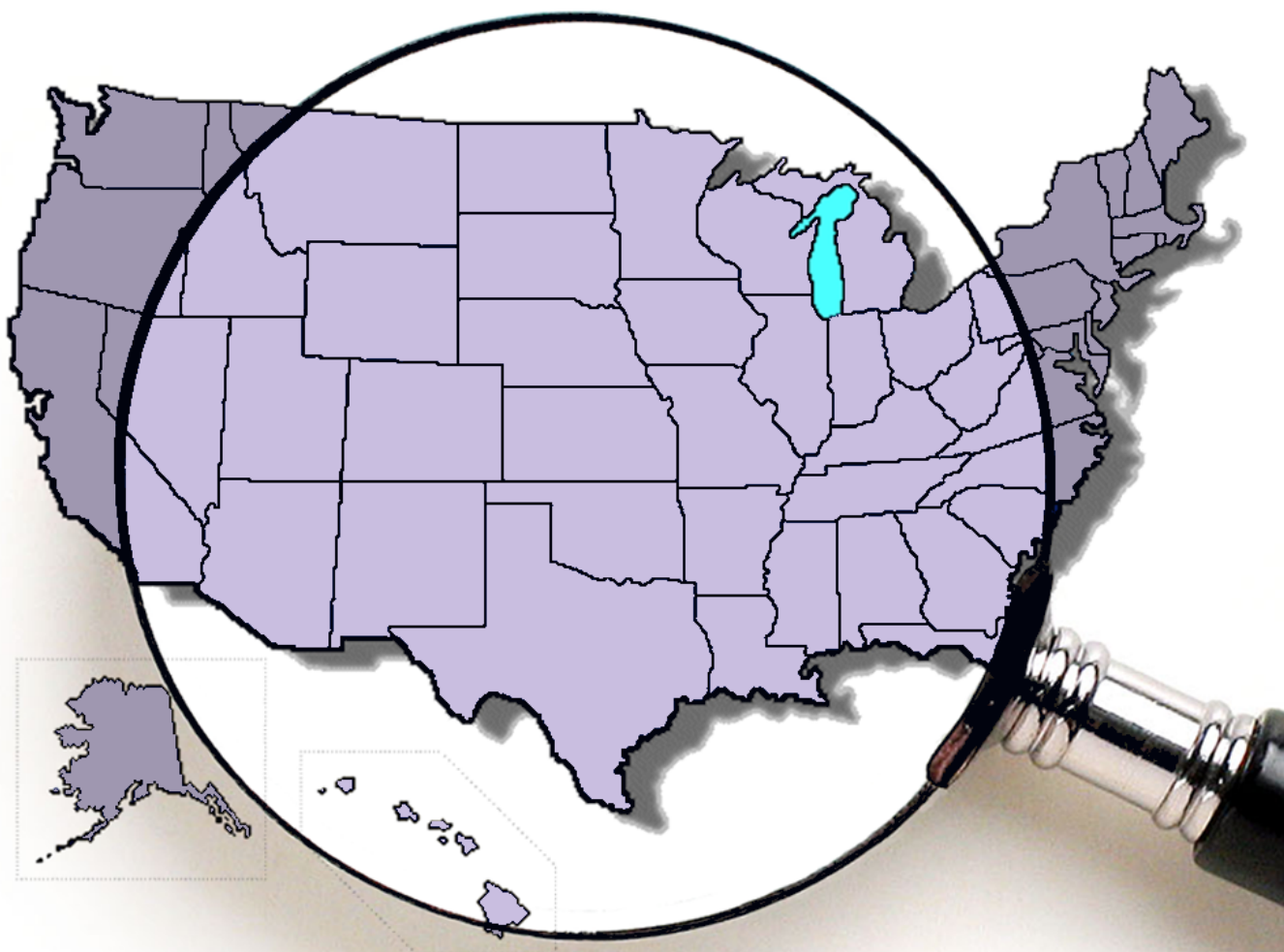


May 2010

UNDERSTANDING  
THE ECONOMY

WORKING MOTHERS IN THE  
GREAT RECESSION



A REPORT BY THE U.S. CONGRESS' JOINT ECONOMIC COMMITTEE  
REPRESENTATIVE CAROLYN B. MALONEY, CHAIR

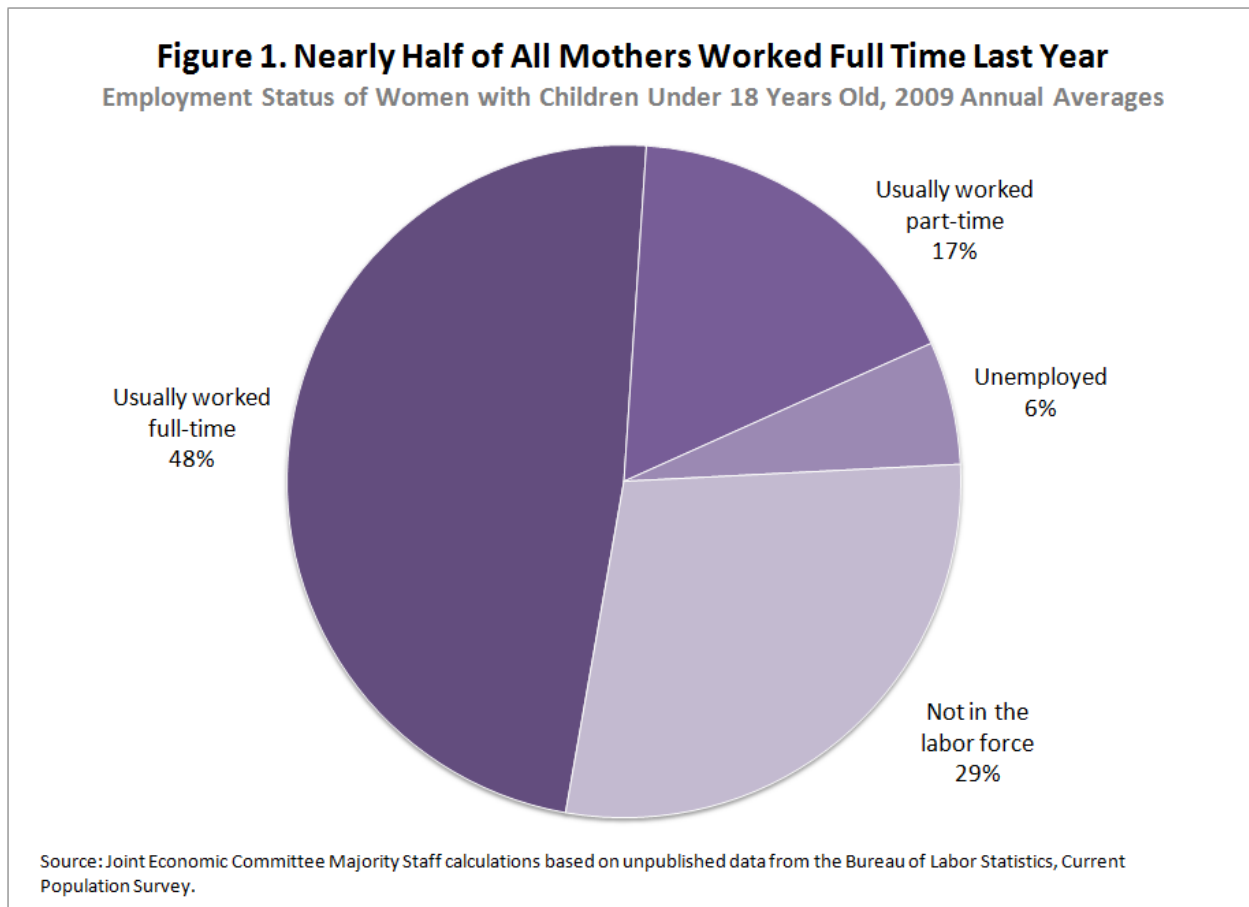
**Mother's Day 2010  
An Update on Working Moms**

The Great Recession has taken a huge toll on working families. The vast majority of jobs lost were lost by men, but a substantial number of jobs were lost by women during this recession. From December 2007 to April 2010, women lost 46 jobs for every 100 jobs lost by men.<sup>1</sup> By comparison, during the 2001 recession, women lost 17 jobs for every 100 lost by men and women lost less than 2 jobs for every 100 jobs lost by men during the 1990s recession. Indeed, in recent months, women lost jobs while men gained jobs.<sup>2</sup> From October 2009 to March 2010, women lost 22,000 jobs while men gained 260,000.<sup>3</sup> Women's increased vulnerability to the business cycle has important repercussions for families' economic security. This report provides an updated look at the employment situation of working mothers<sup>4</sup> with children under 18 years old, and examines the impact of the recession on their participation in the labor market using unpublished data from the Bureau of Labor Statistics.<sup>5</sup>

