



## CALIFORNIA CORONAVIRUS WEEKLY RECAP

*A weekly digest to keep you up to speed on the California coronavirus outbreak.*

Oct. 20, 2021

Welcome to the 84th issue of the California Coronavirus Weekly Recap newsletter.

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### **The Economy & Your Finances: National jobless claims drop to pre-pandemic level; California unemployment still rising**

Last week, initial jobless claims across the nation [dropped below 300,000](#) for the first time since before the pandemic began. Initial claims, which dropped to 293,000, are now in

the zone associated with healthy labor market conditions, even though there are challenges based on shortages of workers and raw materials, which are fueling inflation. Employers are hanging onto employees longer than usual because of the lack of workers to fill new posts, as shown by the [small payrolls increase](#) of only 194,000 jobs in September. Continuing unemployment claims [dropped to 2.59 million](#). The overall unemployment rate is now below 5 percent for the first time since the pandemic began, although [10.4 million jobs remain open](#).

Unfortunately, instead of following the national trend, California's initial claims for [unemployment rose last week to 67,200](#), a rise of 3,200 from the week before. Experts had predicted that unemployment claims would drop after the federal \$300 weekly benefits supplement ended, but that did not occur. Of the 2.71 million jobs that the state lost in March and April of 2020, it has regained only 62.1 percent, or 1.69 million. Many of the jobs that remain unfilled are in restaurants, hotels, bars and retail, which have historically low wages.

Sources: NBC News, CNBC, Reuters, U.S. News & World Report, Mercury News

## **The Market & Industry: Market still strong, stabilizing; Freddie Mac & Fannie Mae predict home prices will continue growing; mortgage rates rise slightly**

California home sales in September suggest that the [market still has legs](#) as sales rebound and prices remain above the \$800,000 benchmark to end the third quarter. There are further signs that demand is stabilizing after declining from 15-year highs earlier this year as mortgage applications and weekly sales decline, but by a smaller percentage. In addition, the coronavirus pandemic continues to improve, which should continue to support broader economic growth. The primary downside last week was that fear of inflation continues to drive rates up slightly in both the bond market and the mortgage market.

Freddie Mac and Fannie Mae economists [predict that home prices will grow](#) by nearly 17 percent overall for 2021 and then slow to about 7 percent growth in 2022. They predict

the 30-year fixed-rate mortgage — which likely will end the year averaging about 3% — will inch up to 3.5 percent in 2022, a projection similar to expectations by NAR economists.

Freddie Mac's reported [30-year fixed-rate mortgage](#) indicator rose above 3 percent last week for the second time in the past three weeks. The average contract rate of 3.05 percent was up 6 basis points from 2.99 percent the previous week and marks a 27-week high going back to April of this year. Persistent inflation readings along with signals from the Federal Reserve about impending tapering have pushed 10-year Treasuries higher and no significant reversal in rates is expected, though rates are not expected to rise quickly either.

Sources: *Freddie Mac, C.A.R. Market Minute, Yahoo!Finance*

## **Around the State: Hospital staff strike for more staffing; 97 percent of LAUSD teachers and administrators meet vaccination deadline**

Dozens of hospitals across the state are facing [strikes by exhausted health care workers](#) who demand more staffing. Last week, nearly a third of all California hospitals reported [critical staffing shortages](#) to the federal government, with more expected this week. Hospitals are not able to meet the state's required staff-to-patient ratios for nurses or other critical personnel. The reasons behind the shortage are record numbers of patients at the same time that many health care workers have left the field due to emotional and physical burnout, stress, as well as no hazard pay. Hospitals were already short-staffed prior to the pandemic, and that has only gotten worse. Many hospitals have had to pay traveling nurses as much as [\\$8,000 or \\$10,000 a week](#) just to approach the bare minimum staffing, while the regular nursing staff has not had a raise or hazard pay. A [bill to provide hazard pay](#) to nurses was opposed by the hospital association because they claimed they could not afford it, even though some federal pandemic funds were specifically earmarked for hazard pay and bonuses for frontline workers. Discussions between Kaiser and hospital worker unions over salaries and benefits stalled in September after five months, so the Alliance Healthcare Unions authorized the first strike

of its kind in 26 years.

