BEARING THE COST

HOW OVERREPRESENTATION IN UNDervalued JOBS DISADVANTAGED WOMEN DURING THE PANDEMIC

A REPORT PREPARED BY THE U.S. DEPARTMENT OF LABOR
MARCH 15, 2022

U.S. DEPARTMENT OF LABOR
FOREWORD

Like so many of us, I developed my set of values about hard work and standing up for what’s right from my mother. But I also saw that those values were not rewarded by our society in ways that would have allowed her to provide us a middle-class life — or in the same way as my father. That those conditions of the 1950’s remain true for so many women is a failure of both imagination and action. It is far too common that women work hard and still cannot achieve economic independence in our economy. That’s why I think the work of the U.S. Department of Labor is so vital. We advocate for rights that are critical for all workers, especially women: fair wages, paid family and medical leave, health insurance, the ability to collectively bargain, and a secure retirement.

The department’s report, “Bearing the Cost: How Overrepresentation in Undervalued Jobs Disadvantaged Women During the Pandemic”, explains how and why the COVID-19 pandemic disproportionately affected working women, especially women of color. As the report shows, women are concentrated in female-dominated jobs, which are lower paying and often less valued than male-dominated occupations. Additionally, Black and Hispanic women have had to contend with the historic impediments of discrimination that make their journeys even more difficult.

Once the pandemic hit, women’s already precarious work situation became even shakier. Many women found it too hard to continue to work with the pandemic’s added burdens, including closed schools, lack of childcare, and fear of illness. Plus, these female-dominated jobs — retail, hospitality, and education — suffered the largest job losses.

Knowing of these challenges, we at the department are working hard to improve the workplace realities of women, particularly the most vulnerable, including Black and Hispanic women and others disproportionately impacted by the pandemic. We provide pre-apprenticeship and Registered Apprenticeship programs that give women pathways to male-dominated occupations, such as technology, construction, manufacturing, energy and transportation. And we will continue to advocate for ensuring that all occupations are good jobs that convey dignity to their workers.

This report is a pivotal achievement. It helps us gain an accurate picture of women’s work lives during the pandemic. As part of the Biden-Harris Administration, the department is dedicated to using this important moment to fight for women’s equity in the workplace.

—Martin J. Walsh, Secretary of Labor
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EXECUTIVE SUMMARY

Women are a critical part of the U.S. labor force and contribute significantly to their families’ economic security and the U.S. economy. Yet women, especially women of color, have experienced longstanding disparities in the labor force that exacerbated the problems caused by the COVID-19 pandemic. Women have persistently lower wages and fewer workplace benefits than men, disparities that are even more significant for Black, Hispanic and some subsets of Asian American and Native Hawaiian and Pacific Islander women. Decades of underinvestment in social safety net policies like childcare and paid leave and declining unionization rates left women with few supports to manage work and their unpaid family caregiving responsibilities amid the pandemic.

When the pandemic hit in March 2020, these vulnerabilities worsened its impact on women’s employment. The nature of this national public health crisis forced widespread shutdowns in industries such as in leisure and hospitality and childcare; left students to learn at home remotely; and created stark lines between essential work and remote work. For the first time since data began being collected in 1948, women lost more jobs than men during the depths of the COVID-19-related economic crisis. More women also left the labor force entirely during the pandemic and at its worst point in April 2020, women’s labor force participation was the lowest it had been since 1985. Women also experienced a greater decline in work hours than men. While some women had jobs that allowed for telework during the pandemic, many also had to care for their children and supervise remote learning. Other groups of women became unemployed when non-essential businesses shut down or laid off workers. Women in essential jobs, such as those in grocery stores and hospitals, continued to work in-person and at personal risk while also struggling to manage new caregiving challenges.

Women of color faced even greater negative employment outcomes. Too often, workers of color suffer disproportionate harm in economic downturns, and face intersecting discrimination and devaluation in the labor market that exacerbated pre-existing vulnerabilities. Throughout the economic crisis, Black and Hispanic women faced unemployment rates significantly higher than white women, and have experienced a slower recovery over 2020 and 2021. These difficult economic experiences were driven by discrimination against Black and Hispanic women that devalued their labor, and the different occupations in which they worked were more vulnerable to job losses, and less likely to allow for remote work and have access to workplace benefits. American Indian and Alaska Native women and certain subgroups of Asian American, Native Hawaiian and Pacific Islander women were also more disproportionately impacted by the economic crisis than were white women. Older workers and workers with disabilities suffered greater negative outcomes than other workers.

During the pandemic, two primary factors contributed to women experiencing more negative employment impacts. First, women — who have always performed the majority of unpaid family caregiving — coped with greater challenges managing work and care, with children home from school and disabled and older family members losing access to critical care services. For example, mothers were more likely than fathers to spend more time caring for children, even if they were also working for pay at the same time. Second, women were overrepresented in industries that experienced the pandemic’s worst job losses. This industry and occupational segregation of women — where women are over
or underrepresented in certain jobs — means that women were very likely to be working in sectors like leisure and hospitality or education and health care where the most jobs were lost. To remedy the pandemic’s harmful impacts on women, particularly women of color, we must look closely at the causes and consequences of occupational segregation.

While occupational segregation declined some in the 1970s and 1980s, it remains a challenge that results in an undervaluation of jobs dominated by women, especially women of color.

The supply-side factors that contribute to occupational segregation include the following:

- Social norms that push workers into jobs stereotypical for their gender, race or ethnicity;
- Gaps in educational attainment and training that place women on different career paths;
- Unequal family caregiving responsibilities;
- Fewer network connections and mentors for women, especially in male-dominated jobs; and
- Lack of wealth and access to capital that impede women entrepreneurs.

The demand-side factors that contribute to occupational segregation include the following:

- Workplace discrimination against women or people of color in recruitment, selection, hiring, evaluation, assignments, and promotion; and
- Hostile workplace cultures and harassment.

Occupational segregation creates many inequities in the labor market. It causes lower wages for women, people of color and their families, and is a significant contributor to gender and racial wage gaps. This report finds that, in 2019, using decompositions of the causes of the gender and racial wage gap, Black women lost $39.3 billion and Hispanic women lost $46.7 billion in wages due to differences in occupations and industries relative to white men. In addition to these staggering lost wages, occupational segregation also harms the entire U.S. economy by preventing workers from maximizing their potential to best match their skills, which inhibits innovation and productivity. At the same time, it makes the labor force less adaptable to changes and may perpetuate inequalities in the fastest growing jobs.

To ensure women do not return to the pre-pandemic status quo, the Biden-Harris Administration has made addressing occupational segregation a critical goal, and seeks to achieve a truly equitable recovery that centers the needs of workers, raises job quality, and supports workers to enter jobs that best fit their interests and skills.
INTRODUCTION

Few would argue that the unprecedented COVID-19 public health crisis drastically disrupted the lives of Americans and upended the economy, and that the economic and labor force impacts were most acutely experienced by women. Women have fared worse than men along most measurable labor market indicators during the pandemic, including employment, unemployment, labor force participation and work hours. In the pandemic’s first months, women lost 11.9 million jobs compared to 10.1 million lost by men — a stark contrast to prior recessions, which tended to result in greater job losses and higher unemployment rates for men relative to women. And not all women have been impacted equally: women without a college degree have fared worse than women with more formal education; mothers have had more significant labor force disruptions than women without minor children; and women of color have experienced more negative outcomes than white women. While the COVID-19 pandemic has had, and continues to have, a disproportionately negative economic effect on women, Black and Hispanic women have been even more disproportionately impacted.

The problems experienced by women, and especially women of color, during the pandemic are not new. They suffered worse employment outcomes because they were uniquely vulnerable before the pandemic started. The pandemic’s unprecedented nature and decades of under investment in social safety net programs only exacerbated two of working women’s preexisting vulnerabilities. First, women are more likely to be the primary caregivers for children and other family members. Second, women are more likely to experience occupational and industry segregation — meaning they are over or underrepresented in certain jobs — that concentrates them in low-wage jobs with few benefits, in sectors that experienced significant pandemic-related disruptions. For example, in 2019 women made up 95% of childcare workers, an industry that lost more than one-third of all jobs between February and April 2020. Conversely, women made up only 2 percent of electricians, an essential job in the critical trade sector.

From March 1 to May 31, 2020, 42 states and territories issued mandatory stay-at-home orders. Millions of private businesses, government offices, childcare providers, schools, and other care providers closed their doors to the public suddenly. As a result, families with children and other family members requiring care and supervision had no regular sources of support. Longstanding gender norms and expectations made women and mothers responsible for managing and navigating the bulk of this new care crisis. Unsurprisingly, this upheaval had a swift negative impact on women’s ability to maintain paid employment in the ways they had previously.

The pre-pandemic segregation of women into sectors such as leisure and hospitality, education and health services, and government meant that women endured the pandemic’s steepest job losses. Leisure and hospitality, education and health services — in addition to employing mostly women — are also sectors that contain a significant number of low-wage jobs, many of which are held by women of color.

Occupational segregation has both macro and microeconomic effects, something which the economy has clearly displayed over the course of 2020 and 2021. There is no way to fully quantify how much potential talent and productivity is forgone due to occupational segregation. The intersecting types of discrimination that women of color face too often prevent them from reaching their maximum potential. Since the gender and racial
makeup of an occupation’s workforce is so highly correlated with wages, occupational segregation is a significant driver of gender and racial wage gaps. This means that many of the workers who were the most likely to lose their jobs also had little economic security prior to the pandemic-induced recession.

Occupational segregation leaves women, especially women of color, paying deep costs: In aggregate, their earnings are billions of dollars less than white men per year because they are so much more likely to be funneled into the lowest wage, lowest prestige jobs with the fewest opportunities for advancement — none of which indicates that their labor is not essential. One lesson hopefully derived from the pandemic is how interconnected all individuals are, and how the labor of some workers — particularly those caring for children, people with disabilities, and older adults, and those performing jobs that would otherwise be considered household labor — creates the infrastructure that allows working parents and other adults to maintain their ties to paid employment. The breakdown in the care infrastructure has broad reach, impacting everything from individual families’ schedules, to the ability of employers to find workers, to the functioning of the supply chain.

The pandemic exposed the fissures that long existed in our economic systems and broke many of them wide open. The way that we organize and undervalue care work, the way jobs are structured, the unrealistic and outdated expectations about how people work and live, the gendered and racialized norms that shape our workplaces and our families: All have been made more visible and are being interrogated and challenged in individuals’ lives and through public policy.

These outcomes from the pandemic underscore why the Biden Administration continues to center the experiences of the most marginalized as the best way to ensure a broad and equitable recovery. Addressing the occupational segregation experienced most acutely by Black and Hispanic women must be part of all efforts to rebuild workplaces and the economy to their maximum potential.

