BUILD(ING) THE FUTURE

BOLD POLICIES FOR A GENDER-EQUITABLE RECOVERY

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After WWII, parents organized demonstrations, like this one in New York City on Sept. 21, 1947, calling for continued funding of child care centers. At the time, the city’s welfare commissioner dismissed the protests as “hysterical.” Credit: The New York Times
“I didn’t sign up for a pandemic, but I am not going to walk away when people need me.”
— Andrea Lindley, 34, an ICU nurse at a Philadelphia hospital

“I lost my job [in food service] after 20 years with the same company. I couldn’t believe it. I have a son. What am I supposed to do?”
— Single mother, 42, in Las Vegas, Nevada

In January 2020, women held more than half of the jobs in the United States, reflecting job growth in the service, healthcare, and education sectors over the past decade (Omeokwe 2020). The last time women held a majority of jobs was more than a decade ago during the Great Recession, an economic downturn defined by losses in sectors dominated by men — manufacturing, production, and construction (Hartmann, English, and Hayes 2010; Hegewisch 2020).

COVID-19, a global pandemic, has triggered a colossal economic crisis not seen since the Great Depression (World Bank 2020). Rapid job loss, record jobless claims, and the shuttering of small businesses, temporarily or for good, across the country has destabilized workers, families, and communities. It has also exposed the fragility of many of our systems: health, economic, and care. Within a matter of months, they all buckled under the weight of COVID-19.

1 See Robertson and Gebeloff (2020)
Since March, 57 million Americans have sought unemployment assistance,\(^2\) including many self-employed workers able to claim unemployment benefits for the first time under the CARES Act of 2020 (Evermore 2020). The current civilian unemployment rate was 7.9 percent in September 2020, more than double the rate at the start of the year. For women was 8.0 percent, down from a record high of 16.2 percent in April (U.S. Bureau of Labor Statistics 2020).

Women have experienced a disproportionate number of job losses since the start of the pandemic. From February to May, 11.5 million women lost their jobs compared with 9 million men (Hegewisch 2020), triggering a “shecession”—an economic downturn where job and income losses are affecting women more than men. Between August and September 2020, 865,000 women dropped out of the labor market, four times the number of men who are no longer employed or looking for work (U.S. Bureau of Labor Statistics 2020d).

This report, *Build(ing) the Future: Bold Policies for a Gender-Equitable Recovery*, provides a framework for shared prosperity and equitable economic recovery. It examines the impact of the economic crisis and recession on working women, their families, and communities. It provides a blueprint for a gender-equitable recovery that is not only about meeting the immediate economic needs of women and families, but lays out a long-term strategy for creating stronger systems and institutions that reflect the experiences and contributions of women in the workforce, in society, and in their families.

A gender-equitable recovery will require significant public investments at both the state and federal levels. It includes developing robust and well-resourced national child care infrastructure, rebuilding the social safety net, raising labor and job quality standards, and addressing historically discriminatory, racialized, and gendered economic policies and practices that have harmed women and families.

A gender-equitable recovery also includes policies that protect women’s health, bodily autonomy, and freedom by ensuring that they are healthy and have access to affordable and quality healthcare; paid sick, parental and family leave; and are empowered to make reproductive health choices that are in the best interest of their families and careers.

\(^2\) IWPR compilation based on U.S Department of Labor Employment and Training Administration (2020).
TOWARD AN EQUITABLE RECOVERY

An equitable economic recovery includes a bundle of policies and programs at the federal and state levels that will create high-quality jobs, strengthen social and public infrastructures, value care, raise wages and improve labor standards, and address historic and persistent racial and gender inequities.

In the short term, there is a need for direct economic supports for families that include ongoing economic impact payments and increased subsidies for child care, housing, and food. A comprehensive recovery package at the federal level will also be necessary and should include $50 billion to $100 billion to support and strengthen the existing care infrastructure, provide support for education and training for workers, provide funds to states to maintain employment for public sector workers, and expand unemployment insurance and paid sick leave for individuals and workers.³

³ Estimate based on assessment of child care investment needs by close to 500 child care and women’s right organizations, see National Women’s Law Center (2020).
ESTABLISH A NATIONAL CHILD CARE SYSTEM

High-quality, affordable child care is out of reach for many working women and families. It is also one of the chief barriers for women attempting to reenter the workforce, sustain employment, or advance in their careers.

