

# Idaho's Working Mothers and the Great Recession

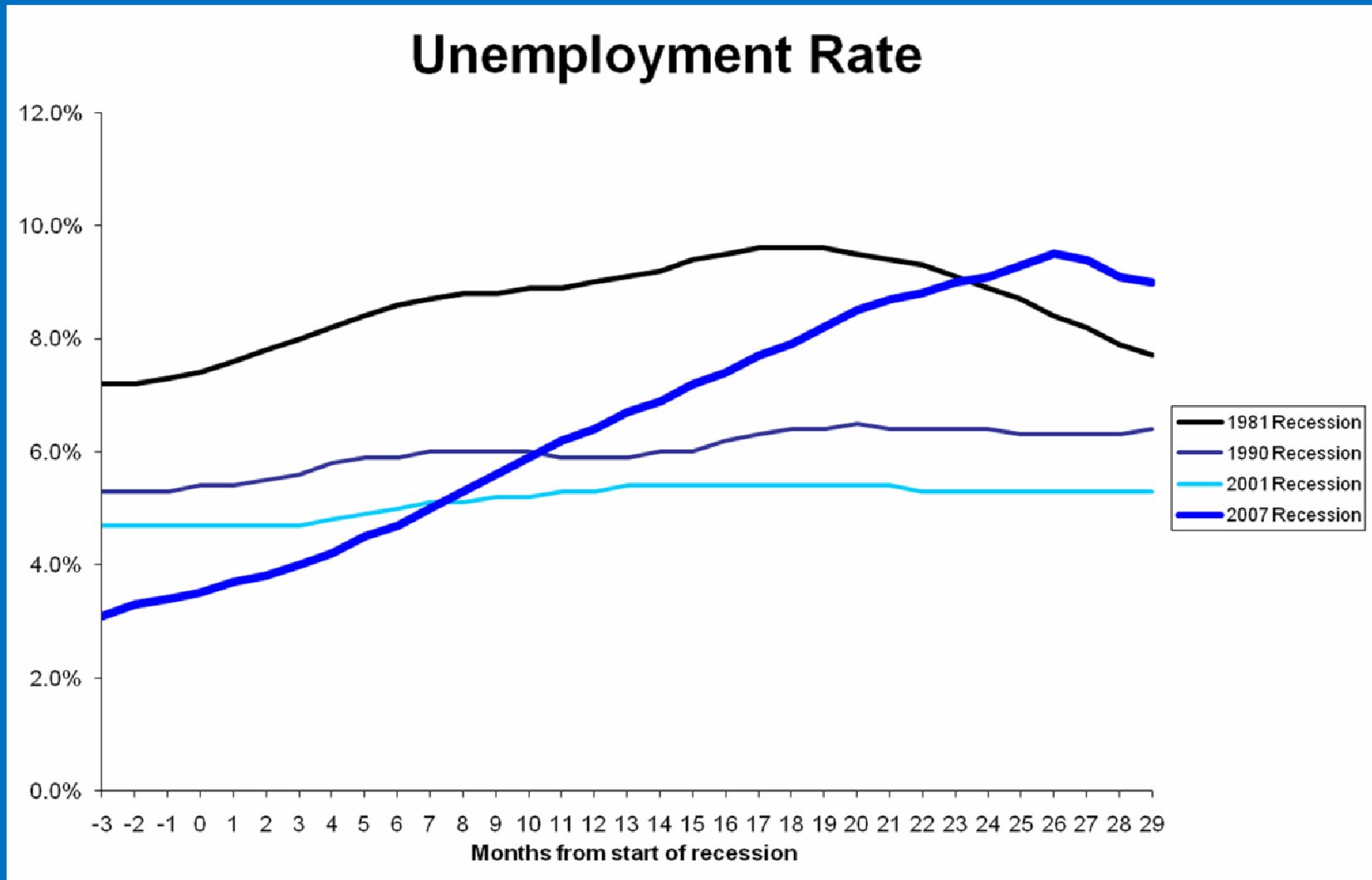
by Judith Brown  
July 2010

A presentation for Idaho KIDS COUNT

## **It's not just a 'mancession'**

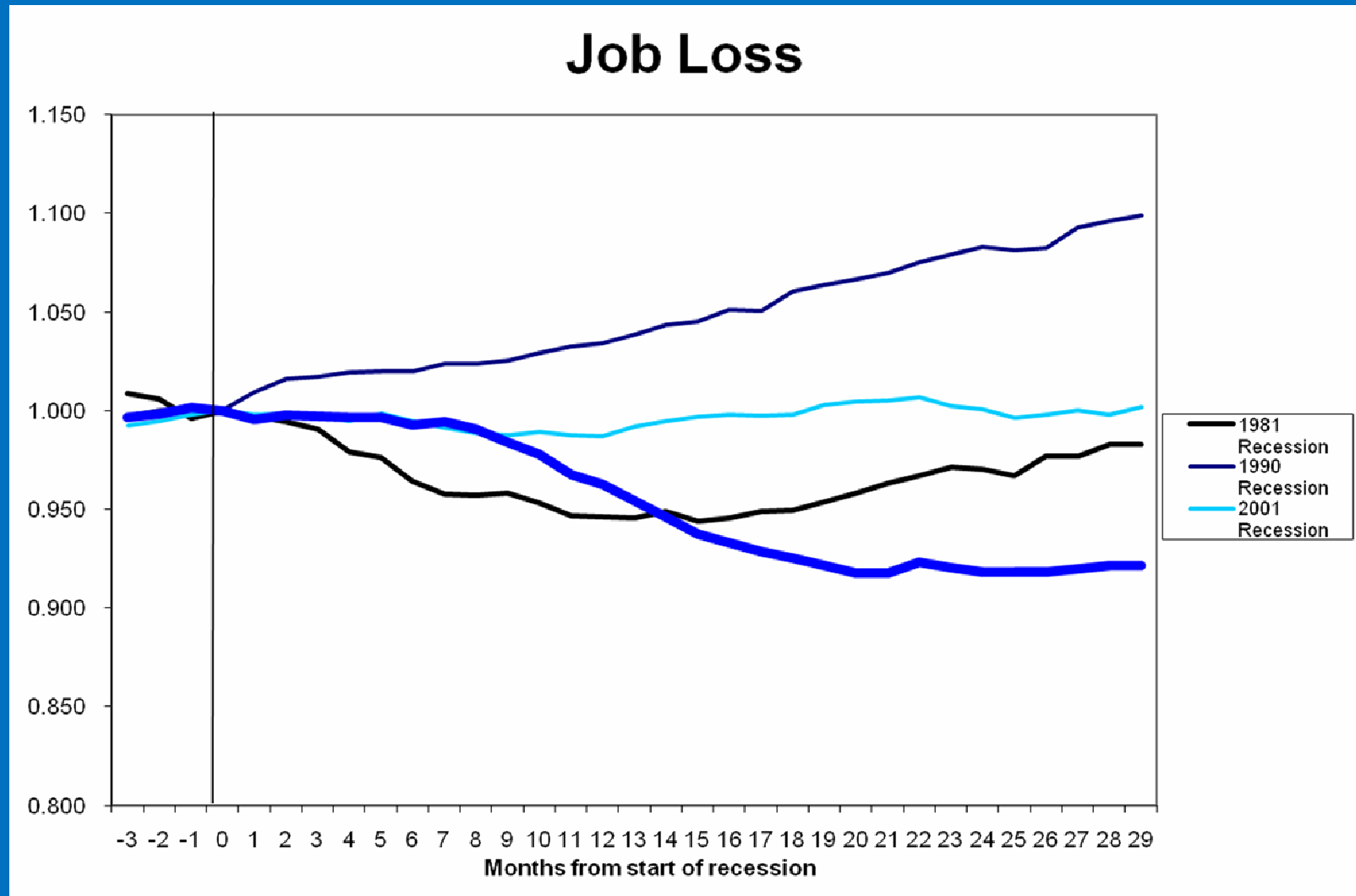
- women are responsible for a larger share of family income**
- women have lost a large number of jobs**
- job losses by men and women follow different paths**

# How bad is the recession in Idaho?



Source: Economic Policy Institute

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# How bad is the recession in Idaho?

