't think folks feel like they have that opportunity to thrive in their public housing communities.”

On the other hand, we were told, housing choice vouchers may not be the solution. “When you say affordable now, subsidized, section eight, there is a waiting list,” said one local administrator. “There are individuals waiting for subsidized or housing authorities.” And, paradoxically, though in principle housing choice vouchers confer more choice about where to live, proximity to work may not be high on the list. “Folks want to get out of public housing communities,” a community leader explained, “and then they have an opportunity to use a housing choice voucher, I think the desire to leave public housing is higher than “Is this location going to be good for my job, my family, school?”

The Case of Asheville.

We didn't gain enough information about housing costs to enable us to draw conclusions, except in the case of Asheville. That city is experiencing a housing crisis perhaps unique in the study area – but common in bigger cities throughout the country.

“In Asheville,” said one expert, “in our region, there's really not market-based affordable housing, if you use the criteria of 30% of your gross income that you can use for housing.” Said another, “The apartments in Asheville are most expensive, I want to say in North Carolina.”

As in other gentrifying urban areas, rental housing is a key focus of concern. Said one of the people we spoke to, “Our rental vacancy rate is something under, you know, it ranges in the 2% range, which most people will take. There's now become bidding wars for rental housing, I mean apartments, even. And we've added a lot of apartments in the region.” And as if to summarize the situation, one person told us, “I don't know how people can afford to live in our area. It's insane.”

Housing costs outpace wages in Asheville and some other areas. Seen against the backdrop of rising wages, which we have highlighted throughout this report, housing prices have added significance and may help to explain why more generous pay packages don't always succeed in attracting workers. According to one of our informants, "Employers say, 'Hey, we're offering great wages and why can't you come work for us?' But from the job seeker, you know, their apartment is fifteen hundred a month and then by the time they add transportation, if they have that, added to the cost, so – the pandemic has just increased the tightness of both our rental market and our housing market." Another person said to similar effect, "Our rental cost was second to Cary in North Carolina, even though our wages are a lot less." And the same holds true in the purchase market. "The last two years of the pandemic," said one executive, "just saw this take off. We're well above \$350,000 median purchase price today." But, he added, "Wages haven't grown at that rate over that period of time."

We were told that housing costs threaten to derail the economic development that is pushing up prices in the first place. "Asheville was attractive because it was such a beautiful place," said one local leader, "but it also had affordable housing. And so when you're talking about attracting industry, for your employees, you want them to be able to afford where they're living and to like where they're living and you know, to be able to have a little bit of extra income to do here and there. And, and now that is not possible, you know, because of how expensive our housing is."

The Further Out You Go.

We asked our informants about where workers live, and where they work. We wanted to know if there were centers of concentrated employment that exerted a gravitational force on those

The last two years of the pandemic just saw this take off. We're well above \$350,000 median purchase price today. Wages haven't grown at that rate."

choosing homes. We didn't find a notable pattern. On the contrary, as one person put it, "At this point jobs are everywhere."

On the contrary, the gravitational pull might operate in reverse, if it exists at all. Workers are forced by high housing costs in central and otherwise desirable areas to move further and further away from work. "The further out you live," said one business leader, "the harder it is for you to get where you need to get to get to get a decent job." As we said in our earlier

section on transportation, though, that raises transportation costs. "You would really see the interconnection between housing, transportation and jobs," said another executive.

So, for instance in Rowan as was mentioned, some areas are more affordable. "However," we were told, "when you look at the affordability of housing, those same places have less jobs to offer, so it's almost like, 'Okay, I'm gonna move here, but I'm still going to have to find somewhere else to work.' So you have people migrating to other counties to work, but living where they can afford to."

In places, such as Asheville, where there still is some degree of concentration of jobs in the downtown center, the distance to affordable housing (with the exception of some downtown public housing units) is all the greater. One expert explained, “We have a twelve-county labor shed, so on a daily basis, people get up in twelve different counties and come into work in the Asheville metro area.” But, said another Asheville leader, “There’s a direct correlation, the further you get from Asheville, so people drive further, they go to Haywood County, Madison County, McDowell, but affordable is relative up here.” Another of our informants, who told us that homebuyers are having some success on the “outskirts” of Asheville, added “Staying on the outskirts, because it’s more affordable, but when you look at that, you know, it’s on the outskirts, so transportation could be a barrier.”

In the mountains northeast of Asheville, this situation is even more striking. “Some of the places that low income find to rent,” said one county administrator, “are up, if you’re familiar with the word ‘holler,’ you’re up in the mountain hollers.” And, she said, what public transportation is available “cannot go up some of the roads that people tend to rent houses on.” For those renters, access to work is almost impossible.

INTERNET ACCESS

Like housing, broadband internet access may or may not directly pose an obstacle to workers, depending on the kind of work they do and what their employers may require. Not everyone thinks internet access is a critical need for low-income workers. “I think that becomes an issue if

“Some of the places that low income find to rent are up, if you’re familiar with the word ‘holler,’ you’re up in the mountain hollers.”

you’re really in the white-collar workforce far more so than blue collar,” said one business executive. But that was far from a consensus view, and after talking through the issues with our interview subjects, we concluded that it warrants discussion here, as an obstacle and as a matter of equity. In this section, we’ll discuss the cost, the coverage, the interface with the cell system, and we’ll try to answer the interesting question: luxury or necessity?

One of our key informants identified the key points. “There’s two issues in broadband,” he said. “Number one, we have a large rural population, many of those rural areas just don’t have access to it under any circumstance, even those that are using a smartphone.” And second, “For places that even do have it, it’s absorption, so they may have it, but they can’t afford it.”

Digital Divide.

Before moving on to a discussion of affordability and the quality of the broadband coverage in northwest North Carolina, we will pause to examine what many of our informants referred to as the “digital divide” – the disparity in access to digital technology based on income and, perhaps,

race, gender and other factors. One nonprofit leader asked, “How are we serving those that don't have the privilege in having quality internet, and I think not just internet, but the technology to hook up to the internet. Not everybody has a computer or smartphone or an iPad.” The consequences are severe, she said. “There's a lot of folks that don't have a computer, don't have a smartphone, but all of our applications are online, all of our communications are online.”

The disparity is partly geographic. Rural people have less access. “We just see so many folks who have absolutely no access,” said another nonprofit executive. “They either can't afford it or it's just not there, you know, in our rural communities.” But, she added, “Even within our Forsyth County, you know, you go a little bit north and east of 52, and you may or may not be able to get a signal.” Another person we spoke to said the internet providers don't build in poor neighborhoods where, they assume, households can't pay. “That's probably why they haven't invested because if you look on the east side, we have census tracts, not far from Winston Salem State, really a quarter mile west, census tracts of \$15,000 family income, annually.

People in the mountain areas of northwest North Carolina have less access. “These are people,” we were told, “that might literally not be able to afford to get off of their mountain but once or twice a week, and they don't have a cell phone signal.” Some city people have less access. “There's a lot less broadband access in these poor neighborhoods,” said one of our Winston-Salem informants. Some of the prerequisites of today's higher-paying workforce aren't available to some people. “We have people who have to go into public areas where there's no Wi-Fi sometimes in their home,” we were told. “That makes remote work hard.” And not being able to use social media creates a barrier to some job applications. “Not having access to where you find opportunity is I think a huge issue right now,” said one employer.

“There's a lot of folks that don't have a computer, don't have a smartphone, but all of our applications are online, all of our communications are online.”

But during the pandemic, remote schooling brought new attention to the digital divide. “We had all these kids at home,” one executive told us. Their families didn't have broadband, so they couldn't even do virtual learning. Libraries were closed, places where you could go access a computer were closed. You know, you hear stories of families in the McDonald's parking lot, you know, hooking up to their Wi-Fi, which – that's not an isolated story. Very common.” We heard this again and again. “When the schools were working from home,” said one county administrator, “they were having to take buses, you know, with Wi-Fi, and the parents were having to drive, and the ones that didn't have vehicles, I don't know what they did with their children.” Another person said, “I saw the other day, kids sitting on the curb at a Wendy's with a laptop, to do their homework. You know, they don't have broadband access in their homes, so, when we think about those kinds of barriers.”

Luxury or Necessity.

Our discussion of the digital divide prompted our informants to consider the importance of broadband access. One nonprofit executive lamented that “Technology and internet is looked at as something extra that we don't need to survive.” Another executive pointed out, “If the pandemic has taught us anything, it's taught us that broadband is not a luxury, it's a necessity.” Another person, a local administrator, said, “Broadband is as important as electricity was back in the day when they forced all the electric companies to provide it.” And another said, “Like transit, it's just a community service, like that just has to be” – a characterization that, as noted in an earlier section, we also heard in reference to transportation. These are public goods, we were told, that should be provided to all equitably.

High Cost of Internet Service.

The cost structure in place for broadband internet service would be appropriate for an unregulated market commodity, not for a basic necessity. “People cannot afford it,” said a business person from the southwest. A person who works on poverty issues said, “That's another line item on your home budget, which a lot of people just cannot afford.”

Costs vary, but are substantial. “The basic packages are like 130 bucks,” said a social services administrator. “I pay for satellite internet, the basic is 60, and it's so slow, you have to go like at a higher rate, so at least 100 bucks.” Said another person, “Even if some folks had access, \$100 a month or however much broadband costs is not feasible.”

“Broadband is as important as electricity was back in the day when they forced all the electric companies to provide it.”

There are subsidies and discounts available in some western locations. “The government offers free or discounted internet, if they reach out and they're on assistance and things like that,” said one county administrator. “Some of the internet cable services here will offer a discount,” said another, “you know, you're eligible if you're in a certain area.” And, federal funding for infrastructure development has been available (and more is on the way), some that will require operators to offer affordable prices. Said one local leader, “There's been a lot of funding coming in and I think we will get way, way ahead of where we ever thought we would ever be with broadband.”

Limited Coverage.

As we've said, affordability is only one side of the equation; infrastructure is the other side. As we've observed, for a worker to achieve effective access, they would have to meet both conditions. “The people who can afford it have trouble getting the bandwidth,” we were told. Trouble getting the bandwidth is a situation encountered from one end of the study area to the other.

“If you live out in a rural county, you don't necessarily have broadband access,” a business executive said. A Burke County executive said, “We still have some very rural areas that that the internet is not there.” A Buncombe County leader said, “It is severely lacking in the outer reaches of Buncombe County.” Another county administrator said, “We've got two areas in Catawba County I know specifically where broadband is very limited.” A Mitchell County administrator said, “We do not have broadband in this county. We do not.” And an administrator from one of the southwest counties told us, “A lot of people throughout the mountains don't really have internet.”

Cell Phones.

We didn't ask about, and didn't set out to assess, cell phone pricing and infrastructure, but inevitably when talking about internet access this subject of cell phones did come up. We'll briefly report here the comments we received, primarily on the question whether a cell phone functions as an adequate substitute for a worker who lacks internet access. To the extent we have an answer, it leans toward the negative.

“Can you apply for a job through your phone? Probably not.”

“Can you apply for a job through your phone?” asked one expert. “Probably not,” he said. An executive from one of the southwestern counties said, “The worst part is that a lot of people could go and just rely on their cellphones, but that's not 100 percent effective in places.” He pointed out that “dropped calls” was a frequent problem in his area. A business executive from Forsyth County joined in his skepticism. “You don't have a laptop,” she said, “you have a phone, you don't have an unlimited data plan, and are you really going to have time and financial resources to go online and to look for these jobs?”

One person gave an example of where cell phones can fulfill these important functions for people applying for jobs or seeking services. “Actually,” she said, “a lot of seniors have phones, smartphones, like we would think, ‘Oh, the seniors aren't in contact, you're gonna have to give them a paper form.’ Actually, having a phone is like one of the things that they really hold onto, like they're going to prioritize having a phone.”

CRIMINAL BACKGROUND

“When does this end? When does this stop? Why do I have to revisit this past?” That's how one of our informants described the vexation felt by those whose long-ago criminal offenses harm their employment chances years and decades later. This is as real an obstacle to economic mobility as the transportation and childcare deficits we've spoken about.

The importance of this was highlighted by one of our informants who, when asked to explain why so many jobs were going unfilled, said, “The biggest thing is criminal histories.” A county

administrator we spoke to said, “We do see a lot of unemployment, and particularly with males, and the reason being is a lot of them have criminal history, and with that criminal history, it's just hard for them to get a job.” This barrier leads to a cascade of other barriers, which as we’ve noted is a systemic risk for low-income people. “Oftentimes,” we were told, “they don't have their transportation either because they've been within the prison system and the legal system and stuff, they come out and they don't have anything. Affordable housing is another issue, and when you don't have a home, and a place to properly provide shelter for yourself or take showers and have the proper clothing, sometimes that is an issue.”

Screening.

One of the sources of this predicament is the hiring criteria employers use to screen out applicants with a criminal record. A person who works on these issues said, “It's an initial screening, without really a reason to take the application out, without really giving people a chance to sit down. It's why people want to ban the box, because it doesn't give people a chance to even get to an interview.” We talked to a business executive about this. “Are we really drawing the right distinctions between, in particular between violent and nonviolent crimes?” he asked. “Are we setting those lines in the right place?”

“A lot of them have criminal history, and with that criminal history, it's just hard for them to get a job.”

Many have advocated for relaxation of these criteria. A nonprofit executive told us, “We are also seeing a lot more flexibility in people working with our reentry population. So, I think that's a good thing, because, again, you know, so much to offer.” But it sometimes goes backward. Things got worse when a big Asheville hospital changed hands, according to one of our experts. “Their criminal background check policy is garbage now. Like when it was Mission, they had ban-the-box that was bringing people in with backgrounds, but when HCA bought them out all of that stopped.”

At the same time, people want to make sure we don't go too far in the opposite direction. Said one executive, “There are going to be obviously some people have done things that are going to keep them out of certain jobs, probably forever, and maybe rightfully so, you know, that's not my place to judge. But we are seeing movement that way.” Stating perhaps the obvious, one administrator said, “From an HR perspective, right? I mean, you don't want, you know, convicted child felons in the school district.” And to similar, if somewhat less dramatic, effect, a business person told us, “You don't want a serial shoplifter working in my distribution centers, either.”

If we could strike the right balance, said one of our experts, it would help the overall economy. “In a tight labor market,” he said, “you look at underutilized, underrepresented populations, populations that a lot of employers are overlooking. So as with criminal backgrounds, those that are coming out of substance use disorders, you know, how we can better support them.” And whoever else might be intentionally staying away from the workforce, one person suggested it

isn't reentering people. "For the folks that I'm encountering, folks who are in recovery and have criminal backgrounds and stuff like that, they was going back to work right when them checks ended, like right when that shut down, they was ready to get back to work."

Support Systems.

The reentry field is one of the places where we found people reaching for new ways to think about barriers. For example, people spoke about how aspiring workers could benefit from more robust support. One person who works with reentering workers told us, "We provide peer support specialist services for them as they engage the career centers, the voc rehab, the outpatient treatment providers, the community college. We provide that wraparound support, so that they can be more confident in engaging to access, you know, those resources." A local administrator agreed. "They might need help to stay on the straight and narrow," she said.

"We provide that wraparound support, so that they can be more confident in engaging to access, you know, those resources."

"People have to have a solid group of people that support them," said another person, "that they can contact for accountability, for inspiration, motivation, all of those things."

Employers need support as well. One way, we were told, is for outside service providers to help employers evaluate prospective employees. "Partner with organizations who specialize in social services, criminal justice reform, behavioral health, partner with them to assist with the vetting from there, because HR ain't criminal justice experts, you feel me? So, like how are they going to vet to determine if this person is work ready or not, if this person has changed or not?"

Another way is to make employers aware of tax benefits and other supports that they already have available. One executive told us, "This is a perfect time to outreach to make sure employers know about work opportunity tax credits and bonding programs, and there's programs out there that can get them tax credits for hiring folks that are in these high-risk groups, that there're programs that mitigate their risks for hiring some folks."

Expungement is yet another approach to mitigation. This allows at least some people to have nonviolent offences taken off their records. One of the people we spoke to teaches her clients how to do this. "We actually also offer about once a month an expungement workshop." Another person who commented on expungement said, though, that that's not accessible to all. "That's not equal for the ones that can't afford that," she said, "or know how to operate through that system. If you know the procedures to expunge, and you can afford the legal counsel to expunge versus someone who doesn't and doesn't have the means or the knowledge of how to retain an attorney."

THE BENEFITS CLIFF

“That benefits cliff is a huge barrier for a lot of our people.” So said one of our informants, expressing succinctly the views of all those we spoke to. We’ll use the term “benefits cliff” here to stand for a range of work disincentive effects whereby for a worker who receives government benefits, the receipt of any additional dollars of income results in a reduction in eligibility for the benefits which consumes a large part or all of the additional dollars and in some cases even the dollars they had before. Like many of the barriers we have discussed, the phenomenon is familiar to those who work with low-income people, and most of the people we spoke to brought it up.

The Disincentive Effects.

The effects are stark. “Immediately,” said one of our informants, “if somebody is getting food stamps, or childcare subsidy help, if their pay goes up, or if they get a promotion at work, boom, they lose their food stamps, they lose childcare subsidy voucher, which is you know, childcare is expensive.” Housing is very vulnerable to these effects. “When you start looking at these places that have income-based housing,” said another, “you can't make over a certain amount of money.” One of the people we spoke to put it this way. “We have large public housing developments, you know, those residents face a benefits cliff, they may not be paying much in rent, but if they go out and, let's say, they get one of those \$19 an hour jobs, their rent may go up from \$50 to \$600 a month.”

“If they go out and, let's say, they get one of those \$19 an hour jobs, their rent may go up from \$50 to \$600 a month.”

We alluded to this when we enumerated the reasons why some people aren’t working; these disincentives are so strong that they can deter people from working at all. “The benefits cliff,” one nonprofit executive told me, “is what's keeping the single mothers from wanting to work, because when they start working and making a certain wage, it does more harm than good to the accounts receivable for the household.” We were told, “For a lot of folks, it just wasn't worth it. And the numbers prove that also. So, if you make a certain amount, your food stamps go down, your childcare subsidy. And so it would serve you to not go to work.”

One expert thought it wouldn’t likely deter someone from going to work in the first place. “Is it a huge barrier to that initially getting a job?” she asked. “No, probably not.” This view may rest on the common understanding that the effect is triggered only by an incremental amount of income; that may not be true as we’ll see in the next paragraphs. But all agree that indeed the incremental effect for someone already working is quite stark. Using a hypothetical example calculation, one person explained, “After a \$1,200 increase in wages, looking at the overall change in their overall benefits and wages, they only had \$82.” Several people said it isn’t uncommon for a worker not to want a raise – or even to turn one down. “It becomes a disincentive for an individual or a family to get a raise,” said one. “Some people have had to turn down promotions because it's like, ‘Hey,

I can't make that much,' because it's not going to be enough to offset losing their childcare and their food stamps." Said a nonprofit director, "People deny increases in raises, because they're in that in-between place, people who are scared their rent's gonna go up, their daycare vouchers are gonna go up, for a quarter raise, or fifty cents raise or a dollar raise." The effect may be so severe that it might cause someone to leave their employment. As one of our informants put it, "It is a disincentive for a mom of three to get a 50-cent raise, because even a dollar raise, she'll get \$2,000 more a year, but she's going to lose \$6,000 in childcare. So, what happens is that that mom decides, 'You know what? I can't have that raise, I'm going to quit my job,' and they start all over again."

"Some people have had to turn down promotions because it's like, 'Hey, I can't make that much.'"

