

## Six Ways to Build Women's Economic Security and Strengthen North Carolina's Economy

The "Status of Women in North Carolina," a report by the Institute for Women's Policy Research and sponsored by the North Carolina Council for Women, illustrates the progress North Carolina has made toward gender equality—as well as the persistent obstacles to economic, social, and political advancement that women continue to face. Over the last 20 years, for instance, the share of women in the state who have completed college has almost doubled, yet men still earn more than women at every educational level and nearly one in five women in the state live in poverty.<sup>1</sup>

More than four in ten working women in the state are their family's primary breadwinner.<sup>2</sup> The economic security of North Carolina's families depends on women's access to full and equal labor-force participation, which requires adequate work supports and social insurance as well as labor and workplace standards. Such policies can create more equitable workplaces and a thriving workforce in North Carolina.

- 1. Provide adequate work supports.** Affordable, quality childcare is non-negotiable for working parents, but quality childcare remains unaffordable for many North Carolina families. The average cost of full-time care for an infant in the state is \$9,185, \$3500 more than the average annual tuition and fees for a public four-year college.<sup>3</sup> Increasing state investments in childcare subsidies can help parents earning low wages keep their jobs and better support their families.
- 2. Expand access to paid leave.** All workers need to be able to rely on pay and job protections when caregiving responsibilities arise, when long- or short-term illnesses strike, or when welcoming a new child to the family. However, almost half of the state's private-sector workforce lacks access to paid sick days, and only one in ten workers in the Southeast has access to longer-term paid leave, such as maternity or paternity leave.<sup>4</sup> Legislation enabling workers to earn paid leave would provide much-needed support for working families and help workers avoid financial ruin when life events arise.
- 3. Ensure health insurance coverage.** Poor health can negatively affect educational attainment and employment opportunities, undermining economic stability. In North Carolina, more than one in five women aged 18 to 64 lacks health insurance.<sup>5</sup> Expanding Medicaid to low-income adults, as called for in the federal health reform law, would provide hundreds of thousands of currently uninsured adults with health care and create a healthier workforce.
- 4. Minimize cuts to public-sector employment.** Government layoffs only increase the number of people out of work, and women have been especially hard hit by recent cuts. Women experienced 58 percent of state layoffs in 2011 due to the legislature's cuts-only approach to the budget.<sup>6</sup> Public-sector layoffs also hurt private-sector job growth because unemployed government workers no longer have paychecks to spend at local businesses, which in turn have less revenue to support their own payrolls. A balanced approach to the state's budget

challenges that minimizes cuts to public-sector employment will preserve jobs and strengthen women's workforce participation.

5. **Strengthen tax credits for working families.** National data demonstrates the important role that the Earned Income Tax Credit plays in helping working families, especially working moms, make ends meet, stay on the job and support their families. In 2011, the federal Earned Income Tax Credit kept 5.7 million Americans out of poverty, 3.1 million of whom were children.<sup>7</sup> Another important tax credit, the Child Tax Credit, which was improved as part of broader tax policies under Presidents Bush and Obama, helps families cover the costs of raising children. These tax credits provide much-needed supports to workers, particularly women, and their families to make ends meet. These credits also have a positive effect on women's labor-force participation.
6. **Ensure equal pay for equal work.** While the share of women in higher education has increased over the last 20 years, women in North Carolina have not benefitted financially from education as much as men. The average woman with some college education or an associate's degree earns less than a man with only a high school diploma or the equivalent.<sup>8</sup> In addition to supporting federal policies that promote gender equity in pay, such as the Paycheck Fairness Act, states can encourage employers to monitor hiring, selection, and promotion processes; to promote pay transparency; and to conduct internal investigations of gender and race disparities in pay.

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<sup>1</sup> Hess, Cynthia, Ariane Hegewisch, Youngmin Yi, and Justine Augeri, October 2012. "The Status of Women in North Carolina," Institute for Women's Policy Research (sponsored by the N.C. Council for Women).

<sup>2</sup> 42.7 percent of working mothers in the state are their families' breadwinner. Boushey, Heather, Jessica Arons, and Lauren Smith, April 2010. "Families Can't Afford the Gender Wage Gap," Center for American Progress.

<sup>3</sup> Child Care Aware of America, 2012. "Child Care in the State of North Carolina" found at [http://www.naccrra.org/sites/default/files/default\\_site\\_pages/2012/norht\\_carolina\\_060612-3.pdf](http://www.naccrra.org/sites/default/files/default_site_pages/2012/norht_carolina_060612-3.pdf)

<sup>4</sup> Institute for Women's Policy Research analysis of 2009-2010 National Health Interview Survey (NHIS), 2009 American Community Survey, and U.S. Department of Labor, Bureau of Labor Statistics, National Compensation Survey: Employee Benefits in Private Industry in the United States, March 2011.

<sup>5</sup> U.S. Census Bureau, American Community Survey, 2010-11 estimates.

<sup>6</sup> Special Data Request of N.C. Office of State Personnel, February 2012.

<sup>7</sup> U.S. Census Bureau, American Community Survey, 2011.

<sup>8</sup> Hess, Cynthia, Ariane Hegewisch, Youngmin Yi, and Justine Augeri, October 2012. "The Status of Women in North Carolina," Institute for Women's Policy Research (sponsored by the N.C. Council for Women).