

Women's Jobs Are Being Added Back to the Economy—But Many Need Improving

BY BROOKE LEPAGE

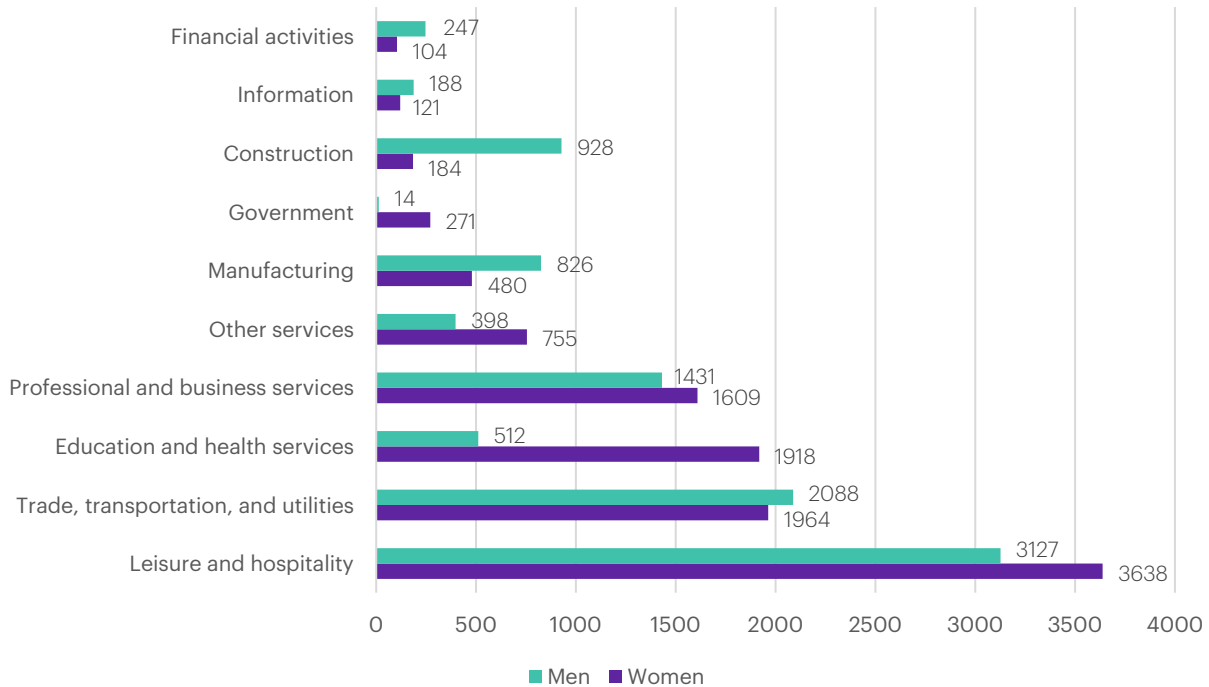
Between February and April 2020, at the onset of the COVID-19 pandemic, the U.S. economy shed nearly 22 million jobs, more than half of which (54.0%) were held by women.¹ Two years later, the recovery is bringing employment close to pre-pandemic levels: Since April 2020, 20.8 million jobs have been added back to the economy, more than 11 million of which are held by women.² Most of these jobs are returning to the sectors where losses were concentrated in the early months—particularly the leisure and hospitality sector, which accounts for nearly one in three women's jobs gained since April 2020.³ But this means many jobs are coming back in a sector where turnover is high, wages are low, schedules are unpredictable, and access to employer-sponsored benefits is rare—both prior to the pandemic and today. Without improvements to public policies and employer practices, the low quality of many jobs in this sector will continue to yield instability for employers, workers, and the U.S. economy.

Women's Jobs Are Returning to the Leisure and Hospitality Sector

Between February and April 2020, more than one in three (37.0%) women's jobs lost were in the leisure and hospitality sector.⁴ Other sectors with notable women's job losses between February and April 2020 were education and health services (19.7% of all women's jobs lost), trade, transportation and utilities (14.3%), and business and professional services (9.3%).⁵

Between April 2020 and April 2022, women gained back more than 11 million of the nearly 11.9 million jobs they lost between February and April 2020, but women are still 829,000 jobs short of their pre-pandemic level.⁶ Of the women's jobs that have returned since April 2020, more than 3.6 million (32.9%) are in leisure and hospitality; nearly 2 million (17.8%) are in trade, transportation and utilities; more than 1.9 million (17.4%) are in education and health services, and more than 1.6 million (14.6%) are in professional and business services.⁷ Combined, these sectors account for 82.7% of women's jobs added back to the economy between April 2020 and April 2022.⁸ Though the leisure and hospitality; trade, transportation, and utilities; and professional and businesses services sectors are also driving men's recovery, men are also seeing more jobs added than women in sectors like construction and manufacturing.⁹