Job Loss & Unemployment in the States During the Great Recession					
Since December 2007			May 2010		
Unemployment % Point Change		Job Loss	Unemployment		
Nevada	8.8	Nevada	-13.4%	Nevada	14.0%
Florida	7.0	Arizona	-9.6%	Michigan	13.6%
Alabama	6.9	Michigan	-9.3%	California	12.4%
California	6.6	Florida	-9.2%	Rhode Island	12.3%
Michigan	6.5	California	-8.4%	Florida	11.7%
Rhode Island	6.3	Oregon	-8.2%	Mississippi	11.4%
<b>Idaho</b>	<b>5.5</b>	<b>Idaho</b>	<b>-7.9%</b>	South Carolina	11.0%
Indiana	5.4	Georgia	-7.7%	Alabama	10.8%
North Carolina	5.4	Rhode Island	-7.5%	Illinois	10.8%
South Carolina	5.4	Ohio	-6.8%	Ohio	10.7%
Oregon	5.4	Alabama	-6.6%	Oregon	10.6%
Illinois	5.3	Tennessee	-6.5%	District of Columbia	10.4%
Arizona	5.3	Colorado	-6.1%	Kentucky	10.4%
Mississippi	5.3	North Carolina	-6.0%	Tennessee	10.4%
New Jersey	5.2	South Carolina	-6.0%	North Carolina	10.3%
Ohio	5.1	Illinois	-5.9%	Georgia	10.2%
Georgia	5.1	Indiana	-5.8%	Indiana	10.0%
Delaware	5.0	New Mexico	-5.8%	New Jersey	9.7%
District of Columbia	4.9	Mississippi	-5.8%	Arizona	9.6%
Kentucky	4.9	Hawaii	-5.6%	Missouri	9.3%
Tennessee	4.9	Utah	-5.6%	Massachusetts	9.2%
West Virginia	4.9	New Jersey	-5.4%	Pennsylvania	9.1%
Massachusetts	4.8	Wisconsin	-5.3%	Washington	9.1%
New Mexico	4.8	Washington	-5.1%	<b>Idaho</b>	<b>9.0%</b>
Pennsylvania	4.6	Delaware	-5.0%	Connecticut	8.9%
Washington	4.5	Vermont	-4.9%	West Virginia	8.9%

Source: Economic Policy Institute

# Families depend more on the earnings of working mothers...

**The Increasing Responsibility of Women Workers for Family Financial Needs (All Families with Children Under 18)**

	<b>Dual Earner Couples</b>	<b>Male Breadwinner Couples</b>	<b>Single Mother Earners</b>	<b>Single Father Earners</b>	<b>No Earners</b>
<b>1975</b>	<b>36.5</b>	<b>44.2</b>	<b>10.1</b>	<b>1.2</b>	<b>9.7</b>
<b>1980</b>	<b>41.8</b>	<b>34.4</b>	<b>13.8</b>	<b>1.8</b>	<b>8.2</b>
<b>1985</b>	<b>45.4</b>	<b>28.1</b>	<b>15.1</b>	<b>2.6</b>	<b>8.6</b>
<b>1990</b>	<b>48.1</b>	<b>23.4</b>	<b>15.9</b>	<b>3.4</b>	<b>8.6</b>
<b>1995</b>	<b>48.8</b>	<b>19.7</b>	<b>16.6</b>	<b>3.8</b>	<b>9.2</b>
<b>2000</b>	<b>48.7</b>	<b>19.8</b>	<b>20.8</b>	<b>4.8</b>	<b>5.9</b>
<b>2005</b>	<b>46.6</b>	<b>21.2</b>	<b>20.2</b>	<b>4.9</b>	<b>9.8</b>

Source: Compiled by the Institute for Women's Policy Research based on Bureau of Current Population Survey data

Reproduced with permission from *Unemployment Among Single Mother Families* (2009), Institute for Women's Policy Research, IWPR C369.

## Labor force participation rates of women in 2008

- Idaho: 59 percent
- U.S.: 59 percent

# Women have lost many more jobs than in previous recessions

**Dec. '07 – April '10:**

**46 women lost their job for every 100 men that lost theirs**

**2001 recession:**

**17 women lost their job for every 100 men that lost theirs**

**1990s recession:**

**<2 women lost their job for every 100 men that lost theirs**



## Unemployment rates in Idaho and the U.S. over the course of the 2007 recession

	Start of Recession: 2007 Q4	Most recent data: 2010 Q1		Projected peak: 2010 Q4		Five years after recession start: 2012 Q4	
	2007Q4	2010Q 1	Change from 2007Q4 to 2010Q1	2010 Q4	Projected Change from 2007Q4 to 2010Q4	2012 Q4	Projected Change from 2007Q4 to 2012Q4
<b>Idaho</b>							
<b>All</b>	3.4%	9.4%	6.0%	9.5%	6.1%	6.5%	3.1%
<b>Male</b>	3.4%	10.9%	7.5%	10.5%	7.1%	7.6%	4.1%
<b>Female</b>	3.3%	7.5%	4.2%	8.2%	4.8%	5.2%	1.9%
<b>U.S. Average</b>	4.8%	9.7%	4.9%	10.3%	5.5%	6.7%	1.9%