This report begins with a summary detailing how the economic impacts of the COVID-19 pandemic disproportionately harmed women, especially women of color. It then explains how these impacts were due to both women’s greater family caregiving responsibilities and occupational and industry segregation of women. Focusing specifically on the latter, this report examines the causes and consequences of occupational segregation before concluding with policy recommendations to address gendered differences in employment and ensure better jobs for women.
THE COVID-19 PANDEMIC’S DISPROPORTIONATE IMPACT ON WOMEN

The pandemic upended lives around the globe, and in the United States resulted in economic fallout and an ensuing recession unlike any other previous recession in modern history. In most prior recessions in the United States, including notably in the Great Recession of 2007-2009, men experienced greater job losses than women. In part, this occurred because impacts of prior recessions tended to affect industries where men held most of the jobs. For example, during the Great Recession the steepest job losses were in construction (an industry composed of 90.6% men in 2007) and manufacturing (70.0% men), especially manufacturing of durable goods (74.0% men). Not all the gendered effects of prior recessions are based on differences in employment by industry; during the Great Recession men were also more likely than women to lose their jobs in service-producing sectors where women tend to dominate employment. Segregation by industry and occupation — the differences in where men and women are likely to work — is just one piece of the historical puzzle.

Part of what was notable about the COVID-19 pandemic was that the nature of the public health emergency led to shutdowns and subsequent steep job losses in sectors of the economy that have typically been more “recession-proof” such as education, and some subsectors of health care. Schools and childcare centers, along with restaurants, retail establishments and many other businesses closed their doors to slow the spread of COVID-19 and millions of workers lost their jobs as well as access to care for their families. From February to April 2020, an unprecedented 22 million jobs disappeared, and this included 11.9 million jobs lost by women. For the first time ever during an economic downturn, women lost most of the jobs. In part, this occurred because women are disproportionately likely to be employed in the sectors that experienced the largest employment losses like leisure and hospitality (an industry composed of 53.0% women in February 2020), government (57.8% women), and education and health services (77.2% women). These three sectors alone accounted for 54.6% of total jobs lost and 61.8% of jobs lost by women between February and April 2020.

Other measures continue to show how women experienced worse employment outcomes during the depths of the economic crisis. In April 2020, when unemployment rates peaked for most groups, 13.5% of men in the labor force were unemployed compared to 16.1% of women. The unemployment rate on its own, however, does not recognize that many women were also pushed out of the labor force entirely due to caregiving responsibilities and other challenges. Between February and April 2020, 4.4 million women left the labor force compared to 3.9 million men. And women have had a slower and more erratic return to the labor force, seeing additional declines in later months, such as September 2020 when half a million women left the labor force — tellingly in a month when the school year restarted but millions of children remained in remote learning. At its worst point in April 2020, women’s labor force participation rate was at a 35-year low. Among those who remained employed, mothers also experienced a greater decline in work hours (an estimated 3.5 hours fewer per week) than fathers (2.5 hours fewer per week) by April 2020, compared to before the pandemic in February 2020. These disproportionate impacts on women have created serious challenges for families’ economic security and the recovery of the entire U.S. economy.
There may have been a single pandemic, but people's experiences vary dramatically. For some, especially those in middle- to high-wage white-collar jobs, the largest employment change of the pandemic was likely a transition to home telework. In May 2020, more than one-third of all employed workers teleworked because of the coronavirus pandemic (35.4%). Workers who were able to telework — who tended to be white or Asian American and Pacific Islander and to have a college degree — may have, at least in some instances, been more likely to retain their jobs and thus income, but still experienced hardships.

Concerns around public health and safety coupled with the remote nature of schools and the closure of care facilities meant that many women were expected to maintain productivity by working from home while also providing care and supervision to their children. Prime-age working women — those ages 25-54 — were the most likely to telework because of the pandemic and were also the most likely to have children in the home. Anecdotal and survey data show that working mothers are experiencing high levels of burnout, and many are scaling back at work, changing careers or leaving the labor force entirely as a result. This does not necessarily mean that women “chose” to cut their hours or quit working; more likely, they made these decisions out of necessity rather than purely due to preference.

Other groups of workers had no choice whether to work or not, because they lost their jobs when non-essential businesses shut down or laid off workers. Some of the most impacted included workers in female-dominated sectors: For instance, 1.4 million women in retail lost their jobs between February and April 2020, as did 4.4 million women in leisure and hospitality (3.2 million of whom worked in food service and drinking establishments). Some of these unemployed workers were able to access other jobs, unemployment insurance, pandemic unemployment assistance, emergency food stamps, or rental or mortgage assistance — but many workers did not receive adequate benefits from those programs. These workers and their families often found themselves struggling to cover household expenses. Black adults, Hispanic adults and other people of color were most likely to face such hardships.

For essential workers — those working in critical industries and jobs — in-person work continued as health and safety risks increased. While some essential workers are highly paid, many — such as those working in grocery stores, retail pharmacies and food production — are not. Essential workers in lower-paying positions are more likely to be women, and workers of color, immigrant workers and individuals with disabilities, all of whom are overrepresented in some of the lower-paying occupations. Essential workers faced increased health risks due to the continuation of in-person work, including an increased risk of infection from coworkers and, in many cases, from customers. While their earnings may not have dropped, and in some cases may have gone up due to “hazard pay” or increased work hours, many essential workers were not earning a living wage even before the pandemic. Further, they may have experienced declines in household income due to other family members’ job losses. Nearly one-in-four essential workers (23%) lived in a family below 200% of the federal poverty line. At the same time, essential workers were not immune to many of the problems faced by other groups during the pandemic. The passage of federal COVID-19 relief packages during the pandemic, including most recently the American Rescue Plan (ARP), helped support childcare providers and bonus pay for essential workers.
COVID-19-RELATED JOB LOSSES DISPROPORTIONATELY HARMED WOMEN OF COLOR

While the pandemic upended the economy and employment for workers across virtually all demographic groups, the data is clear that workers of color tended to experience the worst outcomes. In an economic downturn, people of color, and women of color specifically, tend to be negatively impacted disproportionately. This report focuses mainly on the experiences of Black and Hispanic workers due to greater data availability, but the available data on other workers of color including Asian American, Native Hawaiian, and Pacific Islanders and American Indian and Alaska Native workers also shows significant negative impacts. As far back as 1973 when comparable data first became available, unemployment rates for Black and Hispanic workers have always been higher than for white workers and levels of unemployment that are considered a crisis for white workers are not uncommon for workers of color.

American Indian and Alaska Native Workers

Published data for American Indian and Alaska Native (AIAN) workers’ experience during the COVID-19 pandemic are limited, and often do not disaggregate by gender. In April 2020, their (not-seasonally adjusted) unemployment rate was a staggering 28.6%, up from 6.1% a year prior. AIAN workers have persistently higher unemployment rates than white workers and have experienced a slower recovery compared to other major racial and ethnic groups of workers. This is likely due to their overrepresentation in occupations requiring a lower level of formal education. Compared to white women, AIAN women were disproportionately employed in 2010 in healthcare support, food preparation and serving, and building and grounds cleaning and maintenance occupations.

The supporting data indicates that changes in the economy more severely impact Black and Hispanic workers. When the GDP goes down, the unemployment rates for Black and Hispanic workers increase and, among women, the subsequent economic impacts are more persistent for Black and Hispanic women. While the characteristics of the Black and white workforces vary, the vast majority of the unemployment rate gap cannot be attributed to differences in education, age, marital status, or state of residence.

These same racial and ethnic disparities existed during the pandemic. While unemployment rates were in the double-digits for workers of all races and ethnicities in April and May 2020, Black and Hispanic workers had significantly higher unemployment rates relative to white workers. A great deal of attention has been paid to the fact that women’s unemployment rates at the initial peak of the pandemic were higher than men’s — but this has largely been driven by the experiences of Black and Hispanic women workers (see Figure 1). Hispanic women had the highest measured unemployment rate at 20.1% in April 2020 of any major group by gender, race, and ethnicity during the pandemic. White women’s unemployment rate stayed below 6% from October 2020 through the end of 2021, while Hispanic women did not reach these lows until September 2021 and for Black women it was not until November 2021 — roughly a year later than white women.
Asian American, Native Hawaiian, and Pacific Islander Women

Data limitations, many made worse by the impact of the pandemic on survey collection, make it difficult to fully track the experiences of Asian American, Native Hawaiian and Pacific Islander (AA and NHPI) women in 2020. Prior to the start of the pandemic, Asian women on average had lower levels of unemployment and higher wages, especially compared to other women of color. For example, Asian women’s (not seasonally adjusted) unemployment rate was 3.0% in February 2020, about half the unemployment rate of Black women.\(^\text{48}\) But this general data hides many of the diverse experiences of different subgroups of AA and NHPI women.\(^\text{49}\) For example, prior to the pandemic, two-in-three (66.2%) women of Filipina origin participated in the labor force, compared to half (49.0%) of Japanese women. Meanwhile, Native Hawaiian and other Pacific Islander women had an unemployment rate that was more than twice as high (6.3%) as women of Vietnamese origin (3.0%).

The gender wage gap also varies significantly for AA and NHPI women earning less than white, non-Hispanic men, such as 60% for Hmong and Cambodian women and 95% for Japanese women relative to white, non-Hispanic men.\(^\text{50}\) Many of these differences are linked to occupational segregation as well. Vietnamese women, for example, are overrepresented in service occupations (40% compared to 21.2% for all women’s jobs), while Asian Indian women are much more likely to be employed in management, business, science, and the arts (69.9% compared to 44.2% for all women).\(^\text{51}\)
Unfortunately, data constraints resulting from public-health related changes to survey collection mean that it is not possible to replicate these analyses on AA and NHPI women during the pandemic. Asian women’s (not seasonally adjusted) unemployment rate peaked at 16.6% in May 2020, before beginning to decline again and was roughly back to pre-pandemic levels (3.3%) by December 2021. But given the wide-ranging differences in labor force participation, unemployment, and occupation for AA and NHPI women it is highly probable that these top-level statistics tell only part of the story. Workers of Vietnamese and Filipino origin, for example, had much higher employment declines during the first year of the pandemic compared to those of Asian Indian and Japanese origin. The increase in anti-Asian discrimination and harassment during the pandemic has been dramatic, with a 77% increase in anti-Asian hate crimes between 2019 and 2020. This led to adverse effects for AA and NHPI workers and AA and NHPI-owned businesses, and has undoubtedly had an impact on employment outcomes, not to mention mental health and well-being. Further investments in data collection and additional research are necessary in order to better understand how the COVID-19 pandemic has affected AA and NHPI women, which is the necessary first step to crafting effective policies and interventions.

Some of the more severe employment impacts for Black and Hispanic women during the pandemic may be driven by discrimination and their concentration in certain occupations and industries that saw greater job losses, which resulted in their loss of income, fewer opportunities to telework and higher unemployment. Even within some industries, women of color experienced disproportionate job losses compared to other groups with higher representation in those industries. This is probably due to discrimination and the continuation of patterns that workers of color, especially Black workers, are the “last hired and first fired,” a phenomenon where they are the first to experience unemployment during a recession and the last to transition back into employment.

Another factor driving this discrepancy in the experiences of women workers is that Black and Hispanic women were less likely to have jobs that allowed for remote work when businesses closed their doors. Pre-pandemic in 2017-2018, only 19.7% of Black workers had jobs that allowed for remote work, compared to 29.9% of white workers and 37.0% of Asian workers. Hispanic workers (who could be of any race) had even lower rates of ability to work remotely, at only 16.2% compared to 31.4% of non-Hispanic workers.

