

Testimony before the United States Select Subcommittee on the Coronavirus Crisis

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Chair Clyburn, Ranking Member Scalise, and distinguished members of the committee, thank you for the invitation to address the issue of underpaid, overworked, and underappreciated workers, with a focus on hourly and low-income women's experiences and gender disparities in the pandemic economy. As a labor economist, I have spent the past three decades studying women's work and well-being and the role of policy in advancing their labor market status. I also serve as faculty director of a research center that focuses on promoting economic and social equity for women workers, their families, and their communities. Today I would like to draw on that knowledge to point you in the direction of some findings on women's work during the pandemic and the role of private sector and public sector policies in supporting low-income women and boosting their labor market status.

Women's Work During the Pandemic

Unemployment. In the U.S., women faced higher unemployment rates than men throughout the pandemic. Women's unemployment peaked in April 2020 at 16.1%.¹ During the same month, men's unemployment was 13.5%. Disparities were even worse for women of color. In 2020 overall, Black women faced an unemployment rate of 10.4%.² Hispanic women also had an especially high unemployment rate in 2020 at around 11%, while White women's unemployment was 7.3%.³

¹ <https://fred.stlouisfed.org/series/LNS14000002>

² <https://fred.stlouisfed.org/series/LNU04000032#0>

³ <https://fred.stlouisfed.org/series/LNU04000035> and <https://fred.stlouisfed.org/series/LNS14000029#0>.

Labor force participation. The labor force participation rate for women fell from 57.4% in 2019 to 56.2% in 2020.⁴ Black women withdrew from the labor force at higher than average rates, from 62.5% in 2019 to 60.7% in 2021, a 1.8 percentage point drop.⁵

Gender wage gap. Nationwide, the overall gender wage gap remained about the same from 2019 to 2020 and 2021. In 2021, women working full time and year round earned about 83% of men’s earnings. However, when comparing gender pay gaps within racial and ethnic groups, gender pay inequities worsened for Hispanic and Black women during the pandemic, but became more equal for White and Asian women. Compared to the earnings of White men, Hispanic and Latina women earn just 58.4% on average.⁶

Frontline workers. In the United States, 64.4% of frontline workers are women.⁷ Black workers and Hispanic workers are overrepresented in frontline industries. For example, in New Jersey in 2020, 21% of women employed in frontline industries were Black compared to just 11% of women employed in non-essential industries.⁸ Frontline workers overall were less likely to be covered by health insurance and earned less on average than those working in non-essential industries, meaning their safety nets were especially weak if they were to contract COVID.

Childcare and Household Work. During the pandemic, both men and women in the U.S. experienced an increase in the amount of unpaid work within the home relative to before. However, a growing number of studies have shown that the gender divide in childcare and household chores widened. Men and women both allocated more time toward childcare and household chores, but women’s workloads increased relatively more.⁹

⁴ Source: <https://fred.stlouisfed.org/series/LNS11300002#0>

⁵ Source: <https://fred.stlouisfed.org/series/LNS11300032#0>

⁶ Nationwide data are available from the Institute for Women’s Policy Research. Comparing 2020 and 2021 (see table on page 3): https://iwpr.org/wp-content/uploads/2022/02/Gender-Wage-Gaps-in-Year-Two-of-Pandemic_FINAL.pdf. Comparing 2019 and 2020 (see table on page 4): https://iwpr.org/wp-content/uploads/2021/09/Gender-Wage-Gap-in-2020-Fact-Sheet_FINAL.pdf.

⁷ <https://www.eeoc.gov/sites/default/files/2021-04/4-28-21%20Meeting%20-%2005%20Ramirez%20-%20Supporting%20Materials.pdf>.

⁸ Small, Sarah, & Lancaster, Debra. The Status of Women in New Jersey: An Intersectional Lens on Women, Work and the COVID-19 Pandemic. 2022. Center for Women and Work and New Jersey State Policy Lab. New Brunswick, NJ: Rutgers University.

⁹ Durante, Kristina, Yana Rodgers, Kristina Kaplowitz, Elaine Zundl, and Sevincgul Ulu. 2021. “COVID-19 and Changes in the Gendered Division of Unpaid Labor, Job Productivity, and Job Satisfaction.” Rutgers University Center for Women and Work Report.

