The Economic Importance of Women’s Rising Hours of Work

Time to Update Employment Standards

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Introduction and summary

Over the past three decades, there has been a steady rise in the share of women, especially mothers, in the workforce. As indicated by the data, the majority of women and mothers work, and many work full time and full year. This dramatic increase in women’s working hours has had a substantial impact both on household earnings and the economy more generally. Our analysis finds that:

• Middle-class households would have substantially lower earnings today if women’s employment patterns had remained unchanged. Had that been the case, gross domestic product, or GDP, would have been roughly 11 percent lower in 2012 if women had not increased their working hours as they did. In today’s dollars, this translates to more than $1.7 trillion less in output—roughly equivalent to combined U.S. spending on Social Security, Medicare, and Medicaid in 2012.

• Most dramatic is the increase in the share of mothers who work full time and full year—at least 35 hours per week and 50 weeks per year—which rose from 27.3 percent of mothers in 1979 to 46 percent of mothers in 2007 before declining somewhat to 44.1 percent in the wake of the Great Recession. Full-time, full-year employment for all women increased from 28.6 percent of all women in 1979 to 43.6 percent in 2007 before declining to 40.7 percent in 2012.

• The median annual hours worked by women increased 739 hours from 1979 to 2012. All of this increase in median hours took place between 1979 and 2000. Median annual hours of work by mothers increased even more dramatically, rising 960 hours from 1979 to 2012, with all of the increase occurring by 2000.

A great deal of research has explored how the movement of women out of the home and into the labor force affects women and the economic well-being of families, but the importance of the additional earnings of mothers and women to the strength of middle-class families and the economy overall is less understood. In this paper, we look back over more than three decades of women’s employment to examine the growing importance of the contribution their
earnings make to the U.S. economy. We document the increase in the labor-force participation of women and their added hours of employment and show the effects of their economic contributions to both the income of the middle class and the size of the U.S. economy.

The importance of mothers’ additional hours of work and their earnings to our economy lend a new urgency to rethinking U.S. labor standards for the 21st century. Even as mothers and women are making significant contributions to the U.S. economy, they continue to do so within a set of institutions that too often do not provide them with the kind of support that they need to do this successfully both at work and at home. We recommend giving workers more control over their schedules with a right-to-request law, instituting a national family and medical leave insurance program, and allowing workers to earn paid sick days.
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