Source: Economic Policy Institute (estimates based on BLS LAUS and CPS data, as well as projections by Moody's Economy)

**Between Oct. '09 and March '10, men gained 260,000 jobs while women lost 22,000.**

Mothers' **labor force participation** has increased during the Great Recession:

71.0% to 71.4%

Share of mothers **working full time** has decreased:

51.3% to 48.3%

Share of mothers **working part time** has increased:

16.3% to 17.2%

Share of mothers **searching for work** has increased:

3.3% to 5.9%

# Single mothers experience more unemployment than married parents

<b>Monthly Unemployment Rates by Marital Status</b>				
	<b>Married Men</b>	<b>Married Women</b>	<b>Single Mothers</b>	<b>All Workers</b>
Jan-08	<b>3.4</b>	<b>3.2</b>	<b>7.0</b>	<b>5.4</b>
Mar-08	<b>3.3</b>	<b>3.1</b>	<b>7.1</b>	<b>5.2</b>
May-08	<b>2.7</b>	<b>2.8</b>	<b>6.9</b>	<b>5.2</b>
Jul-08	<b>3.0</b>	<b>3.9</b>	<b>8.5</b>	<b>6.0</b>
Sep-08	<b>3.3</b>	<b>3.7</b>	<b>8.2</b>	<b>6.0</b>
Nov-08	<b>3.9</b>	<b>4.3</b>	<b>9.3</b>	<b>6.5</b>
Jan-09	<b>6.3</b>	<b>4.9</b>	<b>10.3</b>	<b>8.5</b>
Mar-09	<b>6.9</b>	<b>5.2</b>	<b>10.8</b>	<b>9.0</b>
May-09	<b>6.5</b>	<b>5.1</b>	<b>11.0</b>	<b>9.1</b>
Jul-09	<b>6.5</b>	<b>6.2</b>	<b>12.6</b>	<b>9.7</b>
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Nov-09	<b>6.9</b>	<b>5.6</b>	<b>11.4</b>	<b>9.4</b>
Jan-10	<b>8.1</b>	<b>6.0</b>	<b>12.3</b>	<b>10.6</b>
Mar-10	<b>7.7</b>	<b>5.9</b>	<b>11.3</b>	<b>10.2</b>
May-10	<b>6.3</b>	<b>5.7</b>	<b>11.6</b>	<b>9.3</b>

Rates of **long-term unemployment** are very high

- **45.5% of unemployed workers as of June 2010**
- **20,000 Idahoans**

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# Idaho's job losses have been severe

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Source: Economic Policy Institute

Wage **reductions** have also been widespread

- FY 2009: Idaho payrolls fell by \$1.5 billion (15%), composed of
- 75% job elimination, 25% wage reductions

Real per capita personal income **fell** 6% between Jan. '08 and Jan. '10

# Women continue to earn less than men...

**Women's and Men's Average Wages in Idaho and the U.S. by Level of Education**

	North Central Idaho			United States		
	Female	Male	Female/Male	Female	Male	Female/Male
<b>TOTAL</b>	<b>\$21,789</b>	<b>\$34,034</b>	<b>64%</b>	<b>\$28,104</b>	<b>\$41,298</b>	<b>68%</b>
No High School Diploma	\$9,067	\$18,111	50%	\$14,682	\$23,638	62%
High School Graduate or GED	\$17,757	\$30,495	58%	\$21,711	\$33,506	65%
Some College & Associate Degree	\$21,043	\$35,739	59%	\$27,663	\$41,861	66%
Bachelor's Degree	\$27,536	\$36,174	76%	\$39,571	\$59,079	67%
Graduate or Professional Degree	\$44,188	\$52,676	84%	\$52,301	\$79,276	66%