In addition to having less access to telework, many workers of color lacked access to other workplace benefits before the start of the pandemic. Using data from the 2014 National Health Interview Survey, researchers at the Institute for Women’s Policy Research found that prior to the pandemic only 46% of Hispanic workers had access to paid sick leave, as compared to 67% of Asian workers, 63% of white workers, 62% of Black workers and 53% of American Indian or Alaskan Native workers. This is consistent with data from the American Time Use Survey, collected in 2017-2018, which asked respondents about their access to a variety of forms of paid leave including paid sick leave. Only 49.9% of Hispanic workers had access to any form of paid leave, relative to 69.2% of non-Hispanic workers. Asian workers were the most likely to report access to paid leave (71.5%) compared to white (66.3%) and Black workers (62.6%).
Black and Hispanic workers, regardless of gender, are less likely to receive UI benefits after job separation compared to white, non-Hispanic workers. Because Black workers are more likely to have lower earnings and to live in states with low wage-replacement rates, their potential UI benefits are lower than white workers’. Lower pre-unemployment earnings account for 30% of the take-up gap between Black and white workers. Racial and ethnic disparities in UI benefit receipt far predate the pandemic and have been documented in prior recessions, proving that this is not a new problem. However, the unique contours of the pandemic’s job losses mean that the brunt of these overlapping issues — losing more jobs, having lower wages and having a larger unemployment insurance gap — are disproportionally experienced by women of color.

The preexisting vulnerabilities of Black and Hispanic working women are due to longstanding labor market policies and practices that systematically devalue and disadvantage women, particularly women of color. Due to the legacy of slavery, racial and gender stereotypes that Black women “should” work outside the home persist. Discrimination against Black men has also resulted in their lower earnings and underemployment, creating financial necessity for Black women to work for pay to support their families. As a result of these and other factors, Black women have had greater labor force participation rates than white women as far back as data has been collected. Married white women have historically been confined to the home and expected to scale back or quit working entirely after having children until the 1970s — when they began participating in the labor force in greater numbers — a larger percentage of Black women have always remained in the workforce regardless of the caregiving needs within their own families. The intersectional discrimination against Black women based on their race and gender also historically pushed them into the most devalued jobs.

Hispanic women experience different stereotypes and disadvantages regarding their roles in the workplace and the family. Discrimination and xenophobia against Hispanic workers, and barriers to education advancement have resulted in a greater concentration of Hispanic workers in industries that are more seasonal and more prone to unanticipated economic downturns. The occupations with the highest concentration of Hispanic workers include farming, fishing and forestry; building and grounds cleaning and maintenance; construction and extraction; food preparation and serving; and transportation and material moving. Hispanic women earn lower wages and work fewer hours even when working full-time compared to other women. All of these factors combine to make Hispanic women among the most likely workers to live below the poverty line — in 2019 close to one in 10 Hispanic women (8.7%) who worked 27 hours per week or more lived below the poverty line, nearly twice the rate for non-Hispanic white women (4.5%). Hispanic women’s immigration status and national origin also impacts differences in earnings. For example, first-generation immigrants and women of Mexican origin experience larger unexplained wage gaps than non-immigrants and women of Puerto Rican and Cuban origins.

Despite the challenges Black and Hispanic women face in the labor market, they are very often financially responsible for their families. In 2020, four in 10 Hispanic mothers (39.3%) and nearly two in three Black mothers (65.9%) were the equal, primary, or sole earners for their families, meaning they were either unmarried working mothers or married mothers earning as much or more than their husbands.
COVID-19 Impacts for Older Workers and Workers with a Disability

The pandemic presented unique challenges to midcareer and older women ages 40 to 65. Four out of 10 reported losing their jobs or income (41%), and nearly one-third (31%) experienced age discrimination while job searching. The rates of discrimination were even more severe for older women of color with Asian (40%), Hispanic (34%), and Black (31%) women reporting higher rates of age discrimination compared to white women (29%). While age discrimination is a persistent problem, this additional period of unemployment is making it even harder for many older workers to find a new job. More than one-quarter (28%) of women ages 40 to 65 reported taking care of a child or grandchild due to remote learning and almost half of these women report experiencing impacts on their employment such as having to cut back on hours or shifts or not being able to work full-time as a result. One quarter (25%) of midcareer and older women workers reported that their financial situation worsened over the pandemic, and this was more common among lower-income women and Hispanic women.

The pandemic also led millions of workers to retire early. Many retired to protect themselves and their household members from COVID exposure, or to provide care for their loved ones when their regular paid caregivers were no longer available. While most of the workers who retired during the pandemic were age 65 and older, there were also additional early retirements in the 55-to-64-year age bracket. Black workers without a college degree saw the highest increase in retirement during the pandemic, despite being among the least likely to have adequate retirement savings. Some of the additional retirements may be due to increases in savings from federal COVID-19 relief payments during the pandemic.

The pandemic significantly impacted people with disabilities, a group that often overlaps with older workers as disability prevalence increases with age. Because people with disabilities are overrepresented in hourly, contingent and lower wage employment, and in service sectors that experienced the most business closures, they were more likely to be fired or furloughed, lack access to paid leave, and to suffer unemployment and economic harm. Although the unemployment rate for people with a disability prior to the pandemic (7.8%) was relatively low compared to prior years, by April 2020, it had more than doubled from two months prior, increasing to a record high of 18.9% (compared to 14.3% for workers without a disability). Just like women overall, women with disabilities experienced a higher unemployment rate than men with a disability in 2020 (with an annual average of 13.2% compared to 12.0%). The jobless rates for Black (16.3%), Asian (15.7%), and Hispanic (16.8%) workers with a disability were also significantly higher in 2020 than for white workers with a disability (11.6%).
WHY THE COVID-19 PANDEMIC MORE SEVERELY IMPACTED WORKING WOMEN

While the impacts of the pandemic took different shape depending on worker characteristics, including the type of job a worker had, women overall, particularly women of color, suffered more severe harm. The harm was caused largely by two interrelated factors: that women take on a greater share of caregiving within families, and occupational segregation leads to women being disproportionately likely to be employed in the sectors that experienced the largest pandemic-related losses. Caregiving responsibilities pulled women away from jobs as the care infrastructure retracted, and at the same time many women found themselves pushed out of the labor force as the industries they were most likely to work in experienced the most significant job losses.

WOMEN’S GREATER UNPAID FAMILY CAREGIVING RESPONSIBILITIES

Women tend to be responsible for the majority of unpaid family caregiving, regardless of whether they are employed outside the home, and the pandemic exacerbated this pattern. School and senior center closures along with childcare disruptions left many women to manage even greater caregiving responsibilities, in addition to their work responsibilities.

Mothers, in particular, were especially likely to separate from employment for periods during the pandemic, and the declines were even more severe for unpartnered (unmarried or not cohabitating) mothers. The drop in employment between September 2019 and September 2020 was significantly worse for Black (10.5 percentage points) and Hispanic unpartnered mothers (10.7 percentage points) compared to white unpartnered mothers (5.8 percentage points). Unpartnered mothers with children ages 5 or younger also saw steeper employment share declines (11.2 percentage points) relative to unpartnered mothers of older children ages 6 to 17 (7.7 percentage points) during the same time period.

Analysis of time use on weekdays found that employed mothers spent 6.1 hours working on average, and 8 hours on total childcare (childcare could be provided as a primary activity or while doing something else, like working). In comparison, employed fathers spent an average of 7.7 hours working and 5.2 hours on total childcare on weekdays. Given these differences in time use, it is then unsurprising that women also reported being less likely than men to engage in work or work-related activities per day, and, when women did perform work or work-related activities, they spent less time on those activities than men. This window into what happened within homes helps contextualize data showing that mothers were more likely than fathers to lose their jobs or exit the labor force, with non-white single mothers of school-aged children experiencing the most negative employment impacts. A significant and growing body of research shows that women’s greater involvement in the education and care of children was a key driver of their more negative employment outcomes relative to men.

Mothers are, of course, not a homogenous group and their employment experiences during the pandemic took different shapes based on the types of jobs they held and their family structure. Mothers of older children, for example, were not as likely to have their employment impacted by childcare and in-person school closures as mothers whose...
children require around the clock supervision. Mothers of children ages 12 and younger were three times as likely to have lost a job between February and August 2020 when compared to fathers (12% versus 4% decline in employment).94

Parents of minor children are not the only family caregivers. Data collected in 2019 found that about one in five adults (53.0 million adults) provided care to an adult or child with special needs and most caregivers (61%) are women.95 Most (41.8 million) are caring for an adult age 50 or older, although a significant portion are caring for a younger adult with a disability. Even before the pandemic, most caregivers to adults (61%) had experienced at least one negative work-related impact because of their caregiving responsibilities, and 10% of working caregivers had to give up work entirely or retire early because of their caregiving responsibilities. As the pandemic led to the closure of adult day services96 and a decline in the safety and workforce for nursing homes and long-term care facilities where COVID-19 cases surged,97 families took on greater caregiving responsibilities. This decreased care infrastructure, combined with the fact that older adults and people with disabilities were likely to be more medically vulnerable,98 meant that caregivers to adults were at greater risk of negative employment impacts.99

THE ROLE OF INDUSTRY AND OCCUPATIONAL SEGREGATION

Occupational and industry segregation occurs when a demographic group, such as women or Black workers, is unequally distributed across occupations or industries, leading to their overrepresentation (and underrepresentation) in certain jobs. This type of employment segregation between different jobs is referred to as “horizontal segregation” and is the focus of this report. Vertical segregation refers to gender or racial and ethnic disparities in representation at different levels within an occupation. The glass ceiling that many women face in career advancement, especially into managerial and leadership positions dominated by men, is an example of vertical segregation. While an important topic that is worthy of further study, it is beyond the scope of this report.100

Women, especially women of color, are disproportionately likely to be employed in jobs and sectors that experienced the largest employment losses during the pandemic. This segregation by industry and occupation, wherein women are more likely than men to be concentrated in sectors such as leisure and hospitality and education and health services, made them more vulnerable to layoffs, job separations, and reduced work hours than men (see Table 1). And even when women do work in male-dominated industries, they tend to be concentrated in lower-paying, undervalued jobs such as administrative or support positions.
Table 1 shows the concentration of women workers by major industries in 2019, and the percentage of total job losses to those industries that were experienced by women in 2020. The data shows that, in addition to being more likely to work in sectors that experienced significant employment downturns (leisure and hospitality and education and health services, primarily), women and women of color tended to experience a disproportionate number of job losses within each sector — even in industries where women were not the majority. For example, women made up only 15.7% of employed workers in mining, quarrying, and oil and gas extraction in 2019, but represented 28.8% of job losses between 2019 and 2020. And while women in the financial sector lost jobs from 2019 to 2020, men’s employment in the sector grew during that period. In the education and health services industry Black and Hispanic women were especially likely to lose their jobs: They accounted for roughly one-in-10 workers in 2019 but represented approximately one-in-six job losses in 2020.

