

# REWORKED: A CONVERSATION ON EQUITY IN RECOVERY FOR WORKERS

Bringing Women Back to Work

## Q&A

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**Michelle Holder**, *Incoming President and CEO*, Washington Center for Equitable Growth  
**Rhonda Vonshay Sharpe**, *Founder and President*, Women's Institute for Science, Equity, and Race  
interviewed by **Ashley Putnam**, *Director, Economic Growth & Mobility Project*

As we dive into this series of conversations around the “shecession,” one of the notable statistics has been the number of women who exited the labor market during this crisis. At the beginning of 2020, women made up more than 50 percent of the U.S. workforce. By the end of 2020, women’s labor force participation hit a 33-year low, according to studies by the National Women’s Law Center that estimate that nearly 2.3 million women left the workforce during the course of the pandemic.<sup>1</sup>

As the economy begins to recover, policymakers, researchers, and advocates are examining the systemic barriers for women that drove this reduction in labor force participation. What policy interventions are necessary to ensure women are able to rejoin the workforce? To understand this question, Ashley Putnam from the Economic Growth & Mobility Project asked several experts<sup>2</sup> about short-term priorities to ensure gender equity in recovery.

1 See Claire Ewing-Nelson, *Another 275,000 Women Left the Labor Force in January*, Washington, D.C.: National Women’s Law Center, February 2021, available at [nwlc.org/wp-content/uploads/2021/02/January-Jobs-Day-FS.pdf](https://nwlc.org/wp-content/uploads/2021/02/January-Jobs-Day-FS.pdf).

2 Conversations with experts were hosted individually and the responses are presented in conversation with one another. The views expressed here are those of the authors and do not necessarily represent the views of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.

**Q** **What should be done now to address barriers women face as they are rejoining the labor market?**

**A** **Kathryn Edwards:** One of the biggest conversations happening currently is around childcare. Historically, policy around mothers has only considered questions like: Should they work? And if they don’t, should we support them with financial help? We have 85 years of different strategies for deciding which mothers are worthy of financial support, like through welfare benefits, and which mothers should be incentivized to work, like through the Earned Income Tax Credit.<sup>3</sup> With millions of women leaving the workforce this past year, the question is less which mothers deserve help and more what is it worth to our economy to help mothers. We should really ask, “If you cannot work and be a care giver at the same time, do we make it easier to access care so it is easier — or possible — to work?”

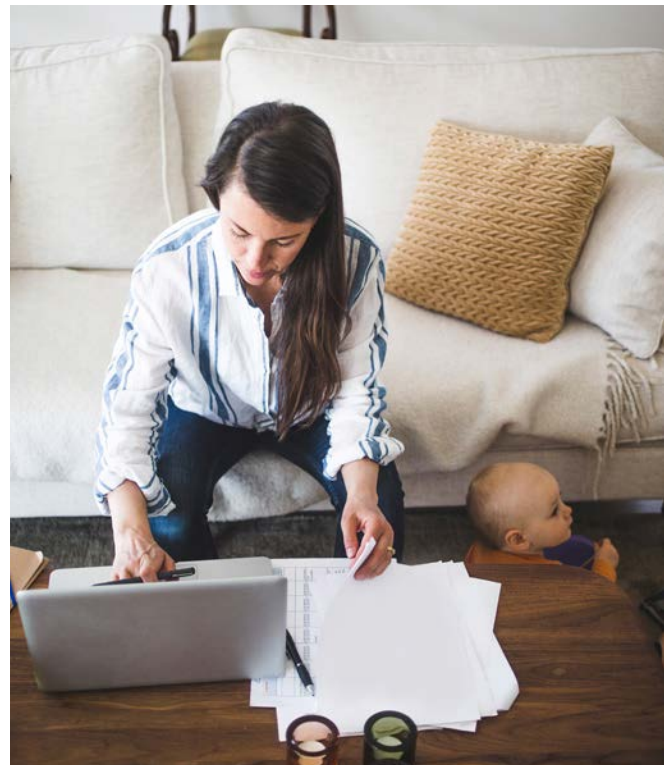
**A** **Michelle Holder:** Accessible childcare, accessible childcare, accessible childcare. The two jobs Black women were most likely to lose at the onset of the pandemic were cashier and childcare worker. Owing to the

3 See Kathryn Edwards, “Should Mothers Work? We’ve Been Asking the Wrong Question,” *The Dallas Morning News*, May 9, 2021, available at [www.dallasnews.com/opinion/commentary/2021/05/09/should-mothers-work-the-us-government-has-an-answer/](https://www.dallasnews.com/opinion/commentary/2021/05/09/should-mothers-work-the-us-government-has-an-answer/).

lack of childcare during the pandemic, many women with children were out of options for work unless they were able to tap into their kin networks. Childcare should be a right, but for many it's seen as a luxury because of the cost; I truly believe it should be subsidized.

