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## Women's Job Losses From Pandemic Aren't Good for Economic Recovery

Squeeze on jobs and continued child-care responsibilities are expected to pose setbacks to female employment as businesses start to reopen



People seek help at the Kentucky Career Center in June. Female-dominated sectors have borne the brunt of losses during the pandemic.

PHOTO: JOHN SOMMERS II/GETTY IMAGES

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Women have lost jobs at a steeper rate than men during the coronavirus pandemic, a factor that is likely to hold back the economic recovery.

Female workers account for the majority of service-sector jobs, including food service and personal care, which are more vulnerable to social-distancing measures and have [suffered the brunt of losses](#) during the current economic crisis. Married women, who in past recessions took jobs to offset lost wages when their husband or male partner was laid off, also are less likely to seek work because their employment prospects are now limited, one researcher concluded.

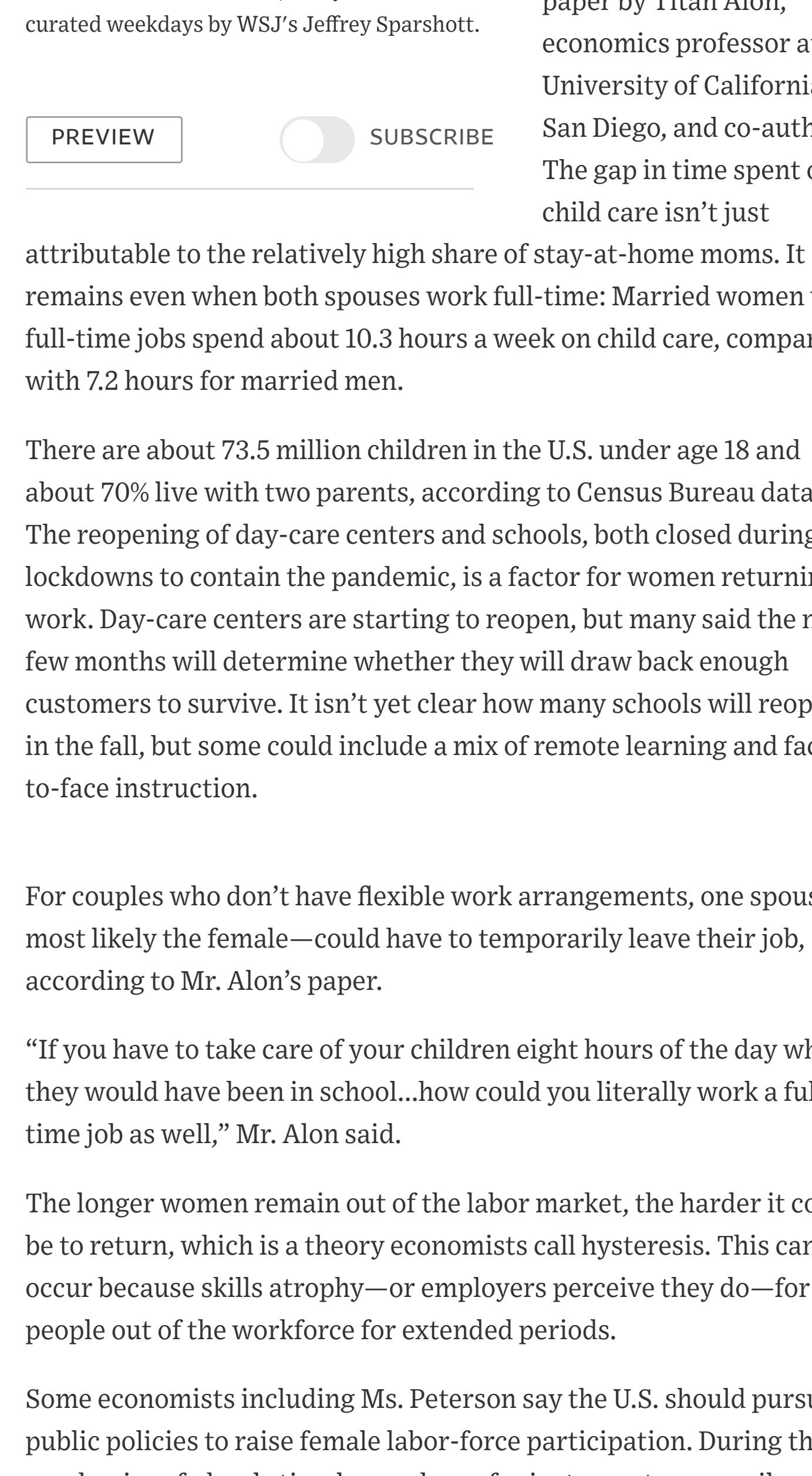
These dynamics present an impediment to broader economic growth: If participation among women remains weak, it means fewer workers in female-dominated fields such as nursing or hair care. Economists say the squeeze on jobs and continued child and elder-care responsibilities pose setbacks to female employment and labor-force participation as businesses start to reopen in the coming months.