Occupational segregation is the main reason Hispanic workers saw the greatest employment decline during the pandemic’s early months. Before it began, Hispanic women were overrepresented in industries such as leisure and hospitality, retail trade, and health care and social assistance, which saw some of the largest job losses. Hispanic workers’ occupational segregation is associated with an additional 2.8 percentage point decline in their employment-to-population ratio during the pandemic’s first few months.

Black workers also experience significant segregation by industry and occupation, but the patterns look different than for Hispanic workers. Black women were not as likely as Hispanic women to be concentrated in industries that experienced the sharpest employment declines. However, they were disproportionately likely to become
unemployed, and within occupations, Black workers experienced more significant job losses than their non-Black counterparts. For example, Black women were only 5.9% of employees in the wholesale and retail trade in 2019 but represented 14.6% of job losses.

Understanding and addressing occupational segregation is a critical — and underexamined — step to remedy the disproportionate impacts of the pandemic on women, particularly women of color. The next sections of this report focus specifically on occupational segregation.

THE CAUSES OF OCCUPATIONAL SEGREGATION

As the pandemic has shown, occupational segregation makes certain groups more vulnerable when there are economic shocks that impact some sectors of the economy more than others. In theory, some level of occupational segregation could be less harmful if the patterns reflected unconstrained individual choices that best fit workers’ interests and skills, all work was fairly valued and compensated, and all workers had equal benefits and protections regardless of their job. Jobs dominated by women — especially women of color — pay lower wages, have less bargaining power and fewer workplace protections and benefits for those women. These disparities in how jobs are valued is both a cause and a consequence of occupational segregation. For example, of the 20 detailed occupations with the highest weekly earnings in 2021, nine would be considered “non-traditional” occupations for women as women make up less than 25% of workers (see Table 2). One would be considered women-dominated (women make up more than 75% of workers) and the rest are mixed gender, with the share of women ranging from 25 to 75%. Conversely, of the 20 occupations with the lowest weekly earnings, eight are women-dominated and only one is a non-traditional occupation for women.

TABLE 2.

<table>
<thead>
<tr>
<th>20 OCCUPATIONS WITH HIGHEST MEDIAN WEEKLY EARNINGS, 2021</th>
<th>Median weekly earnings</th>
<th>Percent women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architectural and engineering managers</td>
<td>$2,709</td>
<td>11.4%</td>
</tr>
<tr>
<td>Dentists</td>
<td>$2,492</td>
<td>44.7%</td>
</tr>
<tr>
<td>Chief executives</td>
<td>$2,473</td>
<td>30.2%</td>
</tr>
<tr>
<td>Other physicians</td>
<td>$2,418</td>
<td>42.6%</td>
</tr>
<tr>
<td>Lawyers</td>
<td>$2,252</td>
<td>41.7%</td>
</tr>
<tr>
<td>Computer and information systems managers</td>
<td>$2,085</td>
<td>27.3%</td>
</tr>
<tr>
<td>Pharmacists</td>
<td>$2,019</td>
<td>54.3%</td>
</tr>
<tr>
<td>Computer hardware engineers</td>
<td>$2,006</td>
<td>10.5%</td>
</tr>
<tr>
<td>Computer network architects</td>
<td>$1,990</td>
<td>10.6%</td>
</tr>
<tr>
<td>Nurse practitioners</td>
<td>$1,955</td>
<td>85.1%</td>
</tr>
<tr>
<td>Software developers</td>
<td>$1,922</td>
<td>19.7%</td>
</tr>
<tr>
<td>Electrical and electronics engineers</td>
<td>$1,899</td>
<td>6.6%</td>
</tr>
<tr>
<td>Physician assistants</td>
<td>$1,844</td>
<td>62.7%</td>
</tr>
<tr>
<td>Database administrators and architects</td>
<td>$1,879</td>
<td>34.0%</td>
</tr>
<tr>
<td>Chemical engineers</td>
<td>$1,875</td>
<td>15.8%</td>
</tr>
<tr>
<td>Information security analysts</td>
<td>$1,874</td>
<td>17.9%</td>
</tr>
<tr>
<td>Aerospace engineers</td>
<td>$1,863</td>
<td>17.6%</td>
</tr>
<tr>
<td>Veterinarians</td>
<td>$1,797</td>
<td>71.6%</td>
</tr>
<tr>
<td>Personal financial advisors</td>
<td>$1,773</td>
<td>39.6%</td>
</tr>
<tr>
<td>Engineers, all other</td>
<td>$1,771</td>
<td>16.1%</td>
</tr>
</tbody>
</table>
TABLE 2., cont’d.

<table>
<thead>
<tr>
<th>20 OCCUPATIONS WITH LOWEST MEDIAN WEEKLY EARNINGS, 2021</th>
<th>Median weekly earnings</th>
<th>Percent women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hosts and hostesses, restaurant, lounge, and coffee shop</td>
<td>$498</td>
<td>77.9%</td>
</tr>
<tr>
<td>Fast food and counter workers</td>
<td>$507</td>
<td>64.2%</td>
</tr>
<tr>
<td>Dining room and cafeteria attendants and bartender helpers</td>
<td>$509</td>
<td>49.0%</td>
</tr>
<tr>
<td>Laundry and dry-cleaning workers</td>
<td>$511</td>
<td>67.0%</td>
</tr>
<tr>
<td>Dishwashers</td>
<td>$512</td>
<td>28.1%</td>
</tr>
<tr>
<td>Cashiers</td>
<td>$515</td>
<td>71.9%</td>
</tr>
<tr>
<td>Food servers, nonrestaurant</td>
<td>$544</td>
<td>77.5%</td>
</tr>
<tr>
<td>Maids and housekeeping cleaners</td>
<td>$546</td>
<td>85.6%</td>
</tr>
<tr>
<td>Food preparation workers</td>
<td>$547</td>
<td>57.9%</td>
</tr>
<tr>
<td>Cooks</td>
<td>$549</td>
<td>36.7%</td>
</tr>
<tr>
<td>Childcare workers</td>
<td>$569</td>
<td>93.0%</td>
</tr>
<tr>
<td>Sewing machine operators</td>
<td>$572</td>
<td>71.3%</td>
</tr>
<tr>
<td>Waiters and waitresses</td>
<td>$576</td>
<td>61.7%</td>
</tr>
<tr>
<td>Home health aides</td>
<td>$587</td>
<td>84.1%</td>
</tr>
<tr>
<td>Cleaners of vehicles and equipment</td>
<td>$590</td>
<td>19.5%</td>
</tr>
<tr>
<td>Animal caretakers</td>
<td>$595</td>
<td>78.2%</td>
</tr>
<tr>
<td>Hairdressers, hairstylists, and cosmetologists</td>
<td>$604</td>
<td>90.5%</td>
</tr>
<tr>
<td>Personal care aides</td>
<td>$611</td>
<td>77.4%</td>
</tr>
<tr>
<td>Baggage porters, bellhops, and concierges</td>
<td>$612</td>
<td>27.4%</td>
</tr>
<tr>
<td>Stockers and order fillers</td>
<td>$612</td>
<td>34.8%</td>
</tr>
</tbody>
</table>

Notes: Includes detailed occupations where the sample size of the total number of workers allows for a calculation of median weekly earnings. Occupations highlighted in blue indicate non-traditional jobs for women, where women make up less than 25% of workers. Occupations highlighted in pink indicate women-dominated jobs, where women make up more than 75% of workers.


While some progress was made in the 1970s, 1980s and 1990s to reduce gender differences across occupations as more women entered the labor force and achieved higher levels of education, it stalled in the 2000s.\(^{109}\) An intersectional analysis of changes in occupational segregation between 1983 and 2002 found that white women made more progress than Black and Hispanic women.\(^{110}\) The pandemic demonstrated that addressing occupational segregation by both gender and race/ethnicity is critical for equity among women.

Determining how to address occupational segregation while strengthening the economy and the economic security of families requires understanding myriad causes that contribute to it. Researchers often categorize the causes of gender occupational segregation into supply-side factors and demand-side factors.\(^{111}\) Supply-side refers to women’s experiences that influence which occupation they enter, such as their education, skills and family caregiving responsibilities. Demand-side refers to employers’ preferences and personnel practices, that affect women entering or working in jobs, including discrimination in hiring or promotion and workplace harassment.
SUPPLY-SIDE FACTORS THAT CONTRIBUTE TO OCCUPATIONAL SEGREGATION

Social Norms and Stereotypes
The most amorphous but foundational supply-side factor is the deep entrenchment of gendered and racialized social norms, or when workers feel social pressure to choose occupations stereotypical to their gender or race. Gender stereotypes about skills and abilities, such as the belief that women are better suited to do care or household work and men are better at dangerous or physically demanding work, can constrain certain individuals and lead them to choose an occupation that aligns with how they are expected to behave. This can become a self-reinforcing cycle, for example, when women are pressured or encouraged to select a “caring” occupation like teaching or nursing more than are men, thereby reinforcing stereotypes (in this case, that women are ‘naturally more caring’), and perpetuating gender segregation. Some women may prefer more traditionally women-dominated jobs, but social norms can be a barrier for other women who prefer non-stereotypical occupations. While improved gender equality across all areas of society has challenged and dismantled some of these social norms and enabled more women and men to enter non-traditional occupations, many persist today.

Educational Attainment, Sorting, and Training Gaps
A significant source of occupational segregation — educational attainment and sorting — begins before individuals enter the labor market. The type and level of education and training program an individual has access to and receives impacts the barriers they face to entering occupations. Women have received the majority of bachelor’s degrees since the 1981-1982 academic year, but women have to complete additional education in order to earn as much as less educated men because of their lower average earnings across all levels of education. For example, on average a woman with a master’s degree earns less than the average man with a bachelor’s degree. However, educational attainment on its own is not the most important factor when it comes to occupational segregation — educational sorting into different fields of study has a stronger link. Social norms and pressures can play a significant role in the educational field an individual enters. Women are especially likely face barriers to entering or completing math or science educational tracks and are therefore less likely to enter higher paying math and science occupations.

Women are also less likely to participate in vocational training programs and Registered Apprenticeships. High-quality apprenticeships are opportunities for individuals to earn while they learn and develop skills for good jobs in the trades, and in non-traditional industries such as advanced-manufacturing, information technology and others that tend to pay higher wages. On average, participants in Registered Apprenticeships have higher earnings than similar non-participants, with a total career earnings boost of nearly $100,000. The benefits are even larger for those who participate and complete their program, as they see an average increase of $240,000 over the course of a career. Yet, women participate in Registered Apprenticeships at much lower rates than men and when they do enter, they are less likely to complete apprenticeships when they are in the skilled trades. Much of this may be attributed to demand-side factors about how women are treated when they enter into apprenticeships in fields typically dominated by men. For instance, women receive fewer hours and less desirable skill-building assignments in male-dominated apprenticeships like the construction trades. Women also receive less access to overtime — which can be a key factor to increasing job...
experience in addition to increasing take-home pay — and often experience unsafe working conditions because work gear and tools do not fit women’s sizes.  