Pandemic-related developments promised at least some relief from these effects. First, according to one of the county administrators, interim rules will prevent the cliff from happening. "We're not cutting off benefits for anybody," she said. "So you go to work, you're not losing your benefits. Now when pandemic ends, and yes, so again, this is the craziest time we've ever been in as far as talking about situations because things are so different right now." Second, we were told that in some cases the bonuses employers are paying will counteract the effects. One person said she'd heard this from some workers. "Now they're saying 'I actually can make more than if I stay home.' You know, they're getting signing bonuses."

Cliffs and Deserts.

That example, with the mom receiving \$2,000 and losing \$6,000, illustrates how the structure of childcare subsidies lends itself to the more dramatic "cliff" effects we've been talking about. "The childcare has a huge cliff," one of our experts explained. "I think it's around 35,000, but this whole thing just drops away, it just boom, that's the big cliff, and so people don't even want to want to go there." These are the situations that give the "benefits cliff" its name. "Benefits cliffs have gotten a lot of notice," we were told, "because number one, they look dramatic on a graph, where this is, of course, where benefits drop off very suddenly, with a small change in income." There, a worker may lose an amount in benefits equal to five or six times the amount of incremental income. But more common are the effects that happen long before the worker reaches the precipice of the cliff. "They work more and they receive almost no more income. And so, they're not facing a cliff, *per se*, they're facing a desert of opportunities." On a graph, this looks less like a plunging line and more like a flat line. The person who's already working is more likely to experience the cliff effect as their income reaches the critical point – to return to the debate we described in the previous section – while a worker can enter the "disincentive desert" at lower levels of income.

Not Stupid.

In an earlier section on unemployment insurance and other COVID-related government assistance, we reported that some workers were receiving as much or more from assistance than they would from wages, and we reported on the debate over whether these workers are or are not “lazy.” The same issues emerged from our discussion of the benefits cliff, with, again, the consensus coming down on the side of “not lazy.” Like most economic actors, most workers respond rationally to incentives and disincentives. “They’re certainly not stupid,” said one expert. “And I think you give them the credit for most of the time making economically rational decisions.” Said another, “If you make over that, then you no longer qualify, so I can understand when people choose not to go into a higher wage whenever they’re trying to make the system work for them.” A third person put it this way. “I’m not going to work more than 25 hours a week, because if I do, I literally go backwards. Why the hell would I do that? Making 10 cents on the dollar, because that effective marginal tax rate is so high, I’d be an idiot, right?”

“They’re certainly not stupid, and I think you give them the credit for most of the time making economically rational decisions.”

Another way of understanding people’s behavior is to consider the precarity of poor people’s lives and the vital importance of the assistance they receive. They may well want to work, but first priority is to preserve the foundation that they’ve relied on to support their families. “That can be scary,” said one person. “For somebody to be on welfare and not sure if the lights are gonna be on next month. That’s predictable for some families, that then leaving that and doing something different is unpredictable and can be quite terrifying.” So, to the question whether to risk that, the answer may be, “I’m not going to train, I’m not going to move up, because if that happens, I will lose these benefits, and those benefits I have been able to count on for a long time.”

Changing Benefits Policies.

Our informants expressed frustration. “The government and state,” said one nonprofit executive, “they continue to be archaic in their thought on social services.” Said a county administrator, “That’s a whole other conversation, in my head, a political conversation.” Another administrator lamented, “Society has failed itself, because we should be better than having to force people to choose between helping assistance and benefits and going to work.” The benefits cliff problem seems to defy solution, short of a change of longstanding state or federal statutory law. “We need to advocate to change these very old, old 1942 laws around social services and social benefits,” we were told.

A person who works with low-income people said, “It’s just like the system is fixed, and it’s a setup” – an assertion that reflects the desperation felt many public housing residents. “Disincentive” doesn’t fully describe the situation as seen from their point of view; they think the

system is affirmatively preventing them from getting ahead in life. One observer told us, “Part of me, the very cynical side of me, is that's the desire of this, the way the system's created, is because, yeah, just make it really hard for anybody to actually move up the ladder, you know,

“Society has failed itself, because we should be better than having to force people to choose between helping assistance and benefits and going to work.”

and that way you don't have to worry about them ever trying to take somebody's position who has more privilege to be able to have it to start with?”

The solution will entail advocating policy changes, to be sure, which would phase out benefits rather than cutting them off. But our informants made clear that there are other, more immediate, more local remedies, things that employers can do and that community organizations can do. One of our experts urged us to think about ways employers can structure compensation, and how different employee benefits are taxed. He said, “Well, maybe there are other things we can do.” These other things will be addressed in a later section of this report.

≡ PART IV ≡

THE WAY FORWARD

Throughout this report, we’ve alluded to solutions, proposals, programs and initiatives mentioned by our informants from time to time. While it is not the primary purpose of this report to enumerate solutions or interventions or to make recommendations – that will come at a later stage of this study process – these did help to fill in the context for many of our findings. We were keen to learn more about what solutions our informants would envision, so toward the end of each interview, after having discussed the seemingly intractable barriers for nearly an hour, we asked our informants for thoughts about what policy changes or new initiatives they would implement if they could, or if they had money to spend, or if they were Goodwill and had money to spend, to reduce inequities, to address barriers to employment, to improve economic mobility for low- and moderate-income North Carolinians. We got some imaginative and promising responses. We present some of them here, as a preview to the work that will form the ultimate goal of this project.

Transportation.

Transportation was uppermost on the minds of our informants, and the suggestions came in many shapes and sizes. “I would like to increase our hours,” said one person. “I would like to do Saturday service. And I would like to do if it's needed – I want to send out a survey – I hope to do extended hours in the evening.” The inclination of this person to do it “if it’s needed” informed her approach to public service: find out what the people need and do that. “I asked my staff to

never say no to anyone right off the bat, to listen to their situation, and then to step back and if we had to reschedule a day to try our best to meet the needs of the people in this county that need transportation.”

And as we have discussed in the earlier sections, our informants spoke about what it would take to add a new fixed route, to connect workers with workplaces, and some of the people we spoke to had already tried this with success.

Another expert tossed out a rich variety of ideas about the way public transportation is structured. “Trying to get bicycle racks put on the front of the van,” was one. “I can get to work if I get on that van, I can also take my bicycle and, you know, go a little further to this other destination or get to the grocery store while I’m on my lunch break or something like that.” Bike lanes was another. “Bicycle accommodations along roads, basically a wider shoulder, so people have at least an opportunity to stay out of traffic.” Park-and-ride was another idea. “Park and Ride lots would be a huge benefit,” he said. “People can at least get to that and then take the transit service to their employment or doctor or grocery store wherever they need to go.”

Another one of our informants proposed an important transit-oriented planning innovation. “If we can grow in a way where the residential and the employment centers are actually just closer together,” she suggested, “that creates a lot more opportunity for access.”

“Never say no to anyone right off the bat, to listen to their situation.”

Another big proposal concerned bus fares. We described in earlier sections how fares range from reasonable to exorbitant. This person suggested doing away with them altogether. “The Department of Transportation, the Public Transit Division, they’re actually looking for going fare-free. And so, I think that would help not only those looking and seeking employment, in the ability to get to work, but I think that would help everyone across the board.”

We received a flurry of ideas that all concerned expansion of bus service. One business executive said we should do it like they do it in Latin American countries that don’t have strong public transportation systems. Get the businesses to do it. “We provide the transportation to get people to work, we hire the buses, free transportation, and we typically do it – they’re not our own buses, we’re not running them, again, that’s not what we do for a living, we’re contracting it out, but we’re the ones that provide the transportation.” Several, like this executive, said it wouldn’t be difficult or costly to add transit options. “I’ll just go buy three old school buses and run them from point A in East Winston up to Northridge, where we’re not the only DC up there, right? where there are all sorts of opportunities up there, and, you know, you could beta test some things pretty quickly and pretty cheaply.”

Another executive urged the adoption of a vanpool model in which a private operator rents the paratransit vehicle to the user with insurance included. “There’s an enterprise vanpool model

that has the insurance, everything taken care of, you just got to provide a driver and you know, you can do that. That's probably the most affordable quickest uptake." Said another person, "We felt like an employer-led workforce transportation, like vanpools, would be the most flexible and cost-effective alternative."

Finally, one of the people we spoke to pointed out that we have a lot of underutilized medical transportation infrastructure. "Every county in North Carolina has a human services transit

"I'll just go buy three old school buses and run them from point A in East Winston up to Northridge."

system. And so that's typically for older adults, persons with disabilities, for persons in high poverty, but for the most part, it's medical trips. And there's a lot of paperwork on that, and they do cross county lines, but it's to get to a medical facility. A lot of those systems don't open themselves up to non-medical trips, so you got this resource but it's not being used fully. And so that's one of the things we're like okay, we got to fix that."

She said it wouldn't require a big upfront investment. "There can be a shuttle system. It might not be that many more vans that you would have to purchase, but you just would set up a system with stops, you know, along a certain route."

Childcare.

As expected, remedies to the shortfall in childcare resources was one of the main topics on our informants' minds. "Adequate daycare," said one, "for children on multiple shifts."

They came forward with two very good, substantive suggestions. One was for expansion of in-home childcare facilities; our informant described a pilot that had been proposed in his area. It is, he said, "A great project of trying to train 165 childcare workers that actually could do these in-home childcare, and try to do this project where we create those and start having multiple in-home childcare facilities in the region, and I think that's a great idea. It's almost impossible for somebody to open up a business, with insurance and everything else." More broadly our informants spoke of training more childcare workers and subsidizing their pay as a way of expanding the number of available openings.

A second suggestion would call on the county governments to set up childcare facilities. "It needs a total overhaul," said this county administrator. "Some of it can be done locally. In fact, we've got – I think it was in Cabarrus County, at one of their business parks, they're actually putting in – the county is actually assisting with putting in a daycare center, so I mean there's stuff like that that can be done."

Overall, our informants thought more about childcare services than they did about early childhood education, but that was the subject of several proposed solutions. If she could do one thing, said one executive, "I would start with just reading programs, up to the third grade. People

have got to have a good start. Well, I think, I feel like we lose children at a certain point if their reading skills aren't where they need to be.”

Another said, “Invest in early childhood. We know that has the best ROI of almost any educational investment we can make. We know that it's critical to the foundation of our society.” And, she added – and we reported comments to this effect in earlier sections – “It’s the most costly.”

A third person spoke of a childcare/education model. “Affordable childcare early on with an intentional education component to it. I want to say twelve weeks to three years old.” She added, “You know, having a good, reliable, consistent place to learn and be nurtured can change someone's trajectory for their entire life.”

“The county is actually assisting with putting in a daycare center, so I mean there's stuff like that that can be done.”

Housing.

A few of our informants expressed ideas about housing. One person simply said, if she had money to spend, “We need affordable housing. I would use the money for that. And I'm not talking about housing authority housing, I'm just talking about affordable places for people to live.”

We heard one interesting substantive proposal that harked back to the days of “worker housing.” This business leader suggested “Going to employers and saying, you know, ‘You're providing housing for your immigrant visa population. Why don't you do this, provide housing for your local population as well.’ So there, we've got a pilot project that's happening with about five employers that they're going to contribute funding to help individuals pay for their housing.” We discussed at length in the earlier sections what contributions employers would be willing to make to help their workers overcome the barriers in their way. This one, if many employers were willing to try it, could be a game-changer.

Reentry.

Two modest proposals emerged from our discussions about the struggles of job applicants with criminal records. One was the so-called “ban the box” proposal which has been widely discussed and in some places adopted over the years. “I definitely would ban the box,” said one nonprofit director, “like it shouldn't even be asked about in the application. Because if you look at my application, and my skills and my education, kind of interests you a little bit, we should at least have an interview. As opposed to you just rip my application out, because I truthfully answer the question.”

A person who works with reentering people spoke of best practices. “I would like to do, like a big strong push on raising awareness about equitable hiring, define equitable hiring, best practices for second chance hiring, you know, and be very loud about it and have resources accessible to support the HR of these companies, and raise more awareness about resources and share more

testimonials, success stories, and all that stuff.” That combination of a meaningful reform of hiring practices and a campaign of education and outreach could have real impact in this area.

Benefits Cliff.

Those of our informants who spoke about fixing the benefits cliff were unanimous in their insistence that the cliff should be transformed into a gentle slope. One person asked “Why we

“Why we don't have a progression scale for people on welfare to help them gradually come off of it instead of ending services immediately.”

don't have a progression scale for people on welfare to help them you know, gradually come off of it instead of ending services immediately.” Said another, “Those benefits should not stop automatically. They should not be penalized for earning more. Let's do a small reduction, but give them a time for it to phase in gradually, just not overnight.” Said a third, “We slow down the cliff, and it wasn't a cliff, but it was a gradual, rolling downhill, where people could have the

opportunity when they knew, ‘Okay, when I get a raise of 50 cents an hour, it doesn't mean that I lose all my benefits.’”

One nonprofit executive pointed out that this wouldn't increase the cost of benefits. “What the beautiful thing is, this is completely revenue-neutral. We're not even talking about better benefits. Let's just throw that off the table of whether it's, you know, more health coverage, or rent assistance, or childcare subsidy. Don't even care about that.”

No one offered a way, short of rewriting the laws, this might be accomplished. But we did hear proposals for ways to get around the problem. Two of our informants said if part of a worker's pay were in-kind rather than in cash, that part might not be treated as income for purposes of determining eligibility for benefits. One expert said, “There's a menu of options that we can give to people that would include things like subsidized meals or onsite childcare, there's a whole list of things that the IRS has that are nontaxable, that would allow them to promote, improve their workers, improve productivity, improve retention and lower turnover, but would allow them to see and perhaps forecast, when it would be appropriate to get higher wages and when it would not.” Another agreed, saying “The more in-kind non-taxable benefits that you can provide, are value add to the employee but do not hurt them in how those benefits are computed.”

One expert mentioned a second innovation in this area, saying employers could provide a confidential calculator that would give them and their workers the information needed to make compensation decisions. “We can do the data crunching for them and tell them, you know, this is what you can anticipate. We can do that through a group code, but employers will never have this personal information.”

Ways of Thinking About Change.

In addition to their concrete proposals and brainstorm, our informants made comments that offer a broader perspective on how we think about the changes that have to be made.

One theme that we've followed throughout is how willing businesses will be to pay for change. We've heard differing views, but in this context one of our informants said that wasn't the issue. "This is not because, quote, it's the right thing to do, just because it's the right thing to do, but because it's going to help your bottom line," he said. "So why are we improving workers lives? Well, yes, it's the right thing to do. And you're gonna have lower turnover. And if you have lower turnover, you're gonna have more productivity and more productivity, you're gonna have more profits." A win win, in this person's view.

"Once the people have a better understanding, they can start holding these employers accountable, you know what I'm saying?"

Taking another angle on this question of self-interest, a county administrator lamented that business owners don't understand poor people's lives. "You've got a very, very poor group of people in the community that do not have, and you have very affluent people who have in abundance. And those affluent, abundant people believe that they have earned everything they have on their own and have pulled themselves up by their own bootstraps, and they don't have a realistic view of the rest of the county." From her perspective, self-interest won't be enough; a change in people's mindset will be needed.

What they brought up most often, however, were some related points about the nature of community. One leader said low-income workers will have a better chance to thrive if they support each other. "If there was some kind of pilot program," she said, "to recruit folks to do it together. And the reason why I would say do it together is because what I viewed is that people support each other. And that's how you get things done." She made the interesting suggestion that people could enter a workplace in twos and threes instead of alone. "When you take one person from low income, and you put them in this manufacturing job, or you put them in a high-end restaurant, or all these kinds of foreign type of environments. I think that it's just so much emotional toil, an extra on top of whatever you're supposed to be doing at work, is that you need that support of not being the only one."

Two of our informants viewed the issue through the lens of community partnership. One suggested that a fundraising dollar doesn't go as far when ten little nonprofits are dividing it among themselves. Said one nonprofit executive, "That dollar then gets divvied up amongst ten people versus you taking that dollar and putting it to one or two larger organizations that can have a bigger impact instead of duplicating efforts."

Another nonprofit executive made a similar point, framing it in a manner that we think is going to be vitally important as this project continues. She said organizations should work together rather than compete. "So often, organizations are in competition when it shouldn't be. It's more

people needing help than we have funds available, so we have to put our efforts together and we have to put the money where it's going to definitely go out. So, for us, you know, if we receive funds, they're going straight into the services that we have for our participants.”

A final thought comes from a nonprofit executive who reminds us that executives, administrators and experts alone will not solve any of the problems that we’re grappling with. The workers will have to be equal partners in this effort. “Once the people have a better understanding, they can start holding these employers accountable, you know what I'm saying?” He added, “You know cause it's always power to the people.”

THE ROLE OF GOODWILL

Throughout this report we’ve said that Goodwill’s process of developing possible solutions and interventions will become pivotal in later stages of this project. At the same time, we’ve said that, nevertheless, ideas emerged anyway from our conversations about underlying conditions in the workplaces and communities, and we’ve reported those when they happened. We’ll do that once

“I think certainly that Goodwill could play a part in bringing this problem to the forefront, and by keeping the light and the spotlight on it.”

more in this final section, to report what our informants said about Goodwill itself and the roles it could assume in promoting economic mobility.

The admiration and trust that Goodwill has earned from its countless partners and constituents was evident from our conversations. Our informants expressed appreciation and support for Goodwill’s work, and its role in these important economic mobility issues, and said Goodwill is well-positioned

to act in this area. “At the end of the day,” said one business executive, Goodwill’s mission is “To train and knock down a whole range of barriers to employment.” But he said, now is the time for Goodwill to expand on that. “Historically,” he said, “that's been pretty narrowly focused on just a skill set of the individual worker, right? Nothing wrong with that. But the reality is, those barriers are a lot broader.”

Another executive said Goodwill’s great reach and reputation will make people pay attention, “because of Goodwill, the organization, period, the great work, the compassion that Goodwill has, the caring nature.” Part of the purpose of a project like this is to draw people’s attention to important social issues and to mobilize the opinion of policy makers and the public. “I think certainly that Goodwill could play a part in bringing this problem to the forefront,” this person said, “and by keeping the light and the spotlight on it, so that local, state, federal officials will see that, ‘Hey, we need to pay attention to this, this is a problem that needs our work and commitment to be successful to help society as a whole.’” That advocacy role is one that another community leader spoke about. “Goodwill has the ear of industry, and actually, in many ways that they are best-positioned,” he said, “to get people's ear to say, ‘You know what, this makes

absolutely no sense.” He added, “I think there is a time now that none of us can sit on the sidelines. And the way we have to do it is to also engage citizens in this.”

We heard often about Goodwill’s unmatched network of community partners. They will, as we’ve said, be essential to this work. One person said Goodwill will be effective “because they have relationships, friendships with people.” Goodwill, with partners in local government, community-based organizations and in the business communities, will wield the influence and prestige needed to push forward new initiatives. “How do we collaborate with others to help the whole?” asked one of our informants.

So, for example, Goodwill might get involved in the early childhood education initiatives we alluded to in the previous section. One business leader said, “What are the skillsets that we want to make sure every kid has by the time they finish third grade? You know, so, does Goodwill want to play more in that space?” Said another executive, “Does Goodwill get into the childcare business? And on two levels, training childcare workers and trying to create a cohort of folks that could staff theirs or other childcare centers?” One of the informants asked, “Do we call Goodwill and say ‘Goodwill, we want you to come in and run a childcare facility?’ And with the reticence of companies to do that, is that a space that Goodwill could get into?” Or it might help put together a transit solution. Several of our informants did brainstorming on this. “How do we or how could we provide a solution that introduces an independent bus that goes and picks up people and brings them to work?” said one person. “It could be an entrepreneurial offspring as well. It’s something that maybe Goodwill helps fund. But it also could offer someone that wants to do this themselves, a business of their own.” Or Goodwill could set up a program to help workers get over the benefits cliff, one person suggested, “then we can go back to policy and say, ‘Look what happens when you don’t disincentivize a person or a family.’”