Low-income families lost jobs and money due to childcare disruptions. At the national level, in the spring of 2021, approximately 6.5 million families with children reported experiencing child care disruptions, and the most common response to address this disruption was for an adult in the household to supervise children while working. On average, about one-quarter of families experiencing a disruption reported that an adult in the household took paid (23.4 percent) or unpaid (23.6 percent) leave or cut work hours (26.0 percent) in order to care for children.¹⁰ As a more detailed example, among New Jersey parents that earned less than \$50,000 in annual household income, 21% indicated they had to cut work hours due to a childcare disruption, and 23% indicated that someone left or lost their job as a result of the childcare crisis. By comparison, among households earning \$100,000 or more, only 7.5% indicated a household member left or lost their job due to childcare disruptions.¹¹

Private Sector Employment Policies

Employers with best practices that provide effective work/life programs arguably will benefit from better recruiting, greater productivity, improved services, and reduced expenses associated with turnover. The practices that employers can use to support and retain women fall into four categories: assist with work/life balance, develop resources, remove bias, and eliminate sexual harassment.

In the area of work/life balance, and in the absence of a federal paid family leave policy, employers need to do more to provide paid family leave policies to their workers. In addition to paid family leave policies, flexible work arrangements can help workers better meet the demands of caring for their children and older family members while also staying productive on the job. This includes allowing customizable flexible work arrangements to best fit the needs of the individual, and making them available to all employees of a company, not just women, mothers, or other specific populations. Having written policies for part time and flexible work arrangements are also a best practice because they can ensure equitable implementation. Congress should incentivize employers to adopt other workplace policies such as job sharing and flex-time that place value on labor within the home.

¹⁰ <https://www.americanprogress.org/article/millions-families-struggling-address-child-care-disruptions/>

¹¹ Small and Lancaster (2022).

As COVID-19 has ushered in the normalization of telecommuting, working from home at least some days each week could become the new normal for a larger proportion of the workforce. Remote work has offered employees more flexibility in setting their work schedules and managing their home lives better. Emerging evidence indicates that this feature of telework was particularly helpful for women workers and helped to mitigate the negative effects of the pandemic on women's job losses because they were more likely than men to engage in telework (Hou et al. 2022). Black workers have also reported a greater preference to work from home than the office, as issues of otherness decrease and perceptions of being treated fairly at work improve (Subramanian 2021).

The restructuring of many jobs during the pandemic may ultimately make employers more willing to accommodate the need for home-based work. This could also help low-income workers and people of color, who in general are less likely to receive workplace accommodations.¹² Another demographic group that policymakers need to consider is people with disabilities, who are generally less likely to be in occupations that are open to telework.¹³ This suggests that people with disabilities may be left behind in any rapid expansion of telework that has been motivated by the pandemic.

Employers, industry groups, and worker advocates need to do more to help workers with unstable schedules. Workplaces should ensure advance notice of schedules, and reject the practice of "open availability," so that workers can have more power in setting their schedules. Employers should abandon the practice of "clopings," in which employees are expected to close the business at night and then re-open it the next morning with very little rest in between. Scheduling software that drives "just in time" scheduling should be programmed to give managers and employees reasonably predictable staffing hours. Employers can offer group communication tools that employees can use, or maintain standby lists that facilitate workers taking time off. Firms that have implemented stable scheduling practices can consider requiring that their own policies be followed throughout the supply chain.

¹² Blanck, P., F. Hyseni, and W. F. Altunkol. "Diversity and inclusion in the legal profession: preliminary findings on workplace accommodations from a national study of lawyers with disabilities." *J Occup Rehabil* 30 (2020): 537-564.

¹³ Schur, Lisa A., Mason Ameri, and Douglas Kruse. "Telework after COVID: a "silver lining" for workers with disabilities?." *Journal of occupational rehabilitation* 30, no. 4 (2020): 521-536.

Schedule instability leads to economic hardship because of limited opportunity for career growth and fluctuating paychecks. There is also growing concern that scheduling practices may have a role in perpetuating racial inequality. A recent national survey of unstable shift work highlighted the higher prevalence of unfair scheduling for workers of color.¹⁴ Of all demographic groups studied, women of color were found to have the most unstable and unpredictable schedules, leading to household economic insecurity, hunger, and other negative outcomes.

Widespread implementation of fair scheduling practices can help to promote career advancement in the industry and may help address racial inequalities. Employers can reduce turnover and increase employee loyalty by offering workers predictable schedules.

