

# Women and the Great Recession

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## Key Findings

### Strengths

- ❖ Compared to older women, young women earn a higher percent of their male counterpart's median earnings
- ❖ The wage gap decreased for all age groups from 2007 to 2010

### Challenges

- ❖ Median weekly earnings for women still lag behind men
- ❖ Women have gained back fewer jobs that were lost in the recession than men



*Empowering  
women and girls*

## Introduction

This report analyzes how women fared in the workplace at the national level after the Great Recession which ended in June 2009 compared to their status it began. This report also compares women to their male counterparts before and after the recession in terms of total job growth, job growth in the public sector, and wages earned.

The Great Recession was a difficult period for both men and women at the local and national levels and its affects are still being felt. Changes in employment status, income levels and family dynamics were experienced by many throughout the country. Some were affected in drastic and negative ways, while others had experiences that were neutral or even positive.

The latest national unemployment numbers for November 2011 show the unemployment rate was 8.7%, a decrease from the November 2010 rate of 9.8%. While the decline in the unemployment rate is a positive sign, the aftermath of the recession still lingers. Many jobs that were lost during the recession have not been recovered, savings accounts of families have diminished or disappeared and many pursuing work remain unemployed.

National trends of how the status of women changed from before and after the Great Recession are analyzed below based on data from the Bureau of Labor Statistics' Highlights of Women's Earnings in 2007, Highlights of Women's Earnings in 2010, Women at Work reports, Institute for Women's Policy Research Quick Figures September 2011, and the Institute for Women's Policy Research Quick Figures December 2011 reports.



## Job Growth

Throughout the recession, the economy experienced gains and losses in employment and new job growth. By September 2010, one year after the recession officially ended, women had only regained 19.7% (536,000) of jobs lost since the beginning of the recession in December 2007, while men had regained 32.3% (1.95 million) of jobs lost. Although the job recovery has been slow for both men and women, men are faring better than women. (IWP: Quick Figures December 2011)

More recently, both men and women have experienced a substantial rise in the number of jobs. During September and October of 2011, women gained 113,000 jobs while men gained 197,000. In November 2011, women gained nearly 65,000 jobs, while men gained 55,000. From November 2010 through November 2011, women accounted for 30% (474,000) of jobs added to payrolls while men accounted for 70% (1,126,000). One reason why men did better than women during this period is because women hold a greater share of state and local government jobs. During November 2011, government employment decreased by 20,000 jobs while the private sector added 140,000 jobs. (IWP: Quick Figures December 2011)

## Public Sector Employment



Men and women employed in the public sector were affected differently depending on the level of government, (local, state or federal) in which they held jobs. In all levels of government employment, women suffered a decrease in employment from December 2008 to July 2011. In December 2008, 9,048,000 women were employed at the local level and by July 2011 the number decreased by 421,000 (4.7%) to 8,627,000. Women employed by state government decreased by 13,000 from December

2008 (2,667,000) to July 2011 (2,654,000), representing the smallest change in government employment for women, with a decrease of only 0.5%. Women employed at the federal level decreased 39,000 (3.2%) from December 2008 (1,233,000) to July 2011 (1,194,000). In total, women lost 473,000 government jobs between December 2008 and July 2011, resulting in a 3.7% decrease. (IWP: Quick Figures September 2011)

Women were not the only ones affected by budget cuts and the economic downturn. Men faced employment cuts at local and state government levels. In December 2008, 5,541,000 men were

employed by local governments, but by July 2011, only 5,454,000 were employed accounting for a 1.6% decrease. At the state government level, men lost 104,000 (4.1%) jobs from December 2008 to July 2011. Men employed by the federal government were the only group to gain jobs from December 2008 to July 2011. In December 2008, 1,548,000 men were employed by the federal government. This number increased 5.3% through July 2011, when 1,630,000 men were employed. Compared to the women’s 473,000 (3.7%) decrease, men experienced a smaller decrease of only 1.1% over this time period with 109,000 fewer employed in July 2011 than December 2008 for all levels of government. (IWP: Quick Figures September 2011)