**Families depend on mothers' employment.**

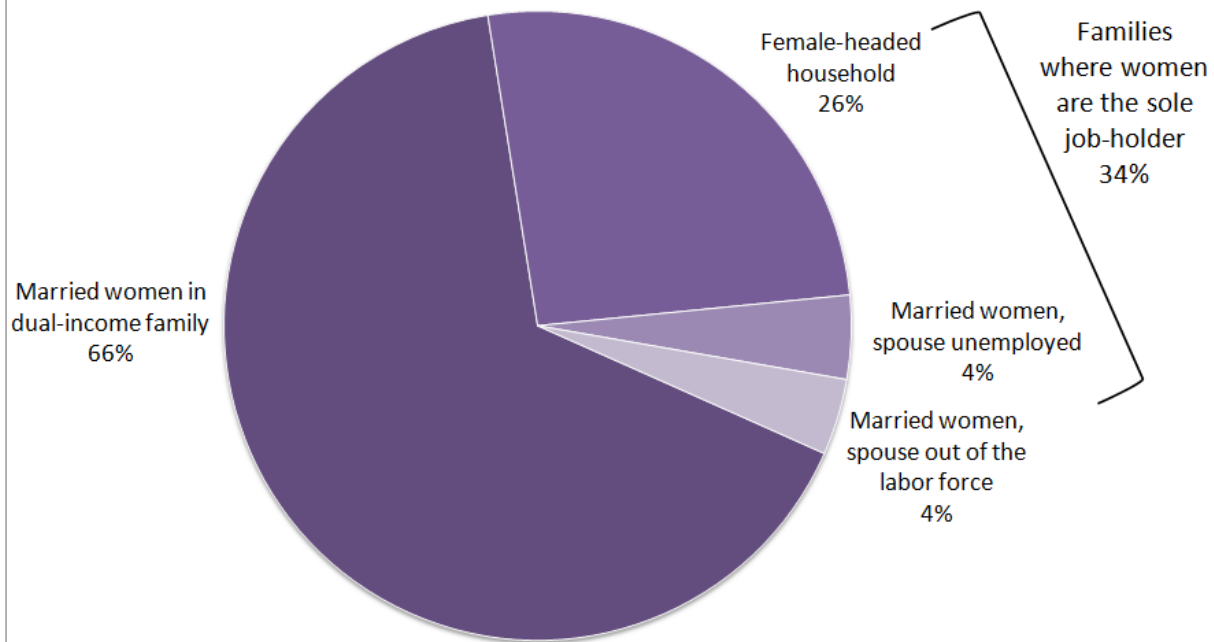
Over the past several decades, women have played a role of growing importance in the labor force. It is clear that in the wake of the Great Recession, families continue to rely upon mothers' employment. Rather than opting out of the labor force, mothers increased their labor force participation over the recession. The share of mothers working or actively searching for work increased from 71.0 percent to 71.4 percent between 2007 and 2009.<sup>6</sup>

During that time, mothers' participation shifted away from full-time work to unemployment and part-time work, with the share of all mothers working full-time dropping to 48.3 percent in 2009 from 51.3 percent in 2007. (See Figure 1) The share of all mothers working part-time rose almost a full percentage point to 17.2 percent, while the share of unemployed mothers increased 2.6 percentage points to 5.9 percent.



Of the 21.7 million mothers who were usually employed in 2009, two-thirds were in a dual-earner family. But the remaining one-third—7.5 million mothers—were the sole job-holders in their family, either because their spouse was unemployed or out of the labor force, or because they were heads of household. (See Figure 2)

**Figure 2. One-in-Three Working Mothers Was the Only Jobholder in Her Family**  
 Employed Women in the Labor Force with Children Under 18 Years Old, 2009 Annual Averages



Source: Joint Economic Committee Majority Staff calculations based on unpublished data from the Bureau of Labor Statistics, Current Population Survey.