When women do participate in training programs, they tend to be concentrated in jobs that pay less, such as those in health care and clerical work rather than in higher paying fields like manufacturing. Educational sorting artificially limits the options available to women and men by creating barriers to entry in high-paying occupations, and it also limits individuals’ potential productivity and, subsequently, economic growth.

**Family Caregiving Responsibilities**

The unequal distribution of family caregiving responsibilities and the lack of work-family policies and workplace flexibility also play an outsized role in the ability of women to enter certain occupations. The provision of family care is an important and worthy use of time — but most families are dependent upon wages. The lack of social safety net policies that can support workers with caregiving responsibilities — like affordable, high-quality childcare; paid family and medical leave; or predictable scheduling — limits employment options and makes full-time employment more challenging to maintain. Many of the fields in which women are concentrated are those where intermittent work and long spells out of the labor force can be tolerated, and the same is true about fields where part-time work is concentrated. Notably, women’s greater concentration in part-time work is not because part-time jobs offer flexibility or work-family supports that enable working caregivers to maintain employment beyond simply working fewer hours. Instead, many women with caregiving responsibilities are forced to choose part-time work or jobs that allow them to easily quit and get rehired to accommodate their caregiving responsibilities.

Family caregiving challenges are particularly acute for working mothers, who can experience work disruptions if they lose childcare, which is more common among low-income families. Lack of childcare options is also a factor in preventing many women from enrolling in or completing Registered Apprenticeships, since the schedule for training (both in the classroom and on-the-job) can be demanding and may necessitate childcare late at night or early in the morning when traditional care is not available.

**Networks and Mentors**

Another common supply-side factor in occupational segregation is fewer network connections and mentors available to support women and people of color. Networks are a powerful tool to make professional connections that can help individuals obtain job referrals and to get hired or be supported for promotions. Similarly, mentors, especially those of the same gender or race/ethnicity, can increase confidence and skill-building. Since women have historically been underrepresented in certain non-traditional occupations such as science, technology, engineering, and math (STEM) fields or the trades, there are few female networks or mentors available to women who may want to enter those sectors. This essentially perpetuates the segregation. These effects have been observed in occupations ranging from the skilled trades to finance.

**Wealth Gaps and Access to Capital**

Lack of wealth and access to capital limits the ability of women and people of color, including those with disabilities, to become entrepreneurs or take risks in their education or career. Women have less wealth on average than men in the United States. A recent study found that the median wealth of female-headed households was only 55% of male-headed households’ wealth. The racial wealth gap is even more staggering. Black
families have just 12% of the wealth held by white families, and Hispanic families have 21% of white families’ wealth.\textsuperscript{134} The effects interact with each other, meaning that Black and Hispanic women face even larger wealth gaps than white women.\textsuperscript{135} In addition to lower wealth, women are less likely than men to have access to capital or apply for credit, and when they do gain access, they receive lower amounts with higher interest rates.\textsuperscript{136} These financial constraints create barriers for women to start their own business and limit their willingness to take risks. In 2018, just 19.9% of all firms that employed people were women-owned.\textsuperscript{137} Women-owned firms also follow the same patterns of segregation by industry — they are more common in the sectors of health care and social assistance, and accommodation and food services.\textsuperscript{138}

DEMAND-SIDE FACTORS THAT CONTRIBUTE TO OCCUPATIONAL SEGREGATION

**Workplace Discrimination**

Even when women generally, and women of color and those with disabilities specifically, can overcome these supply-side factors, there are still demand-side factors that contribute to occupational segregation. Discrimination may be the most significant and challenging of the demand-side factors, affecting everything from recruitment to selection, hiring, evaluation, and promotion practices.\textsuperscript{139} In some instances, despite the law, employers may discriminate against women and people of color based on race, sex, national origin, disability, or some combination thereof. These practices can further perpetuate segregation. Women with children often face stereotypes about their commitment and work ethic while balancing caregiving, which contributes to the motherhood wage penalty and discrimination in hiring against mothers.\textsuperscript{140} Discrimination may also be unintentional but systemic. For example, job postings that use language that preferences stereotypical male attributes (e.g., using adjectives such as “competitive”) may deter women from applying or deter hiring managers from selecting women based on stereotypical interpretations of the job criteria.\textsuperscript{141}

Gender discrimination may be particularly common in male- or female-dominated occupations against applicants of the “wrong” stereotypical gender.\textsuperscript{142} In such cases, men may also face discrimination in entering a female-dominated occupation; however, when hired they are still likely to receive higher pay than women within that occupation.\textsuperscript{143} Women of color may encounter a unique combination of racism and sexism that often results in being viewed as less qualified for a position.\textsuperscript{144} Black, Hispanic, and AA and NHPI women each experience different forms of stereotypes and discrimination, which creates a “concrete ceiling” against their promotion and career advancement.\textsuperscript{145} Discrimination against Black workers means they are typically the first to lose their jobs and stay unemployed longer, leaving them with fewer employment choices, such as in sectors at particular risk during the COVID-19 pandemic.\textsuperscript{146}

**Workplace Culture and Harassment**

A related employer-side factor is workplace culture and harassment. The culture of a workplace is informed by leadership styles and structure, practice and policies, workspaces, interpersonal communication, and the explicit and inherent values of the organization.\textsuperscript{147} Women and women of color especially may be less inclined to apply, be hired, promoted, or retained where there is a culture of discrimination or harassment. This can make networking difficult, and exacerbate the supply-side issues identified earlier. Similarly, a workplace that does not have policies to address work-family issues,
no flexible work policies, or policies that are not gender-neutral in writing or practice, may be unfriendly to employees with family caregiving responsibilities and contribute to occupational segregation. Work-family policies can sometimes “mommy-track” women workers with caregiving responsibilities; a situation where women are passed over for promotions and pay raises because of their real or perceived family care responsibilities. This practice can contribute to occupational segregation by pushing women out of occupations and workplaces that may appear on paper to be accommodating. Another critical factor, harassment — whether sexual in nature or based on gender, racial and ethnic stereotypes — may create a hostile work environment that can also deter women and people of color from applying for, accepting, keeping, or succeeding in a job. For women of color this can be especially harmful, as they may be subject to a double jeopardy of harassment based on their gender and race.

**THE CONSEQUENCES OF OCCUPATION SEGREGATION**

These multi-pronged causes of occupational segregation create a complex and intractable problem that will continue to harm workers and the economy until they are mitigated. Occupational segregation impacts workers’ earnings, benefits, workplace protections, and job opportunities directly, and subsequently limits their wealth, retirement security and overall financial stability. As the pandemic made starkly clear, women of color are more economically vulnerable because they are concentrated in some of the lowest paying, lowest quality jobs. This creates challenges for families’ economic security, especially the substantial share of households where mothers of color are their families’ primary earner.

Jobs that employ a disproportionate number of women are devalued and pay less, especially those that align with stereotypical female traits. For those employed in care work, such as childcare workers, domestic workers, and home health aides, who earn below average wages, this is especially true. Discrimination, rooted in the history of slavery and the exclusion of certain jobs from laws setting labor standards, only compounds the problem. Most notably, the Social Security Act excludes domestic workers from its coverage. While essential to our society, the work they do is unappreciated and often invisible because women, particularly women of color and immigrant women, disproportionately hold these jobs.

As more women enter an occupation, the wages drop. This phenomenon is true even when controlling for experience, skills, education, race, ethnicity and region. Certainly, women do not strive to earn low wages but many employers discriminate against them and assume that they are less qualified. As a result, they may pay women less than men and this contributes to the decline in wages overall in that occupation. Many examples of this phenomenon exist in occupations from schoolteachers, which became female-dominated between 1850 and 1900, to recreation camp workers, biologists and designers.

Women dominated jobs tend to offer lower wages and they are also less likely to include benefits like employer-provided health insurance and retirement plans compared to male-dominated occupations. The devaluation of these jobs, evidenced by their low pay and few benefits, then leads to only the most marginalized workers, such as women of color, being likely to accept or continue in them long-term, largely out of necessity.
BEARING THE COST
U.S. DEPARTMENT OF LABOR

and a lack of other options which would better provide for their family economic security.

The lower wages paid to women is evident in the persistent gender and racial wage gaps. The gender wage gap between women and men, calculated with median annual earnings for full-time, year-round workers in the United States, has improved since the 1970s, but progress has slowed in the last two decades. In 2020, women earned 83 cents for every dollar earned by men. This wage inequality is particularly stark for most women of color, who face intersecting biases based on their gender, race and ethnicity that result in lower pay. Hispanic women have faced the biggest gender wage gap among women by major racial and ethnic groups as far back as comparable data have been available. In 2020, Hispanic women working full-time, year-round earned just 57 cents for every dollar earned by white, non-Hispanic men. Black women, despite having the highest labor force participation rate among women, have a gender wage gap of 64 cents compared to every dollar earned by white, non-Hispanic men in 2020.

The direct effect of occupational segregation on earnings is a major contributor to the gender wage gap. Studies from the Institute for Women's Policy Research found a negative relationship between the share of women in an occupation and that occupation's median earnings, a pattern that remains true across all occupations and sectors, regardless of education and training requirements. There are no occupations where women have a statistically significant earnings advantage over men, but hundreds where men have significantly higher earnings than women, and 10% of the gender wage gap can be attributed to the systematic devaluation of women-dominated occupations. Women are doubly disadvantaged: first, because earnings in female-dominated occupations tend to be lower than earnings in male-dominated occupations, and second, because women tend to earn less than men even within the same occupations. Similar studies show that occupational segregation by race contributes to the racial wage gap and racial disparities in access to employment benefits.

A recent report — coauthored by the U.S. Census Bureau and the Department of Labor’s Women’s Bureau — uses survey data linked to Internal Revenue Service W-2 data to conduct what is currently the most comprehensive disaggregation of the gender wage gap. The authors find that while a large portion of the differences in men and women’s wages (roughly 70%) cannot be explained through measurable differences, the types of jobs that women hold contribute significantly to the wage gap. The data shows that for all women, differences in industry (24%) and occupation (18%) explain 42% of the total wage gap.

Race and gender intersect in complicated ways for women of color, and the dual impacts of racism and sexism on women of color’s wages are not simply additive. For Black women, most of the wage gap relative to white men (55.5%) cannot be explained through observed differences. At least some of this unexplained portion is likely caused by racial and gender-based discrimination, although the precise figure cannot be estimated using available data. More than one-fourth of Black women’s wage gap with white men can be explained by differences in industry (9.6%) and occupation (18.1%). A subsequent analysis found that like Black women, more than one-quarter of the gap between Hispanic women and white men was explained by differences in industry (7.5%) and occupation (20%).
While proportionately less of the wage gap experienced by Black and Hispanic women can be explained by differences in types of jobs, their total wage gaps are significantly larger in absolute terms than that of women overall. The impact of occupational segregation on the wage gap adds up to cost Black and Hispanic women billions of dollars in lower wages, relative to white men. Using estimates from the analyses referenced here, in 2019 alone, Black women lost out on $13.6 billion in potential wages due to differences in industry, and $25.7 billion due to differences in occupations relative to white men, for a total of $39.3 billion. For Hispanic women, the estimated cost of segregation by industry ($12.7 billion) and occupation ($33.9 billion) in 2019 was $46.7 billion.\(^{173}\)

The impact of occupational segregation has a long reach, and it costs individual women, their families and the economy. It can hamper workers from entering or staying in occupations that best match their skills, preventing them from maximizing their potential, and limit economic productivity and growth.\(^{174}\) The amount of talent and innovation lost due to racism and sexism is impossible to measure. But, the decline in occupational segregation and improved allocation of talent between 1960 and 2010 is estimated to explain 20% to 40% of aggregate growth in market GDP per person.\(^{175}\) Occupational segregation also makes the U.S. labor force less adaptable to changes, when workers face barriers to jobs in growing sectors that are non-traditional for their gender or race/ethnicity.\(^{176}\) Many of the fastest growing jobs in health care support, personal care service, and food preparation and service are currently low-paying, and their low pay will risk the economic security of future workers and their families.\(^{177}\) In turn, as these workers have lower earnings, they and their families have less to spend in the economy.