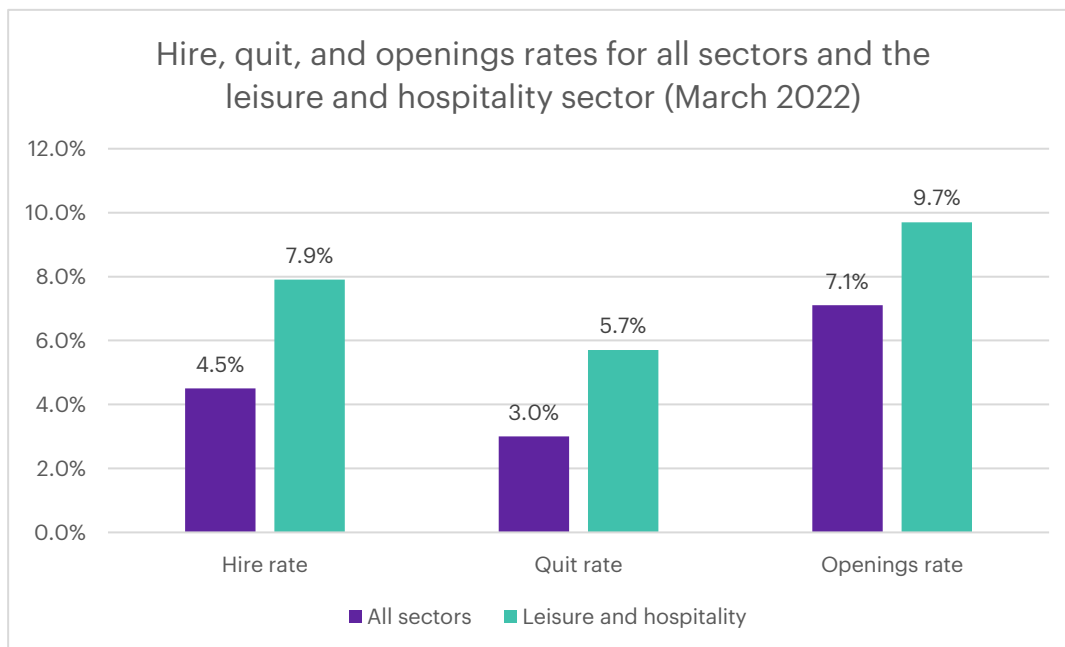
Women's and men's jobs added back to the economy by sector, in thousands (April 2020 - April 2022)



Source: NWLC calculations using BLS, Table B-5 in the Current Employment Statistics, historical data available at <https://www.bls.gov/webapps/legacy/cesbtabs.htm>, and BLS, Table B-1 in the Current Employment Statistics, historical data available at <https://www.bls.gov/webapps/legacy/cesbtabs1.htm>. The mining and logging sector is excluded as it is still short 1,000 jobs held by men and 1,000 jobs held by women in April 2022 compared to April 2020.

What Women Working in Leisure & Hospitality Face

In March 2022, according to Job Openings and Labor Turnover Survey (JOLTS) data, the leisure and hospitality sector had the highest rates of hires (7.9%), quits (5.7%), and job openings (9.7%), driven predominately by the accommodation and food services subsector.¹⁰ Between April 2020 and March 2022, the accommodation and food services subsector accounted for nearly nine in ten women's jobs added to the leisure and hospitality sector (86.6%).¹¹ In March 2022, the subsector also accounted for nearly nine in ten job openings (87.0%) and hires (84.9%) within the leisure and hospitality sector.¹² High rates of quits and job openings suggest a high amount of turnover in this industry—something low pay, unpredictable and inflexible work schedules, and minimal employer-sponsored benefits likely contribute to.¹³



Source: BLS, Table 1, Table 2, and Table 4 in May 2022 Job Openings and Labor Turnover release.

LOW WAGES

Women in the leisure and hospitality sector were already underpaid and undervalued for their work before the pandemic began. Typical annual wages for a woman working full time, year round in the leisure and hospitality sector were just \$30,000 in 2020 (compared to men’s \$36,500).¹⁴ Black women and Latinas working full time, year round in the sector were typically paid less: \$27,040 for Black women and \$26,000 for Latinas.¹⁵ Since February 2020, the average hourly earnings of leisure and hospitality workers have increased by \$2.86 (from \$16.89 to \$19.75).¹⁶ But even with this increase, these average hourly earnings are far below the average hourly earnings for workers overall (\$31.85) and are lower than the average hourly earnings in many other sectors such as mining and logging (\$36.18), construction (\$34.34), education and health services (\$31.31), and manufacturing (\$30.82).¹⁷

The food services and drinking places subsector includes restaurant servers and bartenders—two large occupations in which women make up the majority of the workforce and rely on customer tips to supplement low pay from employers. For three decades, federal law has allowed employers to pay tipped workers just \$2.13 an hour, forcing women in these jobs to rely on variable tips for virtually all of their income—and putting them at a particularly high risk of both economic insecurity and sexual harassment.¹⁸

Average hourly earnings for leisure and hospitality workers are just \$19.75, compared to \$31.85 for workers overall.