All of these ideas and many more are beginning to bubble up from the process we’ve started. None of them is past the stage of preliminary thinking, and Goodwill hasn’t moved forward on them. These are simply thoughts expressed by our interview subjects, and point with optimism to the next phases of this project.

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Goodwill Industries of Northwest North Carolina, Inc.

“TRANSFORMING LIVES IN NORTHWEST NORTH CAROLINA”

UNCG - CENTER FOR HOUSING AND COMMUNITY STUDIES

Report on Focus Groups

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UNC GREENSBORO
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Contents

≡ INTRODUCTION ≡	1
TRANSFORMING LIVES IN NORTHWEST NORTH CAROLINA	1
≡ PART I ≡	3
LIFE IN THE WORKING WORLD TODAY	3
Morale in the Workplace.	4
Working Shifts.	6
Wages Up and Down.	7
DISLOCATIONS IN THE LABOR ECONOMY	9
Work Ethic.	9
Reevaluating Everything.	11
OPPORTUNITY IN NORTHWEST NORTH CAROLINA	12
If You Want to Work.	12
Opportunities are Dwindling.....	12
Technology.	13
Training and Skills are Important.	14
Overqualified.	15
Screening Applicants.....	16
≡ PART II ≡	17
OBSTACLES TO ECONOMIC MOBILITY	17
TRANSPORTATION	17
Public Transportation.	18
Driver Shortage.....	19
Cars.....	20
People are Resourceful.....	22
CHILD CARE.....	22
The Cost is Prohibitive.	23

Vouchers.....	24
Babysitters and Grandmothers.	25
HOUSING	25
Everywhere You Look.	25
A Housing Crisis.	26
MORE OBSTACLES.....	27
The Digital Divide.....	28
Reentering People.	29
Benefits Cliff.	30
≡ PART III ≡.....	31
RESPONSES AND PERSPECTIVES.....	31
Employers Have Some Responsibility.	31
Solutions.....	32
The Role of Goodwill.....	34

≡ INTRODUCTION ≡

TRANSFORMING LIVES IN NORTHWEST NORTH CAROLINA

The Center for Housing and Community Studies of the University of North Carolina Greensboro, and its sponsor, Goodwill Industries of Northwest North Carolina, Inc., are conducting a workforce needs assessment across Goodwill's thirty-one county service area stretching from Cherokee County in the West, to Ashe County in the North, to Forsyth County in the east. The project is known as the "Transforming Lives in Northwest North Carolina" initiative, and its ultimate goal is to develop new ideas for promoting economic mobility among the residents of the service area, and for ensuring that everyone has a fair chance at training, educational and employment opportunities.

We're exploring the social, structural and environmental conditions in the communities where people live and work; whether those conditions hinder economic mobility and make it harder for people to achieve their goals; and whether the obstacles affect some racial, age or gender groups more than others. If low- and moderate-income people don't have the resources they need to find work and to connect with the services they need, we want to know why, and who gets left out.

We are seeking information, perspectives and insights from community stakeholders and ordinary residents, through interview, focus group and survey research. Our findings will be used to assess the needs of workers, to raise awareness about conditions in the labor economy, and to develop recommendations and best practices to improve economic mobility and workforce equity throughout the region.

In the first phase of our data gathering, we conducted in-depth one-on-one interviews with community leaders, business executives, public administrators, educators and activists. For the second phase, reported here, we wanted to shift our attention from the experts to the regular members of the community. We convened fourteen focus groups, or as we called them, "roundtable discussions." The participants in these roundtable discussions were selected from two main groups: clients of training or social service programs, and employees of businesses and nonprofit organizations, in both cases from Goodwill facilities and a variety of other kinds of service providers and workplaces. This selection method yielded an excellent socio-economic and geographical cross-section of workers, low-income residents and members of the community. Brief descriptions of the groups follow:

DATE	Sponsor	LOCATION	DESCRIPTION
December 7, 2021	Goodwill	Winston-Salem	Participants in Goodwill programs
December 7, 2021	Goodwill	Winston-Salem	Goodwill staff members
March 9, 2022	Goodwill	Statesville	Participants in Goodwill programs
March 9, 2022	Goodwill	Statesville	Goodwill staff members
March 9, 2022	Iredell County Department of Social Services	Statesville	Participants of Iredell DSS programs
March 23, 2022	Gardner Glass Company	North Wilkesboro	Employees of a mid-size manufacturing plant
March 23, 2022	Hampton Inn	Boone	Employees of a university-town hotel
April 12, 2022	Land of Sky Regional Council	Asheville	Clients of the Inspire Project supporting people reentering the workforce from recovery or incarceration
April 12, 2022	Hampton Inn	Asheville	Employees of a recreational area hotel
April 13, 2022	Goodwill	Asheville	Participants in Goodwill programs
April 13, 2022	Goodwill	Asheville	Goodwill staff members
April 13, 2022	Kitsbow Cycling Apparel	Old Fort	Employees of an outdoor apparel manufacturing company
April 19, 2022	Wilkes Regional Medical Center	North Wilkesboro	Employees of a large regional hospital complex
April 29, 2022	The Industrial Commons	Morganton	Founder of employee-owned manufacturing companies

As our earlier report on interviews demonstrates, we'd learned a lot from experts about the problems faced by local residents and the obstacles in the way of economic mobility. Now we wanted to hear about these things directly from those who experience them every day. We wanted to ask them about their lives and their work, and to ask them what they need.

All roundtable discussions were held in-person. Our teams traveled to six different towns and cities from one end of the service area to the other. We were invited into workplaces, and into the places where services are delivered. The roundtable participants were assured that their comments would not be reported in a manner that would identify the person speaking by name or by affiliation. The comments directly quoted in this report are lightly edited for clarity. Each

event was about an hour in length. Community members (other than Goodwill staff) received \$20.00 gift cards to compensate them for their time and effort.

The approximately 120 participants offered widely varying perspectives and outlooks. Even within the same part of the state or business sector we encountered different opinions and ways of thinking about work, training, education and life in general. We asked questions about employment trends, the effects of the pandemic, training and skills, wage scales, the worker shortage, opportunities in the job market, changing attitudes toward work, and the structural barriers that hinder economic mobility including transportation, child care, housing, digital literacy and the interplay between wages and public benefits.

We used what we learned in the earlier phase of our research to study more closely the themes that had emerged, and in many respects our new findings confirmed what we had learned before. In some areas, our emphasis shifted as new facets of the topics were revealed. In other areas, we discovered important new information about mobility, and how opportunities are allocated to different groups within the community.

Most notably, these roundtable discussions for the first time gave us opportunities to explore economic mobility and its hindrances through the first-hand accounts of the people who strive to get ahead. The participants shared stories that lent a tangible and dramatic air to what otherwise can be technical and dry. In some respects, the experiences they reported agreed with the descriptions of the experts we interviewed. But we were able to see some interesting nuances. For example, the wage increases reported by the people we interviewed didn't seem as large or as encouraging to these workers. The so-called worker shortage that was much discussed by the experts was certainly noticed by these workers, but many of them were most concerned by the extra work it put on their shoulders. And, the barriers placed in the way of those with criminal records emerged as a key concern of workers representing virtually all demographic and industry categories. On the other hand, racial barriers as such were nearly absent from the discussions. In all, the roundtable events were lively and informative, with the participants appearing to relish the opportunity to express ideas and thoughts that they don't often think or talk about.

≡ **PART I** ≡

LIFE IN THE WORKING WORLD TODAY

When they visit local communities to talk to the people who live there, qualitative researchers often want to know – to put it most simply – “What’s your life like?” We usually began our roundtable discussions in northwest North Carolina with this kind of question. “What’s it like in the working world today?” we asked. “Let’s talk about the experiences people have when seeking to get ahead in this world.” This opened up wide-ranging conversations that gave us a window

into people's lives – the live that Goodwill hopes to help transform through this project. We heard wonderful success stories, but just as often we heard stories of struggle. After years of underemployment and wage stagnation followed by the pandemic years and now all the upheavals in economic and social life that followed from the pandemic, the people we talked to were worried and frustrated, but also hopeful and determined. One young out-of-work woman expressed this determination when she said she just needed a chance. When an employer wasn't ready to give it to her, she responded, "If they would've put me on the floor that day that I did my interview, I would've showed them that I was worthy enough." Sometimes all a person needs, she said, is "an opportunity to show them, let you get in the door and see what you can do!" But as we'll see, that doesn't always happen, and when it does, it doesn't always lead to financial stability. In this section of the report, we'll look at working conditions, wage trends, and that sometimes elusive, sometimes inspiring, sense of opportunity that the people we talked to are always on the lookout for.

Morale in the Workplace.

Many of the participants in our roundtable discussions had jobs. Indeed, we met most of them, including Goodwill staff members and manufacturing, hotel and health care workers, in their workplaces. We heard expressions of satisfaction from some of these participants. "They treat

"They treat you right. That's why I want to stay here. I mean they're excellent at their people skills and stuff."

you good," said one person. "They treat you right. That's why I want to stay here. I mean they're excellent at their people skills and stuff." But this person also said, "Aw man, the pay's not great." Said another, "The job's good. It's just the pay's not there." With these kinds of

comments, we started to get a fuller picture of the complexities of the workplace situation. Even those who are satisfied have some things that concern them, and they remember the tough situations they've faced in the past, and they're knowledgeable about the difficulties faced all the time by workers throughout the local economy.

We were struck by how often the participants spoke about morale. The person quoted above suggested that good morale is more important even than pay. "I mean, I took a three dollar pay cut coming here," he said. When the morale at a place is good, we could sense it just from being in the room with the people who work there; clearly, they felt a bond of camaraderie. One supervisor said, gesturing toward the others in the room, "I couldn't do my job without them. I'm grateful for all these guys in this room, and I hope that they see that I don't mind jumping in and doing anything that each one of them will do." He said, "I do it all."

In other places, morale was not good. Overwork is one reason cited. "Business is booming," one manufacturing worker told us. "Business is really good. These guys are tired. When these guys get tired, with that, you know morale goes down a little bit." Staff shortages can exacerbate that problem. "We're still understaffed, yeah," said one person. "We're in a lot better shape than we

was six, seven months ago, but we're still understaffed, and that still takes a toll on our morale." This is a topic we'll return to in depth when we talk about the worker shortage that has been a key feature of the labor economy since the pandemic.

Some participants told us morale is down when workers feel devalued or taken advantage of. "It kinda makes the employees feel like they're the last on the totem pole," one person said, "which the employees need to be the first on the totem pole because that's what keeps your business running." Another said employers care little about retaining workers, "It seems like we are dispensable." One participant said morale is low in fast food and other sectors involving intensive customer interaction. "They get treated pretty crappy sometimes," this person said, "because people think that – that silly saying – the customer's always right, and they think they have the right to treat people how they treat people."

We heard that even – or especially – managers and assistant managers are overworked and taken advantage of. "My mother-in-law was working for Dollar General as an assistant manager and they were paying her fifteen fifty," one manufacturing worker told us. "I make more than that here." And, she added, "They still only limit their staff to maybe 30 hours a week and they expect them to run the business, put stock away and ring up customers and keep the store clean. So she ended up quitting."

"They'll stay in a job they're miserable in just cause they know they have to support their family. It's like they'll stay in something that they'll probably go stagnant and decline in their working performance."

When conditions are too hard, the workers can't get ahead, we were told. "I feel like the work environment keeps people stagnant," said one participant. "I don't feel like they employ people on growth and life influences, as far as personal skills or maybe work skills, just a lack of growth and sometimes a lack of knowledge." A participant in a different roundtable discussion, speaking as a working mother feeling trapped in a dead-end job, used the same word. "They'll stay in a job they're miserable in just cause they know they have to support their family," she said. "It's like they'll stay in something that they'll probably go stagnant and decline in their working performance."

At stake are people's fundamental attitudes about work. One nonprofit staff member told us, "I think in some ways it's how we treat the concept of work as a society. So, we often operate on a fear basis. You have to come to work to get your basic needs met, so like housing, food, things like that. If you don't work, you can die. You cannot get those basic needs any other way other than some form of income. And when people have that, that immediately, and I think this is on a subconscious level, puts them feeling like powerless."

Working Shifts.

The unpredictability of shift hours was a common source of frustration for the people we spoke to. “When I worked retail,” said one participant, “I never worked a set schedule. Sometimes I would work in the morning time, if we had a truck, maybe we would come in at 3 A.M. in the morning and get off at 12. Then, the next day, they might have me coming in at 1 and get off at 10.” Another person explained, “In retail, you gotta work all the shifts, they don’t give you enough holiday, you gotta work all the different shifts, you gotta work the weekends, it’s not that family-oriented.”

These shift practices usually favor the employer, and make it hard for the workers to balance work and home life. “They don’t take in the fact that people might have children,” said one participant, “or some people have disabled parents that they have to take care of, and so they might need certain times when they can come into work, but they don’t take that into consideration.” Said another “It was never like consistency. They want you to be flexible, but sometimes your child might be sick, you might have a doctor’s appointment, so you don’t have any type of flexibility and they don’t take that into consideration.”

Our participants worried that a family emergency might get them into trouble with the boss. “What if my kid gets sick,” said one, “and I’m brand new and, you know, they won’t let me leave early to go get them, or I get a write up.” Said another, “They make you feel bad because you got

“What if my kid gets sick, and I’m brand new and, you know, they won’t let me leave early to go get them, or I get a write up.”

an emergency at home, and they can’t get nobody to come in.” We were told, “It’s like, well, ‘If you can’t come in, we can give somebody else the job.’ If you’re a no-show, no-call, you can get fired.” Another said, “They didn’t like the fact that when it snowed a couple months ago, I didn’t want to go in. Of course not,” she insisted, “I’m not going to risk my life for a job.” And taking care of the kids, as we’ll explore in more depth in a later section of this report, is non-negotiable. “I feel like that’s my

right. If my son is sick, I’m not coming to work. You were fine without me, so you can be fine without me for a day.” Said another, pointing to the scheduling issue again, “I’m going out on a limb and say, ‘Hey, I’ll work Saturday morning for ya!’ I mean, I got a kid. I mean, I can’t do it all.”

Striving workers’ find it’s not only family matters, but also efforts to get more education and training, that can prove inconvenient for employers. “I go to school Mondays and Tuesdays,” one young unemployed resident explained, “day and night because I’m getting my GED too while I’m doing manicuring, so I can only work three days, and nobody wants to work with that.” Another person, training to be a welder, told us, “My classes are Mondays and Wednesday nights, so where it says availability to work, I put Tuesday, Thursday, Friday, Saturday, and Sunday. And they wrote me back and said, ‘Ah, we can’t work with that schedule, we don’t hire part-time people,’ but I was giving them full-time hours!”

Wages Up and Down.

In our report on interviews, we had much to say about rising wages. The shortage of workers was driving wages up, our experts told us, well beyond the old minimums. We expected our roundtable discussion participants to corroborate these findings and, to a degree, they did, but not as much as we expected. On the contrary, few were achieving financial security, and low pay still emerges from these discussions as a key theme. One low-income worker summarized the situation this way. “We’re doing a good job,” he said. “We’re working hard but financially we’re hurting bad. I mean, if a lot of us, if we didn’t have somebody else helping us with rent, car payments and all that stuff – like, I got a wife. If she didn’t work her job, I might be living out on the street with what I get paid, or living in my car.”

We saw a near-consensus on this question of the sufficiency of current pay scales, including those who may be doing better now but know how rough it was for them and still is for many. “No,” said one person, “I don’t think it’s enough. I absolutely don’t think it’s enough.” We heard from several participants that the wages on offer are hardly enough to make it worthwhile. “The juice is not worth the squeeze,” as one man put it. “Some people choose to pay – let’s say they pay ten. And let’s say that’s 400 bucks if I go to work forty hours, which part-time that’s even worse. Well, let’s just go with the forty-hour one, 400 bucks. I’m going to pay some taxes so where am I at? 380, 370 somewhere around there. Okay and then I’m driving twenty miles back and forth all the way. So now I’m spending a hundred bucks. So, I’ve gave one-quarter of my earnings or one-third before I’ve even paid anything else.”

“I want to get something to where I could be able to make more money, especially with the pandemic. If you’re gonna be out there, I’d rather have a job where I can make more money doing it.”

Said another participant, “There are people that don’t get paid enough, so why am I going to go work at a job where I don’t get paid enough, where I’m barely making ends meet as it is? I might as well just not work at that point is how I think some people feel.” Another said the risk of contracting COVID on the job also has to weigh into the equation. “I want to get something to where I could be able to make more money,” he said, “especially with the pandemic. If you’re gonna be out there, I’d rather have a job where I can make more money doing it.” Said a third person, talking about participants in jobs programs he’d been a part of, “They didn’t want to work for that, seven, nine, eleven, twelve dollars. They say they can’t live off of that.”

What it takes to live is a question many of our participants pondered. “Seventeen fifty or eighteen,” said one woman we spoke to, “eighteen dollars an hour is a livable wage right now I think, but I would be willing to say that not many people without multiple degrees and jobs in tech or other things are making that much money, and there’s not much push from employers to raise that wage.” Another person made a similar calculation. “At least six hundred dollars a

week,” she said, “when you can pay insurance, car payment, make the house payment whether you’re renting or buying and still be able to bring home say three, four hundred dollars a week. Then you’re in a position where maybe you can survive.” Survival wasn’t too strong a word for the participants in these discussions. One man said, about the wages he’s seeing in his town, “No it’s not enough, not enough to survive at all.” Another participant said of the eighteen-dollar an hour wage being offered by some businesses in his area, “That was the bare minimum that somebody needed to make to actually survive.”

Inflation was making the situation worse, in the view of many of the participants. “It’s hard,” said one person. “The cost for fuel is above norm, and the cost of groceries and housing and all of that has increased dramatically.” Said another, “The cost of living went up, but the wages around here

“All of them should be at least somewhere past ten dollars an hour easy, eleven, twelve, thirteen dollars an hour from there, I mean you shouldn’t even have to work for nobody nowadays for under ten dollars an hour. Period.”

didn’t.” Inflation is virtually wiping out those wage increases that did occur, said another. “Cars cost more, food costs more, clothes cost more. Well then really, it’s still balancing out the same way. You making fifteen dollars an hour now, then you go to the grocery store – and still not making seven dollars an hour back then, so inflation is still catching up with you.” To that question whether it’s worth it to work at today’s wages, another

person responded, “Not when inflation has gone on, it’s not worth it.” Another participant made a similar point about the mismatch between wages and prices. “Now that everything’s more expensive,” he said, “they think they can get away with paying people ten dollars an hour and they’re going to be happy about it?”

We did hear accounts of wage increases, mainly owing to labor market dislocations resulting from the pandemic. We did hear about formerly low-wage sectors offering unprecedented pay scales. “We have a Walmart warehouse come in, and they’re starting their people at nineteen dollars an hour,” one person told us. “Before the pandemic,” a manufacturing worker we spoke to pointed out, “our starting pay was one of the lowest around.” He explained, “That made it hard before the pandemic because nobody wanted to work here, because the wages were low, compared to some of the other factories around here. But now the pandemic’s over, we’re starting people out a lot more than that, just so that we can get them in the door.”

