

WHEN WOMEN SUCCEED, AMERICA SUCCEEDS: INVESTING IN WOMEN'S RETURN TO THE WORKFORCE

April 8, 2022

The last two years have been a strain for the entire country as we work to overcome the COVID-19 pandemic and resulting recession. However, because of their position in our economy and in their own households, women have borne the brunt of these two crises. Women not only suffered the most job loss, they also took on the lion's share of caregiving responsibilities for their children and families as schools, daycares, and other care facilities closed. The House Budget Committee held a hearing on March 16, 2022, to explore this issue, examine ways to ensure an inclusive economic recovery, and ways to ensure women can thrive in a post-pandemic economy.

WOMEN ARE CAREGIVERS AT HOME

One reason why the burden was on the shoulders of women is because women do a disproportionate share of caregiving. When schools and daycares went virtual to protect children and address public health concerns, women took on the majority of care for those children. This influx of responsibilities made it hard and sometimes impossible for many women to manage full-time paid work, especially if remote options were not available. *"Women also constitute the majority of our frontline workers. So even if they did not lose their jobs, these women faced increased health risks, fewer opportunities for remote work, and a lack of paid leave,"* said **Chairman John Yarmuth**. He added, *"Again, there is a disproportionate impact on women of color: Black women are more likely to be the sole earners for their families, meaning that they may be forced to take lower wage jobs or more dangerous work to make ends meet for their families."* Indeed, these trends are worse for women of color – while white women are currently experiencing an unemployment rate of 3.1 percent, those rates are almost twice as high for Black women.

WOMEN ARE OFTEN CAREGIVERS AT WORK

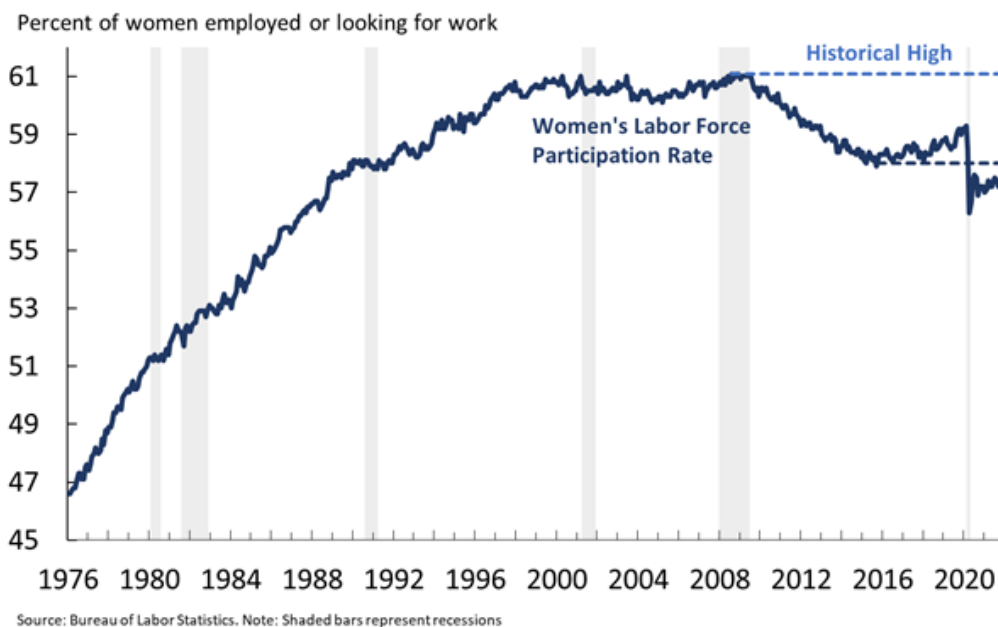
Women doing care work also took on the brunt of the pandemic. *"The COVID-19 pandemic and the resulting recession brought the vulnerabilities of the domestic workforce to fore all at once, rapidly pushing them toward a financial cliff. More than eighty percent of domestic workers going into the pandemic didn't have a single paid sick day while living paycheck-to-paycheck,"* explained **Ms. Ai-jen Poo, Executive Director of the National Domestic Workers' Alliance**. Many women were faced with the impossible choice of caring for their families or

earning a paycheck. Without a robust social safety net to support them, women, their children, their families, and their communities all suffered.