Source: adapted from Idaho Department of Labor, *Idaho Employment Newsletter*, February 2010; based on American Community Survey data from the U.S. Census Bureau



## A few **bright spots** in the Idaho economy

- health care, education, government sectors have shown modest job growth
- ARRA has created or saved 13,000 jobs

# ARRA funds have had an impact...

## 1. Creating and saving jobs

### Most effective ARRA provisions:

- Direct purchases of goods & services by federal government
- Transfer payments to states (Medicaid, education)
- Transfer payments to individuals (food stamps, Unemployment Insurance)

**ARRA funds have had an impact...**

**2. Relieving economic stress**

- Nationwide, 6.2 million people kept from falling into poverty**
- Reduced severity of poverty for another 33 million people**

# Although some ARRA provisions have been more effective than others...

**Table 7. Distribution of ARRA Tax Relief and Income Support across the Family Income Distribution**

Income quintile <sup>a</sup> (income range)	(income Income	Making Work Pay	Unemployment Insurance	Nutrition Assistance	Payments to Seniors	Total for these programs
	Percent of total income <sup>b</sup>	Percent of ARRA budget impact in category through Dec. 31, 2009 <sup>b</sup>				
1 (\$0-\$12,000)	<b>1.7</b>	<b>6.5</b>	<b>11.9</b>	<b>56.4</b>	<b>19.4</b>	<b>12.7</b>
2 (\$12,000-\$25,000)	<b>6.2</b>	<b>15.7</b>	<b>18.2</b>	<b>29.9</b>	<b>27.8</b>	<b>18.7</b>
3 (\$25,000-\$43,000)	<b>11.1</b>	<b>21.2</b>	<b>24.2</b>	<b>10.6</b>	<b>22.5</b>	<b>21.8</b>
4 (\$43,000-\$78,000)	<b>22.2</b>	<b>29.6</b>	<b>25.5</b>	<b>2.7</b>	<b>17.1</b>	<b>25.2</b>
5 (>\$78,000)	<b>58.6</b>	<b>27.1</b>	<b>20.2</b>	<b>0.4</b>	<b>13.2</b>	<b>21.5</b>

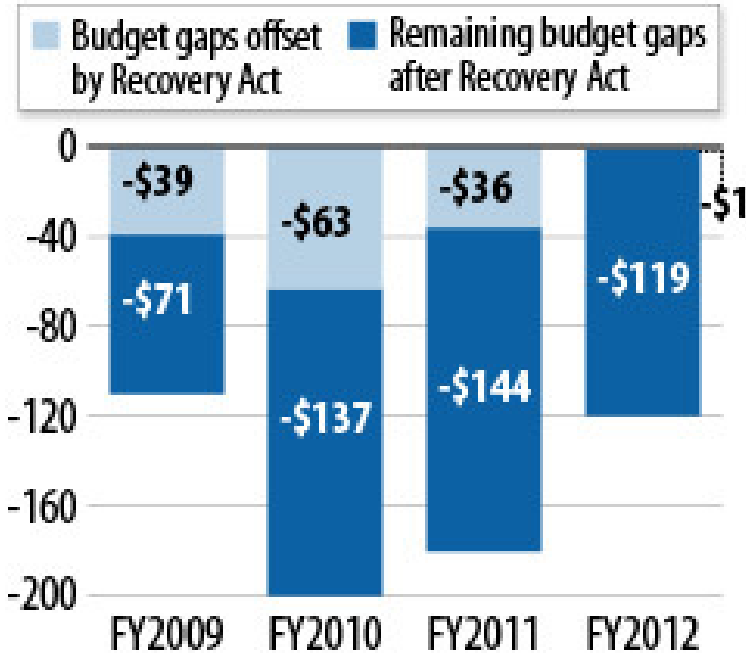
Source: Council of Economic Advisers (April 2010), "The Economic Impact of the American Recovery and Reinvestment Act of 2009: Third Quarterly Report" at <http://www.whitehouse.gov/sites/default/files/microsites/CEA-3rd-arr-report.pdf>.

Notes: a. Income quintiles are based on family units, defined as a person and his or her spouse (if present). By design, 20% of famil units fall in each quintile. b. Items may not add to 100 due to rounding.