But wages aren’t higher across the board, according to our participants. “Some of the places I went, they were still paying eight dollars an hour, nine dollars an hour,” said one. “All of them should be at least somewhere past ten dollars an hour easy, eleven, twelve, thirteen dollars an hour from there, I mean you shouldn’t even have to work for nobody nowadays for under ten dollars an hour. Period.” And, one person said, some of the increases are already being rolled back. “When the pandemic first started and my pay, it was pretty decent for a teenager in high

school. Then it dropped down as soon as stuff started coming back, like coming off the pandemic. And I was like, that is so weird. You're paying me good and then you just dropped it."

But at least one discussion participant thinks this is a big change for workers. "For years and years ago," one man said, "all the way going way back down to as far as it can go, they didn't want to give us a substantial – that you could live by. Well, they said we going to give you this because they know we got to live so we have to take it because we have families. So, we got to take seven to eight dollars an hour. But now – and I ain't going to go spiritually – but sometimes time change. They say, 'he that's last shall be first in the end.'"

DISLOCATIONS IN THE LABOR ECONOMY

Throughout our work on this project, the people we've talked to – like people everywhere – told us they've struggled to make sense of the pandemic and its effects on social, economic, and even psychological life. "I think the COVID messed with a lot of people's brains, I really do," said one participant. A person who works with low-income residents said, "When people come in like right now, like coming in today, they've been through a rollercoaster over the last two years. You know, we start off this pandemic, no one knows what to do. We're running around like chickens with our heads cut off." In this section, we'll explore the different ways the pandemic has upended the job market, the calculations people make when deciding where and whether to work, and, ultimately, the place work holds in their lives.

Work Ethic.

When we asked business executives, public administrators and other experts about the job market, they spoke at great length about the shortage of workers that characterized the market in the second year of the pandemic. They offered a dozen reasons, theories and explanations for it. While the participants in the roundtable discussions expended somewhat less time on it than did the experts, the worker shortage certainly was a topic of interest in these discussions. And, they addressed some of the same possible explanations: fear of COVID exposure, generous unemployment benefits, and too-strict job eligibility criteria among them. But we were struck by how often they blamed the workers themselves. A representative remark: "It's got a lot to do, in my perspective, some people just don't want to work."

"When people come in like right now, like coming in today, they've been through a rollercoaster over the last two years."

One worker said, "It's hard to find people that's willing to work and do these jobs." Another said, "A lot of people seem like they're just going through the motions of wanting a job, is what I feel like. They're not committed to doing what it takes to better themselves." And another put it more bluntly. "They're lazy, that's all," she said. "They think they're entitled." This moral judgement

was expressed by several participants. “It’s getting harder to find people to do these jobs,” one man said, “mainly because people don’t have the work ethic they had in the past.”

But the accusation of laziness seemed linked to the cash assistance received by many people during the pandemic. The narrative became more complex, with an element of resentment

“With that epidemic we had, people who got unemployment, they had a reason not to work. Why would they work when they could sit at home and draw all this money?”

balanced out by an element of understanding. “During the pandemic, there were people making way more money staying at home than they were working,” said one person.

“The government at the time was paying people more to stay home than they were working,” said another. “With that epidemic we had,” said a third, “people who got unemployment, they had a reason not to work. Why would they work when they could sit at home and draw all this money?” Said another, “They say, ‘well, I can sit at home and

draw unemployment,’ you know what I mean?” People, even hardworking people who believe in the virtue of hard work, could understand why someone might stay home in these circumstances. “It’s the logical choice,” one person said. “Who would go to work when you’re losing more than you got right now?” Even the higher wages now being offered aren’t enough to alter this equation, some said. “You don’t really have to have too much skills now to say we’ll start you off at fifteen dollars because as they were giving out this money for unemployment if you have a child, and I mean they would give you \$500 a week so people was being like ‘Why Ima work?’”

Still, we heard notes of criticism, some of it harsh. In an echo of the old “Welfare Queen” narrative, one man said, “I see the people that go in there and use their food stamp card, and they walk outside and they get in their brand-new Cadillac.” Said another, “No amount of money is going to make anybody that don’t want to work, work.” As the discussions progressed, we could see some softening of views. One person conceded, “A lot of people out there do struggle through some hard times, you know.” Another said, “I can sympathize with somebody that’s been in a bad spot, I really can because I’ve been there.” But we were also told that some of the ones who suffer are less deserving than others. Said one person, “You have a lot of people in this country that have their hands out that don’t need the handout.” Said another, “I’m not saying that the programs that the government sponsored is bad. I’m just saying they should do more to vet the people that are receiving these handouts, and make sure the handouts are going to the right people.”

Only one person said the worker shortage has nothing to do with public benefits. “They really believe in the ‘no one wants to work,’ she said. “And in our area, we have twice as many jobs open as we do people on unemployment. You could have every single person on unemployment

have a job and we would still have a significant labor shortage. And I don't think that they get that."

Reevaluating Everything.

Just as we had heard from our experts, so did we hear from our roundtable participants that the pandemic had led some workers to reevaluate their working lives. This, along with fear of COVID exposure, inadequate pay, and government benefits, contributed to the shortage of workers. "They're looking to restart their life," one person said about workers nowadays. "COVID hit and I was at home figuring out my own self and figuring out my life and what I was going to do," another person told us. "I was in my worst mental state I've ever been," said another, "and just having that time to think and kind of figure myself out. I had time to figure out what my skills were, what my real interests were, and just kind of start in my self-growth journey. That was how it was for me and I think a lot of other people did as well."

The dislocations and stresses of the pandemic helped to shine a light on workplace practices and some basic quality of life issues. "I'm seeing it already," said one participant. "There's a generational push for 'I don't want to sit in an office from 9 to 5 anymore.' You know, my dad's worked the same job for 35 years. That's not happening anymore. There's not really as much loyalty because people realize if I'm being mistreated or I'm not being paid enough or whatever, I can just go get another job." Some say the pandemic led them to simplify their lives. "They decided since the pandemic hit, they figured out they don't need everything that they thought they needed, so they're doing with less."

"I was in my worst mental state I've ever been, and just having that time to think and kind of figure myself out. I had time to figure out what my skills were, what my real interests were, and just kind of start in my self-growth journey."

The volatile market for wages itself got some people wondering. "Let's think about it," said one man. "If you did work for McDonald's and you was making eight bucks an hour to flip a hamburger, now all of a sudden you can pay me twelve to flip the same hamburger, then why didn't you pay me that before? So let's look at maybe people are disillusioned now into what kind of ethics the company they work for has."

And a few of the people we talked to responded to this moment of reevaluation with new ambition. "Now I know what I want to do," said one person, "and I can go out and do it. A lot of people I know took the money that they got from COVID to help them promote themselves as starting their own business, and then their own brand and not having to work for anybody." Another person, struggling with strict screening criteria (which we will discuss more in a later section of this report, also struck out on his own. "I started my own business," he said, "because nobody wanted to hire." A woman who said she'd had enough of waitress jobs said she, too,

want to go out on her own. “I’m going to school and gonna own my own business so that I can run my own, do my own prices, what I see fit.”

OPPORTUNITY IN NORTHWEST NORTH CAROLINA

As we’ve just seen, self-employment is one kind of opportunity our discussion participants spoke about. We asked all of them in general what opportunities they see in the market today. The answers and perspectives were varied. Some said opportunities were plentiful. Most, however, saw limits to opportunity, the consequences of a weak rural economy or persistent low-wages or company relocations or the structural obstacles we’ll talk about in this report.

If You Want to Work.

“There’s a lot of places around here that are looking for workers,” said one factory worker. “Some are paying good and some aren’t. You have the option to pick and choose what you want right now.” Said a participant in one of the roundtables we held in Wilkesboro, “I know we do have a few manufacturers over on River Street. There’s one right next door. We have factories here in Wilkes that you can find jobs at. It just depends on what you want to do.” And another person

“If you got good work ethic, and everything matches up, you can find work here, but it depends on if you want to work.”

told us, “If you got good work ethic, and everything matches up, you can find work here, but it depends on if you want to work.”

To the question, are there good opportunities in your area, one person responded, “Absolutely. I know a guy that just left my restaurant before Christmas last year, when his wife started her maternity leave. Instead of coming back when she did, he ended up in a manufacturing factory over in the downtown area.” Telling a story that exemplifies the transformational power of opportunity, he continued, “He’s making really good money now. He’s got four kids, he’s married, he’s younger than me actually and now they’re able to survive. Because she works over there at the restaurant with me. He’s over there and they have a side business making passive income.”

Opportunities are Dwindling.

All of the participants in our roundtable discussions wanted to work. But they or people they knew were encountering barriers that made it harder to find and take advantage of opportunities. “I don’t get the vibe from people I talk to that live here that feel like there’s a lot of opportunities here,” said one person.

Concerns about dwindling opportunities were expressed by people from various regions within the project area. “Not in Wilkes County,” said one person. “We’ve lost so many businesses in Wilkes County.” A Winston-Salem resident told us, “Well, you know, Lowe’s Hardware moved its headquarters down to Charlotte. Lowes Foods was in Winston, they moved theirs to Charlotte. I don’t know if Krispy Kreme is going out of Winston. I’ve heard rumors but that could be just rumors. We lost Nascar.” And a participant from Boone thought the locals were losing out to students. “App State is a great thing for Watauga County,” she said, “but it’s also a thorn in their side, because it’s like ‘Hey we have all this employment opportunity, we have you know great insurance, blah blah blah, we offer blah blah blah.’ But then on the other hand, they keep adding students and adding students and adding students and the locals can’t have anything.” Someone from the western corner of the state weighed in on this as well. “I know as someone growing up in McDowell,” he said, “it was a lot of – I mean, even before the gas prices were going up and before the housing market got egregious, you know, even then it was still hard to get ahead.”

“If you want to work within a certain range on the bus system, then you can do this. If you want a higher paying job, that is outside the bus system out on Airport Road where the manufacturing is.”

That last comment suggested the ways that economic and structural factors, like gas prices and the shortage of affordable housing, can act as a hindrance to opportunity. “If you want to work within a certain range on the bus system,” one person said, “then you can do this. If you want a higher paying job, that is outside the bus system out on Airport Road where the manufacturing is. So not only are you limited by perhaps your skills or your trade or whatnot, you’re also limited by your transportation.” To the question of access to opportunity, another person said, “Childcare is a huge barrier.” The obstacles are many. Said one person, “If you throw background in there too, then you’re limited by that. And then you’re limited by housing.”

Wages and working conditions as well are seen as obstacles in the way of opportunity. “So a lot of it is just wages,” one person said. “It’s not that people don’t want to work, it’s that they don’t want to work a job that doesn’t respect them, I think.” Another person said, “A lot of places, like the Dollar General, don’t allow you to work more than 30 hours a week or 20 hours a week, so they don’t have to give or supply you with benefits.” And one person thought the employers were not always interested in offering opportunities to their employees, “We don’t want to pay more, we don’t want to offer more benefits, we don’t want to offer full time, we’d rather you just go look elsewhere to get this good job. Where’s that at? What is that?”

Technology.

Technology can be either a gateway or a barrier to opportunity, our participants told us. “I think there’s more opportunities now than there ever have been,” one person said. “I think it’s easier now more than ever to make the income or find so many opportunities to be provided financially,

especially through technology.” One young person said the pandemic revealed new opportunities for those who are willing to learn the right skills. “I think a lot of other people also realized there are a lot of new opportunities,” she said, “and we have to kind of learn how to do things online, and kind of start using technology for our benefit.” Technology also made possible new opportunities for remote work. “A lot of the businesses now are actually online,” we were told, “You could see someone go to a coffee shop and open their laptop for an hour, then drive home in a really expensive car.” Another person pointed to the latest trends in tech. “There’s so many different opportunities,” she said, “like especially with crypto or trading or NFTs. There’s just so many new ways that we have to learn about.”

But technology can be a barrier. “If you get in a technology field,” one person told us, “you’re much, much better off, but then again, that requires the education.” An older man said, “That’s not my strong suit, technology. If you want to make a wage, like twenty-something dollars an hour, they’re asking for Microsoft Edge, they’re asking for Microsoft Office, they’re asking for these certain things that I don’t know. I get my wife to do all this whatever.”

Training and Skills are Important.

As we talked through all the issues related to job-seeking and opportunity, two topics kept coming to the forefront – training and screening. These are two key parts of the process of connecting applicants with the employers who need them. Training can help secure the connection, while screening can keep it from happening at all.

Training and education were not the main areas of study for our research and are bigger subjects than we can address here. But in the context of these wide-ranging discussions about workforce trends and economic mobility, the subject of course arose, and our participants often alluded to its importance. “I made decent money,” one person told us about his work history. “I didn’t have to think about money. The key to that was getting that education.” Said another, “You have to have the opportunity to get that education.” And to the question what striving workers need to

“If you get in a technology field, you’re much, much better off, but then again, that requires the education.”

get ahead, a third person told us, “Really want help? Education. People need to be more educated.”

The next question is, how do you get the training and education you need? There’s no systematic way in the lives of our participants. On only a few occasions, they said their employers provided training. A hotel worker, describing a generous program that few of our participants enjoyed in their workplaces, said, “I know our general manager and our AGM, if we wanted to go and get a business degree, they would help us get that business degree. You know, just so we could have it and go work at a different property.” But a person who hoped to move from restaurant work to business described a more common situation when she said, “I do like being on the computer and doing all of that. I am a fast learner, so, electronic medical records and stuff like that, I can learn that fast if you just show

me. One day, I can do it, but it's like, if you don't have the experience, 'Oh, we want somebody else who has the experience.'"

Training is even more important in some sectors, for example in health care, but hospital workers told us it's hard to get that necessary training. "If you don't have a licensure," one man said, "there's a barrier right there. If you don't have the skill base, that's a barrier right there." But there's not always a practical way of getting over that barrier. "There's a lack of skills coming in from the school system," we were told. "Maybe they don't equip you." And the hospital administrators aren't making it any easier. "There's unrealistic expectations in the hiring process," this man told us. "'I want somebody that's got twelve years' experience with these programs and this machinery.' Kids don't have that. You have to let them learn underneath you to get those experiences."

One of our participants said we rely too much on college and too little on vocational training. "So what we have is a gigantic amount of people going to colleges and borrowing money and doing that. It was pretty easy to get a student loan. The downside of this is all the skilled trade people are getting into their late 50s now and we have a huge vacuum of nobody's there to fill the spots so we're playing catch up." He concluded, "There's going to be a whole generation of kids that are – you understand what I'm saying – they're not getting good chances to learn."

"There's unrealistic expectations in the hiring process. 'I want somebody that's got twelve years' experience with these programs and this machinery.' Kids don't have that. You have to let them learn underneath you to get those experiences."

In this environment, people sometimes have to fend for themselves. "One of the ways that the people who do get ahead or are doing better than others," one person pointed out, "is 'cause they learn these things themselves. They took the time to teach themselves." Or, they learn on the fly. A co-worker might be assigned to train a new hire and, said one person, "He may or may not do a good job of showing the ropes. He may or may not care."

Overqualified.

We were surprised by the number of participants who said their college degrees and their years of experience weren't yielding financial rewards. Said one person, "I have education, experience, and at times I get upset because they are hiring people at McDonald's making close to what I'm making." Said another, "And what's happening is, is factory positions now pay more than a degree position."

Some who reentered the workforce after the pandemic encountered this. "When I was trying to go back to work," one person said, "I worked for Best Buy for almost fifteen years, and I was in leadership positions there, and I tried to apply at Lowe's and Wal-Mart and all those other places

and none of them would hire me because I was overqualified to be a cashier.” She concluded, “You have people with so much experience doing other things in life and they can’t get what they used to do, so now they’re trying to go back to cashier positions and more simpler jobs they’re overqualified for so people don’t want to hire them, because I think they feel like maybe they have to pay them more money than what they’re looking to pay them.”

Another person told us, “When I’ve wanted a job and it was lower than my qualifications, I couldn’t get it. And I just needed a job, you know, to pay my bills and stuff and they wouldn’t take me because quote I was overqualified.” Sounding a theme that we’ll hear more about in the next sections, this person said employers who say they’re having trouble to find qualified workers then reject “overqualified” workers. “You need workers to keep your manufacturing going or building going,” he said, “but yet you’re not willing to take people that are willing to work.”

Another man who’d encountered the same barrier had a solution. “You know, that’s why I doctored my resume,” he said. “I would leave out a lot about my educational background.”

Screening Applicants.

A related topic that our roundtable participants often brought up was the multiplicity of hiring criteria that often blocked them from employment and opportunity. Education and training, which we’ve just been discussing, constitute one of these screening criteria. “You couldn’t get a job at Walmart at one point,” said one person, “if you didn’t have a high school diploma.” Another person was turned away for that reason. “They want you to have a GED or a high school diploma,” she said. “Well, what if I’m in school to get it? You’re hiring all these teenagers that are in high

“And I just needed a job, you know, to pay my bills and stuff and they wouldn’t take me because quote I was overqualified.”

school, why do I have to have my GED or high school diploma right now when I’m in the process of getting it? They’re in the process of getting theirs.”

Drug screening was mentioned several times, and some thought it was making hiring difficult. “Since taking over the plant manager’s job four months ago,” said one person, “I’ve hired fifteen people since then, and realistically, I could have

hired, I don’t know, eighteen. Three of them didn’t pass the drug screen.” But screening for criminal background emerged as a bigger problem. We’ll discuss this in more detail in a later section of this report, but it’s worth noting here as another obstacle to opportunity. Some considered the screening criteria unreasonable. “Their issues will not get them through certain organizations simply because of what they’ve done in the past,” a participant said. “It’s not who they are now. Some of them made some drastic changes and they’re still not given a chance.” But as we will see, some employers are beginning to take another look at their hiring practices. “Now people are seeing beyond that,” one person told us, “because it’s been so long ago since they got in trouble. Now they looking at me like, this is ten years ago. They’re giving chances now.”

≡ PART II ≡

OBSTACLES TO ECONOMIC MOBILITY

In Part I, we reported on our roundtable discussion participants' outlook on the job market, reviewed the state of wages and working conditions, and explored the participants' perceptions of opportunities in the areas where they live and work. At many points in these wide-ranging conversations, they brought up the obstacles that make it harder for them to get ahead. Later in the conversations, we addressed this important subject directly. We asked the groups to tell us what the main obstacles are – what are the barriers to economic mobility that they see in their lives and the lives of those around them. Their answers were rich and varied, and gave us a window into the lives of the people of northwest North Carolina.

We gained insights ranging from the psychological to the macroeconomic. One person suggested the most daunting obstacles are inside oneself. "Most of the time it's yourself holding you back," he said. "You're scared of trying to go to work because you don't want to get rejected." Another person spoke of barriers so numerous that getting over them was nearly impossible. "There's not really probably nothing they can do," she said. "By the time they do something about it, they're probably not making enough money to work, because by the time childcare, gas for them, food for them to be able to eat there, they're probably not even making enough to cover – nothing to pay bills."

"Most of the time it's yourself holding you back. You're scared of trying to go to work because you don't want to get rejected."

In this Part II, we'll dig deeper into these topics, starting with the two that our participants mentioned more than any other topic: transportation and child care, and continuing to examine housing – the next-most-often-mentioned barrier – and access to technology, reentering and recovering people, and the benefits cliff.

TRANSPORTATION

Goodwill's thirty-one county service area extends from dense urban spaces to suburban to mountainous to wide-open rural ones, and they vary widely demographically and socially and in the types of economy they have. But we heard the same complaint everywhere: we just don't have enough transportation resources, and if you don't have a car, or if you don't have two cars, you're going to have a hard time.

