When Women Lose All the Jobs
Essential Actions for a Gender-Equitable Recovery

By Diana Boesch and Shilpa Phadke  February 1, 2021

“Other countries have social safety nets. The U.S. has women.” – sociologist Jessica Calarco

The tumultuous year of 2020 may be over, but the coronavirus pandemic and the significant financial insecurity facing many women and their families are not. As the year closed out, the nation’s employment numbers for December revealed that the nonfarm payroll job losses for the month were entirely borne by women. This development, while unique to December, is emblematic of the disproportionate damage to women’s employment that occurred during the year: Women and their families, who were already treading water before the pandemic, are bearing the brunt of this crisis.

Over the course of the first 10 months of the pandemic, women—particularly women of color—have lost more jobs than men as industries dominated by women have been hit the hardest. Overall, women have lost a net of 5.4 million jobs during the recession—nearly 1 million more job losses than men. The job losses in December are a stark illustration of these trends: Black, Hispanic, and Asian women accounted for all of women’s job losses that month, and 154,000 Black women dropped out of the labor force entirely. This push of job losses, combined with the pull of increased caregiving at home, has created a recession in which more women have been affected, leading Dr. C. Nicole Mason to dub it the first ever “she-cession.” Congress and the federal government’s failure to act immediately has only further jeopardized families’ fragile economic security and has the potential to create lasting harm for women’s careers and the U.S. economy as a whole.

But these outcomes are not inevitable. They are the result of policymakers’ choices—frequently choices not to fix systemic inequalities, modernize workplace standards, create a robust social safety net, or invest in caregiving. The COVID-19 recession is different from past economic downturns and will require different solutions than traditional recovery responses. Women and their families urgently need bold, structural policy changes that prioritize their economic security in order to ensure a broad and deep recovery—one on which the success of the entire U.S. economy rests. Lawmakers seeking to create a gender-equitable recovery must pass immediate COVID-19 relief and effective, permanent policies outlined in this brief that support women’s work and caregiving in the long term, including:
Creating a robust care infrastructure
• Ensuring fair and equal wages and quality benefits
• Creating strong workplace protections

Without these progressive solutions, the status quo will continue, further damaging women’s progress and U.S. economic growth.

Women were already struggling to manage work and care before the pandemic

Before the pandemic-induced recession, economic precarity was already a reality for many women and their families. In 2018, 21.4 million women lived in poverty. Nearly 11 million children—14.4 percent of all children under age 18—lived in poverty in 2019. Women’s participation in the labor force had not yet returned to its 2000 peak by the time the coronavirus pandemic began, and workers faced slow wage growth, which failed to keep up with the growth in productivity.

Women’s work has also been historically undervalued, as long-standing gender biases and inequalities contribute to the segregation of women into low-wage occupations and the persistent gender wage gap. In 2019, the median annual earnings for women working full time, year-round was $47,299, or 82 percent of men’s earnings. Most women of color—particularly Black, Hispanic, and Native American women—experience a wider wage gap due to the persistence of intersecting gender, race, and ethnic biases. These groups are also disproportionately concentrated in jobs in the service and care sectors, which are often considered essential but poorly paid.

Women’s lower earnings are connected, in part, to the primary role that they play caring for their families. Women are more likely to be shouldered with a wide range of family caregiving responsibilities—including caring for children at home, handling household needs, coordinating appointments and activities, and more—causing them to pay an economic price. Many working women—including the 64.2 percent of mothers who were the primary or co-breadwinners for their families in 2017—lack access to supportive work-family policies to enable them to participate fully in the labor force while managing their caregiving responsibilities. Large numbers of women worked part time in 2019: 17.3 million in total, which was nearly double the number of men working part time. And 84 percent of these women worked part time for noneconomic reasons, such as family responsibilities. Women are left in this precarious position because of a lack of U.S. policies to support both work and care, which is rooted in long-standing assumptions and often racist and sexist stereotypes that devalue women’s roles and expect women to juggle it all.

Child care has long been severely underfunded, leaving child care providers with razor-thin budget margins, child care workers with low pay, and many families without access to affordable, quality care. The United States is also an extreme international
outlier in failing to ensure workers have access to any form of paid leave. In 2020, only 21 percent of civilian workers had access to paid family leave to care for their families,24 and Black and Hispanic workers are less likely than white workers to have access.25 The lack of affordable child care and comprehensive paid family and medical leave costs workers and their families $28.9 billion in wages each year, and this number has likely risen during the pandemic.26

These challenges are especially hard for many women of color, who are more likely to work in jobs that pay less, have fewer benefits, and have less access to child care while navigating the combined effects of racial, ethnic, and gender bias. Although women of color often perform essential work in the economy, they are rarely treated with the dignity such work deserves.27 At the same time, they provide vital financial support that their families rely on to make ends meet. More than two-thirds of Black mothers and 41.4 percent of Latina mothers were primary breadwinners for their families in 2018, compared with 37 percent of white mothers.28 Black, Asian, and Hispanic women have higher rates of labor force participation than white women29 due to long-standing expectations that they work outside the home—often in jobs providing care to white families—but they are less likely to have access to paid leave and workplace flexibility to manage their caregiving responsibilities.