Developing resources that are proven to retain and advance women is also important in best-practice companies. Examples include programs like a “Women’s Initiative” that provide opportunities for mentoring and professional development. In addition, companies should encourage all members of their workforce, both men and women at all levels, to take advantage of employee resource groups (ERGs). Companies originally created these groups to build community and support for marginalized members of a workforce. However, membership should not be limited to those who identify with marginalized groups such as women and racial minorities.

More opportunities for training are key for the advancement of women and people of color across occupations and industries. This goal would be achieved with structural changes, such as making supervisors and managers accountable for making sure that women and people of color have access to training opportunities that will help them to advance in the workplace.

A third best practice category is removing bias. Much of the blatant gender bias that was prominent in the workplace in earlier decades is no longer as evident. However, there are still examples of bias affecting earnings and career advancement that employers should be aware of, and about which they should make the effort to educate their entire organization. Policies to remove bias should focus especially on recruitment, hiring, and promotion, and on compensation. Poor promotion opportunities are a leading reason why people quit. Best practice

¹⁴ Schneider, D., & Harknett, K. (2019). It’s About Time: How Work Schedule Instability Matters for Workers, Families, and Racial Inequality. <https://shift.berkeley.edu/its-about-time-how-work-schedule-instability-matters-forworkers-families-and-racial-inequality/>

companies that attract and retain women employees make their advancement policies transparent, and also review their assignment and evaluation systems regularly to identify gender bias and other types of bias. Worker advocates and organizers need to be encouraged to continue documenting instances of workplace violations and empower workers to understand and utilize their rights.

Finally, employers need to eliminate sexual harassment. Sexual harassment is pervasive. Anywhere between 25 to 85 percent of all women (depending on sampling strategies and definitions) experience sexual harassment in the workplace.¹⁵ Sexual harassment cuts across all industries and levels: it happens in academia, Hollywood, corporate America, government, construction sites, hospitals, human services, law enforcement, logistics, retail, and hospitality. It occurs in both small and large businesses. Sexual harassment can come from supervisors and managers, but also from co-workers and third parties like clients and customers and patients. While both men and women are victims, available evidence indicates that the incidence of sexual harassment is higher among women than men, just as it is higher among minorities and individuals who identify as lesbian, gay, bisexual, or transgender.¹⁶

This is not a problem that will be solved through check the box compliance training and zero tolerance policies. In fact, research has demonstrated some of those approaches can make the problem even worse.¹⁷ There is no quick fix to preventing sexual and gender-based harassment. It is going to take changing our culture in the workplace and beyond and adapting legal structures that are more inclusive of all workers. At the same time, we know that relying on legal systems alone will not be enough to reduce the prevalence of sexual harassment.¹⁸ It is also going to take developing a better understanding of which prevention strategies work best to

¹⁵ Felblum, C., R. & Lipnic, V. A. (June 2016). Report of the Co-Chairs of the EEOC Select Task Force on the Study of Harassment in the Workplace. *Equal Employment Opportunity Commission*. Retrieved from https://www.eeoc.gov/eeoc/task_force/harassment/upload/report.pdf

¹⁶<https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CWW/Publications/CWW%20Issue%20Brief%20Economic%20Impacts%20of%20Sexual%20Harassment.pdf>

¹⁷ Dobbins, F. and Kalev, A. (2019). The Promise and Peril of Sexual Harassment Programs. *PNAS*, 116 (25): 12255-12260.

¹⁸ National Academies of Sciences, Engineering, and Medicine; Policy and Global Affairs; Committee on Women in Science, Engineering, and Medicine; Committee on the Impacts of Sexual Harassment in Academia; Benya FF, Widnall SE, Johnson PA, editors. *Sexual Harassment of Women: Climate, Culture, and Consequences in Academic Sciences, Engineering, and Medicine*. Washington (DC): National Academies Press (US); 2018 Jun 12. 5, Legal and Policy Mechanisms for Addressing Sexual Harassment. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK519453/>

protect workers from experiencing sexual harassment. It is going to take meaningful implementation of bystander intervention programs that view everyone as a potential ally in preventing and combating sexual harassment, giving them the tools and skills to address harassment. There are large numbers of workers who are not protected by existing laws and have few avenues for reporting harassment. And those who do have avenues to report often remain silent for fear of retaliation or other negative consequences. We need to harness the evidence that exists on what works and make it accessible and actionable as if this were a public health crisis.

