The Impact of the Coronavirus FEEDI on Food Insecurity AMERIC

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KEY FINDINGS



- The (COVID-19) pandemic is Coronavirus impacting vulnerable households in various ways. Many food-insecure individuals have characteristics that put them at a higher risk for severe illness associated with COVID-19.
- Workers who have service occupations or work in the leisure and hospitality industry are more likely to be food insecure and are at risk of further hardship as many businesses have been forced to close and lay off staff.
- Should unemployment and poverty increase to the level of the Great Recession, 10.6 million more people may experience food insecurity. In a more extreme scenario, the number of food-insecure individuals could rise by 17.1 million. Demand for charitable food assistance has increased and is expected to continue to increase for the foreseeable future.

INTRODUCTION

As closures and social distancing orders meant to limit spread of the novel Coronavirus (COVID-19) sweep across the country, the impact is being felt in communities large and small. While changes taking place are disrupting the lives of nearly everyone in some way, food-insecure individuals - who numbered 37 million (11.5%) in 2018¹ - will face particular challenges, and the number of people who experience food insecurity is expected to grow. The Feeding America network of food banks is responding to the crisis as it unfolds, while already reporting increased demand for charitable food assistance.

According to the Centers for Disease Control and Prevention (CDC), people with serious underlying medical conditions (e.g. heart disease, diabetes, lung disease) and older adults are at higher risk for experiencing severe illness as a result of contracting COVID-19.² Individuals who experience food insecurity are more likely to have poorer health, and to have diet-related conditions like diabetes.³ An estimated 5.5 million seniors age 60 and older are food insecure, as are 4.8 million adults age 50-59.4,5 Many seniors regularly face challenges accessing food due to mobility and transportation limitations, and with social distancing measures in place, these challenges are likely to be heightened.

Initial response to the spread of the outbreak has included panic buying to stock up on food staples and other supplies, including toilet paper, hand sanitizer, and cleaning supplies. Lowincome individuals are disadvantaged in such an environment: many struggle to afford what they need for the immediate future, much less large shopping purchases to prepare for a quarantine.

- ¹Coleman-Jensen, A., et al. (2019). Household Food Security in the United States in 2018. U.S. Department of Agriculture Economic Research Service. ² "Are You at Higher Risk for Severe Illness." Centers for Disease Control and Prevention, 20 Mar 2020, https://www.cdc.gov/coronavirus/2019-ncov/specific-
- groups/high-risk-complications.html
- ³ Seligman HK, Laraia BA, Kushel MB. Food insecurity is associated with chronic disease among low-income NHANES participants. J Nutr. 2010; 140(2):304–10.
- ⁴ Ziliak, J.P. & Gundersen, C. (2019) The State of Senior Hunger in America 2017: An Annual Report. Feeding America. ⁵ Ziliak, J.P. & Gundersen, C. (2019) <u>Hunger Among Adults Age 50-59 in 2017</u>: An Annual Report. Feeding America.

THE ECONOMIC IMPACT ON LOW-INCOME HOUSEHOLDS

Workers with service-related jobs at particular risk

As cities and states across the country continue issuing orders for businesses and schools to close and residents to stay at home, the toll on low-income individuals grows. Most low-wage jobs cannot be performed at home, so those workers are either experiencing lost wages or continuing to work, presumably risking their own health to the extent their roles require human interaction.

Population Survey, December Supplement.

For parents who are continuing to work out of the house, school closures create the additional burden of needing to arrange for potentially costly childcare and account for meals that are typically provided during the school day.

Food insecurity rates vary by industry category (the type of activity at a person's place of work) and by occupational category (the kind of work a person does to earn a living). One group that has been particularly affected are workers who have service occupations or work in the leisure and hospitality industry. As is, these workers experience above-average rates of food insecurity (16-17%). Now, with so many public-facing services closing indefinitely, these workers are facing particularly dire circumstances.

Service occupations represent 17% of all occupation types, and 10% of working adults are employed in the leisure and hospitality industry, so the scope of individuals affected will be significant (see Figures 1 and 2).