THE BIDEN-HARRIS ADMINISTRATION’S COMMITMENT TO ADDRESSING OCCUPATIONAL SEGREGATION

As this report makes clear, occupational segregation had significant effects on women’s employment during the COVID-19 pandemic, the gender and racial wage gaps and other disparities across the U.S. workforce. Occupational segregation is a long-standing problem that will require long-term commitments from many actors — such as employers, educators, business and political leaders, and all levels of government — to make meaningful improvement. The Biden-Harris Administration is committed to addressing occupational segregation by improving job quality in women-dominated jobs, helping workers enter non-traditional occupations and ensuring all jobs, especially new jobs in the growing infrastructure and climate sectors, include equity from the start.

By doing so, women will be helped as they recover from the COVID-19 pandemic and obtain better jobs that provide them and their families greater economic security. At the same time, it will make the U.S. economy more resilient. Since the many disparate factors that cause occupational segregation are ingrained in our economy and society, varying from social norms to unlawful activity, the following non-exhaustive list of initiatives and policy proposals are necessarily broad and aim to address economic insecurity and inequality writ large.
IMPROVE GENDER, RACIAL, AND ETHNIC EQUITY

Improving gender equity, and equity by race and ethnicity, is an important tool to challenge social norms and stereotypes that contribute to occupational segregation and the devaluation of women’s work. The Biden-Harris Administration is proud to lead the way in elevating women and women of color to leadership positions by appointing a record number of diverse women to the Cabinet and White House senior level roles, including our history-making Vice President.

In addition, the Administration will continue to promote diversity, equity, inclusion and accessibility in federal hiring and appointments, including Cabinet positions, judicial appointments, Ambassadorships, military appointments and other senior posts. President Biden has also acted to improve gender, racial, and ethnic equality across the federal government by establishing the White House Gender Policy Council and signing Executive Order 13985, “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” and Executive Order 13988, “Preventing and Combating Discrimination on the Basis of Gender Identity and Sexual Orientation.”

On June 25, 2021, President Biden also signed Executive Order 14035, “Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce,” which launched a whole-of-government initiative to cultivate a federal workforce that draws from the full diversity of the nation and advances equitable employment opportunities. In October 2021, the Gender Policy Council led the release of the first-ever National Strategy on Gender Equity and Equality, a comprehensive and intersectional agenda that focuses on ten interconnected priorities.

INCREASE ACCESS AND EQUITY IN EDUCATION AND TRAINING PROGRAMS

Until quality education is more accessible and the gender and racial gaps in enrollment across educational fields and training programs are eliminated, women of color will not reach their full potential in the labor market. From preschool through college and job training programs, every level of education is a critical juncture to keep students engaged in their education and to combat discrimination and other barriers to equity. The U.S. Department of Education plays an integral role in ensuring equal opportunity for women and LGBTQI+ students by implementing and enforcing Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex in educational programs or activities, including in the form of gender-based and sexual harassment.

Increasing accessibility and affordability of an education beyond high school for historically underrepresented groups and those from high-poverty Title I schools is especially important. To increase affordability of an education beyond high school, the Administration supports increasing the maximum Pell Grant award, providing two years of free community college and investing in subsidized tuition for low- and middle-income students at Historically Black Colleges and Universities, Tribal Colleges and Universities, and minority-serving institutions.

Increasing the number of women and people of color, including those with disabilities, entering non-traditional jobs in STEM is also a key goal of the Administration. This will increase the strength of the labor pool in these growing sectors and increase workers’ earnings as they join these higher paying jobs. Investing in STEM education in kindergarten through grade 12 and ensuring supportive mentors for women and people of color in STEM education and jobs will help diversify these fields.
Quality training programs, including Registered Apprenticeships and pre-apprenticeships, present another opportunity to get women and workers of color, including those with disabilities, into non-traditional and high-quality, in-demand jobs. Adequate funding of quality pre-apprenticeship programs can help to level the playing field, especially when there is outreach and recruitment to underrepresented groups and strong supportive services, creating a diverse pipeline of talent into Registered Apprenticeships.\textsuperscript{182} The historic investments in construction, transportation and energy from the Bipartisan Infrastructure Law make the need for these quality programs even more urgent. Increasing the number of women in these occupations through training programs will also help improve women’s access to networks and mentors, expanding the pipeline for more women to follow suit.

The U.S. Department of Labor maintains rigorous quality standards for Registered Apprenticeship programs and invests millions in grants to expand access to the programs, especially for people from historically underrepresented communities including, but not limited to women of color and women with disabilities, women at or below the poverty line, formerly incarcerated women, immigrant women, transgender women, and women who live in rural areas.\textsuperscript{183} For example, the department’s Employment and Training Administration recently announced $113 million to strengthen, modernize, and diversify apprenticeships, including up to $50 million to support equity partnerships and pre-apprenticeship activities to increase enrollment in Registered Apprenticeship programs.\textsuperscript{184} The Apprenticeship Building America grant program aims to connect Americans to good quality jobs in priority industry sectors, including critical supply chain industries such as transportation, manufacturing, healthcare, and others, and among populations disproportionately impacted by the pandemic. The department is also prioritizing some key initiatives around diversity, equity, and inclusion, such as its $31 million investments through cooperative agreements to establish four Registered Apprenticeship Technical Assistance Centers of Excellence to provide technical assistance to organizations seeking to expand and diversify apprenticeships.

Moreover, the department’s Women’s Bureau has awarded nearly $12 million to 22 community-based organizations since 2017 through the Women in Apprenticeship and Nontraditional Occupations (WANTO) Technical Assistance Grant Program which seeks to increase the number of women, especially women of color, into Registered Apprenticeships and historically male-dominated jobs. To lower barriers of entry for women into these jobs and careers, WANTO grantees provide pre-apprenticeship or non-traditional skills training programs to prepare women for promising careers, while simultaneously helping employers create a work culture that better facilitates women’s success. WANTO grant funds may also be used to provide childcare, transportation, or other costs for women to attend or participate in focus groups or other technical assistance offered by grantees. This explicit investment in the needs of working women not only helps bring women into apprenticeships but also helps support them to successfully complete their training and enter new careers.
SUPPORT WORKERS WITH CAREGIVING THROUGH WORK-FAMILY POLICIES AND WORKPLACE FLEXIBILITY

Many people, especially women, face barriers entering the labor force and getting better jobs due to their family caregiving responsibilities, so investing in work-family policies and greater workplace flexibility is necessary to help break down occupational segregation.

Childcare

The pandemic has forced the nation to grapple with its broken care economy. The ARP provided a lifeline to providers during the pandemic, helping them to stay open. Already, more than 150,000 childcare providers have received funds, helping them to serve more than 5 million of children and their families. One survey reported that 92% of providers used these funds to stay open.

But, long before the pandemic, families faced significant childcare challenges. Many parents are currently paying more for childcare than they can afford, and many others do not have access to high-quality childcare where they live. This particularly affects mothers' labor force participation and work hours.

President Biden has proposed cutting the cost of childcare by ensuring that middle-class families pay no more than 7% of their income for high-quality childcare for all children ages 0 to 5. His plan will enable states to extend benefits to 9 in 10 families with young children and enable most families to cut their childcare spending by more than half. Additionally, expanding universal preschool through funding to states, territories, and tribes will help parents access free, high-quality pre-Kindergarten instruction for 3- and 4-year-olds in a variety of settings (including licensed family childcare providers, childcare centers, Head Start, and public schools). The President's plan would also make investments to increase the supply of high-quality childcare, so families have more options to choose from.

Another critical part of rebuilding the care economy involves boosting workers’ wages for this essential work. Childcare workers, who are 92% women, earn meager wages — less than $27,000 annually, on average. Ensuring that care jobs pay a living wage and provide benefits to workers will help address labor supply shortages in the industry and increase the supply of quality care so parents have more convenient, reliable childcare choices where they live. As the pandemic has shown, the economy cannot function when children do not have access to care and recognizing the critical importance of the childcare sector and the foundation it provides to the rest of the economy is necessary to ensure an equitable recovery and economic future.

Home- and Community-Based Care

The pandemic has also shown how vulnerable our care economy is for people with disabilities, older adults, and their families. Supporting family caregivers — 60% of whom are women — will ensure they can manage their care responsibilities and participate in the labor force, including in higher paying jobs. Among the estimated 53 million caregivers in the United States, six in 10 reported working while also providing care and a similar number reported at least one work-related impact due to their caregiving demands. These caregiving demands also create financial strain for families, and people with disabilities can struggle to afford long-term personal attendant care or other services. The Biden-Harris Administration is already using more than $1.4 billion in funds
from the ARP through the U.S. Department of Health and Human Services to increase services to older Americans. States also received billions in additional Medicaid funding through ARP to help support their home and community-based services programs. The Administration has also proposed permanently improving Medicaid coverage for home and community-based services for older adults and people with disabilities, making the most transformative investment in access to home and community-based care in more than 40 years, when these services were first authorized under Medicaid.

**Paid Family and Medical Leave**

Another critical policy to support all workers, and especially women, in managing their family caregiving responsibilities and staying in the labor force is to ensure they have access to paid family and medical leave. While the Family and Medical Leave Act provides certain employees of covered employers with up to 12 weeks of **unpaid**, job-protected leave in a 12-month period, the United States has no comprehensive federal law guaranteeing **paid** family and medical leave for workers who need extended time off to care for a seriously ill family member or new child, or to recover from their own serious health condition. Currently, fewer than one in four workers have access to paid family leave. As of 2021, nine states and the District of Columbia have enacted paid family and medical leave programs. But, without a national paid family and medical leave program, millions of other workers in the United States may be forced to choose between keeping their jobs or caring for a loved one or themselves. Expanded access to paid family and medical leave would increase women’s labor force participation and job tenure, while also increasing the incentive for employers to invest in women’s careers.

**Paid Sick Leave**

As the pandemic has made obvious, paid sick leave is a critical workplace benefit. In January 2022, the number of full-time workers working part-time due to illness and the number of people absent from work for the entire survey reference week due to illness reached all-time highs since data collection began in 1976. Yet, the United States has no national, permanent paid sick leave law for all workers. Federal contractors are required to provide their covered employees on covered contracts with up to 56 paid sick hours, under the 2016 rule implementing Executive Order 13706. Currently, only 14 states, 19 cities and four counties have their own paid sick leave laws. This results in more than one in five workers without access to a single paid sick day — with low-wage, part-time, and service sector workers being the least likely to have access.