Public Transportation.

We didn't expect people outside the big cities to care much about or have a frame of reference for public transportation, but we were surprised. Most of them thought about it, knew something about it, and had opinions on the subject.

Some said they couldn't depend on it. "There's no reliable transportation unless you have your own," said one person. Some thought only the biggest cities have good public transportation. "We don't live in Philly or New York where I can just rely on the subway station to get me around," said one. Small-town bus service doesn't fulfill the need, said another. "Really, there's not like a

"I can probably find something more affordable, something more to my liking, but that'd be farther out. I wouldn't be able to ride the bus."

bus that comes like a city, like in Charlotte, they have a bus stop, but in Morrisville, they don't have that. If you don't have a way to get there, you're out of luck." Some said the routes weren't adequate. "They wasn't going exactly where they needed to go," said one of our participants. We were told that the extent of the bus routes determines where they can live. "I have to, right now," said one worker, "at this time, rely on public transportation, so I have to be on the bus line." That's frustrating for some, because, as we heard from many

participants, housing costs are more reasonable away from the town center. "I can probably find something more affordable," one of them told us, "something more to my liking, but that'd be farther out. I wouldn't be able to ride the bus."

Our participants understand the bus system can't go everywhere, but modest additions would be welcome. "You wouldn't want it to go to like everybody's house obviously," said one. "But even if you could make it to the library and we could have a bus stop at the library or on down 70 somewhere."

Not only can transportation determine where our participants can work and how much they can earn, it can also determine when they can work. For example, a worker on second or third shift often can't take the bus, even if they live on the bus route. "It runs Monday through Friday, eight to five," said one person about their local bus system. "Anybody who needs to work a second shift job or works for our Goodwill retail stores, we go to eight o'clock at night, we work weekends, so we can't meet that." And, those who can get the bus often have to devote unreasonable amounts of time to their bus commute. One supervisor told us, "Sometimes, too, a lot of my workers who use the bus, sometimes they have to catch the bus two hours early, or they may not be at home until eleven o'clock at night, so and a lot of them don't want to be on for that long." Either the bus doesn't run often enough, or the routes require a connection, or two, from one bus to another. "I've had jobs where I've had to have two-hour commute rides," said one participant. "Get on one bus then get another bus then probably have to get on a third bus, just depending on where my job is." Said another, "Sometimes to get to where you're going,

you have to be there sitting there waiting thirty to forty-five minutes waiting for that bus. And if it's late, you're late. So you then have to start planning on being there way earlier so you can catch that bus just so you can make sure you get to where you need to go." Said another, "Or let's say that you work somewhere far out. You may have to get off the bus at a bus stop and walk twenty, thirty minutes to work. You know, I mean, it just depends."

A worker who for any of these reasons just can't use the bus may have to improvise another means of transportation. "For me, my work is actually outside of the bus system," said one person. "so I usually Uber or take a Lyft to work." But that kind of improvisation, whether a ride share service or demand-response paratransit, can be expensive. "I could pay twenty dollars and get a ride down the mountain to get to work," one factory worker

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told us. "Twenty dollars one way." Said another, speaking of one of her neighbors, "She used to do, like, with the Ubers and they were like so expensive! They were like sixteen dollars, one-way, and she couldn't afford that because you only make a certain amount of money at work."

Another person tried a paratransit service, telling us, "Now, when I lived in Sugar Grove, they would come pick me up, but it would be \$10 a day." And, apart from cost, demand-response systems – depending on the locality – can come with other limitations. One person said, "I mean, like it has a bus or a van that is technically public transportation, but you need internet to go and set up an appointment so that you could get picked up. But you're not allowed to get picked up if it is just for work purposes." A supervisor said, "If you're not on some kind of government assistance program, you're most likely not eligible to ride. I have never been able to get anyone on it."

As we'll see in the following sections addressing child care and housing, transportation deficits make not only work but other life activities more difficult. "I would literally get out the bus," said one participant about transportation to and from child care, "take them down the street, and pray to God that I get back up the hill before that bus come back, so I'd have to catch that bus just to be on time. You like literally have to be there because if you don't, you're going to mess up your whole day. You're going to be late to work. You know it's a whole mess."

Driver Shortage.

One transportation deficit warrants attention, because it links to the general "worker shortage" that has loomed over this entire project. We were told that bus service, as limited as it is even with a full driver cohort, has seen late buses and cancellations due to a shortage of drivers. "They're short on drivers and they're eliminating a few of their bus routes," one person told us. It can cause schedule changes. "Since COVID," said another, "a lot of drivers don't drive the bus anymore. So that's where certain buses stop at 7:00."

The driver shortage seems to affect children more than anyone else. “I get calls at least three or four times a week, every week,” said one parent, “that there’s at least three or four buses from the high school that actually go to the middle schools that do not have drivers at this point. And it is every day, almost every day.” Again, the pandemic gets some of the blame. “I’m finding that dealing with school and childcare is a little bit harder,” said another parent, “especially coming out of the pandemic. My children, I have an elementary student, she’s just right here in Old Fort but my second child, he goes to West Middle, and if they’re short bus drivers or anything, Old

“That’s a big part for the school bus drivers was when schools were shut down, they didn’t have a job so they had to go find employment elsewhere. And if you have a better paying job, you’re not going to leave that to go back to drive a school bus.”

Fort children are always second priority for pickup.” The children are “second priority,” but it affects the parents, too, she continued. “It causes me to be late. it causes me to miss hours at work when I could be productive.”

The bus driver shortage shares some features with some of the other work categories we’ve heard about. For example, workers who were laid off during the pandemic shut-downs aren’t easy to lure back. “That’s a big part for the school bus drivers was when schools were shut down, they didn’t have a job so they had to

go find employment elsewhere. And if you have a better paying job, you’re not going to leave that to go back to drive a school bus.” And with wages going up in some sectors, transit systems that don’t keep up will have trouble luring them back. “In Raleigh,” said one person, “they at the end of the year would get 1,500, 2,000 dollar driving bonuses. But mom’s like, ‘I’m driving in the mountains and they’re giving us nothing.’ They’d get no bonuses.” And one transit system, we were told, had stopped reimbursing for bus driver certification tests. “They’re not going to reimburse people anymore to take those tests. That test went up to \$3,500. Like, you’re not even going to help them? So, you’re never going to get drivers and stuff for that. How is that helping anyone?”

Cars.

In a social, political, economic and environmental system built around the automobile, public resources are allocated more to roads than to public transportation. The vast majority of people have cars and enjoy easy connectivity to most places they need to go, but low- and moderate-income people who don’t have cars have limited options. Some are forced to rely on public transportation as we have seen. As to the others, we were told, “Walk. You walk.” That’s what one person suggested when we asked what do you do if you don’t have a car. Said another, “They have to look for something within walking distance because we don’t have any public transportation.”

Few actually turn to walking as their means of transportation, but those without cars encounter an array of obstacles. Cars are expensive, for one thing. “I’ve been priced out of trucks for about

two years,” said one factory worker. “And around \$35,000 to get a vehicle over 100,000 miles on it, and I’m not paying \$35,000 for a truck that’s got probably has issues because it’s 100,000 miles and doesn’t really have a warranty anymore.” When someone is forced to buy a cheaper used car that “has issues,” the repairs will prove expensive. “My neighbor had that problem,” said one of our participants. “She had a vehicle, and it broke down and she wasn’t able to fix it. She ended up losing her job because she couldn’t get to work.”

“And then you got the cost of insurance,” we were told. “That takes half your paycheck, if not more. And so it’s hard to pay for your car and everything if the gas prices are four dollars a gallon, I mean it’s a struggle. I mean, I make my car payments but it’s taking one of my paychecks. Well one and a half of my paychecks every month.”

“I live twenty minutes from here and it’s taking just a third of my paycheck every week just to get here. And it’s like, that’s ridiculous.”

Gas prices, not surprisingly, were brought up often by our participants (and this was before they reached their summer peaks). “For all of us, not just a few of us,” one person said, “All of us need that pay just cause of the cost of gas. I mean I live twenty minutes from here and it’s taking just a third of my paycheck every week just to get here. And it’s like, that’s ridiculous.” Like mass transit, gas prices can determine where a person can and cannot work. Said one High Country resident, “Tyson is always hiring in Wilkes and at GE over in Ashe County. You know like when gas is five dollars a gallon here, four dollars a gallon, it ain’t worth my while to drive that far.”

People who drive, like people who take public transportation, often have long commutes. “I got a forty-five-minute drive every day,” said one person. “I drive an hour to and from work every day,” said another. “I mean, if you want me to come, I’ll be here.” A third person explained that it isn’t only from home to work. “I also am raising my grandchildren,” they said, “so I drive to Burke County to take them to daycare and then have to come back to McDowell County to East Middle School to drop my daughter off, and then drive on here every morning and every evening.”

Finally, cars are a problem for someone who doesn’t have a driver’s license. One man home from prison and trying diligently to put his life back together told us about this. “Getting ahead can be extremely difficult, especially coming out of prison,” he said. “Or just getting behind in life, you know, unexpected occurrences. It could be like myself for example. I’m trying to get my license back just so I can have more reliability for work, and that’s been a struggle in itself. That’s one way I haven’t been able to get ahead. I’ve been home, it’ll be a year and two days and I’m still yet to make any progress with that due to Covid and everything with the DMV and just trying to get all the ducks in a row so that I can move ahead.”

People are Resourceful.

It could be a theme of our entire project. We were told again and again that people are resourceful, and when faced with obstacles, they will find a way. It isn't easy, but they find a way. "I'm gonna continue to do what I gotta do," one man said, and he could be speaking for many.

Catching a ride with a friend, a co-worker, or a family member was the most often-mentioned alternative. "You better have some good friends," said one person, "You know, friends and family." Said another, "There's no reliable transportation unless you have your own, so we have a lot of people who are dependent on family and friends." One of the manufacturing workers told us, "You may make a friend who lives near you that's willing to help you out. I mean, there's always another option." He then turned to the others in the group. "I live across the county from

"I think carpooling would be not impossible, but at the same time if you carpool with someone and they have an emergency to leave, then how do I get home?"

here," he said. "If I needed you to come pick me up you would, wouldn't you?"

A related concept is carpooling, though it's not a popular option. "I think carpooling would be not impossible," one person said, "but at the same time if you carpool with someone and they have an emergency to leave, then how do I get home?" For these kinds of reason, one

of our participants added that relying on rides with others "can go south quickly." And, said another, "I understand not everybody's got family that's willing to help them."

Those folks we mentioned that have suspended licenses are resourceful, though not always in ways we would approve. "Even without my license, I still drive," said one. "I have to do that. What am I supposed to? Me and my wife, we got three kids between us. She works, I try to work around that schedule, and I got three kids that got doctor's appointments, dentist appointments." Another person in the same situation offered a more lawful, if not very effective, solution. "Right now," he said, "because of the problems with my license, I'd be stuck riding the moped, which that isn't always a viable alternative."

CHILD CARE

We talk of "obstacles." It's a useful word to describe the structural barriers that working people have to overcome just to be able to make a living. But sometimes the word falls short in expressing the severity of the struggle that people experience. This project has given us a picture of a society that is sometimes unable to care for its children. We expect mothers and fathers to go into the workforce, but they don't get the support that they need in order to make that successful. In this section we'll report on our roundtable discussions about child care, a topic that came up early and often in every group we convened.

The Cost is Prohibitive.

People lack access to child care because there's not enough child care resources and, predictably, those that exist are very expensive. "The cost of living," one person told us, "along with the cost of paying childcare, it's just not affordable, you know." It's so expensive, we were told, that for many, it simply forecloses the possibility of work. "To get daycare for two people," said one man, "for two kids, and one in diapers, it's easier for me to stay at home." Said another, "If we go take them to daycare? That's gonna be her salary right there. Yeah, it's so expensive." Child care fees eat up too much of the parents' pay. "I had a little one," one mother explained. "It would cost me just as much as I was making to have her in daycare, so I really wasn't making nothing. I was paying daycare all that money, and so I said this is not worth it. You know I'm not making nothing."

"I was a stay-at-home mom until I started working here again and now my husband stays home with the kids, cause childcare is too expensive."

One person wondered how this was supposed to work? "It went from 120 last year to 135 every week," she said. "135 a week every week. And then put the gas with it, put 100 bucks of gas besides that 135. Now we're 235. And the average and it goes by bedroom, one bedroom, one bathroom, two bedroom, one bathroom, as far as what you pay for rent. So let's say rent's 680 or 700 around here a month. Plus your gas plus 135 a week. I'm just using my example for my daughter. If I was a single parent, how would I make it?" Couples make accommodations in any way they can. One decided to remain a single-earner family. "I was a stay-at-home mom until I started working here again and now my husband stays home with the kids. Cause childcare is too expensive, and my older son is also autistic, so it's a little harder to find childcare for him, so my husband stays home with the kids and I'm our sole providing income." Another decided that the solution was to work different shifts, but they hardly saw each other. "Nine times out of ten, I was leaving he was coming."

As with many things, the pandemic shone a light on the problem and led people to reevaluate their decisions. Speaking of the unemployment and other benefits that were available during that period, one person said, "If you had kids and they weren't able to go to school, you were making more with your \$900 or whatever it was a week to stay at home – not to worry about childcare – than what you would have made going to work, paying someone to come watch your kids. And I do think that that also created a space for people to be, 'Dang, like why am I busting my butt not to make anything all these years?'" And conversely, some who wanted to return to work after the pandemic couldn't find a way to do it. "They decide that, 'Oh, I want to go back to work.' You can't just go hand your child to a daycare and just wait for them to pay you. It's like, you got to pay and then I'll watch your child. At this point they're still in that stagnant place where it's like, well, how am I supposed to start working if I don't have money in my pocket to pay them with which I don't have."

Some of the systems and practices of the child care providers and regulators tend to suppress supply, which only makes the prices higher. For example, licensing and credentialing requirements contribute to the shortage of child care services. “They’ve got so strict on like the

“For child care, it comes down to if you paid people enough there would be more people willing to get their credentials and whatever else needed to be able to watch other people’s children.”

requirements for daycare workers,” one person told us. “The daycare that I had always used for my daughter, who is now eleven, the lady retired but her daughter doesn’t have the credentials. Even though her daughter worked there for the same amount of time, she doesn’t have the credentials to be the administrative whatever of the daycare. So she can no longer be licensed by the state.” Low

pay, of course, also contributes to the shortage. “For child care,” said one mother, “it comes down to if you paid people enough there would be more people willing to get their credentials and whatever else needed to be able to watch other people’s children.” And, we were told, more companies and organizations might provide child care services but for the fear of liability. “You could recruit more people if you offer that, but I wonder what the concern would be as far as liability,” one person asked. “Financially is that worth it?”

Vouchers.

Child care vouchers provided through Departments of Social Services make child care accessible for many low-income families. “We’re fortunate to where we can still get vouchers,” one factory worker said, “and with her having special needs, we’re able to make that work. If it wasn’t for that, I don’t even know how we would handle the situation. Like I don’t see how we would be able to pay for daycare.” But another person told us that when her child care provider couldn’t get licensed, the voucher became worthless. “They can no longer take vouchers,” she said. “So then I can’t afford to pay 300, 400 dollars a week per child for a daycare, so I have to go somewhere that takes vouchers, so there you’re limited.”

Vouchers are so urgently needed that they can drive important decisions, like a tail wagging a dog. One man explained, “On the daycare side, man, you know there was a time when I basically had to violate my moral compass and not be married to take advantage of the system. One relationship that I was in in the past, she got vouchers, and if we would have got married, guess what would have happened? The vouchers would’ve been cut, right? So, it gets to the point to where it’s like you got to do what you got to do.”

Babysitters and Grandmothers.

In the preceding section on transportation, we said people sometimes turned to friends and family for a ride. It seems they often turn the same way for child care. “I always found somebody to babysit,” one person said, “or left her with my mom on a weekend when I was working. There’re teenagers out there begging to make forty dollars to babysit a kid, so I mean, there’s always a way.” Another participant told us, “We got this lady that watches our kid and we pay her less than we would pay a daycare facility. That’s still \$800 a month but I work multiple jobs.” Said a third person, “I kept my child when he was younger at my aunt’s house, because I was actually really fortunate, I’ve been very fortunate to work during his school hours.” Said another, “Somebody would be watching the kids unless we found a babysitter.”

“There’re teenagers out there begging to make forty dollars to babysit a kid, so I mean, there’s always a way.”

Grandmothers watch the kids just as they have done from time immemorial, but it takes a toll. “I only can work so many hours with having kids,” one of our participants explained, “because my grandma, like she’s older so it’s kinda harder on her. So, she has, like, we have four kids, like my sister has two and I have two. Having all four of the kids together at my grandma’s, it’s kind of harder.” And just as rides with friends might be available some days and not others, this kind of informal child care service can be unpredictable. “We were lucky at first, my wife’s old boss’ wife was watching our kids for ten dollars a day for two kids and one of them was in diapers. And that was great, but now she had a kid, so now she only wants to watch them like once or twice a week, and the days always change.”

HOUSING

Everywhere You Look.

We usually began our roundtable discussions by asking what it’s like to try to get ahead nowadays. One response was quite striking to anyone who studies housing. “What I was thinking about when you said how is it to get ahead?” said this person. “The first thing that came to my mind was housing in Asheville.”

We expected to find an acute scarcity of affordable housing in Asheville, and we were right. “I don’t see how anybody can make it in the Asheville,” said one person. “It’s very hard to find a place to live.” Said another person, “When I first moved out to Asheville, my mom was paying \$650 a month for a two bedroom, 1 bath house. Nowadays that same house is equal or greater than \$1200 a month.” As in many gentrifying cities in North Carolina, the people who work there often can’t afford to live there. “I think at this point I know more people who work in Asheville that don’t live in Asheville,” one participant told us. “They’ve moved to the surrounding towns

because it's not affordable, it's not sustainable to have to pay that rent." The wages aren't keeping pace with the rents. "A single, like a one-bedroom apartment, it's a ridiculous amount of money compared to the wages that you get paid in Asheville for many of the jobs."

But what did surprise us was intensity of the housing crisis in places other than Asheville. It was everywhere we went. A resident of Wilkes County said outsiders were buying up property there. "If you're poor and you were born here, you're going to really struggle if you stay here," he said, "because you have people with money that are coming here and they're buying at asking prices. That jacks up the property values and housing values, so it makes it harder to find something if

"They've moved to the surrounding towns because it's not affordable, it's not sustainable to have to pay that rent."

you want to stay." Another High Country resident said something similar. "A lot of the land and stuff around here at one point was sold to a lot of outside people as being, you know, on the Parkway, and they paid a pretty penny for it."

People in Boone said the students are outbidding them. "App State is, you know, yes they are an engine that drives the economy in a lot of ways," said one. And the result? "Higher

prices on living here. And after a while it almost sends the message that if you're not a student here then you should leave." An Iredell participant spoke of housing prices there. "I'd ballpark it, it's probably fifteen, sixteen hundred for an apartment. In Mooresville anyways, because they're building like freaking crazy."

A Housing Crisis.

"Oh, it's horrible," said one of our participants. "I've been trying to find a place for about four months now." We heard this kind of complaint often. "There's just nothing there," said another. "Nothing." Said another, "Me and my girlfriend went and looked at a three-bedroom apartment. They wanted a thousand dollars a month for it. And that's for an apartment."