UNPREDICTABLE AND INFLEXIBLE WORK SCHEDULES

People working in the leisure and hospitality sector often hold hourly jobs at restaurants, hotels, and other establishments in which employers use “just-in-time” scheduling practices that maximize flexibility for the employer at the expense of the employee.¹⁹ As a result, workers frequently receive little notice of their work schedules and have hours that vary widely from week to week, with last-minute shift changes and cancellations that deprive them of vital income. A Bureau of Labor Statistics analysis released just prior to the pandemic found that most leisure and hospitality workers (61.3%) received two weeks or less notice of their work schedules,²⁰ and in a 2021 Federal Reserve survey, nearly half (47.0%) of leisure and hospitality workers had variable monthly income—more than in any other sector.²¹

These scheduling practices—which predated the pandemic and have persisted throughout it²²—make it extremely challenging for working people to meet their responsibilities outside of their jobs.²³ Volatile hours, and the volatile incomes that result, can harm both workers and their families by increasing economic hardship, including hunger and housing insecurity; increasing stress and disrupting family routines; and making it nearly impossible to secure stable, high-quality child care.²⁴ For women—who shoulder the majority of caregiving responsibilities in families and have taken on still more during the pandemic—unpredictable work hours can be especially problematic.²⁵

Moreover, because many employers view part-time jobs as a way to hold down labor costs and match staffing levels to demand—i.e., as a component of just-in-time scheduling practices—part-time workers typically experience more variable hours and even less advance notice of their schedules than workers in full-time jobs.²⁶ Women working in leisure and hospitality jobs are particularly likely to work part time: In an average month between April 2020 and April 2022, 41.8% of women in the sector’s workforce were working part time, compared to 30.1% of men.²⁷ Part-time employees also frequently make less per hour than their full-time counterparts and are less likely to be eligible for workplace benefits—and they may be denied full-time hours when they seek them, especially in service sector jobs.²⁸

Leisure and hospitality workers are less likely than workers in any other sector to have access to health care, paid sick days, short-term disability insurance, and paid family leave.

FEW EMPLOYER-SPONSORED BENEFITS

Many leisure and hospitality workers lack the benefits they need to care for themselves and their families. For example, employers provide just 32% of workers in the leisure and hospitality industry with access to health care benefits, compared to 73% of all workers in the economy overall.²⁹ Employers also rarely provide leisure and hospitality workers with access to paid time off for medical or caregiving needs. Even during an ongoing pandemic, only half of leisure and hospitality workers (50%) have access to paid sick days, compared to 77% of all workers.³⁰ Just 18% have access to paid medical leave to address their own serious health conditions through an employer-provided short-term disability program,³¹ and fewer than one in ten (9%) have access to paid family leave.³² Indeed, among all sectors, the leisure and hospitality industry has the smallest share of workers with access to health care, paid sick leave, short-term disability insurance, and paid family leave.

Improving Working Conditions for Women in Fast-Growing Jobs

Leisure and hospitality jobs are projected to continue their rapid growth: Among the 20 occupational categories projected to have the fastest-growing employment between 2020 and 2030, 35.0% are in the leisure and hospitality sector.³³ But to consistently attract and retain people to fill these jobs—and to create stability for workers, employers, and consumers—more leisure and hospitality jobs must become good jobs.

Good jobs include good wages that allow families to put food on the table and pay the rent; fair and flexible work schedules that enable workers to meet their responsibilities on and off the job; and access to benefits like health care and paid leave that help people care for themselves and their loved ones—all elements that working people have always deserved and are currently demanding. Good pay and health insurance are most important to women when considering future jobs: in a recent poll, 87.8% and 86.0% of women say these are very important or important benefits, respectively, followed by retirement benefits (84.7%) and job security (80.7%).³⁴

Polling also finds strong support—across races, genders, regions, income levels, and political affiliations—for Congress enacting policies that address these needs. For example, in polling conducted by NWLC and GQR in February 2022, large majorities support raising the national minimum wage to \$15 per hour; requiring employers to pay at least the full minimum wage to all workers, before tips; providing access to comprehensive health care without cost sharing; granting workers the right to request a work schedule change without fear of retaliation and requiring employers to provide at least two weeks’ notice of work schedules in jobs with variable hours; providing all workers with paid family and medical leave; and ensuring that everyone who needs it can access and afford high-quality child care and home care services.³⁵

Enacting these policies can also help fuel further job growth: states that have higher minimum wages and that have eliminated the tipped minimum wage are seeing a faster recovery of leisure and hospitality jobs than other states.³⁶ And while federal and state policies are critical to ensure widely shared prosperity, individual employer can also move on their own to offer higher wages and benefits that meet the needs of their workers and help curb turnover.³⁷ Indeed, many individual workers are organizing to demand that employers do just that.³⁸

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