**Married mothers search for work to improve their families’ economic security.**

Until recently, job losses were concentrated in male-dominated industries like construction and manufacturing, so fathers were more likely to lose a job and mothers were more likely to hold onto their employment or quickly find a new job. As job losses slowed in the final months of 2009, women continued to lose jobs as men found employment.

In order to cope with the widespread job losses during the recession, many parents who were previously out of the labor force entered the workforce, presumably to compensate for a spouse’s lost wages. In general, mothers are far more likely than fathers to be out of the labor force, thus the movement of parents into the labor market largely reflects that of mothers. In 2007, 35.2 percent of two-parent families had only one employed parent, compared to 36.8 percent in 2009. That 1.6 percentage point net difference masks more dramatic changes in the share of families solely dependent on a mother’s earnings. In fact, families where the mother was the only jobholder rose 2.5 percentage points from 4.9 percent of married-couple families to 7.4 percent. More than ever, families depend on mothers’ work.

Many married mothers who looked for employment in order to bolster their families' economic security found it difficult to find work because of the severe shortage of jobs. The labor force participation rate rose for married mothers between 2007 and 2009, meaning that more married mothers were searching for a job. However, the employment-to-population ratio—the so called 'employment rate'—fell over the recession from 66.7 percent to 65.5 percent, indicating that fewer married mothers actually had a job. The unemployment rate nearly doubled to 5.8 percent during that time—a clear sign that mothers wanting work struggled to find a job.

### **Single mothers continue to struggle with high unemployment.**

Families headed by single mothers had no second parent to fall back on in the face of job loss or reduced hours and earnings. Labor force participation was already higher among these women, with over three-quarters (76.5 percent) of women maintaining families working or actively searching for work in 2007. Consequently, the recession did not boost their participation rate. Instead, the participation rate of mothers maintaining families dropped to 75.8 percent indicating that many single mothers dropped out of the labor force probably because they were unable to find work.

For single mothers in the labor force, unemployment increased dramatically during the recession. Between 2007 and 2009, the unemployment rate of single mothers increased from 8.0 percent to 13.6 percent. Single mothers of children under the age of 6 who are not yet in school had an unemployment rate of 17.5 percent in 2009. For these mothers, even searching for work can be a challenge because they may have to find child care in order to go on an interview, and high costs of child care eat away a substantial chunk of their earnings once they do find a job.