For an equitable economic recovery and to recoup historic job losses by women since the start of the pandemic, the United States should establish a national care system that is able to meet the needs of all families, raise wages for workers, and provide high-quality child care regardless of race, ethnicity, or geographic location. In this system, child care should be treated as a public good, rather than as a private obligation for families. A national care system should be informed by the following priorities:

- **Universal Availability and Access.** Child care should be universally available regardless of the age of the child or household income. No family should contribute more than 7 percent of its household income to care for a child from birth to 13 years old. Every family should have access to high-quality universal preschool.

- **Improvement of Program Quality by Implementing Federal- and State-Level Early Care Education Standards and Coordination.** A national care plan should work to address disparate quality regulations and guidelines for providers and identify a set of standard learning goals and competencies for children in care.

- **Increased Compensation for Early Care Educators to Attract and Retain Skilled Educators and Caregivers.** For publicly funded care programs, state and local government should increase spending on subsidies. The federal government should provide matching funds for salary increases to states, increase tuition assistance and loan forgiveness for early childhood teachers, and develop competency-based career ladders for workers (Bassok 2016).

To meet the challenge of care for working women and their families, the next administration should establish a task force to help implement a national care system within the next three to five years. The task force should focus its efforts on understanding and making recommendations in the following areas: (1) availability and access; (2) program quality and regulations at the federal and state levels; (3) compensation, education, and professional development for early care educators; and (4) the cost of care to families and states through subsidies, tax provisions, and spending accounts.
REBUILD THE SOCIAL SAFETY NET

COVID-19 and the resulting economic downturn has revealed the inadequacy of existing social safety net programs to absorb rapid income and job loss by workers and mass unemployment. To support workers and families, there is a need to provide income supports and increase short- and long-term investments in social safety net programs such as Unemployment Insurance (UI), the Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), and Temporary Assistance for Needy Families (TANF). Specifically, economic recovery efforts related to the social safety net should:

- **Expand Access to Programs for Workers and the Most Affected Individuals and Families:** Assistance and income support should be widely available to individuals and families in need of short-term assistance due to unemployment, illness, or other life circumstances and to others with more significant barriers to economic security. Income support should be based on a minimum floor established at the federal level using a formula based on state-based self-sufficiency standards and updated economic well-being measures. These measures should keep pace with inflation and rising median incomes. Programs should also raise or eliminate asset limit caps, especially during times of economic crisis.

- **Increase Investments for Education and Training for Women Workers:** Provide direct support to states to allow women in the most affected sectors to pursue education and training opportunities to enter jobs with family-supporting wages in high-demand or emerging sectors.
• **Eliminate or Suspend Time Limits and Work Requirements for Families:** To help lower-income families recover, states should eliminate or suspend time limits and work requirements for families that are receiving or eligible for TANF.

• **Provide Adequate Income and Wage Replacement for Workers:** Although social safety net spending tends to increase at the federal and state levels during recessions and other economic shocks, benefits are low relative to most workers' earnings and do not provide adequate income or wage replacement.

• **Make Child Tax Credit Fully Refundable:** To support lower-income families, make the Child Tax Credit of $2,000 per child fully available and refundable. Extending the full $2,000 Child Tax Credit to low- and middle-income families would benefit roughly 6.1 million women of color, raising their credit by $2,300 (Cox 2020).

• **Expand the Earned Income Tax Credit:** Expand the Earned Income Tax Credit to non-custodial parents and able-bodied working adults with low-wages in order to cover family caregivers. This entails expanding the definition of work in the Earned Income Tax Credit to include providing care for a young child, a sick parent, or a disabled dependent.

