

# UNEMPLOYMENT

#### REPORT

### **Third Anniversary of the Recovery Shows Job Growth** for Women Slowed by Public Sector Job Losses

(July 2012)

The deep recession that began in December 2007 and cost nearly 7.5 million jobs was harder on male workers, but the recovery that officially began in June 2009 has been slower for female workers. After losing ground at the start of the recovery, the pace of the recovery has picked up for women. Three years into the recovery (June 2009 to June 2012), women have gained back 24 percent of the jobs they lost during the recession; men have gained back 39 percent. However, heavy public sector job losses continue to hinder the recovery for both women and men, but especially for women: for every 10 private sector jobs women gained in the first three years of the recovery, they lost more than 4 public sector jobs.

For every 10 private sector jobs women gained than 4 public in the recovery...



...women lost more sector jobs.



Source: Current Employment Statistics survey, excludes farm jobs Figures are for June 2009-June 2012.

#### The overall recovery has been slower for women than men.

Women have regained a smaller percentage of the jobs they lost than men have.

• Three years into the recovery, women have gained back 24 percent of the jobs they lost during the recession (December 2007 to June 2009) - 512,000 jobs. Men have gained back 39 percent of the jobs they lost during the recession- nearly 2.1 million jobs.

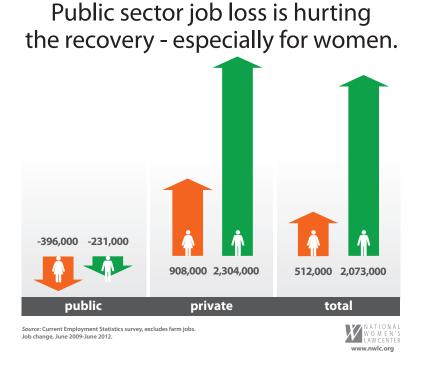
Women's unemployment rate has declined only slightly, men's dramatically.

• The unemployment rate for adult women (20 and older) declined from 7.6 percent in June 2009 to 7.4 percent in June 2012. The unemployment rate for adult men declined from 9.9 percent in June 2009 to 7.8 percent in June 2012.

#### Public sector job loss is hurting the recovery, especially for women.

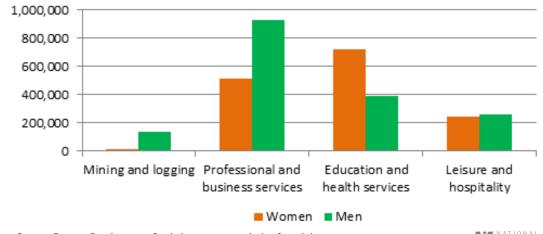
- Three years into the recovery, women and men have each gained back about 40 percent of the private sector jobs they lost during the recession -908,000 net private sector jobs for women, representing 40 percent of their recession losses, and more than 2.3 million net private sector jobs for men, nearly 43 percent of their recession losses.
- But women have suffered greater public sector job losses. Three years into the recovery, women have lost 396,000 public sector jobs and men have lost 231,000 public sector jobs. This heavier public sector job loss is the reason that women have regained a smaller percentage of the jobs they lost in the recession (24 precent) than men have (39 percent).

- For women, for every ten jobs they gained in the private sector during the recovery, they lost more than four public sector jobs. For men, this figure is ten to one.
- Most public sector employees work at the local level, and that is where most of the job losses have occurred, including teachers, librarians, police and firefighters. Education accounts for over half of state and local public sector jobs, and about 70 percent of people working in state and local education are women.



#### Women and men both gained jobs in some industries during the recovery.

• Women did well in a few sectors during the recovery, with their biggest gains coming in private education and health services, professional and business services (which includes temporary help services), and leisure and hospitality. In these sectors combined women gained nearly 1.5 million jobs during the recovery. Men also did well in these sectors, gaining a combined nearly 1.6 million jobs during the recovery.