The coronavirus economic crisis has harmed women the most

Women have been the most severely affected by the pandemic-induced recession, from job losses to caregiving challenges. The long-standing lack of policies or a social safety net to support women and families combined with the chaotic and deeply flawed management of the coronavirus pandemic and resulting economic recession have only pushed millions of women into further financial hardship.

The pandemic-induced recession is the first to cost women more jobs than men

The outsize impact of this recession on women has been clear and dramatic from the start. Every previous recession has affected the financial markets or goods-producing sectors, where men hold the majority of jobs, contributing to their disproportionate job loss.30 The coronavirus-induced recession is different: It has primarily hit the service sector, where women are overrepresented, partly due to persistent occupational segregation.31 What’s more, caregiving responsibilities have forced more women than men out of the labor force. These combined crises mean that for the first time ever, women have lost the majority of jobs during a recession.32

The shutdowns and physical distancing required by the pandemic and the corresponding decline in economic activity have affected certain industries—often low-wage jobs with high-customer interaction—in which women are disproportionately employed. The latest surge in cases looks set to amplify these trends in the coming months.33
As Americans stopped traveling and staying at hotels, attending live entertainment, and eating out at bars and restaurants, employees in the leisure and hospitality industry—53 percent of whom were women—saw the greatest job losses, accounting for nearly 2 in 5 jobs lost in the recession.34 Similarly, as schools closed and moved to virtual learning, child care providers shut down, and nonessential health procedures were paused, workers in the education and health services industry—where women represent a staggering 77 percent of employees—saw significant job losses, representing 13 percent of total jobs lost in the recession.35 With a reduction in tax revenue, federal, state, and local government employees also experienced major job losses.36 This was particularly devastating for women, who constituted 58 percent of government employees,37 and Black women in particular, who made up nearly 18 percent of public sector workers38—triple their share in the total workforce.39

Overall, women have lost a net of 5.4 million jobs during the pandemic-induced recession compared with 4.4 million lost by men. (see Figure 1) This equates to women only recovering 55 percent of the 12.1 million jobs they lost at the beginning of the pandemic.40 Among unemployed women ages 20 and older, nearly 2 in 5 have been out of work for six months or longer.41

In addition to job losses caused by business closures and other labor market pressures, women have been forced out of work due to the pull of caregiving demands at home. The collapse of care networks during the pandemic—from closed child care providers to schools shifting to virtual or hybrid learning—and the surge in sick family members who require care have increased the already unequal division...
of unpaid care work borne by women and harmed their ability to participate in the labor force. In September alone, 863,000 women—nearly four times the number of men—dropped out of the labor force.\textsuperscript{42} Mothers in particular have experienced disproportionate declines in their employment\textsuperscript{43} and overall labor force participation during the pandemic compared with fathers.\textsuperscript{44} The failure of U.S. policies to provide meaningful, comprehensive paid leave and adequate relief funding for child care meant that by December 2020 there were still 2.1 million fewer women and 1.7 fewer men in the labor force compared with pre-pandemic levels.\textsuperscript{45}

**Women of color are faring the worst in the recession**

Women of color have faced a more extreme nexus of challenges during the pandemic. Many women of color work in jobs deemed essential, having to go to work despite risks to their health and safety—even if they are sick—because they provide vital financial support for their families.\textsuperscript{46} But this forces them to make impossible choices, as they have few options when their children must attend school from home or a family member needs care to recover from COVID-19. On the other end of the spectrum, women of color have borne the brunt of pandemic-related job losses, with sharply higher rates of unemployment compared with white women.\textsuperscript{47} (see Figure 2) The devastating impact of the recession on women of color is not surprising to many researchers and economists who understand that the intersection of long-standing patterns of racial, ethnic, and gender discrimination in policymaking and the labor market mean that women of color have always faced the worst economic outcomes and the greatest financial insecurity.\textsuperscript{48}

### FIGURE 2

Throughout the pandemic, Black, Hispanic, and Asian women have seen higher unemployment rates than white women

2020 unemployment rate, by race or ethnicity, for women ages 20 and over

Latinas have experienced some of the worst outcomes in the recession. With 20.1 percent unemployment in April 2020, Latinas had the highest unemployment rate of any group during the recession. This aligns with the fact that Latinas are overrepresented in the leisure and hospitality industry, where 1 in 10 workers were Latina in 2019, and in the education and health services industry. In September, 337,000 Hispanic women left the labor force entirely. Between November 2020 and December 2020, when many groups saw a decline or unchanged unemployment rate, Hispanic women’s unemployment rate increased nearly an entire percentage point, from 8.2 percent to 9.1 percent.

Black women have also seen high unemployment rates and signs of a stagnant recovery. They are concentrated in industries with significant job losses, such as the education and health services industry, where 42 percent of Black women were employed in 2019, and in government. The unemployment rate for Black women peaked at 16.6 percent in May 2020, the second-highest rate that month after Hispanic women. In December, Black women’s unemployment rate was 8.4 percent—still 1.7 times higher than before the pandemic. However, 154,000 Black women left the labor force in December, a concerning sign of a lack of employment opportunities and overwhelming caregiving demands.

