Elusive Equity

Continuing Effects of the Pandemic on Women's Economic Security

AURORA Women and Girls Foundation

CT data collaborative

The Community Fund for Women & Girls

Elusive Equity: Continuing Effects of the Pandemic on Women's Economic Security

In February 2021, the Connecticut Data Collaborative, funded by Aurora Foundation and partners across the state, issued a report, Essential Equity: Women, Covid-19 and Rebuilding CT, examining the impact of Covid-19 on women and girls. This report, The Economic Status of Women post-Pandemic, is an update and extension of that report.

"Essential Equity" highlighted how Covid-19 exacerbated existing inequities and disproportionately impacted women of color in terms of economic security, childcare, housing, mental health, infection and death rates from Covid-19, and safety. As we noted, these unequal outcomes were the result of centuries of systemic racism, which resulted in communities of color continuing to be under resourced. At the same time, women and women of color are vital drivers of Connecticut's economy, and we called on decision makers across the state to prioritize gender and racial equity in Covid-19 relief and recovery efforts and to develop a state infrastructure that supports a productive modern workforce that recognizes the valuable contribution of women.

Two years later, this report looks back and forward to ask how women and particularly women of color are navigating the post-pandemic economic landscape. Do women have the education and training they need to secure jobs that pay a family sustaining wage? Do women have access to affordable high-quality childcare? Are women still concentrated in industries that are considered "essential," but that are characterized by low wages, job insecurity, and risks to their health and safety? How have rising costs for basic needs such housing impacted women and their families?

What we found is that many of the gaps and inequities that existed pre-Covid still persist. For example, housing instability disproportionately impacts female households and poverty rates remain high. Women and women of color continue to contribute to our state's economy and continue to seek educational and entrepreneurial opportunities to better their economic prospects, yet many of the support systems that would enable greater participation, such as childcare, have not evolved. Key findings of this report include:

- 11% of women in Connecticut live in poverty, remaining steady for over the past decade. Women in towns such as Bridgeport, New Haven, Hartford, and Waterbury experience poverty rates of over 20%.

- Between 2020 and 2022, rents for some towns have risen 16-30%. Evictions have passed pre-pandemic levels, and from 2019 through 2022, nearly 50,000 eviction filings were estimated to be against female householders.
- The total number of spaces in child daycare centers across the state decreased 8%, from 4,387 in 2019 to 4,052 in 2022.
- Nationally, women increased their enrollment in higher education by 0.9% from 2019 to 2021.
- From 2020 through 2023, 22% of new businesses in Connecticut were woman-owned.

Throughout this report, we use the term "woman" to refer to individuals who identify as a woman and were assigned female at birth (cisgender women). We acknowledge that gender is a complex and multifaceted aspect of human identity and that not everyone fits into the binary definition. However, due to data limitations and collection methods, this report primarily focuses on cisgender women, and we cannot make specific conclusions about the experiences of transgender women. It is important to note that the term "woman" in this data story encompasses both the terms "woman" and "female" because of inconsistent terminology in surveys and datasets. We recognize the importance of inclusive language and aim to be as respectful and inclusive as possible in our discussions.

Poverty, Earnings, and Wage Gaps

Poverty for women in Connecticut persists post-pandemic. Although several programs were implemented during Covid that provided temporary relief, 11% of women are living in poverty. This rate has remained the same for the past decade (between 11-12%). In towns such as Bridgeport, New Haven, Hartford, and Waterbury, the poverty rate for women doubles to over 20%. Poverty rates also vary across age groups: for girls under 18, the poverty rate is 13% statewide, but is 39% in Bridgeport and 37% in Waterbury. Further, when we look at women aged 65 and over in Hartford, 28% are experiencing poverty.

