

ECONOMIC UPDATE

May 6, 2022

Economic Issue in Focus: Overturning *Roe v. Wade* Would Have Devastating Economic Consequences for Women and the Broader Economy

Recent news reports indicate that the Supreme Court is considering overturning *Roe v. Wade*, which would let states ban abortion under all circumstances and criminalize women and their health care providers. This would significantly limit pregnant people's bodily autonomy and individual agency.

A Joint Economic Committee [analysis](#) shows that banning abortion and restricting reproductive rights would also have devastating economic consequences for women and the broader economy. Access to safe and legal abortion increases women's workforce and education opportunities, and the ability to delay motherhood by one year because of that access led to 11% higher wages for women. [One study](#) found that being denied an abortion increases bankruptcies and evictions by more than 81%.

Access to safe, legal abortion has also helped to address child poverty. One study found that the number of children who grow up in poverty could increase by 0.54 percentage points if abortion is banned, contributing to worsening their life outcomes.

Unnecessary restrictions on people seeking abortions, which have no basis in medical science and imperil pregnant people's health and well-being, cost local economies \$105 billion per year. If these unnecessary restrictions were eliminated, U.S. GDP would be almost 0.5% higher.

The overwhelming body of evidence makes clear that denying access to safe and legal abortion has far-reaching consequences for the individuals directly involved and the whole economy.

Key Economic Indicators To Track

- **The U.S. Added 428,000 Jobs in April:** The United States [added](#) 428,000 jobs in April, according to new data from the Bureau of Labor Statistics. Under President Biden, the U.S. added 8.3 million jobs, an average of 553,000 per month. The United States has now recovered 95% of the jobs lost during the pandemic and is on track to return to pre-pandemic employment before the end of the year.
- **Federal Reserve FOMC Announced Interest Rate Increase to Tackle Inflation As Fed Chair Powell Called the Economy "Very Strong":** As expected, Federal Reserve Chair Jerome Powell announced the decision by the Federal Open Market Committee (FOMC) to [raise](#) the federal fund interest rate by 0.5 percentage points. Powell emphasized the committee remains committed to taking the "necessary measures" to restore price stability and added the U.S. economy is "very strong" and in a good position to adapt to a tightening in monetary policy.

- **Job Openings and Labor Turnover Survey (JOLTS) Data Indicate the U.S. Labor Market Remains Strong:** [Data](#) released by the Bureau of Labor Statistics (BLS) provide more evidence of a tight labor market. The quits rate—the rate of employees voluntarily leaving their jobs—rose to 4.5 million, the highest level recorded. This highlights the strength of the labor market, where workers remain confident enough to leave their jobs for better paying and higher-quality opportunities, as demand for workers remains high: the number of job openings reached a record high at 11.5 million.

JEC Spotlight: New Businesses Boomed Across the Country and Reached Record Highs in 2021 Under President Biden

A new JEC [issue brief](#) shows Americans submitted 5.4 million applications for new businesses in 2021 alone. This marks the highest level since the U.S. Census Bureau began recording this data in 2004. This number of new business applications was also 68% higher than the average number of filings during the five years before the pandemic.

All 50 states and Washington, D.C. had more new business applications in 2021 than the annual average in the five years before the pandemic. The record boom in business applications in 2021 took place across the country, with 31 states and the District of Columbia seeing over 50% more applications than in the five years before the pandemic, including six states where applications more than doubled.

Through the American Rescue Plan and emergency relief measures, President Biden helped over 6 million businesses with over \$400 billion in relief. The Biden-Harris Administration took action to help ensure more equitable access to capital and other resources for marginalized communities via the Small Business Administration. Through the Community Navigator Pilot Program, an initiative of President Biden's American Rescue Plan, continues this progress by helping local governments and organizations support entrepreneurs start their own business or access the support they need to thrive.

Selected JEC Resources

- [*Concentrated Corporate Power Is Holding Back Our Economy and Undermining Shared Prosperity*](#)
- [*Congress and the Biden Administration Are Putting Policies in Place to Continue the Strong Wage Gains Workers Experienced in 2021*](#)
- [*Senator Rick Scott's Plan to Raise Taxes on Working Families and Slash Essential Programs Would Cost Jobs and Reduce Economic Growth*](#)
- [*The Bipartisan Innovation Bills in Congress Invest in Critical Supply Chains, Support Manufacturing Jobs and Maintain America's Competitive Edge*](#)
- [*Investments in Wind Energy Will Help to Create A Fairer and More Resilient Economy*](#)
- [*The U.S. Economy Experienced a Record Rebound During President Biden's First Year in Office*](#)

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