

# Idaho's Working Mothers and the Great Recession

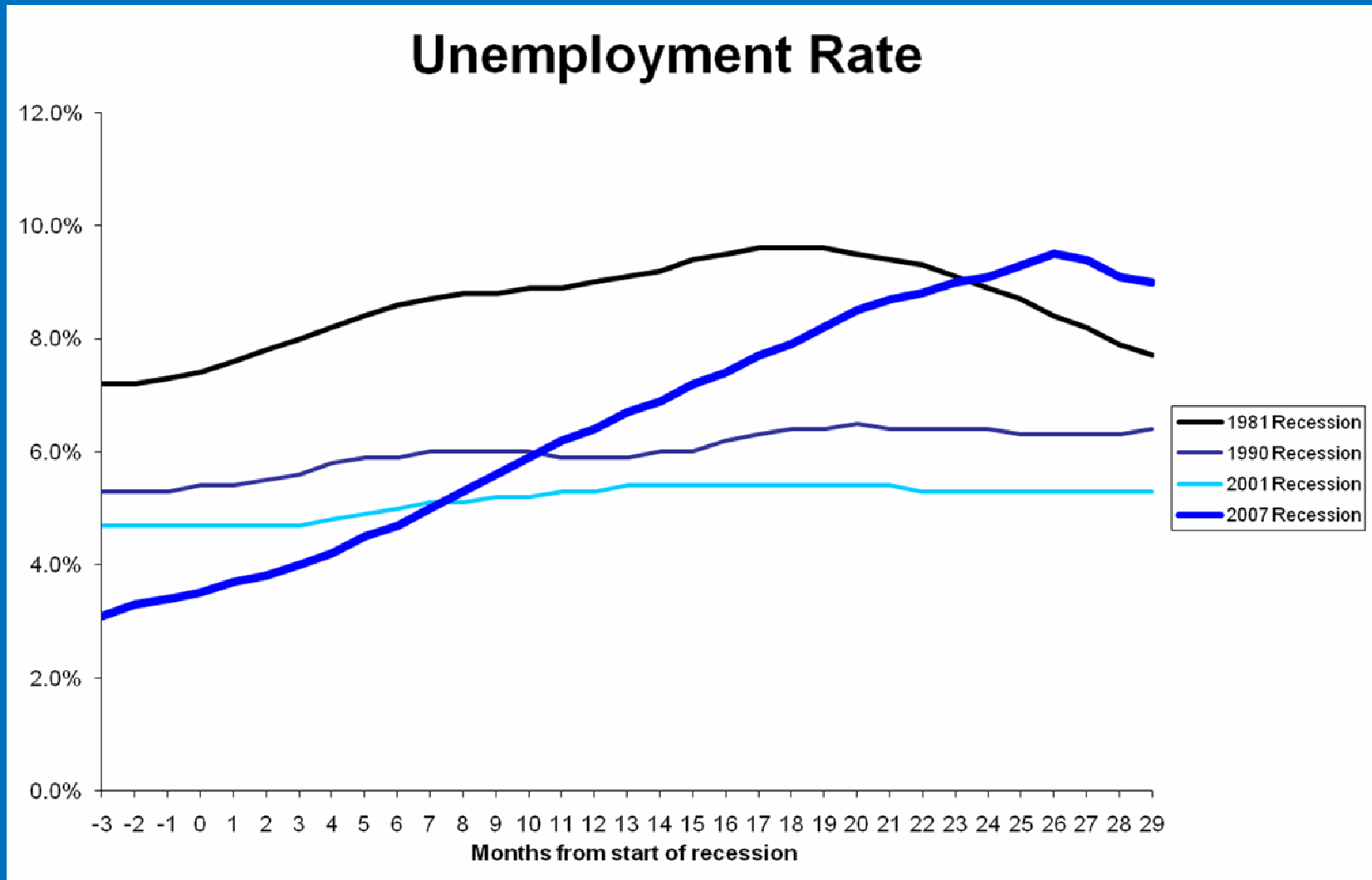
by Judith Brown  
July 2010

A presentation for Idaho KIDS COUNT

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

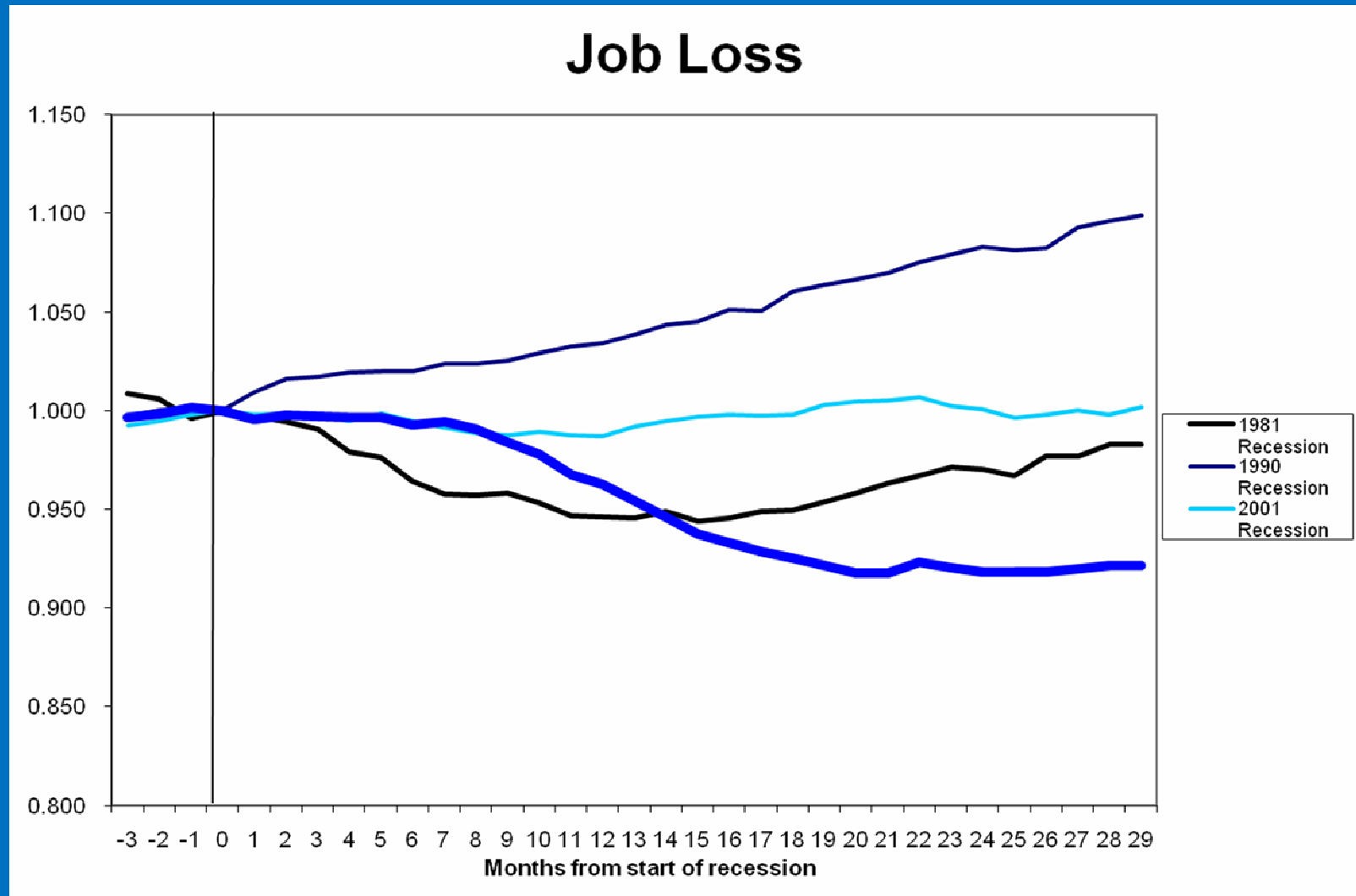
- **women are responsible for a larger share of family income**
- **women have lost a large number of jobs**
- **job losses by men and women follow different paths**