Owning a house seemed to recede from the realm of possibility for many of the people we spoke to. "When I was looking at homes in the area, 300,000 buys you nothing in this area," said one person. "It's easier to rent than it is really to own," said one, "so that's what most people are doing." Said another, "It's high right now isn't? I mean, if we look on Realtor.com, houses are going for asking price." And apart from the high prices, other obstacles stand in the way. "Some people don't have the credit to be able to buy a house, so you're having to pay twelve hundred, thirteen, fourteen, fifteen hundred for a small, little house or maybe a small apartment as opposed to being able to buy a bigger house, but you can't even do that because you can't get ahead to pay on your debt to better your credit score."

The subject of homelessness came up again and again, with mixed feelings expressed. One person who was a supervisor spoke of one of her staff. “I had one who was homeless actually,” she said. “She was living in a van for the first few months that she worked in our store, and she finally just got an apartment. But that was really hard for her.” For each sympathetic person, another was the opposite. “I mean, are homeless people homeless for a reason?” said one participant. “I mean, it’s the life choices you make in life, you know, put you in bad situations where you are homeless.”

“You’re having to pay twelve hundred, thirteen, fourteen, fifteen hundred for a small, little house or maybe a small apartment as opposed to being able to buy a bigger house, but you can’t even do that because you can’t get ahead to pay on your debt to better your credit score.”

When we asked about “affordable” housing, our participants thought of public or subsidized housing, fine for the poor but little help for the struggling middle class. “With the affordable housing that we currently have,” one person said, “it’s great for people who make very, very little. But sometimes it’s hard to find housing for people who are trying to work their way out. That in-between.” Another person got caught up in the words, suggesting that calling it “affordable” was part of the problem. The solution, he said, “Maybe it’s not making housing more affordable. Maybe it’s more along the lines of making housing more readily available.”

Other participants offered perhaps more tangible solutions. One had seen an example of employer-supplied housing. “Before I came to this Goodwill up here, I worked for Goodwill down in Florida, and we actually had housing for our employees who couldn’t afford it. I don’t remember how we did it. We had apartment buildings that I guess we purchased and then we would work with employees who couldn’t get housing. And I mean it was super cheap depending on positions I guess they were in.” Another said renters should only pay what they can afford. “Be on a sliding scale,” he said. “You know, you stay here the first year free, the next year you pay ten percent and work out of that.” Otherwise, he said, renters will face a version of the benefits cliff (which we will discuss again in a later section.) “Because the more we pay, the more people are going to charge, which the more we have to make.”

MORE OBSTACLES

Transportation, child care and housing make up the perfect storm of obstacles facing the low- and moderate-income people of northwest North Carolina, as we have chronicled in the foregoing sections and in the subreport on our interview research as well. But also as we have reported before, these three are not the only obstacles that hinder economic mobility. Our roundtable discussion participants were quite vocal in outlining several others that concerned them.

The Digital Divide.

The cluster of resource deficits that we group under the heading of “Digital Divide” includes three related things. One, some people don’t know how to use the digital devices that are increasingly a prerequisite to a thriving career, even at the entry level. Two, some can’t afford to purchase digital devices or make monthly payments for internet access. And three, the infrastructure for fast and reliable broadband internet service simply hasn’t yet reached some areas of northwest North Carolina.

One older man told us, “I’m fifty-five-plus, and I’ve experienced the struggle of frustration, and for a long time, I just set down and quit, it’s just too much, I mean, I lived my whole life without

“I’m fifty-five-plus, and I’ve experienced the struggle of frustration, and for a long time, I just set down and quit, it’s just too much, I mean, I lived my whole life without the technology.”

the technology.” Not surprisingly, older people do have more difficulty with digital devices. “The older generation,” said one of the participants, “like it’s very hard to learn and they just literally get so aggravated they don’t want to do it, so it takes a lot of patience, and even just the simplest thing, but if they’ve never done it, and they’ve never liked doing it to this point, it just makes it really hard to get them there.” Another person, a supervisor, told us they see it often. “I have several

employees,” she said, “who it is very, very hard for them to use our computers to clock in and out for work, and so at the end of the day, it makes it – some just can’t do it at all.”

Some can’t afford the service. “We pay \$125 for sixty gigs of data,” said one person about their data plan. “Just to be able to use sixty gigs of data a month, and I think, let’s see, it started at the end of March and eight days in we were at forty gigs already.” We heard of subsidies, but they may not be a long-term solution. “A lot of people,” we were told, “you can get free internet because they got programs that’ll help you out with the pandemic going on, but once the pandemic ends, how’s people going to afford it?”

In our very rural study area, we heard complaints about the reach and quality of internet and cell service. “Like Asheville proper has good internet,” one person said, “but you go five, ten minutes outside in any direction and it’s a completely different story.” Another person said, “Where I live I have absolutely no cell phone coverage. I live fifteen minutes up the road. I have next to no internet.” Of course, families in northwestern North Carolina, like families everywhere, struggled more in the early first years of the pandemic. “It was a nightmare,” said one parent, “when they wasn’t allowed to go to school and they were doing it at home. They issued them a Chromebook but you got to have Wi-Fi or some source of internet for that. We didn’t have it.”

A provider of services to kids said, “In Madison County that was probably our biggest issue with students last year. We tried to do our program virtually, to reach and kind of give these students some skills and stuff like that, and we did have a lot of issues with the internet, especially up

there, so it just depends on where you are.” And another person said even the libraries, where those without service at home could go, wasn’t necessarily a good solution. “The school has designated internet points at different county locations like the library or something,” they said. “Well, even then, though, the internet is spotty at best.”

Reentering People.

The struggles of low- and moderate-income people against all the barriers that hinder economic mobility are arduous and, at times, emotional. But for some people it’s even worse, with another high barrier placed in front of all the basic needs we’ve talked about. A criminal record can disqualify from housing and employment even someone who has scraped together the money for a security deposit or the credentials for an entry-level position. The participants in our roundtable discussions, like our interview subjects in an earlier phase of our research, brought this up on their own, again and again.

*Can’t find anything.
And if I do, they
won’t rent to felons
and I’m a felon.”*

“Can’t find anything,” said one participant. “And if I do, they won’t rent to felons and I’m a felon.” Said another, “Housing’s really, really hard to find housing for a convicted felon.” Said a third, “For us, for felons, renting is pretty much, you’re dead. Yeah, you’re dead.”

As for housing, also for employment. “There are some places that will not hire you if you’re a felon,” said one person. “It’s been a process for me,” said another. “I’ve been turned down for a lot of jobs when I first moved here to North Carolina. Can’t get into them.” Another, who had his license suspended on top of everything else, said, “I am trying, but it seems like because of my past and because of the license thing, it just continues to rear its ugly head everywhere I go.”

Sometimes, the people told us stories of frustration at every turn. “You ain’t got a license,” said one. “You did too much time. So, they make it so hard for you to try to go back. If I go to the DMV and say, ‘I wanna get my license’ or ‘What can I do to get my license?’ nobody can answer.” Another said they’d been lucky to get into a training program, despite their record, only to find after getting the training they couldn’t get the job. “I’ll be honest, I got discouraged when I was going to AB Tech,” he said. “When I got out and I got in there, they told me that at the end they do an internship program that you can’t have a background. So I’m basically going to school for something that I wouldn’t even be able to complete. So I got discouraged and I dropped out.”

But several of the reentering people we met spoke of perseverance and success. “When I was first released,” said one, “to be honest, like I had to work from the bottom up. Like I had to build work ethic in the community to let it be known that I was a reliable worker, like I was a reliable person. Just coming home with a record – a violent charge – no. I would have felt like it was pointless for me to apply for some of these jobs.”

“I was on work-release in prison,” one manufacturing worker told us, “and got released and they let me keep my job here, and I’ve worked my way up and I’m getting ready to start work running a new edger that they just installed.” Another participant, a supervisor at her company, said, “Two of my team members, both of them have backgrounds. One of them has – I mean, she was in prison for six years for felony charges. If she applied today, she would not be able to make it through, and she’s one of our best employees.”

Drug addiction and criminal record are intertwined, of course, and recover and reentry are also intertwined, we were told. “After you put back some time,” said one recovering person, “I’m not talking six months or a year, but if you do two to three years of clean and sober time, and you’re

“You can’t tell me that you can’t change a person. Because if you can’t change a person then what are we doing here?”

not having no more issues, I think that should be taken into consideration.” One of the service providers called for more understanding. ““I bet you there’s not nobody in anybody’s family you can say, ‘Not one person in my family has been locked up, one person in my family has had a drug or alcohol addiction.’ I bet no family can honestly say

they don’t have somebody in their family like that. So, what do you just discard them?” And said one of the reentering people, “You can’t tell me that you can’t change a person. Because if you can’t change a person then what are we doing here?”

Benefits Cliff.

Compared to transportation, child care, and housing, and to some extent criminal background screening, our participants spoke about loss of benefits only in passing. But if they didn’t know the term “benefits cliff,” many of them knew about the problem. In a discussion of wages, one participant pointed out, “You know, like people under ten dollars, they get like food stamps and stuff, and the more the minimum wage go up they’re probably take that away.” Another person said, “They can’t work over a certain amount of hours, like if they have SSI or SSDI, and you never want to lose that because you don’t know what the future holds.”

“It costs more for them to work,” said another, echoing a theme we’ve heard throughout our work on the project. “They might as well just stay at home, because for one, they don’t have daycare, and if they do have daycare, they can’t really afford it. Also, they get a check probably for the kids, so once they start working, they probably cut the check, social security cut the check. Then their food stamps will be cut.” It doesn’t add up. “By the time they do all of that, even though they working, they still when they get paid, they still haven’t got nothing. So, therefore, they be like it’s cheaper for them to just stay at home.”

These are costly considerations. “My husband was working making thirteen dollars an hour,” one participant told us. “Just him and we couldn’t get WIC, Food Stamps. We couldn’t get anything. And that’s him getting paid thirteen dollars an hour. So, we just barely could pay our mortgage and pay everything else, but we didn’t qualify for any assistance because he made too much

money.” Another said it led his wife to forego employment. “I’m in a position where we make enough on one salary here. My wife can’t work because if she does work, we would be making so much money that we would lose whatever benefits. Like we do get WIC, we’d lose that. Insurance would be harder.”

≡ PART III ≡

RESPONSES AND PERSPECTIVES

There are many ways to look at the questions of economic mobility that we have explored. In this final section, we will consider a variety of responses and perspectives that our roundtable discussion participants offered. Some are descriptive, some are offhand thoughts, and some are suggestions and recommendations. We think they exemplify the wide scope of our discussions.

Employers Have Some Responsibility.

The leaders and experts brought this up in the interviews we conducted and reported on earlier in the project period. They said inasmuch as the employers benefit when workers have better access to the resources they need, they should bear some of the responsibility for providing those resources. Some of the participants thought so, too.

Much of their attention was focused on skills and training. “I would like to say it’s the company’s responsibility,” said one person. “If they want to see me grow, if they want to see me advance, where’s the investment on their part? Like what are you offering me? What skills are you offering me? What training are you offering me?” Another person had a similar thought. “We keep hearing from HR, ‘Well we want to be the employer of choice. We want to be the employer of choice.’ Well, in my mind, one of the things you could do as an employer of choice is offer all these classes and skills and training and all that stuff to your employees.”

“I’m in a position where we make enough on one salary here. My wife can’t work because if she does work, we would be making so much money that we would lose whatever benefits.”

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There were other areas of concern, pay scales and schedules among them. “Flexibility is huge,” one participant said. “Sometimes that schedule can be different from one week to the next.” Another participant said, “Like, having more part-time positions available, being able to be flexible with schedules, and then for others, an increase in pay across the board, because I think that’s where people struggle the most financially.” Transportation was another. “Maybe offering some transportation assistance,” suggested another. “We’ll give you some type of compensation for it. We’ll give you an extra twenty dollars or something like that, to help you out.” Some thought employers should provide child care. “I think you could recruit more people if you offer that.”

Sometimes, it's just providing a supportive environment. "I feel like more needs to be directed towards incentivizing working," said one person. "You know, like employers need to offer more. They need to offer the incentive. Make it worthwhile. And it's not just with pay but with other things. You know I think really feeling a part of an organization or company. When you bring people in and you give them the proper training and connection that they need. In order to feel a part of something bigger."

One of the participants summed it up, speaking of the array of issues facing workers. You're going to have to meet them where they are," they said. "You're going to have to meet those barriers."

Solutions.

The employers have some responsibility for solving problems, our participants said, but overall they were more interested in solutions than in who pays for them. We asked them what initiatives or interventions do we need to address the issues we've discussed. Their answers were wide-ranging and imaginative.

Some approached the question from a traditional charitable impulse: help the poor. "I would put the money towards families that are not that fortunate to have as much as other people do," said one person. Another wished to help children. "I feel like that money would help those kids," he said. "Not to get Gucci and stuff! It was to help get them that education that they're trying to work hard for and not being held back by that money aspect." His co-worker agreed. "There should be money for people who doesn't necessarily come from the families where the money's already there for them," he said. "I guess maybe some scholarship funds for people that's just needing that second chance." Said a third person, "I've been through the struggle, and I know the struggle, so I think there should be some more money for people that has disabilities or just older."

"I would like to say it's the company's responsibility. If they want to see me grow, if they want to see me advance, where's the investment on their part? Like what are you offering me?"

One of the groups took up the question of homelessness. "The way I see," said one group member, "the homeless shelter we got now is like, you got to wait until if a bed opens up, so, we got to have spots whenever you want. We don't have that many." Another person, making a distinction we've heard before, said only the genuinely needy should be helped. "Them

shelters," he said, "you know, do drug tests, and those who want to live that lifestyle, we get them out. Those who want to progress and work, and fill these jobs that we need filling, that could help them." In this view, help is an instrument designed to serve employers, rather than an act of compassion or social support. "The people that want help, and the people that need it, they could have a place to go that maybe works with the companies around the community to

fill these jobs. But you know, these people that are going in are truly people that want help and they're not just druggies."

Another participant said people in recovery need more help. "Drug addiction is a really big subject for me," she said. "Losing several family members and almost losing my sister, overdosing. I want to help people in that area." But she, too, thought only some drug addicts deserve help. "This may sound cold or whatever, but the ones that are on the street that are not trying to help themselves, you know, not going out and getting stuff to them, but the ones that come in saying, 'I need help, like, I want to help myself now.' That's when I want to help them more."

"Losing several family members and almost losing my sister, overdosing. I want to help people in that area."

Support for affordable housing was also near the top of the list. "Maybe first-time homeowner, buyers, stuff like that," said one of the participants. "Anything you can do to help make payments and get started, and progress from there. You know, there's a lot of people out there that need a start and they can't get it." Said another, "I know it won't go far but housing for families. You know, like a subsidy to pay that housing. Then what people are making can go towards those next things that escalates them in life." One person offered a plan to expand the supply of affordable housing. "Maybe Goodwill needs to team up with Habitat for Humanity," they said. "I can take you to several places in this county where the houses are all run down and uninhabitable. Maybe a little co-op between them and Habitat for Humanity and we could get some more housing."

As expected, child care solutions were on the table. "We have a company in Taylorsville that offers childcare onsite," said one person. "That would be awesome as a mom to have my child right there, you know, be able to check on her. It's easy instead of having to stop two or three places to drop children off in the morning. I just drop them off there." Another person focused on the weekend shift problem. "If you had a child care service on the weekend, you could be a millionaire. How many people have child care open on the weekend? But how many people work on the weekend?"

Transit innovations came out of these discussions as well. Remarking on the difficulty people sometimes have getting to programs in which they participate, one person said, "We've brainstormed the idea of like a shuttle bus." Ride share services could be made available to more people beyond those who can pay high fares. "This would be like an Uber, right?" said one person. "Some type of Uber service but specific to this population."

Invoking an idea also aired in our interviews, several discussion participants said funding should support a "resource hub," with services grouped in one place. "Kind of a one-stop shop," said one. "Now I can agree with that." Another person explained, "So you put a bunch of non-profits under the same roof so that people don't have to go to several different places. And if they know even one resource in there, they can learn about the rest while they're there."

The Role of Goodwill.

In these discussions about solutions, some of our participants thought this was the purview of employers, some thought it the purview of philanthropists, and some thought they themselves could be part of the solution. But Goodwill's name came up often, as an important force for change. One Goodwill program participant said simply, "I just know some people that was really down on their luck but starting programs like this is a blessing. It was a blessing for me." Said another, "Programs like this, it helps people a lot. You know, this place is great."

They said Goodwill could reach beyond their programmatic role to help the larger society. "Goodwill could use their platform," one person said. "They're known everywhere, as far as I know, all over the United States. I really think that Goodwill could use their share of the money – I know this is going to sound stupid, coming from me – but there's a lot of things that Goodwill could use their weight to throw around to help out some of these assistance programs."

"I just have loved this community and what we're even doing here, and spreading ideas and all the opportunities that have come," said one young group member. As our project moves into its final phases, we are impressed and encouraged by the can-do outlook of many of the people we spoke to. They are committed to helping Goodwill make transformational change in their communities.

July 31, 2022





GOODWILL INDUSTRIES OF NORTHWEST NORTH CAROLINA, INC.

Community Survey

This community survey is part of Goodwill’s year-long “Transforming Lives in Northwest North Carolina” initiative. Our objective is to find out more about the obstacles and opportunities encountered by low- and moderate-income residents seeking access to employment. We’re exploring the social, structural and environmental conditions in the communities where people live and work, and how those conditions can hinder economic mobility and make it harder for people to achieve their goals.

We want to know about your experiences in the job market and the workplace. Your responses will help us to address important needs of you, your family and your neighbors.

Your answers will be confidential. Only the survey evaluation team at the University of North Carolina Greensboro will see the individual results. Answers will then be aggregated and reported without disclosing anything about you individually. The survey should take less than fifteen minutes to complete.

After completing the survey, you will be asked if you’d like to be included in a sweepstakes drawing for one of ten \$100 gift cards. If so, you will be taken to a separate survey to enter your contact information.

If you have any questions, you may email the UNCG survey team at chcs@uncg.edu.

1. How do you identify your gender?

- Male
- Female
- Nonbinary
- Transgender
- Other Click or tap here to enter text.

2. How do you identify your race or ethnicity? (Select all that apply.)

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- Hispanic or Latinx
- White

3. What is your household income?

- Less than \$10,000
- \$10,001 to \$20,000
- \$20,001 to \$30,000
- \$30,001 to \$40,000
- \$40,001 to \$50,000
- \$50,001 to \$60,000
- More than \$60,000

4. What is your age?

- Under 18
- 18 to 29
- 30 to 39
- 40 to 49
- 50 to 64
- 65 or older

5. Where do you live? (Select county from drop-down menu.)

Choose an item.