Wage gaps that women – particularly women of color – experience limit women's earning potential and drive inequality. Median earnings for women in Connecticut who worked full-time in 2021 were $60,672, compared to $73,022 for men. This represents a 9% increase in women's earnings from 2019 to 2021 (not inflation-adjusted), compared to a 10% increase for men. Analysis of the Quarterly Workforce Indicators (QWI) data which covers the earnings of all workers (both full-time and part-time) reveals that women earned only 62% of men's earnings in 2021, representing an average income difference of $38k. These differences persist even when comparing earnings within a given sector. For example, the most significant difference in income shows up in the Finance & Insurance industry — a major industry in Connecticut. Women earn only 43% of men's earnings. This represents a $156k disparity in earnings for the Finance & Insurance industry. An analysis of median earnings by industry and gender shows the wage gap is persistent across industries.

Average Annual Salary by Industry and Gender

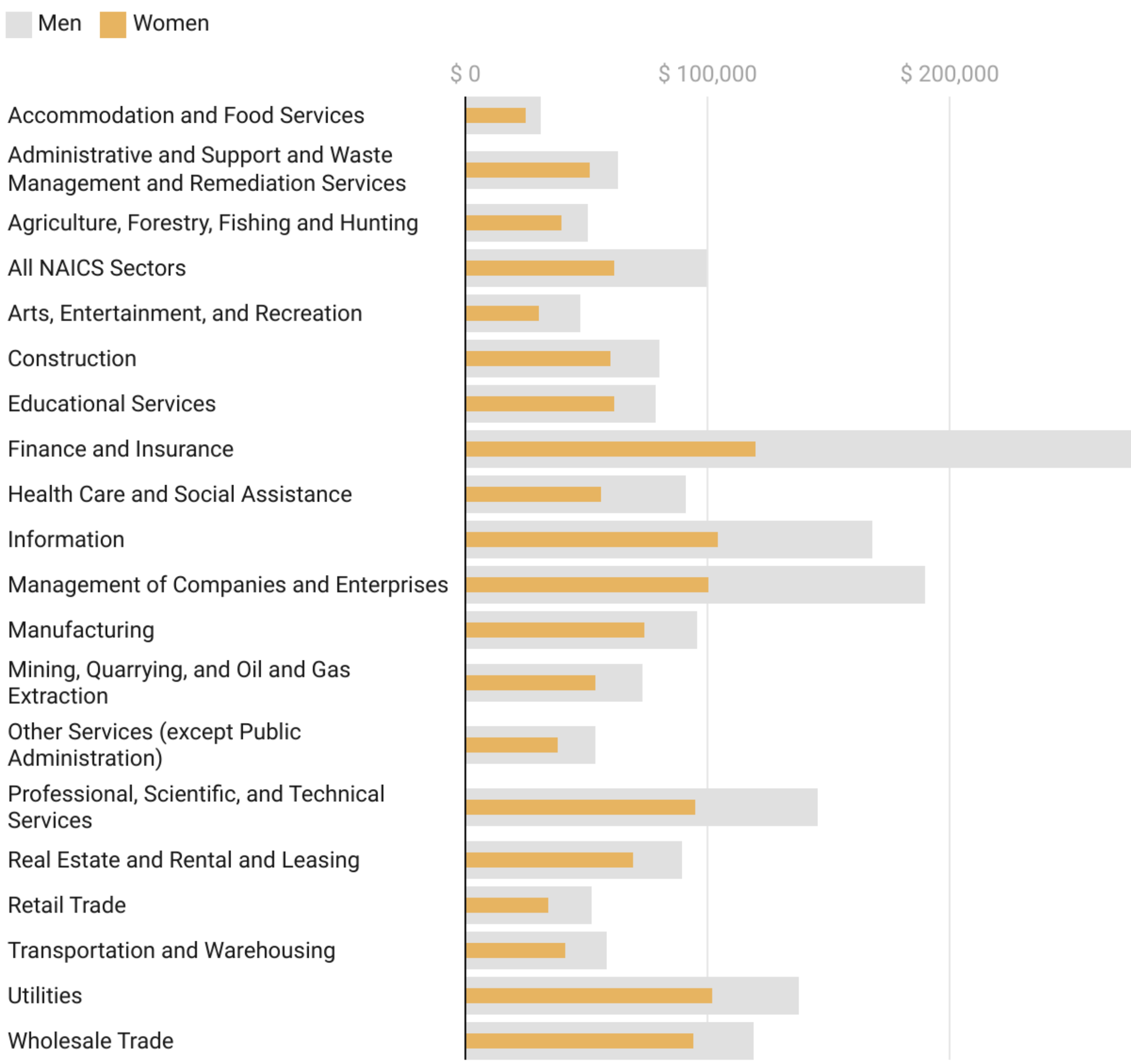


Chart: CTData Collaborative • Source: U.S. Census Bureau, LEHD Quarterly Workforce Indicators • Created with Datawrapper