Public Sector Policies to Support Low-Wage Working Parents

First and foremost, the government should develop national legislation that values care. Priorities for strengthening the care infrastructure to respond to the pandemic and, in the longer term, to reduce the pay gap, include providing paid family leave and paid sick leave, creating universal free childcare and long-term eldercare, boosting pay equity and job creation in nursing, and improving working conditions and pay for paid care providers. Investing in the care infrastructure can grow employment and reduce women's unpaid work burdens. This lesson has taken on even greater relevance during the Covid-19 pandemic with emerging evidence that countries that prioritized social spending before the crisis did better in terms of limiting the number of cases and deaths.¹⁹

The 2020 CARES act did provide, for the first time, paid family and medical leave during the crisis to care for a sick or at-risk family member or oneself, and it applied to employees who needed to care for children whose schools or daycare facilities closed. However, almost half of the U.S. private sector workforce was not eligible, and the legislation was temporary. The U.S. is one of just three countries in the world without paid parental leave. Although women have been devoting more time to unpaid household labor during the pandemic, men have also been contributing more time to household tasks during lockdown orders and many were witnessing the overlap of paid and unpaid labor firsthand. It is time to leverage this unique time in history to start a national conversation about how to better support working parents.

¹⁹ Kabeer et al., "Feminist Economic Perspectives."

The government needs to fill the gaps in the U.S. childcare infrastructure. This takes identifying childcare deserts (which are defined as Census tracts where there are more than three times as many children as licensed childcare slots) and boosting the childcare infrastructure across the country, specifically through the lens of childcare workers. Policies need to focus both on the demand side – especially in improving access to high-quality affordable childcare services – as well as the supply side – with a focus on supporting and retaining childcare workers in the field as center-based care workers as well as licensed at-home care providers.

Finally, one of the most important policy levers for helping low-income workers is the minimum wage. Because women are more clustered than men in low-wage jobs, raising the minimum wage should help to close the overall male-female earnings gap as well as the racial and ethnic wage gaps. Critics argue that employment losses from minimum wage-induced increases in production costs are substantial. Advocates, however, argue that employment losses are small and any reallocation of resources that occurs will result in a welfare-improving outcome through the reduction of poverty and an improvement in productivity.²⁰ The bulk of the evidence suggests that minimum wage hikes do not lead to big layoffs: raising the minimum wage by 10% may cause employment to fall by just 0.03% to 0.6%, with most estimates being statistically insignificant and close to zero in magnitude.²¹ Because low-wage workers experience the strongest wage boosts from increases in the minimum wage, this legislation can be a powerful tool to reduce the overall gender pay gap. The federal minimum wage is \$7.25/hour, which is not considered a living wage in most parts of the country. In part reflecting the Fight for \$15 movement, a number of states and localities have raised their minimum wages. It is time for the federal government to follow suit.

Impact of Gender-Aware Policies on Productivity and the Economy

A growing body of research supports the argument that policies that support working parents and promote diversity in the workplace have a positive impact not only on workers and their families but also on businesses and the overall economy. For example, research shows that

²⁰ These arguments are evaluated in Neumark, David, JM Ian Salas, and William Wascher. "Revisiting the minimum wage—Employment debate: Throwing out the baby with the bathwater?." *ILR Review* 67, no. 3_suppl (2014): 608-648.

²¹ Belman, Dale, and Paul J. Wolfson. *What does the minimum wage do?*. WE Upjohn Institute, 2014.

workers who have access to paid leave after a child's birth tend to remain in the workforce, have higher wages over time, and rely less on public assistance and food stamp benefits. As a result, they contribute more to their own economic security and to the security of the economy as a whole. Employers also benefit when workers have access to paid leave; greater labor force attachment among those with paid leave reduces the cost of recruiting, hiring, and training.²²

In particular, research shows that women who report taking paid leave are more likely to be working 9 to 12 months after a child's birth than are those who report taking no leave at all ("non-leave takers"). Moreover, paid family leave increases wages for women with children. Women who report leaves of 30 or more days are 54% more likely to report wage increases in the year following the child's birth than are women who take no leave at all. Women who return to work after a paid leave are 39% less likely to receive public assistance and 40% less likely to receive food stamps in the year following the child's birth, when compared to those who return to work and take no leave at all. Finally, men who return to work after a paid family leave have a significantly lower likelihood of receiving public assistance and food stamps in the year following the child's birth, when compared to those who return to work and take no family leave at all.²³