### Ratio of Earnings

Women’s ratio of earnings to men was 81.2% in 2010 for all women age 16 and older. The U.S. Bureau of Labor Statistics looks at how the ratio varies in terms of occupation type. Occupations such as personal financial advisors, retail salespersons, lawyers and postsecondary teachers have lower ratios than the overall ratio of earnings compared to men. Other occupations have earnings ratios that show women earn more than their male counterparts, including combined food preparation and serving workers, bill and account collectors, and stock clerks and order fillers as illustrated in Figure 1. (BLS)

Figure 1

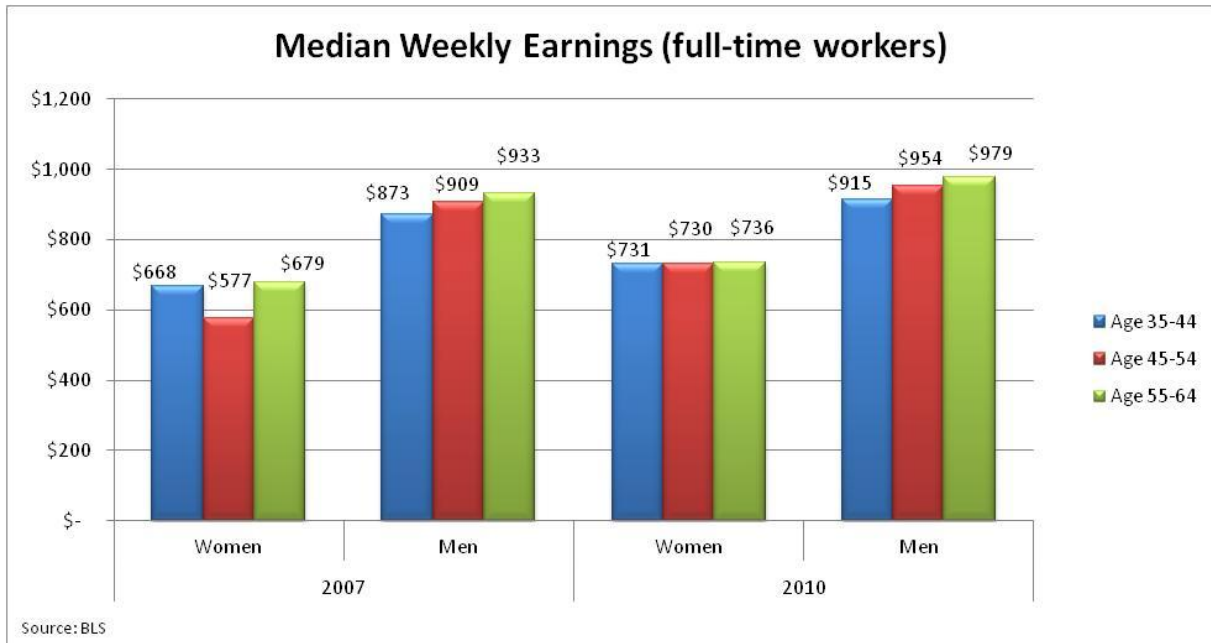


Overall, women experienced gains towards equity in earnings with their male counterparts from 2007 to 2010. The average weekly earnings for full-time working women was \$614 in 2007 and increased to \$669 in 2010. Earnings for women working full-time were 80% and 81% of their male counterparts in 2007 and 2010, a major increase from 62% in 1979 when the Bureau of Labor Statistics began tracking the measure. (BLS)