The wage gap is even wider when comparing the salary of white men to women of color. According to national data from the Economic Policy Institute, the median hourly wage for white men was $27.11 in 2022, compared to $22.47 for white women,

$19.00 for Black women, and $17.54 for Hispanic women-65% of white men's average. Although these figures include both full and part-time workers nationally, it does show that only about slightly more than half of Hispanic and Black women are making more than Connecticut's minimum wage ($15 per hour).

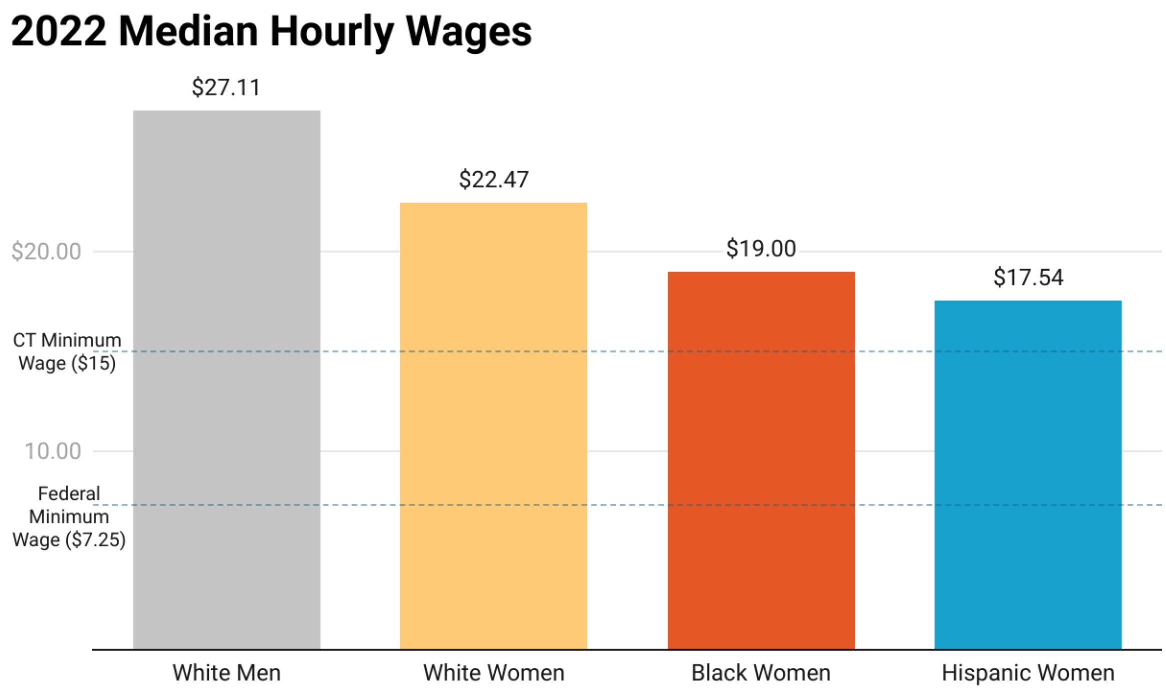


Chart: CTData Collaborative • Source: Economic Policy Institute's State of Working America Data Library, 2022 • Created with Datawrapper

Women Are More Likely to Work in Industries with Higher Risk During Covid-19 and Less Likely to Work Remotely

Women not only earn less, but they also work in jobs with higher risk of Covid-19 exposure. Industries that required workers to be in-person are comprised of more women than men. The majority of women are concentrated in the Educational Services, Health Care, and Social Assistance sector - it is comprised of 73% women and 27% men. In fact, when we look at the total labor force this sector employs over 40% of women who are actively working, compared to only 14% of men. This trend is observed across all industries within this particular sector.