# 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)**

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

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>

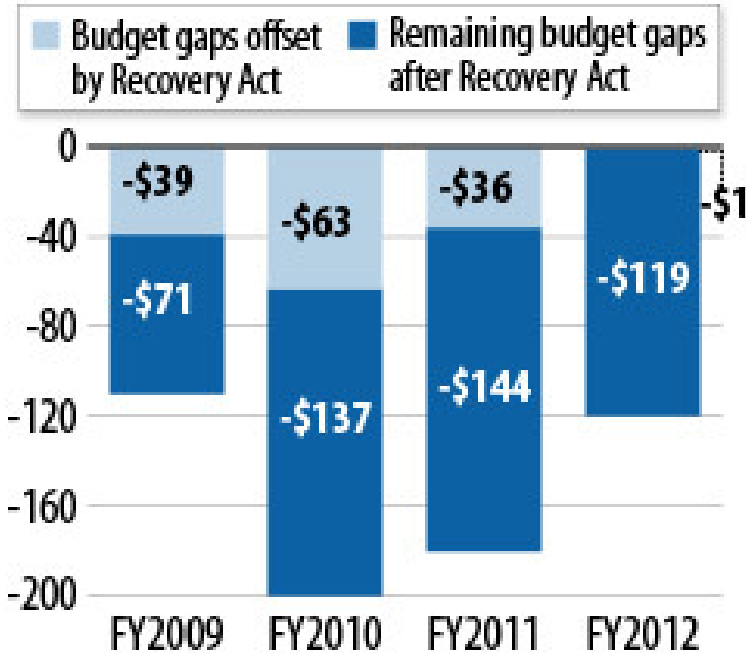
Source: Council of Economic Advisers (April 2010), "The Economic Impact of the American Recovery and Reinvestment Act of 2009: Third Quarterly Report" at <http://www.whitehouse.gov/sites/default/files/microsites/CEA-3rd-arr-report.pdf>.