"There were lots of occupations that were offering women very decent earnings and flexible schedules...that may not be able to return 100% for a long time," said Julia Pollak, labor economist at ZipRecruiter.

The fragility of female-dominated jobs is different from past recessions, when goods-producing sectors such as construction and manufacturing—which are predominantly men—saw greater employment losses.

### Out of Work

Labor force participation rate among women aged 25 to 54



The shock to female-dominated jobs, combined with factors such as increased child-care responsibilities during the pandemic, led to a decline in the share of women aged 25 to 54 working or seeking work. The so-called [prime-age participation rate for women](#) was down to 74.3% in May compared with 77% in February, the month before the coronavirus led to widespread job losses.

The labor-force participation rate for prime-age men has declined as well, though less steeply. The male rate was 87.2% in May compared with 89.3% in February, before the pandemic reached the U.S.

Until the coronavirus struck the U.S. economy, strong employment prospects were pulling more working-age women into the labor force.

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Dana Peterson, global economist at Citi Research, projects female job cuts could trigger a decline in global gross domestic product of up to \$1 trillion this year, or about a third of the 3.6% year-over-year decline in 2020 global GDP

that Citi economists are forecasting. Ms. Peterson's analysis included major economies such as the U.S. and much of Europe and India, but excluded China.

Companies are in the midst of reopening, in many cases with capacity restrictions, and some may end up operating with fewer workers permanently or for a long period. Sectors that employ many women, including education, retail and [restaurants, may not rehire or replace all the jobs](#) they shed during the pandemic by the end of next year, according to Citi's report.

"That's a drag on the economy because they're not going to have the income to spend, so you won't have that consumption," Ms. Peterson said.

The job-search decisions of married women, in particular, could hamper female labor-force participation and broader growth, economists say.

In past economic downturns, married women would enter the labor force to help offset their husband or male partner's lost earnings. Labor economists refer to this phenomenon as the "added worker effect." Findings from Kristin Smith of the University of New Hampshire indicate that married women were more likely to join the labor force during recessions in the 1980s, 1990s and 2000s and particularly during the 2007-09 recession.

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Increased labor-force participation among female spouses plays a greater role in buffering against a loss in their male partner's earnings than savings and government aid do, suggests 2016 research by Richard Blundell, an economist at the University College London, and co-authors.

But this recession likely won't experience the economic benefits of a rise in participation among married women because job losses have been unusually steep in occupations that mainly attract women, according to Stefania Albanesi, economics professor at the University of Pittsburgh.

Without a boost from female labor-force participation, household-level inequality may rise, Ms. Albanesi said, who noted a disparity in earnings is already emerging between households in which both spouses can easily work remotely and households that don't have that ability.

Further, school and [day-care closures](#) triggered by the pandemic will likely hinder women's ability to re-enter the workforce, at least in the short run.

"And again, that's lost income, lost consumption, less GDP growth," Ms. Peterson said.

Married women spend nearly twice as much time as their husbands caring for their children, according to a research paper by Titan Alon, economics professor at the University of California San Diego, and co-authors. The gap in time spent on child care isn't just

attributable to the relatively high share of stay-at-home moms. It remains even when both spouses work full-time: Married women with full-time jobs spend about 10.3 hours a week on child care, compared with 7.2 hours for married men.

For couples who don't have flexible work arrangements, one spouse—most likely the female—could have to temporarily leave their job, according to Mr. Alon's paper.

"If you have to take care of your children eight hours of the day when they would have been in school...how could you literally work a full-time job as well?" Mr. Alon said.

The longer women remain out of the labor market, the harder it could be to return, which is a theory economists call hysteresis. This can occur because skills atrophy—or employers perceive they do—for people out of the workforce for extended periods.

Some economists including Ms. Peterson say the U.S. should pursue public policies to raise female labor-force participation. During the pandemic, a federal stimulus package, for instance, temporarily extended unemployment benefits to self-employed workers, who are mainly women. That aid expires at the end of July and lawmakers in Congress are at odds on whether to extend it.

"A lot of this is part of the stimulus, so it's not clear that it's going to last," Ms. Peterson said.

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