While the U.S. Bureau of Labor Statistics does not publish seasonally adjusted data for Asian women in its monthly jobs report, the unadjusted numbers reveal a deeper recession and slower recovery for this group. Before the pandemic, Asian women had one of the lowest unemployment rates at 3 percent, but this group experienced the greatest change in unemployment during the recession, peaking at 16.4 percent unemployment in May. Older Asian women ages 55 to 64 experienced the worst unemployment rate in their age group at the start of the pandemic—15.1 percent—which is higher than men or other women of any race in that age group. It is important to note that the Asian American community is not a monolith, but instead includes people from dozens of different racial and ethnic groups who hold a wide range of occupations and experience a variety of economic outcomes. While some Asian Americans are concentrated in high-wage professional and management occupations, others who are concentrated in low-wage service sector occupations—such as Filipino and Vietnamese workers—likely fared worse than shown in the aggregate data.

Designing policy solutions to build a better future for women

As policymakers consider additional relief and stimulus measures to address the pandemic-induced recession, they must take the opportunity to envision a better future and ensure any economic recovery plan includes structural policy solutions that change the status quo and address persistent inequalities. A durable social safety net, created through effective, permanent policies and increased investment—not austerity—will ensure women, their families, and the entire U.S. economy thrive. The following policy solutions provide a high-level summary of solutions women need to recover from the pandemic and design a future that supports their work and caregiving.
First, policymakers must address immediate needs related to the coronavirus pandemic and the resulting recession. The reduction in mothers’ work hours and labor force participation will result in an estimated $64.5 billion in lost wages and economic activity each year. The dual crises of job loss and caregiving compound to jeopardize women’s financial security, including retirement and the ability to pay rent and feed their families. Without quick action, these consequences will set back women’s equality and progress at work and at home for decades. Solutions should include immediate relief, such as:

- Extend and expand unemployment benefits beyond the current March 14, 2021, expiration to last through the end of the pandemic, including weekly supplements to woefully insufficient state benefit amounts.
- Protect and compensate essential workers.
- Reinstate and expand emergency paid leave to guarantee all workers have access through the end of the pandemic.
- Increase relief funding for the child care industry to $50 billion.
- Provide Americans with meaningful stimulus checks, especially dependent adults and others who were excluded from the recent $600 checks.
- Provide direct funding aid to state and local governments.
- Increase spending and support for vaccine distribution.
- Provide strong protections against evictions and foreclosures, as well as relief for rent.

But in order to create a better, more equitable future, Congress and the federal government must also:

1. **Create a robust care infrastructure.** Women need caregiving support if they are to return to the workforce and ensure the economic security of their families. Policymakers should:
   - Establish high-quality, affordable child care and universal preschool by increasing federal assistance.
   - Guarantee all workers access to permanent, comprehensive paid family and medical leave and ensure employers provide all workers with earned paid sick leave.
   - Increase funding for long-term supports and services.
   - Ensure care workers and early educators have quality jobs with fair pay and workplace benefits and protections.

2. **Ensure fair and equal wages and quality benefits.** Women are the backbone of the U.S. economy, and like all workers, deserve decent wages. Policymakers should:
   - Raise the federal minimum wage to $15 per hour and eliminate the tipped minimum wage and the subminimum wage for people with disabilities.
   - Close the gender wage gap by strengthening existing equal pay protections, combatting pay discrimination, and banning the use of salary history.
   - Expand the use of prevailing wage and benefit standards to cover all jobs that are supported through economic recovery funding.
– Protect workers’ right to join a union to increase workers’ bargain power.
– Expand access to registered apprenticeships and support targeted hiring programs to reduce occupational segregation.75
– Reform the unemployment insurance system to protect the financial security of unemployed workers and prepare for a future recession.76

3. **Create strong workplace protections.** Women cannot achieve equality in the workplace unless they are free from discrimination and other unjust employment practices. Policymakers should:

– Improve and enforce robust health and safety protections.
– Strengthen and enforce protections against discrimination, harassment, and retaliation, which are especially important to ensure women, people of color, LGBTQ people, and people with disabilities are treated equally and fairly in the workplace.
– Expand employment protections and benefits to nontraditional workers, including part-time workers, independent contractors, and temporary workers.
– Implement flexible workplace policies and fair scheduling requirements.77

These progressive solutions provide a guidepost for policymakers to center women in recovery efforts by ensuring they receive immediate relief and long-term economic reforms, including support for caregiving and strong workplace protections and benefits.

### Conclusion

With the U.S. economy and labor force showing a backslide in recovery in December, especially for women of color, the need to pass meaningful economic stimulus and bold, structural policy change has never been more urgent. The lessons from a devastating pandemic and recession clearly show that inaction only creates greater financial insecurity, poverty, and inequality. Policymakers must heed this hard lesson and use the opportunity to increase investment, build a robust social safety net, and ensure all workers have fair wages and strong workplace protections and benefits. The success of women, families, and the entire U.S. economy depends on it.

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Endnotes

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