

Report to the Board of Supervisors on
The Economic Impact of COVID-19 on Women in Fairfax County
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DRAFT FOR COMMISSION CONSIDERATION

Introduction

The COVID-19 pandemic has disproportionately affected women in many ways ranging from setbacks in the workforce, reduced economic opportunities, increased rates of domestic violence and gender-based violence, femicide, and decreased access to reproductive health care. As we attempt to live-with COVID-19, we must both understand and address the pre-existing disparities that have widened for women and girls. The National Women's Law Center (NWLC) reports that prior to the pandemic women made up two-thirds of the low-wage workforce, two-thirds of the people making minimum wage, and 70% of the people in a tipped-wage job.¹ Fifty-four (54%) percent of those women were either living in poverty or near poverty (200% or less above the federal poverty line).²

According to the McKinsey Global Institute, women's jobs are 1.8 times more vulnerable to this crisis than men's jobs.³

- Women account for 53.5% of the net job loss since the start of the pandemic.
- By November 2020, women held 2.3 million fewer jobs than they did in February 2020.
- By January 2021, women's participation in the labor force dipped to 56% -- a historic low not seen since the late 1980s.

Statistics are significantly worse for women of color. Over 60% of Black, Latina, and Native American mothers live in or near poverty; Black & Latina women's unemployment rates were 1.6 times higher than white men's during the pandemic; and in January 2021, 20% of Black and Latina women reported that they sometimes or often did not have enough to eat in the past seven days.⁴

As of April 2021, 1.5 million mothers still had not returned to the workforce for a variety of reasons. According to a study done by the Institute for Women's Policy Research (IWPR),

¹ "A Year of Strength & Loss - the Pandemic, the Economy, and the Value of Women's Work." *National Women's Law Center*, National Women's Law Center, https://nwlc.org/wp-content/uploads/2021/03/Final_NWLC_Press_CovidStats.pdf.

² Kneebone, Elizabeth, and Alan Berube. "Suburban Poverty, By the Numbers." *Confronting Suburban Poverty in America*, Brookings Institution Pr, Washington, DC, 2014, pp. 18–19.

³ "Women in the Workplace 2021." *McKinsey & Company*, McKinsey & Company, 2021, <https://womenintheworkplace.com/#:~:text=Women%20in%20the%20Workplace%20is,well%2Dbeing%20and%20advancing%20DEI>

⁴ "A Year of Strength & Loss - the Pandemic, the Economy, and the Value of Women's Work." *National Women's Law Center*, National Women's Law Center, https://nwlc.org/wp-content/uploads/2021/03/Final_NWLC_Press_CovidStats.pdf.

women who did not have access to benefits such as paid-time-off, sick leave, health insurance, and flexible work experienced significant strain as they attempted to both work and care for their families (e.g., children and relatives).⁵

When considering whether to reenter the workforce 9 out of 10 women ranked good pay as important, but 53% of mothers felt pessimistic about achieving pay equity, citing that their employers see them as less committed. This is often referred to as the motherhood penalty. Employers are less likely to hire women with children – even women who never left the workforce - pay lower salaries and promote less often. Again, as mentioned above, the majority of family caregivers are women, who can negatively impact both a women’s advancement and equality in the workplace and her desire to take on more demanding work due to burnout and stress.⁶

The aforementioned factors have contributed to women not rejoining the workforce and to the slower pace of recovery in certain industries.

Topline Research

At the end of 2021, the Commission for Women partnered with Chmura Economics to provide data on how COVID-19 has affected Women in the Workforce of Fairfax County. The findings follow:

Fairfax County Women lost more jobs than Fairfax County Men

12% of women in Fairfax County lost their jobs at the start of the pandemic, compared to 9% of men. Of the 36,939 jobs women lost, a significant portion were in industries that experienced larger across the board losses such as arts & entertainment, hospitality & food service, and retail. Losses were also high in female dominated industries such as personal care workers, tour guides, animal care workers, and communications equipment workers.⁷

Fairfax County Women have been slower to recover from job loss

Even though both women and men experienced the same amount of job loss in the Arts & Entertainment Industry, men have regained employment much more quickly. By mid-2021, men had regained 75% of the jobs that had been lost in the industry, while women had only recovered 54% – a 20% differential. The statistics are even worse in the retail industry, with 76% of jobs men lost recovered compared to only 48% of those by women – a nearly 30% difference.⁸

Fairfax County Women lagged both women nationally and Fairfax County men

⁵ Mason, C. Nicole, and Jeff Hayes. “The Pandemic Effect.” *Institute for Women's Policy Research*, Institute for Women's Policy Research, Mar. 2022, https://iwpr.org/wp-content/uploads/2022/03/The-Pandemic-Effect_Survey-Brief_FINAL.pdf.