Paid sick leave helps workers maintain their health and their job, and reduce their financial burden, while also lowering the spread of contagious illness, reducing the likelihood of workplace accidents, and increasing productivity. In 2020, emergency paid sick leave prevented more than 400 COVID-19 cases per day per state, and the employer credit to provide emergency paid sick leave was extended under the ARP through the end of September 2021. Paid sick leave is also an important tool to help workers getting vaccinated against COVID-19. Because of women’s greater caregiving responsibilities, they are more likely to need access to sick leave to care for family members in addition to themselves. This is an important policy to help support women’s employment and career advancement.
Workplace Flexibility, Overtime, and Predictable Scheduling
The pandemic has both underscored the mental and physical toll of overwork and proven that many employers can provide their employees with greater workplace flexibility without negatively impacting productivity. Increasing access to overtime protections can help prevent employers from saddling their employees with excessive work hours, contributing to better work-life balance for women, and can increase employee pay, improving women’s economic security. While many essential or low-wage workers must still work in-person, increased workplace flexibility to telework is a promising trend that can help many workers with caregiving responsibilities, people with disabilities and those who live long distances from their workplaces. Low-wage workers, especially those in the service sector, need greater predictability in scheduling. Currently, 10 states and eight cities have fair and flexible workweek laws or regulations. The benefits of predictable scheduling on workers’ wellbeing should lead employers to solicit workers’ input and adopt these policies. Federal employees also have access to alternative work schedules — flexible or compressed schedules — that can act as a model for private-sector employers.

INCREASE WOMEN’S ACCESS TO CAPITAL
Increasing the number of women-owned businesses, including in non-traditional sectors, will require reducing gender discrimination in business and consumer lending, and increasing investments to women through capital access programs and grants. The U.S. Small Business Administration (SBA) Office of Women’s Business Ownership has expanded the number of Women’s Business Centers to 140 locations across the country. These centers offer women entrepreneurs, especially women who are economically or socially disadvantaged, resources to help grow their business, such as free to low-cost counseling, training, and business development technical assistance. The SBA also helps women-owned small businesses compete for federal contracts and, through Women-Owned Small Business (WOSB) and 8(a) Business Development, helps small, disadvantaged businesses compete in the marketplace.

ADDRESS EMPLOYMENT DISCRIMINATION
Discrimination creates barriers for women, including women of color and women with disabilities, to find jobs, advance within their occupation, and receive the fair pay they deserve. The Biden-Harris Administration is committed to combatting discrimination and bias in the workplace, as well as intersectional discrimination, on the basis of gender (including sexual orientation and pregnancy), race, ethnicity and other factors, including religion, disability and age. Discrimination includes that found in hiring, firing, promotion, pay and benefits that can exacerbate occupational segregation.

The U.S. Equal Employment Opportunity Commission (EEOC) plays a critical role in preventing, investigating and remedying discrimination in the workplace. EEOC enforces federal laws that make it illegal to discriminate against a job applicant or an employee based on race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, age (40 or older), disability, or genetic information. The department’s Office of Federal Contract Compliance Programs (OFCCP) enforces non-discrimination laws that protect applicants and employees of federal contractors or subcontractors, as well as contractors’ affirmative action obligations to advance equal employment opportunity, including in construction. This includes a 2015 rule implementing Executive Order 11246 that protects employees who inquire about compensation from discrimination. In January 2022, OFCCP and EEOC announced the
Hiring Initiative to Reimagine Equity (HIRE), a joint multi-year collaborative effort that will engage a broad array of stakeholders to expand access to good jobs for workers from underrepresented communities and help address key hiring and recruiting challenges. The department also enforces non-discrimination laws in Registered Apprenticeship programs. The EEOC and the department conduct critical outreach activities to educate stakeholders about federal civil rights laws to prohibit employment discrimination, require workplace safety, and protect against retaliation for exercising those rights. In 2021, the Women’s Bureau started a new grant program, Fostering Access, Rights, and Equity, that targets Know Your Rights education activities to women workers who earn low wages, including, but not limited to, women of color, women with disabilities, and justice-involved women.

ADDRESS WORKPLACE HARASSMENT

Eliminating workplace harassment, including sex-based and sexual harassment, is critical to creating inclusive work environments and removing barriers for women and workers of color to enter, advance, and succeed in male-dominated jobs or jobs with few people of color. The EEOC and OFCCP also enforce civil rights laws that protect against harassment as a form of employment discrimination. Since the best way to eradicate harassment is to prevent it in the first place, the federal government, as the nation’s largest employer, will update policies and programs and amplify training, education, and monitoring to prevent and address harassment across the federal workforce and armed services.

Additionally, it is important to ban the use of forced arbitration, non-disclosure agreements and class action waivers that contribute to hiding employer misconduct and abuse — such as harassment and discrimination — and restrict the rights of workers to speak out about their experiences and take their case to court. President Biden signed a law recently that bans the use of forced arbitration in disputes involving sexual harassment and sexual assault. The federal government is not bound by private arbitration agreements and may still investigate and enforce the law against employers in cases where they violate workplaces laws.

IMPROVE JOB QUALITY

One of the best ways to address occupational segregation and ensure women recover from the impacts of the COVID-19 pandemic and gain better jobs is to improve job quality, especially in devalued, low-paying jobs that tend to employ more women. By doing so, we can ensure that no matter the gender or racial/ethnic composition of an occupation, workers receive fair pay and benefits, have safe and healthy working conditions, workplaces free from discrimination and harassment, and have the right to organize and collectively bargain.

Good Jobs Initiative

Announced in January 2022, the department’s Good Jobs Initiative brings together longstanding efforts across the department to support federal agencies to embed job quality and equity into their programs, which is especially important as they implement the Bipartisan Infrastructure Law. The Initiative empowers working people by providing easily accessible information about workers’ rights, including their right to collectively bargain and form a union; engages employer stakeholders as partners in improving job quality and workforce pathways to good jobs; and supports partnerships across federal
agencies and provides technical assistance to agencies on grants, contracts, and other investments designed to improve job quality.

**Raise the Minimum Wage**

As we discussed, occupational segregation has led women, particularly Black and Hispanic women to be disproportionately represented among low-wage and minimum wage workers. The federal minimum wage has been stuck at $7.25 per hour since 2009, failing to keep up with the rising cost of living. Additionally, the Fair Labor Standards Act (FLSA) allows employers to pay tipped workers, two-thirds of whom are women, a direct cash wage as low as $2.13 per hour and satisfy the remainder of their minimum wage obligation by taking a credit for the tips the worker receives. The FLSA also allows employers to be certified to pay workers with disabilities a subminimum wage with no wage floor. President Biden has called on Congress to raise the federal minimum wage to $15 per hour, indexing future increases of the federal minimum wage, phasing out the tipped minimum wage, and eliminating the subminimum wage for workers with disabilities. President Biden signed an Executive Order on April 27, 2021, and the department engaged in subsequent rulemaking, that raised the minimum wage to $15 per hour for workers performing on or in connection with covered federal government contracts starting on January 30, 2022. About 300,000 federal workers — disproportionately women and workers of color — will benefit in the first year alone. The Executive Order also, among other things, continues the practice of indexing the contractor minimum wage to inflation, phases out the tipped minimum wage for contractors by 2024, and ensures at least a $15 minimum wage for federal contract workers with disabilities. The President also issued an Executive Order directing the Office of Personnel Management (OPM) to consider how it could raise the wage to federal employees to $15 per hour. OPM issued guidance requiring agencies to raise wages of federal employees to $15 per hour as of January 30, 2022 — increasing wages for about 70,000 federal employees.

**Expand Access to Benefits**

Too many workers lack access to basic workplace benefits, such as health insurance, retirement plans, workers’ compensation, unemployment insurance and paid leave due to the sector in which they work. Without access to these benefits, workers may be constrained from changing jobs. Addressing occupational segregation and ensuring equity across jobs requires expanding access to these essential benefits to all workers. In September 2021, the U.S. Department of Health and Human Services (HHS) finalized a rule that improves access to health insurance through the marketplace and ensures affordability of coverage. Through this rule, HHS also created new special enrollment period opportunities as well as expanded the annual open enrollment period by an additional 30 days, giving consumers new opportunities and more time to sign up for high-quality, affordable health care through the Affordable Care Act’s Marketplace. The Biden-Harris Administration aims to expand Medicaid coverage and close gaps in coverage. The department’s Employee Benefits Security Administration (EBSA) plays a critical role in educating, assisting, and protecting workers, retirees, and their families related to employment-based health and retirement benefits. For example, under the ARP, individuals who experienced a reduction in hours or involuntary termination were eligible for a government subsidy to cover the cost of Consolidated Omnibus Reconciliation Act of 1985 (COBRA) coverage. EBSA conducted proactive outreach and provided support to increase awareness and help individuals access this assistance.
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The Administration is also assisting the 53 states and territories with modernization of their UI programs. The department was allocated $2 billion as a part of the ARP to help states address problems in three key areas: to prevent and detect fraud, to promote equitable access, and to ensure timely payment of benefits and reduce backlogs. While equitable access is embedded in all the UI modernization efforts, the state Equity Grants and the Navigator Grant programs specifically target the improvement of awareness, access, and navigation of the UI system by traditionally underserved communities. In addition, the department is providing direct technical assistance to states to improve equity and timeliness and to fight fraud in the form of “Tiger Teams.” States that accept this assistance will be eligible for their share of $200 million allocated for implementation of these recommendations. The department is also in the initial phases of developing central, modular IT solutions for states beginning with a claimant experience pilot aimed at improving claimant friendliness in two states: Arkansas and New Jersey.

Ensure Safe and Healthy Working Conditions

Preventing workplace injuries and illnesses is a significant component of ensuring good quality jobs. Many low-wage workers have some of the most hazardous jobs and experience disproportionate rates of workplace injuries. In turn, they face financial hardship, as injured workers bear much of the cost of workplace injuries, in part because of the limited coverage of workers’ compensation programs. The department’s Occupational Safety and Health Administration (OSHA) sets and enforces safe and healthful workplace standards and provides training, outreach, education and assistance to workers. They continue to act to protect vulnerable workers from increasing dangers, such as heat exposure in the context of the climate crisis and establish standards for personal protective equipment, especially for workers in health care and construction. OSHA works with stakeholders to develop education and training programs and develop stakeholder capacity through the Susan Harwood grant program. These programs assist the agency in better reaching underserved workers and workplaces.

Strengthen Worker Power, Collective Bargaining, and Unions

Many of the wage and benefit disparities women face in the workforce can be mitigated by membership in or representation by a union. Since unions negotiate collective bargaining agreements for all covered workers, labor representation raises wages and increases access to benefits for all covered workers, regardless of race or gender. Workers covered by collective bargaining agreements typically have higher wages; better access to workplace benefits such as health insurance, paid leave and retirement plans; and better control over their working conditions. By creating standardized wage and benefit terms for covered workers, unions also help close gender and racial pay gaps. Women in unions make an average of 23% more than women without a union. Unionized workers have also been shown to have greater understanding of their rights and access to benefits, as evidenced by the increased take-up rates for retirement plans and unemployment insurance by unionized workers as opposed to non-unionized workers.