Another example of the business case for policies that support women workers is the economic effect of eliminating sexual harassment. Not only does sexual harassment interfere with women's economic status, it also hurts the bottom line of organizations through higher employee turnover, lower productivity, more absenteeism, and greater legal costs. The costs to firms of reduced productivity alone are estimated to be \$22,500 per harassed worker.²⁴ The productivity losses occur not only at the individual level but also at the group level as office working environments become more negative and others in the workgroup who observe the harassment experience more stress and lower job satisfaction.²⁵ Employee turnover exerts an enormous cost on firms, with estimates indicating that women who have been sexually harassed

²² Houser, Linda, and Thomas Vartanian. 2012. Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public. Rutgers University Center for Women and Work report. <https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CWW/Publications/CWW%20Paid%20Leave%20Brief%20Jan%202012.pdf>

²³ Houser and Vartanian (2012).

²⁴ Willness, C. R., Steel, P., and Lee, K. (2007). A Meta-Analysis of the Antecedents and Consequences of Workplace Sexual Harassment. *Personnel Psychology*, 60: 127-162. doi:10.1111/j.1744-6570.2007.00067.x

²⁵ Miner-Rubino, K., & Cortina, L. (2007). Beyond Targets: Consequences of Vicarious Exposure to Misogyny at Work. *Journal of Applied Psychology*, 92(5), 1254–1269. <https://doi.org/10.1037/0021-9010.92.5.1254>

are 6.5 times more likely to switch jobs than women who were not victims.²⁶ The cost of replacing these employees can amount to about 16 to 20 percent of the annual salary of a mid-level employee; replacing an executive-level employee can cost more than double her salary.²⁷ Eliminating this costly form of harassment is no doubt a win-win strategy.

Companies should have less aversion to flexible work arrangements, especially those that involve working from home at least part of the week, given the large increase in telework arrangements across sectors during the Covid-19 pandemic and a growing body of evidence that employees were equally if not more productive compared to before the pandemic. Survey evidence from over 30,000 Americans indicates that 60% of people experienced an increase in productivity due to remote work.²⁸ Combined with other changes during the pandemic, such as a reduced sense of shame toward working from home, technological innovations, and investments in human and physical capital that support telework, these better-than-expected employee experiences may contribute to a four-fold increase in the share of full workdays that are remote, from 5% before the pandemic to 20% after the pandemic.²⁹ These positive effects are consistent with some earlier studies, including a controlled randomized experiment by a large Chinese company which found that work productivity and satisfaction increased at home, and turnover declined.³⁰ Such results were apparent even among teleworkers in the U.S. federal government.³¹ Furthermore, from the employer side, companies with greater telework flexibility had higher stock returns amid the pandemic.³²

There is reason for optimism, particularly in terms of a more widespread acceptance of telecommuting among those occupations amenable to telework. The question of how this effect holds up over time remains. Nevertheless, many signs point to the U.S. emerging from this

²⁶ McLaughlin, H., Uggen, C., & Blackstone, A. (2017). The Economic and Career Effects of Sexual Harassment on Working Women. *Gender & Society*, 31(3), 333–358. <https://doi.org/10.1177/0891243217704631>

²⁷ Bouchey, H. & Glynn, S. J. (Nov. 1, 2012). There are Significant Business Costs to Replacing Employees. Center for American Progress. Retrieved from <https://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>

²⁸ Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis. Why working from home will stick. No. w28731. National Bureau of Economic Research, 2021.

²⁹ Barrero et al. (2021).

³⁰ Bloom, Nicholas, James Liang, John Roberts, and Zhichun Jenny Ying. "Does working from home work? Evidence from a Chinese experiment." *The Quarterly Journal of Economics* 130, no. 1 (2015): 165-218.

³¹ Nuwer, Rachel. "No workplace like home." *Scientific American Mind* 27, no. 5 (2016): 38-43.

³² Favilukis, Jack Y., Xiaoji Lin, Ali Sharifkhani, and Xiaofei Zhao. "Labor force telework flexibility and asset prices: evidence from the COVID-19 pandemic." Georgetown McDonough School of Business Research Paper 3693239 (2020).

pandemic with less distinct gender norms that may neutralize the stigma of the mommy track, making retention and promotion in the workforce easier for women. The current challenge for working mothers is to endure the disruptions caused by this global pandemic so they may benefit from a more supportive work environment in the future. The best ways for the government to shore up that work environment are to develop national legislation that values care, raise the minimum wage, and incentivize employers to adopt workplace policies that recognize the domestic responsibilities of their employees.