The impact can be seen by the staggering number of new unemployment claims for the week ending March 21 - 3.3 million, an increase of 3 million from the prior week and the highest number since October 1982 (695,000) - and more new claims are expected in the coming weeks as businesses react to lost revenue.6

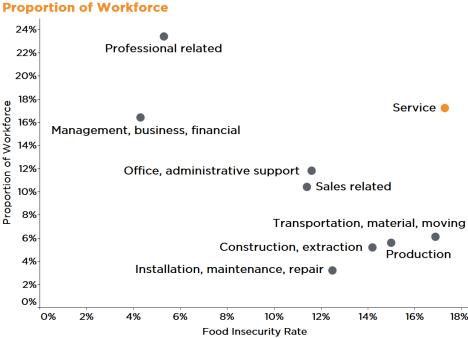
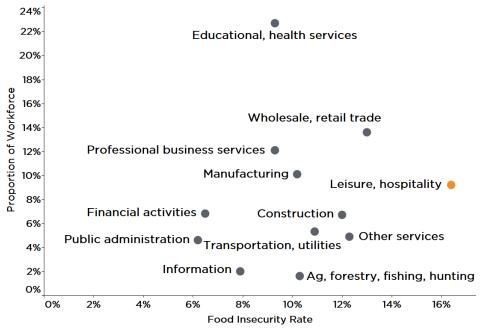


Figure 1. Occupational Categories by Food Insecurity Rate & **Proportion of Workforce**

Figure 2. Industry Categories by Food Insecurity Rate & Proportion of Workforce

Source: Calculations by Craig Gundersen in partnership with Feeding America from data from the 2014 to 2018 Current



Source: Calculations by Craig Gundersen in partnership with Feeding America from data from the 2014 to 2018 Current Population Survey, December Supplement.

FOOD INSECURITY ON THE RISE

Coronavirus-related response measures have had an immediate effect on the economy, as the latest unemployment report reveals. More people will be affected, at least in the short run, the longer that closures continue. Feeding America's *Map the Meal Gap* study can be used to predict changes in food insecurity based on projected changes to unemployment and poverty.

Table 1 displays three potential scenarios, depicting increasing severity of changes to poverty and unemployment rates and the changes to food insecurity for the overall population that may result.

Scenarios A and B represent the same changes to unemployment and poverty that occurred during the Great Recession after one year and two years, respectively. Under Scenario A, if unemployment increases bv 1.1 percentage points and poverty increases by 1.5 percentage points, 4.1 million more people will experience food insecurity. Under Scenario B, if unemployment increases bv 4.5 percentage points poverty and increases by 2.6 percentage points, 10.6 million more people will experience food insecurity. Scenario C represents a more severe possibility: if unemployment increases by 7.6 percentage points and poverty increases by 4.0 percentage points, 17.1 million more people will experience food insecurity. Figure 3 displays the alongside three scenarios historic trends in the number of food insecure individuals.

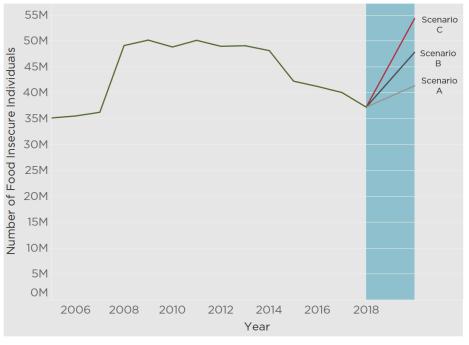
Note that the calculations above do not take into account the federal, state, or local responses to the COVID-19 crisis that will aim to bolster the economy and provide direct support to those who have been most affected. These responses have the potential to mitigate the depth and breadth of hardship.

Table 1. Food Insecurity Projections by Scenario

	Scenarios		
	A	В	С
Unemployment rate increase (% pts)	1.1	4.5	7.6
Poverty rate increase (% pts)	1.5	2.6	4.0
Food insecurity rate increase (% pts)	1.3	3.3	5.3
Increase to number of food-insecure individuals	4.1 million	10.6 million	17.1 million

Source: Calculations by Dr. Craig Gundersen with data from the 2014 to 2018 Current Population Survey, December Supplement.

Figure 3. Food Insecurity Trends & Projections



FEEDING AMERICA'S RESPONSE

Feeding America's 200 member food banks are working in communities across the country in response to the COVID-19 crisis, adapting service models to minimize risk of transmission while helping those in need. Collectively, the network serves over 40 million people each year, many of whom will experience more severe levels of need in the coming months. At the same time, the sharp decline in the economy is leading to an increase in the number of individuals experiencing food insecurity. Food banks are already reporting increased demand, while facing operational challenges, including declines in volunteers and retail donations. Demand for charitable food assistance is expected to remain at elevated levels for the foreseeable future.