6. How long have you lived in your community?

- Less than one year
- 1 to 5 years
- 6 to 10 years
- More than 10 years

7. What is the highest level of education you have completed?

- 8th grade or less
- Some high school, no diploma
- High school graduate, diploma, or GED

- Some college credit, no degree
- Trade, technical or vocational training
- Associate degree
- Bachelor's degree
- Graduate degree

8. What is your marital status?

- Single, never married
- Married or domestic partnership
- Widowed
- Divorced or separated

9. Are you responsible for the care of one or more children, elderly family members or persons with disabilities?

- Not a caregiver
- Share responsibility with one or more others
- Primary caregiver

10. What is your housing status?

- Own my home
- Rent public housing
- Other subsidized rental
- Private rental
- Staying with friend or family member
- Homeless (no fixed, regular, and adequate nighttime residence)

11. Are you currently – (Select all that apply.)

- Employed full time
- Employed part time
- Employed occasionally
- Self-employed
- Out of work and looking
- Out of work and not looking
- A homemaker
- A student
- Retired
- Disabled
- Active military

12. If you are employed, how long have you been in your current position?

- Less than one year
- 1 to 2 years
- 3 to 5 years
- 6 to 10 years
- 11 to 20 years
- More than 20 years
- Not applicable

13. How would you describe the industry sector you work in? (Select all that apply.)

- Hotel
- Restaurant
- Manufacturing
- Health Care
- Retail
- Government
- Arts, entertainment, and recreation
- Transportation
- Construction
- Education
- Social Services
- Nonprofit
- Technology
- Other [Click or tap here to enter text.](#)

14. If you are not employed, what is the reason you aren't employed? (Select all that apply.)

- Don't want to work
- Quit my job
- Was fired or laid off from my job
- Can't find the job I want
- Have to stay home to care for child, elderly family member or person with disabilities
- Don't have transportation
- Retired
- Homemaker
- Unable to work because of disability
- Fear of COVID exposure

- Receiving enough unemployment insurance or other assistance
- Criminal record
- Employment discrimination
- Need more training or education
- Other [Click or tap here to enter text.](#)

15. If you feel you need more training or education, what is the reason you haven't received all the training or education you need? (Select all that apply.)

- Can't afford the cost
- Don't know where to go to get it
- Can't take time off work to get it
- My employer won't pay for it
- Need transportation
- Need childcare

16. Which best describes the wages and benefits being offered by employers in your community? (Select all that apply)

- Wages are rising
- Wages are staying about the same
- Wages are falling
- Employers are offering sign-on bonus
- Employers are offering other benefits (for example, pay for training, transportation, childcare)

17. In the last 24 months, have you taken steps to keep your work hours or your income low in order to avoid becoming ineligible for housing, childcare, nutrition or other public assistance?

- Yes
- No

18. What method of transportation do you use most often (for work or other purposes)? (Select all that apply.)

- Own an automobile or truck
- Ride with a friend or family member
- Bus or other public transportation
- Employer transportation
- Medical transportation
- Motorcycle

- Bicycle
- Walk
- Other [Click or tap here to enter text.](#)

19. If you work and are responsible for the care of one or more children, who looks after them while you work?

- Childcare center
- Early childhood education center
- School
- Family member
- Friend or neighbor
- Not applicable

20. How satisfied are you with your current employment status?

- Extremely dissatisfied
- Somewhat dissatisfied
- Neither satisfied nor dissatisfied
- Somewhat satisfied
- Extremely satisfied

21. In the past twelve months, how much has each of the following been an obstacle to your employment opportunity?

	Not at all	A little	Some	A great deal	Can't say
Lack of opportunities or open positions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of career guidance or mentoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insufficient education or training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wages are too low	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hard to find a job with good benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can't afford childcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can't find childcare that will take us	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing is located too far from the job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Criminal background	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poor credit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language barrier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

22. Do you agree or disagree with the following statements about life in your community?

	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
This is a good place to live.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This is a good place to raise a family.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Most young people move away from here as soon as they can.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The cost of living is higher here than in other communities near here.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

23. Do you agree or disagree with the following statements about employment in your community?

	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
There are many job opportunities located within or only a short distance from this community.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who want to work can find a job here.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Most jobs here pay at least a living wage.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A person without a college degree can find a job here.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
It's easy to commute to where most middle and large size employers are located.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

24. Do you agree or disagree that the following resources are adequately available to people that live in your community?

	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
Quality and affordable childcare services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Affordable broadband internet access	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public or private transit services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safe and affordable housing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Good quality public schools	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and fire protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organizations that address community needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective community leadership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Emergency medical response	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

25. If you are currently employed, indicate whether you agree or disagree with the following statements about your workplace?

	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
The leadership encourages diversity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The company is committed to improving diversity of employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The company respects individuals and values their differences	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The company treats all employees fairly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees of different backgrounds are encouraged to apply for higher positions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees of different backgrounds are treated fairly in the internal promotion process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The company's policies or procedures encourage diversity, equity and inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management of this company demonstrates a commitment to meeting the needs of employees with disabilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Racial, ethnic, sexual and gender-based jokes or slurs are not tolerated at this organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This company has done a good job providing educational programs that promote diversity, equity and inclusion in our workplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appendix E



REPORT ON INNOVATION IN AMERICAN COMMUNITIES



CHILD CARE



Infant & Toddler Childcare Startup (ITCS)



The ITCS program is a Leelanau, Michigan-based initiative that assists new childcare providers with education, facility modernization, basic business accommodations, and licensure.

The Infant and Toddler Childcare Startup, based in Leelanau, Michigan, seeks to remedy one aspect of the shortage of child care facilities. An array of regulatory hurdles makes these facilities expensive to establish and maintain. ITCS offers banking, accounting, and record-keeping help to the providers, thus lessening a big part of that burden.

The ITCS program can serve as a model for increasing the amount of quality childcare providers through training and education, and the expansion of funding sources.



For more information:

<https://www.leelanauticker.com/news/increasing-leelanau-county-childcare-options-goal-of-new-initiative/>



Childcare Incentive Pay



2,000 licensed childcare workers in Boise can apply for a one-time \$1,500 grant From the Childcare Incentive Pay program.

In an industry with low wages and labor shortages, the City of Boise's goal is to encourage child care workers to stay in the business. Boise is attempting to remedy the low wages for child care workers by offering a \$1500 one-time grant. This is a 6% increase for workers who earn \$24,000 a year.

The Program is being pushed by Boise's Director of Community Partnership Kate Nelson. The money comes from a \$3 million grant which is a part of the city's \$34 million American Rescue Plan funding

The Childcare Incentive Pay program can act as a low-cost way of increase child care workers' wages.



**For more information:
<https://www.cityofboise.org/arpa>**



The CIRCLE Grant program will provide nearly \$23 million in grants to childcare providers and other community partners to pursue innovative solutions to challenges in child care.

Since the start of the Covid-19 pandemic in 2019, about 7% of licensed child care providers have closed. CIRCLE will provide grants to fund innovative projects that will make child care more affordable; fill gaps in infant and toddler care; strengthen providers' financial stability; boost workforce preparation; and contribute to the health and learning of all children, including those with special needs and dual-language learners.

The CIRCLE grant can act as a funding model to find innovative solutions to the child care shortage that is being felt all around the country.



For more information:

<https://earlymilestones.org/project/circle-grants/>



The Kalispell Chamber of Commerce put forward a multipronged approach to the problem of exorbitant childcare costs in Montana.

There are four action items to address these concerns: outreach, education, identifying space, and encouraging home-based childcare.

They will do outreach by fielding volunteers to do advocacy throughout the community that will call attention to the need; education by establishing a scholarship at the community college for students in early education; add space for child care centers by utilizing available vacant properties and seeking potential areas for expansion; and promote home-based child care by providing technical assistance, business planning, and financial assistance

Kalispell is an example of how to use a holistic approach to tackling the challenges of childcare in an innovative way.



For more information:

<https://matr.net/news/kalispell-chamber-plan-addresses-child-care-challenges/>



Little Sproutz Early Learning Center



Sheetz, Inc., the American convenience store is offering an on-site childcare facility called Little Sproutz Early Learning Center at its operations support center in Claysburg, Pennsylvania.

The Little Sproutz Early Learning Center can accommodate 146 children. In 2018, 42 children were enrolled at the center and the center is open to the children, grandchildren, and legal dependents of the more than 1,000 support workers at the complex.

Sheetz, Inc. views the learning center not only as a way to support their employees but also a way to invest in their employees' futures.

Little Sproutz is a notable example of an emerging trend of employers providing childcare services to employees.



For more information:

<https://csnews.com/sheetz-adds-operations-support-center-its-hq-campus>



Support Teachers and Families (STAF)



The Governor of New Mexico is introducing STAF, an initiative designed to provide critical support for New Mexico's schools and child care facilities through the power of volunteers.

There have been extreme staffing shortages as COVID-19 cases surged. The number of partially or fully closed child care centers reached 75 during the period in the state.

An impetus of STAF is to keep schools and child care facilities open. One crucial part of this initiative is the call for state workers and National Guard members to volunteer to become licensed pre-K - grade 12 substitute teachers or child care workers as a response to the suppressed labor pool.

Volunteerism is just one more tool in an all-hands-on-deck approach to fulfilling this community need.



For more information:

<https://www.governor.state.nm.us/2022/01/19/governor-lujan-grisham-announces-supporting-teachers-and-families-initiative/>



Employee Sponsored Child Care Benefit Program



The United Way of Southwest Virginia has developed a two-year program where employers pay a portion of their employees' child care expenses.

The United Way is partnering with other organizations in the counties of Smyth and Tazewell in order to hold off the current labor shortage due to the lack of affordable child care.

The program treats child care like health insurance and similar benefits. Participating Southwest Virginia employers will pay a portion of their employees' child care expenses.

United Way is trying to be the catalyst for employer sponsored child care.



For more information:

https://swvatoday.com/community/article_bc0a6bb8-06ac-11ed-9392-bbe285ae5d6c.html



Nevada Strong Start Child Care Services Center



Nevada Strong Start Child Care Services Center (CCSC) is a state-designed one-stop hub for current and future childcare providers, as well as for parents and guardians.

Starting and maintaining a child care facility can be a challenge. CCSC reduces complexity by giving both providers and parents a centralized place to go for all childcare needs, providing necessary support and resources.

CCSC offers support to providers by providing networking opportunities, small business loans, and help navigating the licensing process. For parents, referrals to child care providers and secure subsidies make child care affordable.

The Nevada Strong Start Child Care Services Center is a one-stop hub for future and current child care providers, parents and guardians.



For more information:

<https://www.nevadacurrent.com/2022/02/23/state-launches-resource-center-for-beleaguered-child-care-industry/>



Tyson Foods Childcare and Learning Facility



Tyson Foods facility in Humboldt, Tennessee is constructing a \$3.5 million on-site childcare and learning facility to support their employees with children.

Childcare is an obstacle for many workers, particularly those who work the second shift. Tyson Foods is providing greater access to affordable childcare for frontline workers and their families.

Tyson Foods is also partnering with two local childcare providers in Amarillo, Texas to provide free childcare to the children of the second shift workers of their beef processing plant.

Tyson Foods is showing how an employer can attract blue-collar employees by offering additional support.



For more information:

<https://www.provisioneronline.com/articles/111929-tyson-foods-announces-low-cost-high-quality-childcare-initiatives>



TRANSPORTATION

Blackfeet Microtransit Program



 Blackfeet Transit



The Blackfeet Transit program, in Northwest Montana, provides affordable, efficient, and convenient transportation for riders.

A Blackfoot Reservation and neighboring towns were underserved by existing transit resources, so Blackfoot Reservation is launching the Blackfoot Microtransit Program.

The microtransit program will offer on-demand or pre-scheduled rides, through Blackfeet Transit's smartphone app. The app's software algorithm plans and pools passengers into the same vehicle if they are headed in the same direction. Riders without smartphones can still access services thanks to the program's dedicated phone.

The Blackfeet Transit program can serve as a model for microtransit in rural areas where providing dedicated mass transit has proven a challenge.



For more information:

<https://www.masstransitmag.com/alt-mobility/shared-mobility/car-sharing/press-release/21242033/via-transportation-blackfeet-reservation-launches-ondemand-public-transit-service-powered-by-via>



Civic Bicycle (CiBiC) Commuting Program



The CiBiC program is an experimental Los Angeles, California-based program designed to encourage people to commute to work on bikes in groups.

People are paired with riders according to skill level and comfort as a measure of safety and support in this community-led bicycling system. CiBiC is trying to establish a Cheaper, healthier, and ecologically minded approach to transportation when compared to traditional transit.

With the aid of the Pave smartphone app, the CiBiC commuting program helps workers find the most efficient routes to their jobs. As a condition for their participation, riders receive cash incentives. This lays the initial foundation for a broader alternative transit community.

The CiBiC program is a model for addressing lower-level transit issues with small-scale additions to more robust transit systems.



**For more information:
<https://cibic.bike/>**



Cleveland's Mobility Improvement Initiative



Cleveland's Mobility Improvement Initiative (MICOPP) will leverage existing collaborations around transportation, data analytics, and artificial intelligence to reduce costs and increase the efficiency of public transit.

They will use existing data to find bottlenecks and inefficiencies in transportation to guide investments in areas to foster improved transportation access, connect affordable housing, and support employment opportunities.

this project focuses on the community engagement model, the lessons learned during the planning process, and the development of a hybrid transportation system that provides mobility improvements through joint optimization of public and private community-based transportation resources.

MICOPP is a perfect example of improving public transit beyond buying more buses.



For more

information:https://www.nsf.gov/awardsearch/showAward?AWD_ID=2043869&HistoricalAwards=false



Drive 2 Success



Drive 2 Success is a pilot micro transit program to provide targeted, low-cost transportation. They offer on demand transportation to residents.

Its aim is to help remove the transportation barrier and allow people to gain a greater sense of independence. Drive 2 Success knows the challenges that underserved residents face such as making it to work, medical appointments, childcare, school, etc., and hopes to offer an affordable alternative.

They hope for the pilot to be a \$2.00 per trip door-to-door transit option for local Indianapolis residents.

A project like Drive 2 Success would be perfect for any county with a relatively large number of residents within a small radius.



**For more information:
<https://www.driven2success.info/>**



Maine's Public Private Microtransit



The Maine Department of Labor has rolled out competitive grants to companies to expand ride-sharing, vanpools, and other subsidized transit options to serve workers who lack transportation.

Representatives from Maine's Department of Labor and Department of Transportation have found that many people are struggling to meet with available employers, especially in the rural areas of the state.

Maine chose to push for a private-public option to microtransit as an innovative and unique way to tackle their labor shortage problem.

A program like this can be used by a small municipality or nonprofit to support employee travel to small businesses.



For more information:

https://www.thecentersquare.com/maine/maine-unveils-public-private-pilot-program/article_2ff27fdc-db94-11ec-bf01-937618af525f.html



METGo! Microtransit



The MetGo! system is operated by Mountain Empire Older Citizens. It is an on-demand transit program available to make up for the shortage of ridesharing options for Gloucester and Wise counties.

Riders can set up same-day appointments with a bus that will be there within minutes. This is a stark contrast from other on-demand services that require appointments a day in advance.

METGo! is the first ever ride sharing program in Gloucester and Wise County that offers curb-to-curb service with no fixed bus routes and is free of cost.

A mobile application provides virtual stops for residents to be picked up. The efficiency of the program can erase wait times for those who rely on public transit for work.



**For more information:
<https://meoc.org/transportation/>**

Metro Micro

Metro Micro Micro-Transit Pilot in Los Angeles

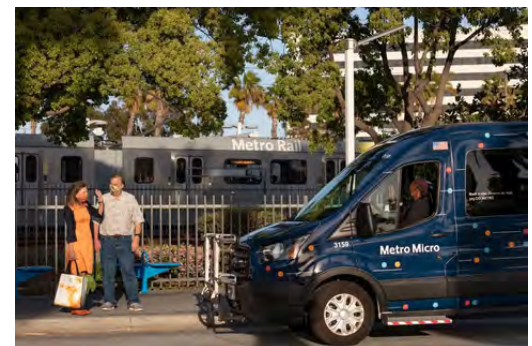


The Metro Micro is a Los Angeles, California-based micro-transit pilot program that delivers transportation options to underserved residents.

The pilot brought an affordable, public rideshare option to underserved Los Angeles residents who are not reached by Uber and Lyft. It also responds to the downward shift in ridership on buses and trains.

The pilot project expands upon existing fixed route buses and trains, delivering a \$1 on-demand service during the weekdays from 9 am to 9 pm. Residents can access the service through a mobile phone app or over the phone.

The Metro Micro Micro-Transit Pilot is a model for delivering on-demand transportation options to workers in underserved communities.



For more information:

<https://dot.la/metro-micro-expands-2655891997.html>



Microtransit Implementation Project



The MIP is a Tulsa, Oklahoma-based initiative that is offering on-demand transportation with low-route ridership, 2-4 passenger per hour, in six proposed zones within the city.

The MIP looks to provide a solution to the current use of costly buses around Tulsa. In addition, this project would not require further funding to be budgeted.

Through the use of smartphones, the MIP will provide riders access to shuttles from the transit agency within a short amount of time. Within the six proposed zone routes, the transit will be able to provide a quality fixed-routes service to the people of Tulsa.

The MIP wants to make transit more efficient for the Tulsans that rely on public transportation.



For more information:

<https://www.tulsatransit.org/getting-around/other-services-programs/microtransit/>



Mobility-as-a-Service (MaaS)



Mobility-as-a-Service (MaaS) is a Boston-based pilot program that implements expanded ride-hailing and bike-sharing capability.

The MaaS program is aimed at low-income workers who have limited access to transportation resources. The costs of mobility services are subsidized.

The program was implemented after community input on their willingness to use the transportation option. The services are provided on-demand.

A program like the MaaS pilot provides an example of how communities may offer unique mobility solutions for families with limited transportation options.



For more information:

https://www.nsf.gov/awardsearch/showAward?AWD_ID=2043385&HistoricalAwards=false



RIDE



RIDE is an on-demand microtransit service that replaced the fixed bus route system in Wilson, North Carolina.

The busing situation in Wilson left many underserved so the city launched RIDE. It operates according to the smart bus model wherein one person books a trip via a cell phone app or calls in and one is picked up within minutes and matched up with passengers heading in the same direction.

RIDE passengers pay \$2.50 per ride, which is much more affordable than a taxi fare that can cost upwards of \$20. The costs are also cheaper than other ride-sharing apps of Uber and Lyft.

An innovative alternative to traditional ridesharing can provide affordable, on-demand transit.



For more information:

<https://www.wilsonnc.org/residents/all-departments/public-works/wilson-transit-ride-wilson-industrial-air-center/ride>



User-Centered Mobility Solutions (UCMS)



The UCMS grant in Milwaukee tests new user-centered transportation services and attempts to solve persistent spatial mismatches to help marginalized population gain access to jobs.

Spatial mismatch in marginalized communities prevents them from accessing employment opportunities. The Civic Innovation Challenge is providing grants to resolve the issue.

There will be two piloted technologies that include transport network companies and micro-transit to make a large employment center accessible to marginalized populations.

With the transportation challenges common for low-income workers, SMM can be an affordable and efficient solution of spatial mismatch.



For more information:

**[https://nsf.gov/awardsearch/showAward?
AWD_ID=2133337&HistoricalAwards=false](https://nsf.gov/awardsearch/showAward?AWD_ID=2133337&HistoricalAwards=false)**



The Optimized Unified Transportation (OUT)



The OUT project, based in Kansas City Missouri, intends to identify innovative shared-mobility solutions to increase out-of-school-time (OST) accessibility.

The OUT project was formed to address the barriers regarding the accessibility of OST opportunities to low-income Black and Latinx students.

The OUT looks to interact with students, parents, mobility providers, and schools with the goal of identifying acceptable shared-mobility solutions. The project provides original models that show how these solutions improve accessibility to out-of-school activities.

The OUT project creates efficient transit solutions for underrepresented students while exposing them to research activities.



For more information:

<https://www.govtech.com/transportation/improving-transit-options-for-underserved-youth-in-kansas-city>



HOUSING



Cooperation Jackson and the Sustainable Communities Initiative (SCI)



Cooperation Jackson, a Jackson, Mississippi-based organization, advances social resiliency, self-reliance, and cohesion with creative community-centered solutions through the SCI.