# ARRA is ending as the states' fiscal crisis continues

## Recovery Act's Aid to States Running Out, But Large Deficits Remain

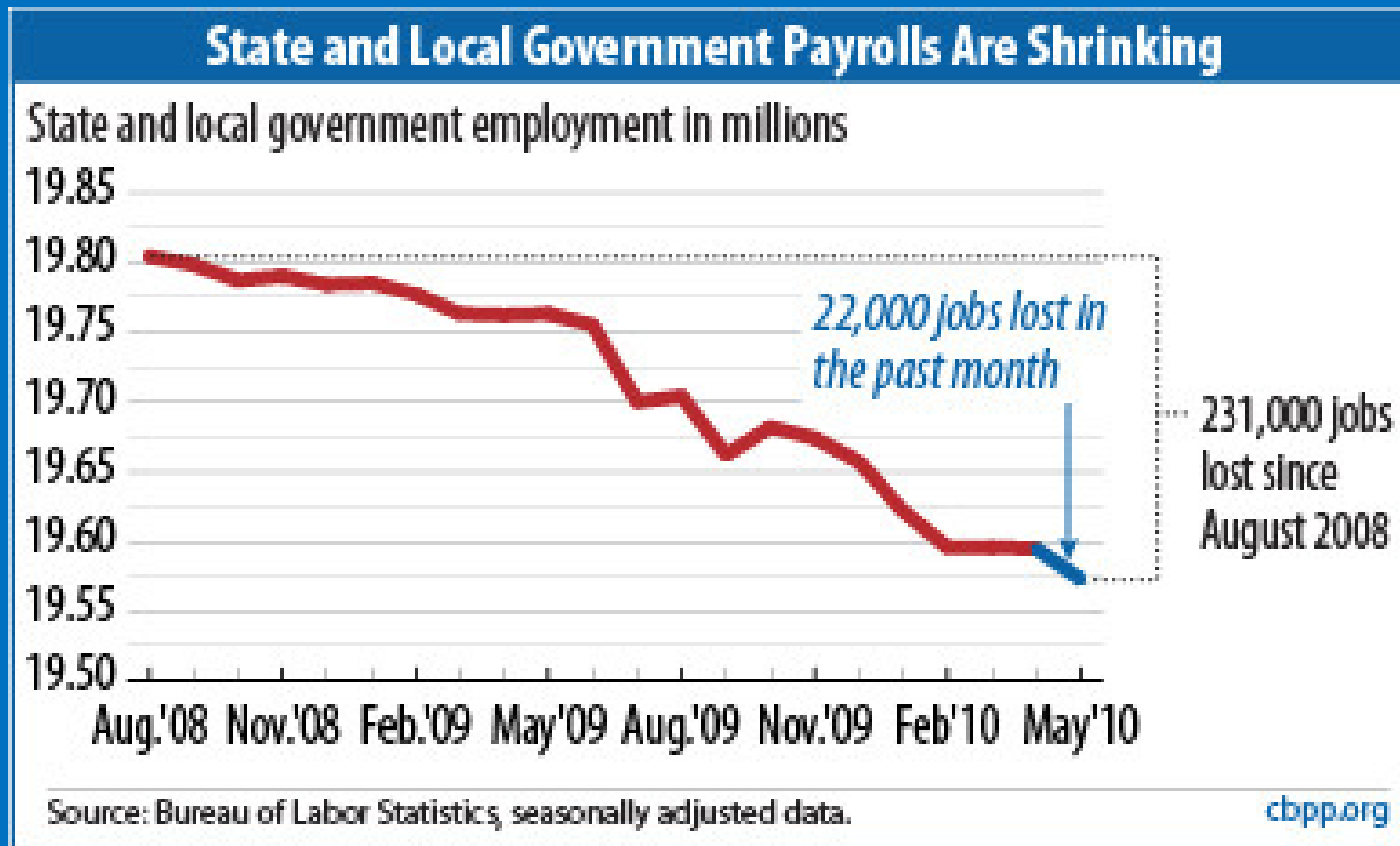
Budget shortfalls in billions



Source: CBPP analysis using data from U.S. Department of Health and Human Services, state budget documents.

[cbpp.org](http://cbpp.org)

# Leading to layoffs by state and local governments



**We are not out of the woods yet...**

**Recommendations**

- 1. Learn from the ARRA experiment**
- 2. Support extensions by the federal government effective provisions**
- 3. Explore revenue options for Idaho**
- 4. Support reforms that make programs better serve working mothers**

**Thank you!**