### **The part-time penalty can be even greater for mothers.**

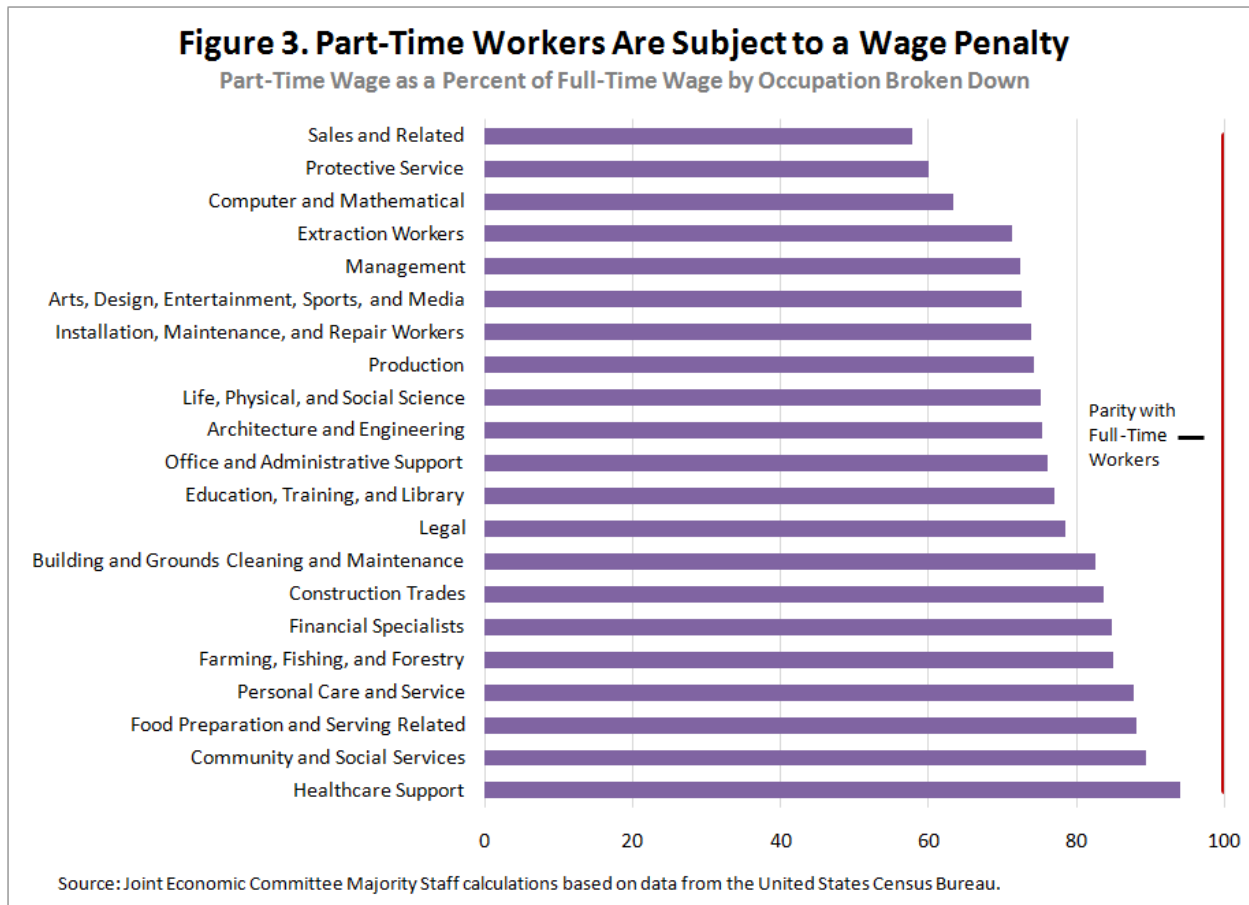
Many women have been unable to find full-time employment because of the weak labor market. In 2009, 3.3 million women worked part-time for economic reasons, meaning that either their hours had been cut back or that they searched for full-time work but could only a part-time job. Some of those part-time workers usually worked part-time but would have preferred to move to full-time work, likely because of economic hardship such as a spouse's job loss.

Part-time workers face a severe earnings penalty, with a wage equal to as little as 60 percent of the wage for full-time workers in the same occupation. (See Figure 3) Part-time work also means lower earnings over time, and part-time jobs usually do not come with the same health benefits, paid time-off for vacation and sick leave, or pension benefits that full-time workers receive.<sup>7</sup>

Over one-third (35 percent, or 6.2 million) of all women working part-time in 2009 were mothers. For many of those, including 2.7 million mothers with children less than 6 years old and not yet in school, working a part-time job also means finding part-time child care. The part-time earnings penalty is even more devastating for those mothers because part-time child care can be just as costly as full-time care.<sup>8</sup>

Conclusion

Families depend on women’s earnings. Mothers’ work is vital not only for their families’ economic security, but also for the strength of the American economy as a whole. Understanding and addressing the impact of the Great Recession on mothers is a crucial piece of the economic recovery.



<sup>1</sup> Bureau of Labor Statistics, Current Employment Survey.

<sup>2</sup> *Ibid.*

<sup>3</sup> April’s strong employment growth showed women gained 86,000 jobs last month, far fewer than the 204,000 jobs gained by men in April. Bureau of Labor Statistics, Current Employment Survey, April 2010.

<sup>4</sup> The Joint Economic Committee released a report on working mothers last year. See [Women in the Recession: Working Mothers Face High Rates of Unemployment](#), May 28, 2009.

<sup>5</sup> Data is from Tables 4, 4a, and 6 using data from the Current Population Survey.

<sup>6</sup> Unless otherwise specified, mother refers to a woman with her own children under the age of 18. Married mothers are those with a spouse who is present. Single mothers include married mothers with an absent spouse; divorced, separated, and widowed mothers; and mothers who have never been married.

<sup>7</sup> See Joint Economic Committee report: [The Earnings Penalty for Part-Time Work](#), April 20, 2010.

<sup>8</sup> Many child care centers do not offer prorated part-time child care meaning that the per-hour cost for part-time care is higher than for full-time care.