The SCI is an economic development network of community-led, equitably-managed enterprises to address the low social mobility, limited access to quality affordable housing, and food insecurity in Jackson.

The SCI purchases vacant lots and other available lots. It builds affordable housing with community land trusts. Residents can practice socially-responsible entrepreneurship with the myriad of employee-owned enterprises developed through the SCI.

The Sustainable Communities Initiative (SCI) can be a model for underserved communities that can thrive with additional support.



For more information:

<https://cooperationjackson.org/sustainable-communities-initiative>



Midwest Association of Housing Coop (MAHC)



The Midwest Association of Housing Cooperatives based in Taylor, Michigan, provides training, education, and support services for housing cooperatives.

MAHC empowers its members by ensuring quality, affordable housing through education, legislative advocacy, partnership, and democracy.

The members may develop significant financial security by building limited equity through the cooperative, paying lower monthly, eliminating an outside landlord, and participating democratically at various levels of decision-making.

A cooperative can lower rent costs for workers and provides economic mobility.



**For more information:
<https://mahc.coop/>**



The Mountain Projects (MPI) aims to address community needs of those struggling with poverty in the mountains of western North Carolina.

The organization supports residents of Jackson and Haywood country. Their Weatherization Assistance Program focuses on making homes energy efficient while completing complete renovations as a way to make housing more affordable.

With funding from the federal Weatherization Assistance Program, MPI can help lower energy costs for the elderly, persons with disabilities, and households with children. Families with household incomes above 200 percent of the federal poverty line can qualify.

Providing safe and energy efficient homes for low-income residents can eliminate an economic burden for labor force.





Red Lodge Mountain Employee Housing



Red Lodge Mountain partners with our local Forest Service ranger station and utilizes their bunkhouse as employee housing during the winter season.

Red Lodge Mountain is located in an inconvenient spot for employees to find housing or transportation. To alleviate this, they are utilizing bunkhouses located on the south side of town near the turn-off to the ski hill.

The facility is comprised of 12 single-occupancy rooms, with shared living, dining, kitchen, and bathrooms. All of them are fully furnished with TV, wi-fi, and parking spots. Rent is \$13 per day with a \$150 refundable security deposit which residents pay by the day and can move out at any time if they find other accommodations.

Red Lodge Mountain is an example of how an employer offer support to employees via housing with no strings attached.



For more information:

<https://www.redlodgemountain.com/employment/employee-housing/>



RWCI is an innovative neighborhood redevelopment initiative to end intergenerational poverty and improve economic mobility

RWCI believes in the impact of a holistic, place-based approach that includes mixed-income housing, a cradle-to-career education continuum, and wraparound services including health, after-school, academic support, recreation, and job training programs to tackle inequality in Charlotte, North Carolina.

RWCI was able to sustain community engagement with 616 residents through programming and 134 children in K-12 summer programming.

RWCI can act as an example of a locally managed initiative that impacts all aspects of life for their residents while being run on a donor and grant-based budget of just over \$8 million.



**For more information:
<https://www.rwci.org/>**



Riverside Crossing Housing Cooperative



Riverside Crossing is a housing cooperative in Hamilton, Montana that serves aging adults the elderly adults, age 55 and up.

Many common activities become more challenging as people age. Riverside Crossing's goal is to provide the independence and benefits of home ownership while allowing the cooperative to assume responsibility for maintenance.

Riverside Crossing gives its residents the ability to be on a Board of Directors to determine things like monthly charges, rules and regulations, and community policies.

When partnering with a developer, Riverside Crossing can be used as an example of how to maintain independent and affordable living for an aging population.



**For more information:
<https://www.riversidecrossing.org/>**



Thunder Valley and the Regenerative Community Development Initiative (RCDI)



Based in Pine Ridge, South Dakota, the Thunder Valley allows residents to build their own homes and preserve the Lakota way of life through the RCDI.

The development is made to allow residents to support other residents to maintain the Lakota way of life. Residents have access to community design workshops, such as landscaping, community planning, recreational outdoor space design, and among others.

Thunder Valley contains 86 multifamily units, 31 single family units, commercial space, a gym, and a youth center on the 34-acre site. The RCDI provides housing as well as investments in education and skills training.

The RCDI can serve as a community development model to promote self-sufficiency and self-reliance in underserved communities.



For more information:

<https://www.thundervalley.org/initiatives/regenerative-community-development>



DIGITAL EQUITY



Community Internet Program (CIP)



DC is installing antennas on city-owned buildings to provide a high-speed internet connection to its residents.

Internet access can be a challenge for many lower-income families to afford. Tech Together and DC believe that internet access is a necessary aspect of life and should be accessible to all.

These antennas will be attached to city-owned rooftops and will serve as neighborhood hubs that will feed internet to residential properties – all at low to no cost to DC residents. The program is possible because of the Affordable Connectivity Program.

CIP can act as a model of internet access for small to mid-size municipalities that need to increase internet availability.



For more information:
<https://www.techtogetherdc.com/>



ConnectEd Nebraska



ConnectEd Nebraska is an internet program for Nebraska K-12 schools powered by eduroam to provide students and educators with free and available internet access.

Nebraska's Chief Information Office estimates that 12% of Nebraskans under the age of 18 do not have access to a reliable internet connection at home.

Eduroam is offering internet hotspots for students and faculty. When a student or teacher from any participating school is at a location with eduroam, they automatically connect to the internet with their home school credentials.

Nebraska was chosen for this pilot due to its limited access to high-speed internet and shows how internet can become available to rural communities.



For more information:

<https://eduroam.org/connected-nebraska-offers-free-wireless-internet-to-nebraska-schools/>



Microsoft's TechSpark Initiative



Microsoft's TechSpark Initiative is a digital literacy readiness project aimed to bolster cyber-readiness in underrepresented communities like Jackson, Mississippi.

Microsoft's goal is to help local partners address challenges in building digital skills, computer science education, tech enablement, and impactful, sustainable projects. by offering digital literacy workshops and workforce skill training programs to unemployed and historically underrepresented people.

These programs will target unemployed and historically underrepresented people by offering digital and workforce skills training programs and intensive and structured programs designed to accelerate the growth of qualifying startup companies and will continue to work with local high schools to commit to racial equity.

TechSpark shows the importance of digital skills in the process of workforce development and can be used to fill the skill gap in digital literacy.



For more information:

<https://blogs.microsoft.com/on-the-issues/2022/05/17/equity-opportunities-digital-divide/>



The City of Philadelphia has launched a 5-year program with the intention of creating revenue to bridge the digital divide.

The digital divide is growing by the day. Philadelphia addresses affordability and access to broadband and devices, and it tackles barriers of language, race, limited digital literacy skills, and disabilities.

The program will rely on the financial backing of state and local governments. The city will subsidize broadband services via a broader universal benefits application. It will make digital tools accessible for residents, providing web-based technologies among various sectors, including health systems.

Employers need workers who are digitally literate. Having an ally of conglomerate partners can help facilitate this support



For more information:

<https://gcn.com/state-local/2022/02/philadelphia-launches-digital-equity-plan/362166/>



REENTRY



Community Legal & Access Education & Referral (CLEAR)



The CLEAR clinic is an Oregon-based program that works with re-entered citizens to expunge their criminal records.

The CLEAR clinic runs through Portland and Clackamas Community College to help citizens with a criminal record to overcome the barriers of finding employment, finding housing, and qualifying for loans.

This program makes expungement available to those who served time for minor offenses and have finished their sentence. Expungement is not available to Oregonians that have committed most class-A felonies. Applicants are affordable at \$33 for a background check from the Oregon State Police

The CLEAR clinic looks to offer those with a criminal background a second chance at life.



For more information:

<https://www.oregonlive.com/education/2022/09/community-colleges-host-expungement-events-step-up-role-in-helping-oregonians-clear-their-criminal-records.html>

Investments Supporting Partnerships In Recovery Ecosystems (INSPIRE) Initiative



The INSPIRE Initiative aims to address the substance use disorder crisis across Appalachia by creating or expanding a recovery ecosystem that will prepare re-enter people for the workforce.

The Land of Sky Regional Council is using INSPIRE to

- (1) responding to participant and business needs.
- (2) leveraging the success of providers, agencies, and business organizations to develop pathways to employment for participants.
- (3) creating partnerships to help individuals navigate recovery while gaining training and/or employment.
- (4) scaling up the program model to other areas across Appalachia.

INSPIRE is an example of how investing in recovery leads to more employment opportunities for re-entering people.



**For more information:
<https://www.arc.gov/sud/>**



PROSPER is a project by Workforce Solutions for North Central Pennsylvania producing to support the recovery-to-work continuum by offering a three-year workforce investment program.

The stigma and readiness of recovering people are an obstacle to employment. PROSPER is a project to eliminate these obstacles to finding an untapped labor force.

The project will work with six counties' local alcohol and drug treatment programs. They will provide solutions for transportation-certified recovery specialist training for participants. While attempting to reduce the stigma of recovering employees.

Having employers meet the needs of workers solve the shortage of skilled labor.



For more information:

<https://www.workforcesolutionspa.com/categories/business-solutions/pages/arc-prosper>



REEMERGE is a 12 month reintegration program in South Carolina. They are committed to helping formerly incarcerated citizens manage the reintegration process.

The initiative is designed to help people who were incarcerated find gainful employment in the workforce while helping to grow the energy industry's workforce of tomorrow.

They utilize coaching, training, and entrepreneurship sessions to help participants earn a living wage or attain business ownership

REEMERGE has the dual purpose of increasing the employability of one of the most vulnerable populations and finding workers for a growing important industry.





GUARANTEED INCOME



Elevate MV Guaranteed Income Pilot Program

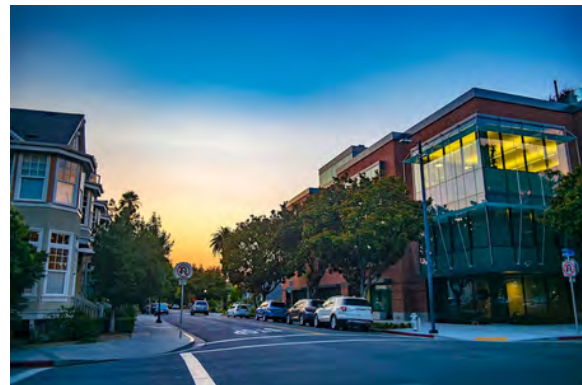


The Elevate MV Guaranteed Income Pilot Program is a basic income project created to bolster the incomes of extremely low-income families in Mountain View, California.

One hundred and sixty-six extremely low-income Mountain View residents are randomly selected for monthly direct payments of \$500. The pilot is designed to increase financial security for families and elevate their basic incomes.

The pilot provides financial assistance, empowers people by giving them agency and flexibility to spend on what they deem essential. Families can make informed decisions without stringent stipulations.

The Elevate MV Guaranteed Income Initiative is a model for assisting extremely low-income families in engaging and dignified ways.



For more information:

https://www.mountainview.gov/depts/manager/human_services/guaranteed_basic_income_pilot.asp



Embrace Mothers Guaranteed Income Initiative



The Embrace Mothers Guaranteed Income Initiative is a Birmingham, Alabama-based income project designed to help single mothers. The funds are granted unconditionally.

Single mothers account for sixty percent of all Birmingham, Alabama, households with children. The pilot gives financial relief to female family heads caring for at least one child under the age of 18.

One hundred and ten single mothers are provided with \$375 monthly for a whole year with non-profit funds, in coordination with the city of Birmingham.

The Embrace Mothers Guaranteed Income Initiative is a model for assisting single mothers, especially given their unique economic struggles.



For more information:

<https://www.al.com/news/2022/01/single-mothers-in-birmingham-can-apply-now-for-375-monthly-income.html>



In Her Hands Guaranteed Income Initiative



The In Her Hands Guaranteed Income Initiative is a guaranteed income project create to uplift struggling Black women in Georgia.

Women of color face significant structural barriers to economic security and wealth-building. This program offers financial stability for 650 Black families and individuals, providing an average of \$850 direct cash assistance monthly for two years.

Dr. Martin Luther King, Jr. was famously a proponent of the universal basic income; therefore, the project is based in Atlanta's Old Fourth Ward to pay homage to his vision at a local scale.

In Her Hands demonstrates how women of color can become economically independent through community-led efforts.



For more information:
<https://www.thegrofund.org/faqs>

People's Prosperity Guaranteed Income Pilot



The People's Prosperity Guaranteed Income Pilot is a basic income pilot project for St. Paul, Minnesota families. The pilot started in 2020 and is now coming to a close.

In 2020, up to 150 families received \$500 monthly for 18 months. This was accomplished in part because the pilot declined to consider work requirements and other conditions. It demonstrates how prioritizing personal agency for families may also increase their financial flexibility.

All participating families enroll in a citywide savings account initiative called "College Bound St. Paul" as a part of the program. The monthly funds are automatically deposited onto a debit card.

The People's Prosperity Guaranteed Income is a model for assisting families without stringent means-testing.

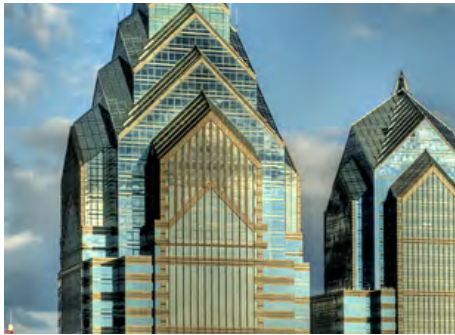


For more information:

<https://prismreports.org/2022/02/10/guaranteed-basic-income-recipients-in-st-paul-describe-how-the-program-changed-their-lives/>



Philadelphia WorkReady Initiative



The Philadelphia WorkReady Initiative is a basic income pilot project for Philadelphia, Pennsylvania residents. It helps provide extra help for workers.

For many workers, working is not enough to maintain a family. Philadelphia's WorkReady Initiative will give \$500 monthly to 60 people who received support through Temporary Assistance for Needy Families within the past 5 years.

Individuals also have access to case management, coaching, and career counseling provided by the pilot program in addition to cash payments.

The Philadelphia Guaranteed Income Pilot is a model for assisting low-income workers through effective, comprehensive community engagement.



For more information:

<https://whyy.org/articles/philly-to-pilot-a-guaranteed-income-experiment-giving-cash-to-some-needy-residents/>



Santa Clara's Basic Income Pilot Program



The BIP initiative in Santa Clara County, California is a 12-month program focused on providing aid to younger adults transitioning out of the foster care system.

The BIP initiative was implemented in June 2020. As the pandemic continues, communities are in dire need of assistance in to order survive, particularly the foster care community which already has a difficult transition from foster care to independent living.

Through this initiative, Santa Clara County is providing a \$1,000 stipend per month to up to 2,500 young people who are aging out of the foster care system. The purpose of this program is to provide former foster care children with financial stability.

The BIP program wants to create a positive change for those who have aged out of the foster care system by providing financial stability.



For more information:

<https://news.sccgov.org/news-release/county-santa-clara-extends-basic-income-program-young-adults-transitioning-out-foster>

YALift!

YALift! Guaranteed Income Pilot



The YALift! Guaranteed Income Pilot is a Louisville, Kentucky-based basic income pilot project for young adults ages 18 to 24 who are seeking higher education.

YALift! is attempting to ease the financial burden that is being felt by students and other young adults that are preparing to participate in the labor force.

Up to 150 young adults (ages 18 to 24) that are pursuing higher education, learning a trade, or embarking on a new career can participate in a program providing \$500 in unconditional monthly payments for a year.

The YALift! Guaranteed Income Pilot is a model for comprehensive responses to underlying income inequalities among young adults.



For more information:

<https://www.courier-journal.com/story/news/2022/02/11/louisville-launches-500-month-guaranteed-income-program/6695499001/>



Excel Pilot Program



The Excel Pilot Program is offering financial support to 106 re-entering, formerly incarcerated Durham residents.

The Excel Pilot Program is attempting to evaluate guaranteed income's effect on recidivism, employment opportunities, economic security, and income volatility on re-entering members of their communities.

The City of Durham hopes the program will help with physical functions, mental health, and stress to lead to better parenting, housing opportunity and interactions with other institutional systems.

The Excel Pilot Program could help any county struggling with high recidivism rates and incentivize gainful employment for re-entering people.



For more information: <https://www.stepupdurham.org/excel>



Arlington's Guarantee: A guaranteed income Pilot



Arlington Community Foundation is to give 200 qualifying low-income residents \$500 a month for two years. All without public funding from the county.

The benefits cliff is one of the biggest obstacles for employees from advancing in their careers. Many times, advancing in their careers or accepting additional assistance can cause the loss of benefits.

To avoid the benefits cliff, none of the money will be given through public funds and will not be calculated when determining benefits. ACF is using guaranteed income as an augmentation to public benefits, not a replacement.

A pilot project similar to this can be used by a nonprofit to see the benefits of guaranteed income without sacrificing public assistance in rural North Carolina.



**For more information:
<https://www.arlcf.org/arlingtons-guarantee/>**



BENEFITS CLIFF



The Benefit Bridge of Allen County (OH)



The Benefit Bridge of Allen County, Ohio is an initiative that makes the transition from public assistance easier for low-income households across the county.

This initiative addresses the issues of caution amongst low-income workers as the loss of benefits can be most harmful to workers and lead them to make career decisions based on short-term financial considerations.

The Benefits Bridge assists low-income workers by making bridge payments to ease participants through the transition from public assistance to work.

This initiative was designed for the purpose of eliminating the benefits cliff. With these kinds of initiatives, a significant disincentive to work might be removed.



For more information:

<https://www.communitysolutions.com/research/policy-change-can-reduce-benefit-cliffs-incentivize-work/>



Benefits Bridge



The Benefit Bridge program provides support to vulnerable populations in obtaining long-term self-sufficiency in Portage County Ohio.

The program offers a variety of supports and incentives to participants during their transition to employment that can help make the path to self-sufficiency more easily accessible.

Essential services include financial literacy, case management, connection to peer support, financial support, and an eligibility specialist from public assistance.

The Benefits Bridge can act as funding support to families and individuals reducing financial struggle during the initial employment stage.



For more information:

<https://www.portagecounty-oh.gov/ohiomeansjobs-portage-county/pages/benefit-bridge>



The Bell
Policy Center

Colorado Cliff Effect Pilot Program (CEPP)



CEPP is a Colorado based pilot project being studied by the Bell Policy Center. It was authorized in 2012 to remedy the problem of the sudden loss of benefits.

The CEPP was designed so counties may experiment with different approaches to gradually withdrawing childcare benefits as a family's income increases. The goal is to use what is learned to better structure childcare programs locally to help families avoid the cliff effect.

The program helps families whose incomes have increased above the eligibility limit by slowly increasing their childcare payments instead of abruptly stopping all subsidized payments at once.

Childcare can be one of the most fundamental obstacles for parents looking for employment. Maintaining benefits offers incentives for parents to expand their careers.



For more information:

<https://www.bellpolicy.org/2018/03/29/colorado-cliff-effect-pilot-program/>



FINANCE



Capital for the Commons



The Industrial Commons, based in Morganton, North Carolina, operates innovative programs to support local workers and promote economic mobility.

They believe that rural and minority-owned entrepreneurs traditionally have less access to capital to start and scale their businesses.

They developed Capital for the Commons, a loan fund designed to ensure small to mid-size, locally owned, and democratically operated businesses in Northwest North Carolina communities have the capital necessary for expansion and growth.

Capital for the Commons could be a model for a loan fund that stimulates rural economies and promotes economic mobility in underserved rural neighborhoods.



For more information:

<https://theindustrialcommons.org/capital-infrastructure>