THESE CHALLENGES ARE NOT NEW

While the pandemic brought many societal challenges into the spotlight, these underlying issues were nothing new. Women were already seeing a decline in labor force participation. As explained by **Dr. Stefania Albanesi, Economics Professor, University of Pittsburg**, “When it comes to labor supply, women’s labor force participation has stagnated in the United States since the early 1990s, after several decades of rapid growth. In 1990, the United States ranked fifth out of 23 comparable countries in women’s participation. By 2019, our rank dropped to 21st. While there may be many factors that contributed to the United States falling behind, the economic research clearly points to family policies as the most important driver. Three policies in particular stand out: entitlements to paid parental leave, entitlements to flexible work schedules, and publicly provided child care.”

Women's labor force participation rates have recovered modestly, but are still well below historical highs



Even before the pandemic women were only [making 83 cents](#) on the dollar compared to men, with these disparities even greater for women of color. Women already made up the greater share of low-earning jobs within occupations, and many struggled mightily with the high cost of daycare and lack of paid family and medical leave. The pandemic made arrangements that were already tenuous for so many women unsustainable.

WE CAN, AND MUST, ACT.

To fuel an inclusive recovery, women must have the support they need to return to work – and to jobs that will help them earn a living wage – while knowing their families are safe and cared for. We need the participation of women to fuel our nation’s productivity going forward, just as they have for decades past. And we need to understand that the free market has not worked for everyone.

Indeed, **Ms. Rosa Walker, mother, educator and Moms Rising activist** made it clear when she told the story of what her family, and so many families like hers, have faced. She said, *“We’re struggling because our country hasn’t invested in basic programs such as paid family and medical leave, home care and high-quality affordable child care.”* The consequences of years of failing to act on policy are now all coming to the forefront as women struggle.

“We’re struggling because our country hasn’t invested in basic programs such as paid family and medical leave, home care and high-quality affordable child care.”

MS. ROSA WALKER - MOTHER, EDUCATOR, MOMS RISING ACTIVIST

We cannot turn our backs on Ms. Walker and the millions like her in this country who struggled to make ends meet before the pandemic, and who cannot make ends meet today. Congress must act to ensure that women can participate in the economy by enacting work supports to strengthen the American family.

Last year, the House voted to:

- limit the amount middle-class and working families pay for child care to not more than seven percent of their income,
- provide universal pre-kindergarten for all three- and four-year old children, and
- provide paid family and medical leave.

It has been widely demonstrated that these kinds of policies would having meaningful positive effects on the daily lives of women and families around the country. [Economists estimated](#) that if the slate of policies the President proposed were enacted, female labor force participation would increase by an entire percentage point. A strong paid leave policy would not only [increase female labor force participation](#), it would [improve](#) the mental and physical health of children and mothers and increase macroeconomic growth. Studies have also [found](#) that universal pre-k programs have a substantial effect in improving labor force

participation of mothers with young children. In general, investments in the care economy have substantial [multiplier effects](#), meaning that the money spent pays dividends for society over the long run.

In addition to these family-support programs, equal pay for equal work must be secured, and passage of the Paycheck Fairness Act is key. Just one day before the hearing, March 15, was Equal Pay Day. The day denotes how far into the year women must work to catch up to what men were paid the previous year. It's important to note that the wage gap is even greater for most women of color.

Chairman Yarmuth said, *“These are the types of investments that will make it possible for more women to return to the workforce. They will help business owners fill open positions and grow. And they will ensure we recover from the pandemic stronger than before, with a more fair and equitable economy, and can build an America that better reflects our values.”*

This is not about creating more government programs for the sake of creating programs; it is about investing in the areas that will pay the greatest dividends. As **Ms. Poo** stated in the hearing, *“If we invest in care jobs becoming living wage jobs with real economic security and access to a safety net, we will create a pathway to the middle class for literally millions of working class and working poor women and their families. It’s a win-win-win investment.”*

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.