⁶ Ibid.

⁷ "COVID Impact on Female Employment in Fairfax County". *Chmura Economics*. December 2021.

⁸ Ibid.

By mid-2021, 62% of women nationally had recovered their jobs. In Fairfax County only 58% of women had recovered their jobs, compared to 72% of men.⁹

Fairfax County Women continue to experience job loss

Women in traditionally female-dominated industries, as well as food service and retail, lost more jobs at the start of the pandemic and struggle to make gains. Research shows that through mid-2021, those industries continue to lose jobs, indicating an overall industry shrinkage.¹⁰

More research is needed to identify the greatest area of need

Preliminary research suggests that COVID-19 has disproportionately affected women who are non-white and/or less educated. More research is needed to verify the disparities and identify the greatest area of need.¹¹

Analysis

During the COVID-19 Pandemic, women suffered great economic loss in Fairfax County and have failed to recover and make economic gains on par with men in the county and women nationally. According to the McKinsey Global Institute (MGI), “in a gender-regressive scenario in which no action is taken to counter the effects (experienced by women during COVID-19), global GDP growth could be \$1 trillion lower in 2030 than it would be if women’s unemployment simply tracked that of men in each sector. Conversely, acting now to advance gender equality could be valuable, adding \$13 trillion to global GDP in 2030 compared with the gender-regressive scenario. A middle path—taking action only after the crisis has subsided rather than now—would reduce the potential opportunity by more than \$5 trillion. The cost of that delay amounts to three-fourths of the total global GDP we could potentially lose to COVID-19 this year.¹²” Both in Fairfax County and nationally, women are struggling with reentering the workforce. Good pay, health insurance, and flexibility are critical considerations; those particular benefits are often not offered in service and hospitality industries.

Based on our research, COVID-19 has primarily affected women in female-dominated industries as well as the retail trade, hospitality & food service, and arts, entertainment, & recreation industries. While women in some industries have recovered similarly to men, women in the retail trade and arts, entertainment, & recreation industries are seeing double-digit differences between men and women in job recovery. Traditionally female dominated industries continue to shrink and lose jobs¹³.

Compounding the aforementioned disparities is the threat of inflation and potential recession.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² “Women in the Workplace 2021.” *McKinsey & Company*, McKinsey & Company, 2021,

<https://womenintheworkplace.com/#:~:text=Women%20in%20the%20Workplace%20is,well%2Dbeing%20and%20advancing%20DEI>

¹³ “COVID Impact on Female Employment in Fairfax County”. *Chmura Economics*. December 2021.

Although Fairfax County is typically regarded as being “recession proof,” we can’t predict how the pandemic and the slow economic recovery amongst women will play out during a recession. COVID-19 has disproportionately affected women at the lower end of the economic scale, less educated women, and non-white women. It is likely more prominent in concentrated geographies across the county. A recession would further exacerbate these inequalities.

Conclusion & Recommendations

Poverty and inequality look extremely different in a suburb, especially one as affluent as Fairfax County; they are hidden and concealed, but still prevalent. This scope of our report is limited by the time in which it took place and the research we have been able to find. As the COVID-19 crisis shifts and changes, so does the economy and women’s position in it. Additional investment and research are needed to avert a burgeoning economic crisis and to identify the source, the solutions and where to most effectively deploy resources.

In alignment with the County’s Strategic Plan, the following are our recommendations:

- Fund a statistically significant survey of Women and Girls in Fairfax County to understand their experience during COVID-19 and their exposure to pay inequality in order to identify the primary disparities and to prepare for future risks.
- Fully fund a robust public transportation system, increasing broadband access, and prioritizing safe and walkable communities.
- Fully fund universal pre-K, increase support for public education, paid family medical leave, and access to affordable childcare options.
- Raise the minimum wage.
- Increase the number of affordable housing units and develop safeguards to maintain affordability.
 - While the county has been hard at work expanding the number of affordable housing units, the Board needs to develop a mechanism to ensure that these units stay affordable, maintained, and advertised.

Sources:

Kneebone, Elizabeth, and Alan Berube. “Suburban Poverty, By the Numbers.” *Confronting Suburban Poverty in America*, Brookings Institution Pr, Washington, DC, 2014, pp. 18–19.

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