#### Job change in sectors where both women and men gained jobs during the recovery

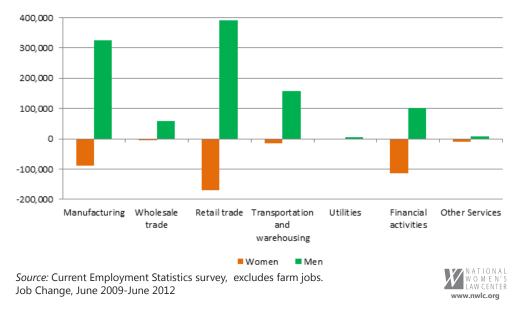
*Source:* Current Employment Statistics survey, excludes farm jobs. Job Change, June 2009-June 2012



#### In several sectors, women lost jobs while men gained jobs.

- In manufacturing, wholesale trade, retail trade, transportation and warehousing, utilities, financial activities, and the "other services" sector, which includes repair and laundry services, women lost jobs while men gained jobs during the first three years of the recovery.
- In some areas, the divergence was substantial. For example, women lost 89,000 manufacturing jobs while men added 326,000 jobs in manufacturing. Women lost 171,100 jobs in retail trade while men gained 391,000 retail trade jobs.

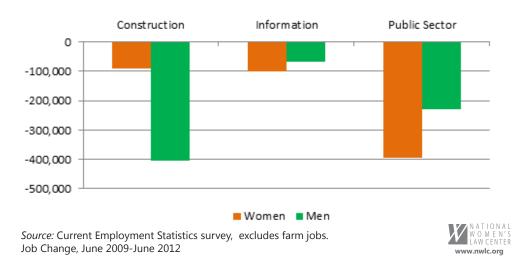




#### In some sectors, both women and men saw job losses.

- Three years into the recovery, women and men both had lost jobs in construction, information, and the public sector.
- Looking at all job sectors, women's heaviest job losses were in the public sector (-396,000), retail trade (-171,100), and financial activities (-114,000). Men's heaviest job losses were in construction (-406,000 jobs), followed by the public sector (-231,000), and information (-66,000).

#### Job change in sectors where both women and men lost jobs during the recovery



#### Table 1. Job change by sector for women and men during the recovery (June 2009 to June 2012)

	ercent of workers who are women (June 2009)	Job change for women	Job change for men
TOTAL NONFARM	49.9%	512,000	2,073,000
TOTAL PRIVATE	48.4%	908,000	2,304,000
Goods-producing	23.1%	-164,000	61,000
Mining and logging	14.2%	17,000	141,000
Construction	13.3%	-92,000	-406,000
Manufacturing	28.7%	-89,000	326,000
Durable goods	24.9%	-52,000	361,000
Nondurable goods	34.7%	-37,000	-35,000
Private service-providing	53.6%	1,072,000	2,243,000
Trade, transportation, and utilitie	s 41.1%	-192,000	614,000
Wholesale trade	30.5%	-4,200	59,200
Retail trade	50.7%	-171,100	391,000
Transportation and warehousing	ng 24.3%	-15,000	158,300
Utilities	25.4%	-1,400	4,600
Information	41.8%	-100,000	-66,000
Financial activities	59.3%	-114,000	102,000
Professional and business service	es 45.1%	517,000	933,000
Education and health services	77.4%	725,000	389,000
Leisure and hospitality	52.5%	246,000	263,000
Other Services	52.9%	-10,000	8,000
TOTAL PUBLIC	57.2%	-396,000	-231,000

Source: Current Employment Statistics survey, excludes farm jobs.

#### Unemployment rates for some vulnerable groups of women have risen during the recovery and rates for many vulnerable groups remain substantially higher than for adult men and adult women overall.

- The unemployment rate for adult women (20 and older) declined from 7.6 percent in June 2009 to 7.4 percent in June 2012. The unemployment rate for adult men declined from 9.9 percent in June 2009 to 7.8 percent in June 2012.
- Single mothers' unemployment rate increased slightly from 11.7 percent in June 2009 to 11.8 percent in June 2012.

- Adult black women's unemployment rate increased from 11.6 percent in June 2009 to 12.7 percent in June 2012. Adult black men's unemployment rate declined from 16.3 percent in June 2009 to 14.2 percent in June 2012.
- Adult Hispanic women's unemployment rate declined from 11.5 percent in June 2009 to 10.3 percent in June 2012. Adult Hispanic men's unemployment rate declined from 10.7 percent in June 2009 to 9.5 percent in June 2012.
- Teen girls' unemployment rate declined from 22.3 percent in June 2009 to 21.0 percent in June 2012. Teen boys' unemployment rate declined from 27.0 percent in June 2009 to 26.4 percent in June 2012.