The decline in union representation in the last few decades has harmed the power workers have to collectively bargain, receive fair and competitive wages and benefits, and ensure safe workplaces. This disadvantages women and workers of color, who receive higher wages and better job quality when they are represented by a union. In 2020, just 9.9% of employed women were members of a union, a decline from 18.0% in
Black women had a union affiliation rate in 2020 at 10.6%, followed by white women at 9.9%, Hispanic women at 8.7%, and Asian women at 8.4%. The Biden-Harris Administration is committed to expanding labor rights to more workers, especially workers of color, women, and immigrants. The President and Vice-President have consistently called for Congress to pass the Richard L. Trumka Protecting the Right to Organize Act and the Public Service Freedom to Negotiate Act. These bills would ensure more private-sector workers and many more public-sector workers nationwide have a genuine right to organize and bargain collectively. The President and Vice-President also support the National Domestic Workers’ Bill of Rights, which would expand federal labor law to domestic workers and create a new wage and standards board for regulating working conditions in the sector.

To increase union representation and therefore job quality, President Biden created the Task Force on Worker Organizing and Empowerment in an Executive Order signed on April 26, 2021, that established the first-ever all-of-government approach to finding ways that executive branch agencies can use their existing authority to promote worker organizing and collective bargaining. The Task Force report sets forth a series of recommended actions for agencies to take to reduce barriers and promote worker organizing among both private and public sector employees, with a particular emphasis on the federal government acting as a model for public and private sector employers alike in seeking to protect the rights of employees to collectively bargain and in ensuring that workers are aware of their labor rights. On February 4, 2022, President Biden signed the Executive Order on Use of Project Labor Agreements For Federal Construction Projects, which, in addition to its other objectives, presumptively requires the use of Project Labor Agreements on federal construction projects of $35 million or more and directs the U.S. Departments of Defense and Labor, along with the Office of Management and Budget, to lead a training strategy for the contracting workforce on Project Labor Agreements.

Combat Misclassification

The misclassification of employees as independent contractors often results in workers being denied many critical workplace protections that come with being an employee, including the minimum wage and overtime compensation protections of the FLSA. Combatting misclassification, especially among low-wage workers, is thus necessary to shore up job quality and expand good jobs to more workers. In his first budget, President Biden committed to ending the abusive practice of misclassifying employees as independent contractors and pledged to work with Congress to develop comprehensive legislation to strengthen and extend protections for workers who are improperly denied employee status. In May 2021, the department’s Wage and Hour Division (WHD) withdrew the prior administration’s “Independent Contractor Rule” that would have narrowed the interpretation of employee status under the FLSA and would have excluded more workers from minimum wage, overtime compensation and break time for nursing mothers protections. Under this administration, the WHD has prioritized outreach, education and strategic enforcement to address misclassification of employees as independent contractors, particularly in low-wage sectors where the workforce is predominately women including care workers and food service workers.
CONCLUSION

The U.S. economy is continuing to recover from the depths of the pandemic-related recession, adding a record breaking 6.6 million jobs during the Biden-Harris Administration’s first year.²²⁸ As this historic economic progress continues, focus must shift to ensure an equitable recovery for women, especially women of color. Furthering this goal, however, must include a recognition that an equitable recovery is not simply about women finding a job — any job — as if labor force participation and employment are the only meaningful metrics for a healthy economy. An equitable recovery is one in which all workers are able to find a high-quality job in a field fits their needs and potential.

We cannot return to the pre-pandemic status quo. The double-digit unemployment levels that have been deemed a crisis for white workers but commonplace for Black and Hispanic workers cannot simply be accepted again as normal. Rarely acknowledged, the unequal division of labor within homes and the disproportionate caregiving responsibilities shouldered by employed women went unchallenged until millions of mothers reached their breaking points. Similarly, the low wages paid by many employers were considered industry norms until a tight labor market forced businesses to raise wages to entice workers back.

As the nation continues to rebuild, we are presented with a moment of reckoning that provides us with an opportunity to grapple with how we really got to where we are today — a nation where nearly 9 million children did not get enough to eat because their families could not afford food,²²⁹ where 25% of renters living with children could not afford to pay their rent,²³⁰ where 35% of adults could not pay cash for an unexpected emergency expense of $400²³¹ — and what we can do to fix this.

An equitable recovery requires that the jobs being created and gained by working women and women of color must be good jobs: paying a family-sustaining wage, including benefits and supports that enable working caregivers to maintain employment while meeting their responsibilities outside of work, and offering pathways to successful careers with advancement opportunities. Addressing occupational segregation is one important component of achieving this. Ultimately, the solutions outlined in this report will help rebalance some of the unequal distribution of workers by gender and race and ethnicity across occupations. As importantly, they will address the inequality between workers in different occupations by raising job quality and supporting workers to more freely enter an occupation that best fits their interests and skills. Ultimately, these changes will benefit the entire U.S. economy.
ACKNOWLEDGEMENTS

This report was prepared by Sarah Jane Glynn from the Department of Labor’s Women’s Bureau and Diana Boesch from the Office of the Assistant Secretary for Policy. We thank them for their hard work. We wish to acknowledge particular contributions to the report from agencies across the department and the White House, including the Gender Policy Council, Domestic Policy Council, National Economic Council, Council of Economic Advisors, and Asian American and Native Hawaiian and Pacific Islander Senior Liaison, in addition to the Equal Employment Opportunity Commission and the Small Business Administration.
ENDNOTES

11 Note: This report uses the term Hispanic women throughout, not Latinas, to maintain consistency with data sources that use Hispanic or Latino ethnicity.


38. Ibid.


See Table 1 in this report which shows Black and Hispanic women experienced a disproportionate number of job losses within certain sectors—even in industries where they were not the majority.


BEARING THE COST
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77 Ibid.
78 Ibid.
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BEARING THE COST

86 Ibid.
89 Ibid.


Ibid.


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[12] Ibid.


[14] Ibid.


[21] Reed, Debbie, Albert Yung-Hsu Liu, Rebecca Kleinman, “An Effectiveness Assessment and Cost-Benefit Analysis of Registered Apprenticeships in 10 States.”


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152 Gould, Elise, Marokey Sawo, and Asha Banerjee. “Care Workers Are Deeply Undervalued and Underpaid.”


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158 The gender and racial wage gaps vary slightly depending on the source of data used in the calculations. But while there are differences in the size of the gap depending on whether the data refers to annual, weekly, or hourly earnings or whether the sample is restricted to full-time year-round workers, full-time workers, or all workers, the gender gap never disappears. For more discussion on how the data sources can impact calculations, please see: Gunn, Sarah Jane. “Gender wage inequality: What we know and how we can fix it.” Washington, DC: Washington Center for Equitable Growth (2018). 

159 “Table P-38, Full-Time, Year-Round Workers by Median Earnings and Sex.” U.S. Census Bureau (2021). 

160 Detailed data on the gender wage gap is not available for all groups in 2020 due to the impact of the pandemic on data collection. However, using 2019 data there are notable differences in the gender and racial wage gap for additional racial and ethnic groups, as well as along other demographics. For example: In 2019, American Indian and Native Alaskan women earned 60 cents compared to every dollar earned by white, non-Hispanic men. Asian women overall earned 87 cents compared to every dollar earned by white, non-Hispanic men in 2019, but there is significant variation in this group. For instance, Hmong and Cambodian women earn only 60 cents compared to white, non-Hispanic men, while Japanese American women earn 95 cents. The gender wage gap for mothers of color show even greater disparities. While mothers overall are paid 75 cents compared to every dollar paid to fathers, Hispanic mothers are paid just 46 cents, Native American mothers are paid 50 cents, and Black mothers are paid 52 cents compared to every dollar paid to white, non-Hispanic fathers. Women with disabilities also experience a gender wage gap. They are almost half as likely as men with disabilities to have jobs and work full-time, and, looking at those who work full-time, year-round, women with disabilities earn only 80 cents compared to every dollar earned by men with disabilities. See Table B20017C: American Indian and Alaska Native alone population, non-Hispanic or Latino.

168 Ibid.


173 Foster, Murray-Close, Landivar, DeWolff. "An evaluation of the gender wage gap using linked survey and administrative data." Ibid. While the combination of industry and occupation explain 42% of the wage gap, the total explained portion of the wage gap is only 30% because other factors such as women's greater educational attainment have a negative effect, thereby helping to close the wage gap.


176 U.S. Bureau of Labor Statistics. Current Population Survey. Series IDs: LEU0252941400; LEU0252941700; LEU02529505800; LEU0253205900; LEU0252928800; LEU0252929100. 2019. Raw Data. (Washington DC: U.S. Bureau of Labor Statistics, March 6, 2022); Paul, Zaw, Hamilton, and Darirty. "Returns in the labor market: A nuanced view of penalties at the intersection of race and gender."; Bahn and McGrew, "The intersectional wage gaps faced by Latina women in the United States." Calculated by the U.S. Department of Labor Women’s Bureau using the following methodology: Paul, Kaw, Hamilton, and Darirty, using a Blinder-Oaxaca wage decomposition to model the causes of the gender and racial wage gap, found that differences in industry explained 9.6% of the wage gap between full-time working Black women and white non-Hispanic men ages 25 to 64, while differences in occupation explained 18.1% of the gap. Subsequent analysis by Bahn and McGrew replicated the analysis using data on Hispanic women and white non-Hispanic men and found that 7.5% of Hispanic women's wage gap relative to white men could be explained by differences in industry, while 20% was explained by differences in occupation. In 2019, there were 7,302,000 Black full-time employed workers ages 25 and older with median usual weekly earnings of $735, and 7,529,000 Hispanic full-time employed workers ages 25 and older with median usual weekly earnings of $675. By comparison, white men full-time employed workers ages 25 and older had median usual weekly earnings of $1,107. At the individual level, this means that on average Black women's wage gap was $372 less per week, and Hispanic women's was $432. Assuming year-round work (52.18 weeks), the cumulative difference in total wages between Black women and white men is an estimated $14.7 billion while the cumulative difference between Hispanic women and white men is an estimated $169.7 billion. Applying the percentages from the aforementioned Blinder-Oaxaca decompositions, an estimated $25.7 billion in Black women's lower wages relative to white men is caused by occupational segregation and $13.6 billion is caused by industrial segregation. For Hispanic women the estimates are $33.9 billion and $12.7 billion respectively. These are rough approximations, and a complete dismantling of occupational and industrial segregation would likely change wages in ways that are impossible to fully estimate. However, this exercise provides a broad sense of the amount of Black and Hispanic women's potential earnings being
“left on the table” due to the fact that they experience significantly lower wages due to segregation into different types of jobs.


191 Ibid.


193 The Federal Employee Paid Leave Act provides certain federal civilian employees with up to 12 weeks of paid parental leave after the birth or placement from adoption or foster care of a new child.


Ibid.


Ibid.