**A Jhumpa Bhattacharya:** Care in itself is such a huge barrier for women returning to work. Our recent research at ICEED shows that childcare costs in San Francisco have risen by more than 80 percent over the last seven years; even in more rural areas like Fresno, these costs have risen by more than 30 percent. This barrier further exacerbates inequities because the only people who can absorb increases in childcare costs and housing costs are the wealthy. We developed a Family Needs Calculator<sup>4</sup> that accounts for the hourly wage people need to afford costs like childcare, utilities, and housing. In places throughout California, a person has to work more than 100 hours a week to meet the costs of basic needs on minimum wage. The cost of care to working families is a real issue that needs to be addressed.

**A Rhonda Sharpe:** Schools have provided roughly six to six-and-a-half hours of care for children, and when they shut down because of the pandemic, White women faced the same issues as other groups who historically have had challenges finding affordable, quality care for their children. When you disaggregate the data, Asian and White women are the largest group among all women who say childcare is the reason they are not going back to work. The question many scholars are asking is, do these challenges only become an issue when they affect White women? This is what we've seen with the childcare conversation. We want these issues to be a challenge worthy of addressing, not just when White women are suffering but when any group feels the brunt of an issue.



**A Kathryn Edwards:** The size of the economy is very much predicated by the number of workers within it. According to research from the St. Louis Fed, per capita GDP fell following the last recession, but per worker GDP did not; and the postrecession conversation and concern was about early retirements in an aging population.<sup>5</sup> For this recession, the conversation will dial in on women. Women will make or break this recovery, and moms will be at the center of it. Either we prioritize bringing women back to work, or we accept that the potential of our economy will be curbed. This is not just that we need to see unemployment rates fall but that we also need to see labor market participation truly recover.

<sup>4</sup> See [insightcced.org/family-needs-calculator/](https://insightcced.org/family-needs-calculator/).

<sup>5</sup> See Fernando Martin, "GDP, Labor Force Participation and Economic Growth," On the Economy Blog, Federal Reserve Bank of St. Louis, August 6, 2018, [www.stlouisfed.org/on-the-economy/2018/august/gdp-labor-force-participation-economic-growth](https://www.stlouisfed.org/on-the-economy/2018/august/gdp-labor-force-participation-economic-growth).



Share what you've learned and follow the conversation online: **#EquityinRecovery.**



## Childcare as a Critical Economic Investment

As we continue to hear about labor shortages, these experts highlight the systemic inequities that have made women vulnerable in the labor market. Compared with other developed nations, the United States lacks policies around paid family leave, paid sick time, and early childhood education that often leave women deciding between income and taking care of their children. Other studies have shown that women shoulder the majority of care work in the home,<sup>6</sup> and from May 2020 to December 2020, working mothers with children under 12 spent more weekday hours on childcare than working<sup>7</sup> and thus are more likely to leave when supports are not provided. As sociologist Jessica Calarco says, “Other countries have social safety nets. The U.S. has women.”

In terms of short-term interventions, the experts interviewed agree that childcare is a necessary investment. To bring back workers from the sidelines of our labor market, we need to address issues regarding access to childcare. The experts also note that access alone will not address issues of equity — particularly for low-income women, as the costs of childcare are rising. In this way, childcare is necessary infrastructure to support women and families in being able to participate in the labor market.

*This is the second of a three-part series on women in the labor market. The Reworked series aims to change narratives, challenge conversations, and elevate ways that we can change work together to advance an equitable workforce recovery. How is your organization addressing these issues? Share what you've learned and follow the conversation online **#EquityinRecovery.***

<sup>6</sup> See Belén Garijo, “COVID-19 highlights how caregiving fuels gender inequality,” World Economic Forum, April 24, 2020, available at [www.weforum.org/agenda/2020/04/covid-19-highlights-how-caregiving-fuels-gender-inequality/](http://www.weforum.org/agenda/2020/04/covid-19-highlights-how-caregiving-fuels-gender-inequality/).

<sup>7</sup> See Lauren Bauer, Sara Estep, and Winnie Yee, “Time Waited for No Mom in 2020,” *Up Front* (blog), Brookings Institute, July 22, 2021, [www.brookings.edu/blog/up-front/2021/07/22/time-waited-for-no-mom-in-2020](http://www.brookings.edu/blog/up-front/2021/07/22/time-waited-for-no-mom-in-2020).