Of Los Angeles Unified School District (LAUSD)'s 73,000 employees, [97 percent of Los Angeles teachers](#) and 97 percent of administrators met last Friday's deadline to be vaccinated against COVID-19. The mandate applies to all LAUSD employees who work on campus, as well as all district-authorized charter school employees, all district contractors and parent volunteers who work on campus. The district did not announce numbers for other employees. LAUSD continues to conduct COVID-19 tests weekly for all students and staff. Infection rates have dropped steadily since the start of the year, though even last week 503 students tested positive and 2,712 students were quarantined. Schools across the district were gearing up to fill in for staffing shortages caused by those who did not meet the mandate in time.

Sources: *CalMatters*, *Los Angeles Times*, *HealthData.gov*, *California Legislature*

## **Health Check-Up: Halloween gets the green light; Moderna booster is recommended for approval; J&J vaccine needs a second dose; Colin Powell dies of COVID-19**

Get the costumes and candy bowls ready! Unlike last year, when Halloween trick-or-treating was largely canceled, Dr. Anthony Fauci, the nation's top infectious disease expert, said over the weekend that [kids should be able to go trick-or-treating](#) for Halloween, this year. "I think that, particularly if you're vaccinated, you can get out there and enjoy it. This is a time that children love. It's a very important part of the year for children," [Fauci told CNN](#). Because trick-or-treating usually happens outside, it is a relatively low-risk activity. He suggested going in small groups and avoiding crowded Halloween parties and activities, especially indoors. He also said that families should enjoy together the other holidays coming up, though he stressed the importance of being vaccinated and getting boosters if you are eligible, to "[add an extra degree of protection](#) to yourself and your children and your family and your community."

If you plan to hand out candy this Halloween, [HealthyChildren.org recommends](#) sitting outside and handing out individually pre-packaged goodies. Also, remind children to

avoid large groups of kids clustering at doorsteps or wherever goodies are being handed out, particularly because many children are too young to be vaccinated. If you go to an indoors event, be sure to wear a cloth mask with multiple layers or a disposable surgical mask, that covers the nose and mouth tightly. A Halloween mask is not protective. Also, be wary of painting medical masks to make them match a costume, as some paints may contain toxins.

The U.S. Centers for Disease Control and Prevention (CDC) announced last Friday that states can begin this week to [order COVID-19 vaccine doses for children](#) between the ages of 5 and 12, in anticipation of pending approval by the U.S. Food and Drug Administration (FDA) and the CDC.

On Friday, a panel of experts at the FDA unanimously [recommended a third, booster shot of the Moderna](#) COVID-19 vaccine for people at higher risk from the disease, including people aged 65 and older, people aged 18-64 who are at higher risk of severe disease due to pre-existing health conditions, and people who live or work in situations where they are at increased risk of severe COVID-19. Moderna's booster shot is only half the dosage of its first two shots, unlike the Pfizer booster that is the same dosage as its first two.

The panel also recommended that anyone who received the one-dose Johnson & Johnson vaccine more than two months ago should now receive [a second dose for best efficacy](#). The biggest advantages for the J&J vaccine when it was released were that it did not need cold storage, and it was easier to administer one vaccine than two, especially for people in rural or hard-to-reach populations. So far, no agency has recommended mixing different makers of vaccines even though [some research](#) shows that it might make for better immunity. Dr. Fauci recently told ABC's "[This Week](#)" that, given the data the FDA has seen about the J&J vaccine, it probably [should have been a two-dose vaccine](#) all along.

The nation mourns [the loss of Colin Powell](#), a four-star general who became the first Black secretary of state and chairman of the Joint Chiefs of Staff, who died Monday from complications of COVID-19. Although Powell was vaccinated against the coronavirus, his

advanced age (84) and history of cancer left his immune system highly vulnerable. He had been treated over the last few years for multiple myeloma, a blood cancer that impairs the body's ability to fight infections as well as to create antibodies in response to vaccines. Powell had intended to receive a booster shot to counter possibly waning immunity but got sick before he was able to do so. The COVID-19 vaccinations are still the best protection against getting the disease, though no vaccine is 100% foolproof. The COVID-19 vaccines remain highly effective against hospitalization and death, and unvaccinated people are about 11 times more likely to die from the coronavirus than those who are vaccinated. Getting a high percentage of the population vaccinated is critical to provide a layer of protection for people with suppressed immune systems, like Powell and many others.

Sources: *Mercury News*, *CNN*, *CBS News*, *HealthyChildren.org*, *Associated Press*, *Yale Medicine*, *U.S. News*, *MedRxiv.org*, *ABC News*, *USA Today*



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