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

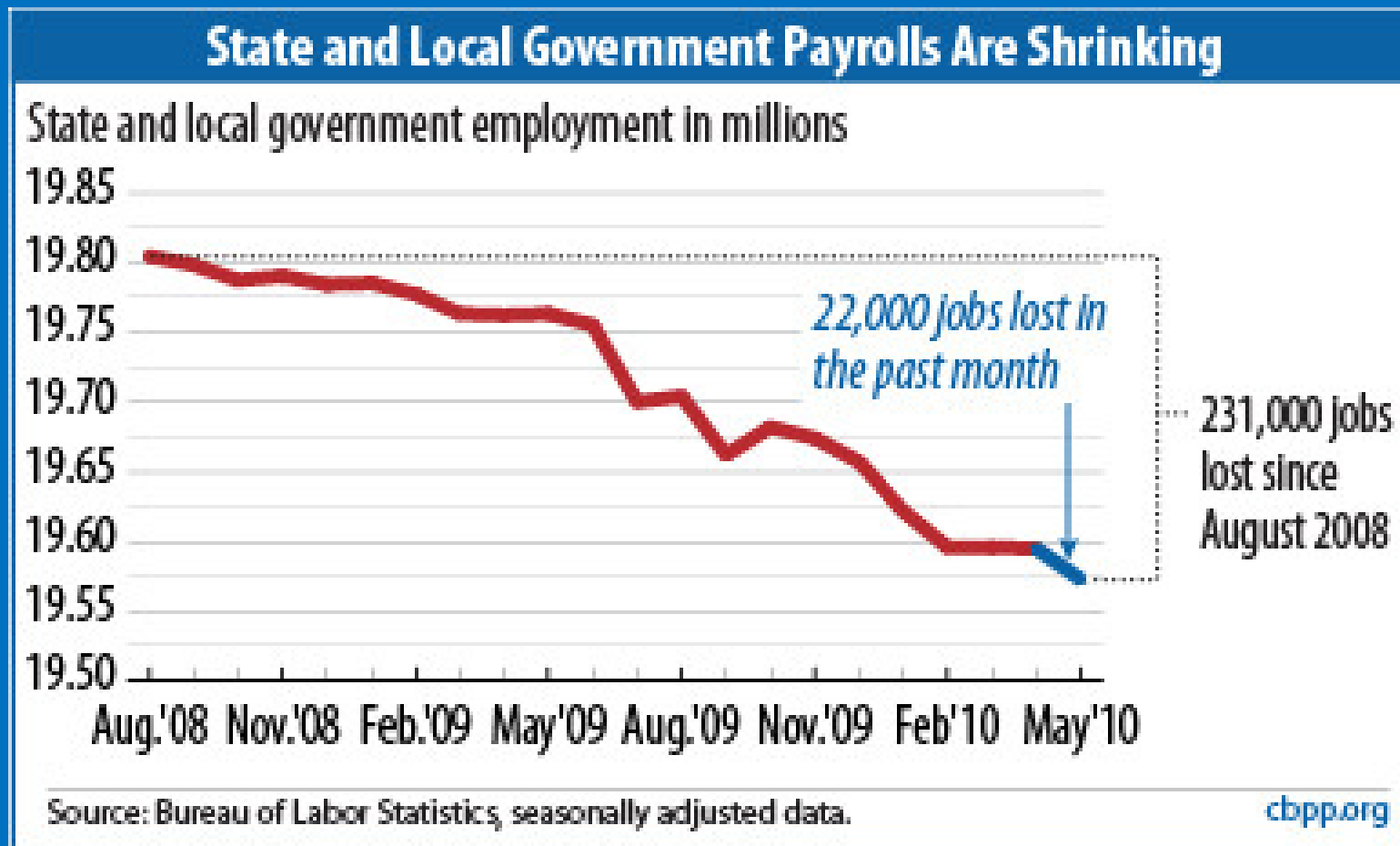
Budget shortfalls in billions



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!**