• **Provide Economic Impact Payments (EIP):** In the short term and to address the immediate economic needs of families during the recession, the federal government and states should provide ongoing Economic Impact Payments to workers and families. Eligibility for EIP payments should be broad and include all workers that pay or file federal and state income taxes.

• **Expand Eligibility of Unemployment Insurance (UI):** Eligibility for Unemployment Insurance should permanently expand to include previously excluded workers such as those who are self-employed, independent contractors, people with limited work history, and freelancers. The cost to cover the expansion of Unemployment Insurance for previously ineligible workers should be shared by the federal state, and local governments.

• **Provide Emergency Economic Unemployment Assistance (EEUA):** When the federal or state unemployment rate increases to 6 percent or is more than 120 percent higher than it was for the same 13-week period over the past year, the duration of weekly unemployment benefits should be extended by 50 percent. In these instances, the federal government should provide additional economic support to states to cover the cost of EEUAs payments to workers.
PUBLIC SECTOR INVESTMENTS AND ASSISTANCE TO STATES

Due to the pandemic and the economic downturn, many cities and states have diminished revenue and budget shortfalls. The loss of revenue, if not replaced, will trigger layoffs and furloughs for many public sector workers, many whom are women as well as Black workers (Borry and Gheta-Taylor 2019; McNichol and Leachman 2020).

Provide Emergency Economic Assistance to States: To protect public sector workers and replace revenue loss from taxes and business closures, the federal government should provide emergency financial support to cities and states. Support will allow cities and states to maintain employment for public sector workers and continue to provide vital services to the public.

RAISE JOB QUALITY AND LABOR STANDARDS

- **Increase the Federal Minimum Wage:** Increase the federal minimum wage to $15.00 per hour and eliminate the tipped minimum wage, and adjust for inflation annually (Cooper 2019a). The increase would boost total annual wages for low-wage workers in hardest-hit sectors by $92.5 billion, lifting annual earnings for the average affected year-round worker by $2,800 (Cooper 2019b).

- **Provide Paid Sick and Family Medical Leave:** Pass comprehensive federal paid sick and family medical leave legislation that would provide at least seven days of paid sick leave and 12 weeks of paid medical leave to employees regardless of firm size, sector, and hours worked per week.

- **Create Employer-Sponsored Care Subsidy Programs:** Public and private sector employers with more than 100 employees should provide subsidies to workers that are equivalent to 0.5 percent of their payroll tax to contribute to the cost of family care. Businesses or employers that provide additional care supports to families, including on-site care, should receive tax incentives or credits.
Protect and Expand Reproductive Healthcare Access: To ensure that women are able to reenter the workforce, sustain employment, and advance in their careers, access to the full range of reproductive healthcare options is critical. There is a need to codify the tenets of *Roe v. Wade* at the federal level, rescind the domestic “gag rule,” fully fund Title X, and repeal the Hyde Amendment.

Accelerate the Closing of the Pay Gap: Pass legislation at the federal and state levels that aims to reduce pay inequity for all women across all sectors and industries such as the Paycheck Fairness Act, and remove the restrictions on workers’ rights to bargain collectively over their wages and conditions.

This economic moment calls for a bold reimagining of not only our economy, but our health and care systems as well. In this report, we explore the kinds of political, social, and economic investments that are necessary to step into a future shaped by the workers, women, and families who are the backbone of the U.S. economy and its success.

LIMITATIONS OF THE REPORT

While this is an extraordinary moment filled with great opportunity and urgency, in this report we focus squarely on the policies, programs, and practices that will ensure that we have an equitable recovery that takes into consideration the disparate impact of COVID-19 and the recession on working women, their families, and communities. At the onset, we recognized the need for a major overhaul of many of the systems and institutions that are not working for women and lower-wage workers, and we will work with our partner organizations to advance change in those areas. We intend for this report to spark further conversations and provide the impetus for additional research and action.
We win economic equity for all women and eliminate barriers to their full participation in society. As a leading national think tank, we build evidence to shape policies that grow women’s power and influence, close inequality gaps, and improve the economic well-being of families.