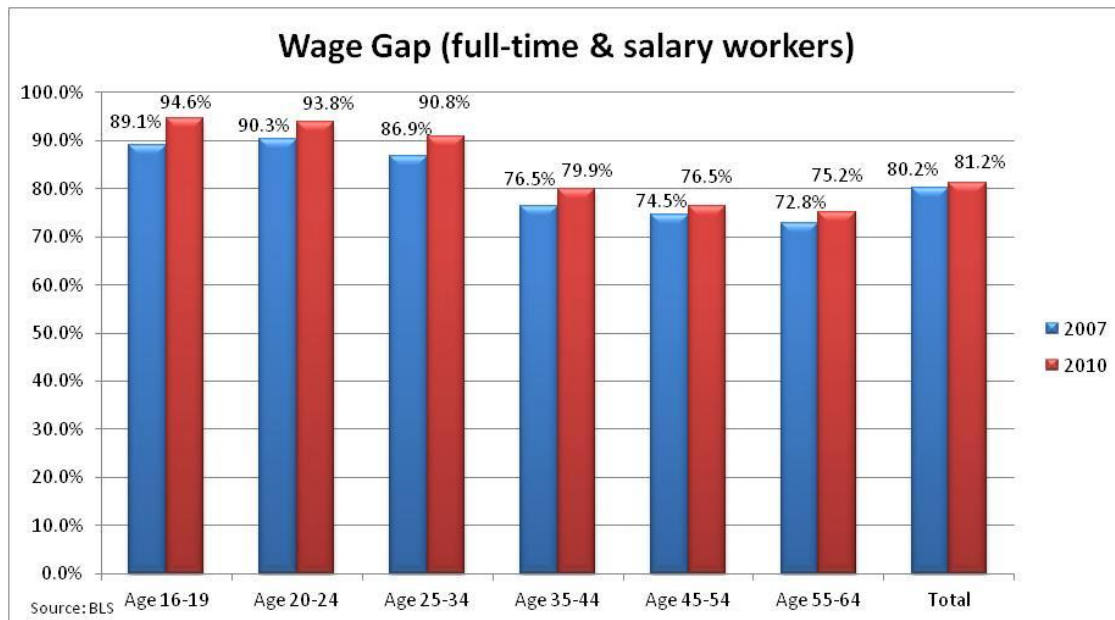
Median earnings for women working full-time increased in each age group from 2007 to 2010 as seen in Figure 2. Women still lag behind men in median earnings, but women’s earnings have increased more than men’s earnings across all age groups. Women ages 45 to 54 earned less than women ages 35 to 44 in both 2007 and 2010. This phenomenon did not occur with men and could be a reflection of women’s traditional role as caregiver and subsequent return to the workforce without experiencing the continued upward mobility and earnings increase of men as they remain uninterrupted in the workforce gaining experience and seniority. (BLS)

**Figure 2**



The wage gap closed between 2007 and 2010 for women of each age group as well as for total full-time and salary workers. In 2010, women earned 81.2% of what their male counterparts earned, up from 80.2% in 2007. However, it is important to note that as women age, they begin to earn less percentage-wise than their male counterparts earn. Women ages 16 to 19 earned 94.6% of their male counterpart's earnings, a major increase from 2007 when they earned 89.1%. Women ages 20 to 24 earned 93.8% of what their male counterparts earned in 2010, an increase from 2007 (90.3%). As women age, the wage gap widens and women ages 55 to 64 only earned 75.2% of what their male counterparts earned in 2010, which was an increase from 2007 (72.8%) but significantly less than their younger peers experienced. (BLS)

**Figure 3**



## Conclusion

Nationally, women experienced some gains in employment measures compared to their male counterparts when viewed before and after the recession. For example, women on average made more in 2010 than in 2007. In addition, the wage gap between men and women decreased across all age groups from 2007 to 2010. While there are many occupations where women earn more than their male counterparts, they are predominantly lower paying jobs compared to occupations where men earn more than women. Although a major affect of the recession was an increase in unemployment, women who are working, made more money on average in 2010 than before the recession began in 2007. However, women did lose a significant number of jobs during the recession that have not returned. Obviously women have a long way to go to achieve equity with their male counterparts, however small gains highlighted in this analysis should result in a more equal workplace in the future. It is important to continue to document the experience of women in the workforce to ensure that this progress continues and is supported by employment policies and practices throughout all segments of the economy.