



NC Justice Center

*Opportunity  
and prosperity for all*

Women &  
The Economy

Women have always been integral to the economy, whether they are managing their households or bringing new skills and capacity to the labor force. Important policies put in place over the past four decades have enabled women to gain a foothold in the labor market, but inequalities remain in their wages and career advancement, despite women's higher education levels. The Great Recession and the still-plodding recovery hit women in North Carolina especially hard. Both have compounded the effect of the structural inequalities women have been facing for many years.

**Women in North Carolina's labor force are fundamental to families' economic security and to a thriving economy.**

- Almost 2.3 million women are in North Carolina's labor force.<sup>1</sup>
- Women make up almost half (47.3 percent) of North Carolina's workers.<sup>2</sup>
- In North Carolina, 3 out of 4 (77.4 percent) mothers with children under 18 are in the labor force.<sup>3</sup>
- 42.7 percent of working mothers in North Carolina are the family's breadwinner, and 23.6 percent are co-breadwinners.<sup>4</sup>

**Despite the economic recovery, women are suffering continued and worsening economic hardships.**

- Nationally, men lost more than twice the number of jobs that women lost during the official recession from December 2007 to June 2009.<sup>5</sup> However, since the official recovery began, women have lost jobs while men have found them.<sup>6</sup>
- The loss of employment for women during the recovery is largely driven by declines in government jobs, particularly at the local level. Over the official recovery period, women have lost more than twice as many government jobs as men have nationally.<sup>7</sup>
- A recent national survey looking at economic insecurity after the Great Recession found that on almost every measure of insecurity and hardship—including difficulty paying for basics like food, rent or mortgage, and utility bills—the recession inflicted greater hardship on women than on men.<sup>8</sup>
- In North Carolina, the poverty rate for women increased to 17.7 percent in 2009. Almost 828,000 women in North Carolina, or 1 in 5.6 women, live below the federal poverty line.<sup>9</sup>

<sup>1</sup> U.S. Census Bureau, ACS American Community Survey, 2010.

<sup>2</sup> Economic Policy Institute analysis of Current Population Survey data, 2010.

<sup>3</sup> Economic Policy Institute analysis of Current Population Survey data, March 2009.

<sup>4</sup> Boushey, Heather, Jessica Arons, and Lauren Smith, April 2010. Families Can't Afford the Gender Wage Gap, Center for American Progress.

<sup>5</sup> Sirota, Alexandra Forter, 2011. A Profile of Unemployment in NC, North Carolina Justice Center citing Hayes, Jeff and Heidi Hartmann, September 2011. Women and Men Living on the Edge: Economic Insecurity After the Great Recession, Institution of Women and Policy Research and Rockefeller Survey of Economic Security.

<sup>6</sup> Ibid citing Taylor, Paul, Rakesh Kochhar, Daniel Dockterman and Seth Motel, July 6, 2011. In Two Years of Economic Recovery, Women Lost Jobs, Men Found Them, Pew Research Center.

<sup>7</sup> Ibid citing Boushey, Heather, July 8, 2011. State Budget Cuts Means No Recovery for Women's Jobs, Center for American Progress.

<sup>8</sup> Hayes, Jeff and Heidi Hartmann, September 2011. Women and Men Living on the Edge: Economic Insecurity After the Great Recession, Institution of Women and Policy Research and Rockefeller Survey of Economic Security.

**State policymakers' decisions to deeply cut the state budget and critical programs for women have worsened the impact of the economic downturn on women.**

- Women are impacted by the state budget as both recipients of programs and services as well as providers of a variety of state-funded services.
- With women overrepresented in professions such as teaching, health care, and child care, deep budget cuts to these funding areas hit women harder than men. Women experienced 58 percent of state layoffs in 2011 due to the legislature's cuts-only approach to the budget.<sup>10</sup>
- A range of critical programs that benefit women and their children were hit hard by budget cuts in fiscal year 2011-12, including:

*Education:* The state budget cut nearly \$1 billion from education funding, deeply impacting North Carolina's public schools, community colleges and universities. Layoffs of teachers and teacher assistants at every level have disproportionately impacted women.

*Early childhood programs:* The budget cut \$37.6 million from Smart Start and \$32 million from More at Four. These cuts to early education make it more challenging for mothers to stay attached to the labor market.

*Health care:* Medicaid, which serves more women than men, was cut by \$356 million in FY 2011-12 and is slated to be cut by another \$407 million in FY 2012-2013. Medicaid cuts are expected to cause the loss of an estimated 10,000 jobs in the private sector, particularly in health care, by the end of 2013.

*Prisoner re-entry & treatment programs:* State funding for three residential programs—Women at Risk, Summit House, and Harriet's House—that serve formerly incarcerated women and their children was eliminated.

**As a result, it will be more difficult for women to overcome persistent structural inequalities.**

- Women in North Carolina still only earn 80.7 percent of men's earnings.<sup>11</sup>
- Over a lifetime, women with the same educational attainment as men earn approximately one-quarter less than their male counterparts.<sup>12</sup> A woman with a graduate or professional degree earns less than a man with a Bachelor of Arts degree, and men with some college but no degree earn about the same as women with Bachelor of Arts degrees.<sup>13</sup>
- Women are overrepresented in part-time work, which is more likely to pay lower wages and less likely to offer benefits. In 2010, 28.1 percent of women in North Carolina worked part-time, compared to 17.6 percent of men.<sup>14</sup>
- Research has shown that employed mothers as a group suffer a substantial wage penalty, suggesting that the pay gap between mothers and non-mothers under the age of 35 may be even greater than the pay gap between women and men.<sup>15</sup>

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<sup>9</sup> U.S. Census Bureau, American Community Survey, 2011.

<sup>10</sup> Special Data Request of N.C. Office of State Personnel, February 2012.

<sup>11</sup> U.S. Census Bureau, American Community Survey Briefs. Issued September 2010. Men and Women's Earnings for States and Metropolitan Statistical Areas: 2009.

<sup>12</sup> Carnevale, Anthony P., Stephen J. Rose, and Ban Cheah, 2011. The College Payoff: Education, Occupations, Lifetime Earnings, The Georgetown University Center on Education and the Workforce.

<sup>13</sup> Ibid.

<sup>14</sup> Economic Policy Institute analysis of Current Population Survey Data, 2010.

<sup>15</sup> Schoenbach, Sabine and Louisa Warren, Time to Care: How North Carolina can Promote Health, Support Workers, and Strengthen Families, North Carolina Justice Center citing Correll, Shelly J., Stephen Benard, and In Paik, 2007. Getting a Job: Is there a Motherhood Penalty? Am. J. of Sociology.