	June 2009	June 2012	Percentage point change over the recovery
Overall	9.5%	8.2%	-1.3
Adult women (20+)	7.6%	7.4%	-0.2
Adult men (20+)	9.9%	7.8%	-2.1
Single mothers	11.7%	11.8%	0.1
Adult black women	11.6%	12.7%	1.1
Adult black men	16.3%	14.2%	-2.1
Adult Hispanic women	11.5%	10.3%	-1.2
Adult Hispanic men	10.7%	9.5%	-1.2
Teen girls (16-19)	22.3%	21.0%	-1.3
Teen boys (16-19)	27.0%	26.4%	-0.6

#### Table 2. Change in unemployment rates during the recovery (June 2009 to June 2012)

Source: Current Population Survey.

Data for Hispanic women, Hispanic men, and single mothers are not seasonally adjusted.

## Long-term unemployment remains high, especially for older workers.

- In June 2012, almost 5.4 million workers had been unemployed and searching for work for 27 weeks or more. Among jobless adult women workers, 41.4 percent are long-term unemployed; 45.7 percent of jobless adult men workers are long-term unemployed.
- While teens 16 to 19 had the highest rates of overall unemployment of any age group, they were substantially less likely to be unemployed for 27 weeks or more. In June 2012, the percentage of

jobless teens who were unemployed for 27 weeks or more was 14.9 percent. Almost half (49.7 percent) of jobless workers 35 and older were unable to find work for 27 weeks or more.

• For both women and men, the oldest workers experienced the longest spells of unemployment. Among jobless workers 55 to 64, the average duration of unemployment in June 2012 was 48.1 weeks for women and 60.9 weeks for men. Among jobless workers 65 and older, the average duration of unemployment was 50.8 weeks for women and 62.2 weeks for men.

#### Conclusion

The deep cuts in public sector jobs that are undermining the recovery, especially for women, make this recession and its aftermath unique.<sup>1</sup> Following every other recession since 1955, local and state government employment levels were higher at this stage in the recovery than they were at the start of the recession. In contrast, public sector employment is lower today than it was when the recession began in December 2007. Economists Ben Polak at Yale University and Peter K. Schott at the Yale School of Management estimate that if state and local governments had followed the pattern of the previous two recessions, they would have added 1.4 to 1.9 million jobs and the national unemployment rate would between 7.0 and 7.3 percent instead of 8.2 percent.

Yet some policy makers are proposing budget cuts that would cost more jobs and jeopardize the modest recovery. The cuts proposed in the budget introduced by Rep. Paul Ryan (R-WI) and passed by the House earlier this year would cost roughly 1.3 million jobs in 2013 and 2.8 million jobs in 2014, according to the Economic Policy Institute.<sup>2</sup> The Ryan budget also would mean devastating cuts to Medicare, Medicaid, child care, education,

nutrition assistance, and other programs that are especially important to women and their families.<sup>3</sup> But it would do little if anything to reduce the deficit – because it also proposes trillions of dollars in tax cuts for the wealthiest households and corporations.<sup>4</sup>

A full recovery is still a long way off for women and men. Policy makers can choose to make the investments that will help us get there – or continue with budget cuts that will further weaken the recovery.

*Source note*: NWLC calculations from U.S. Dep't of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Employment Statistics survey (<u>http://bls.gov/ces</u>) and Current Population Survey (<u>http://bls.gov/cps</u>) (last visited Jul. 6, 2012). Statistics for long term unemployment by age and gender are not seasonally adjusted. Other statistics are seasonally adjusted unless otherwise noted.

- 1 Ben Polak and Peter K. Schott, "America's Hidden Austerity Program, The New York Times Economix blog (June 11, 2012), available at: http://economix.blogs.nytimes.com/2012/06/11/americas-hidden-austerity-program/
- 2 Ethan Pollack, Economic Policy Institute, "Ryan's budget cuts would cost roughly 1.3 million jobs in 2013 and 2.8 million jobs in 2013," EPI's Working Economics blog (March 21, 2012), available at: http://www.epi.org/press/ryans-budget-cuts-cost-roughly-1-3-million/.
- 3 National Women's Law Center, "Ryan Budget FY 13: Gutting Vital Programs for Women and Families, Giving Trillions in Tax Cuts to Millionaires and Corporations" (March 27, 2012), available at: http://www.nwlc.org/resource/ryan-budget-fy-13-gutting-vital-programs-women-and-families-giving-trillions-tax-cuts-milli
- 4 Robert Greenstein, President, Center on Budget and Policy Priorities, "Statement on Chairman Ryan's Budget Plan" (March 21, 2012), available at: http://www.cbpp.org/cms/index.cfm?fa=view&id=3712.