Employees in Each Sector by Gender

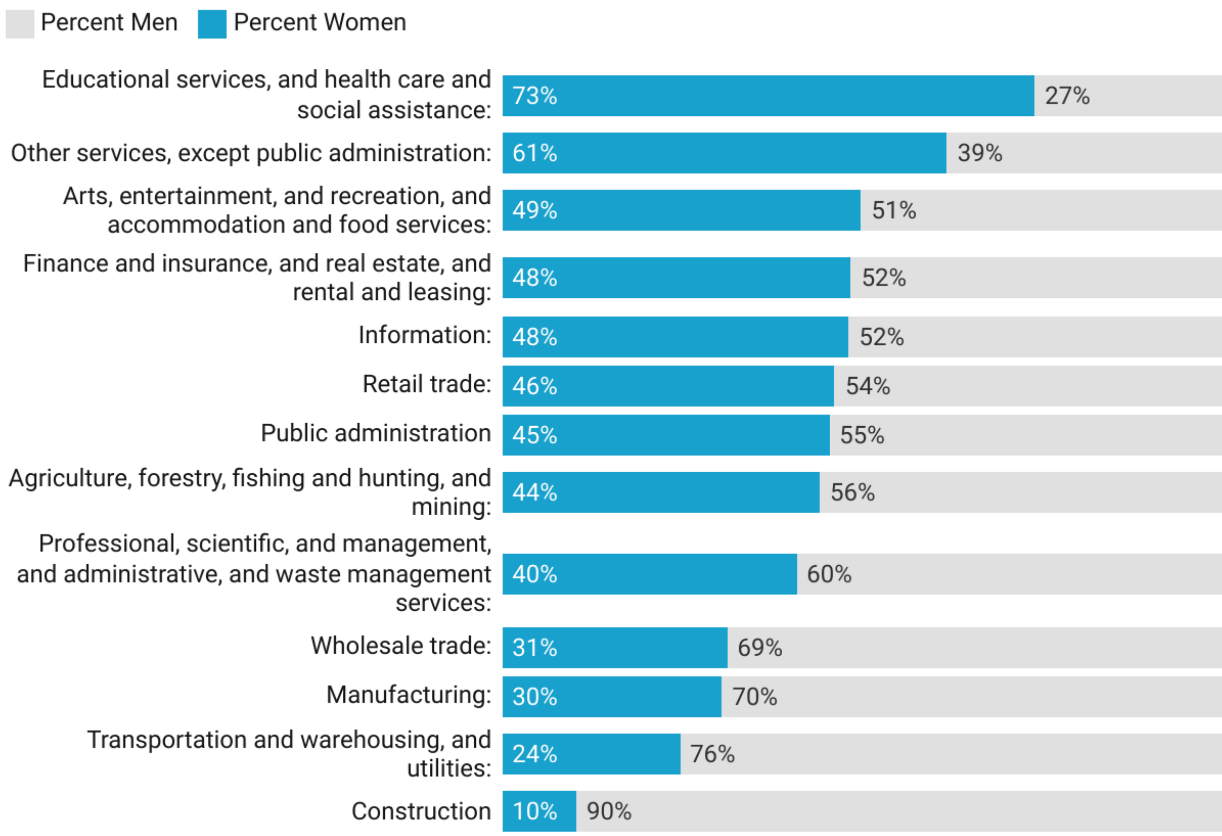
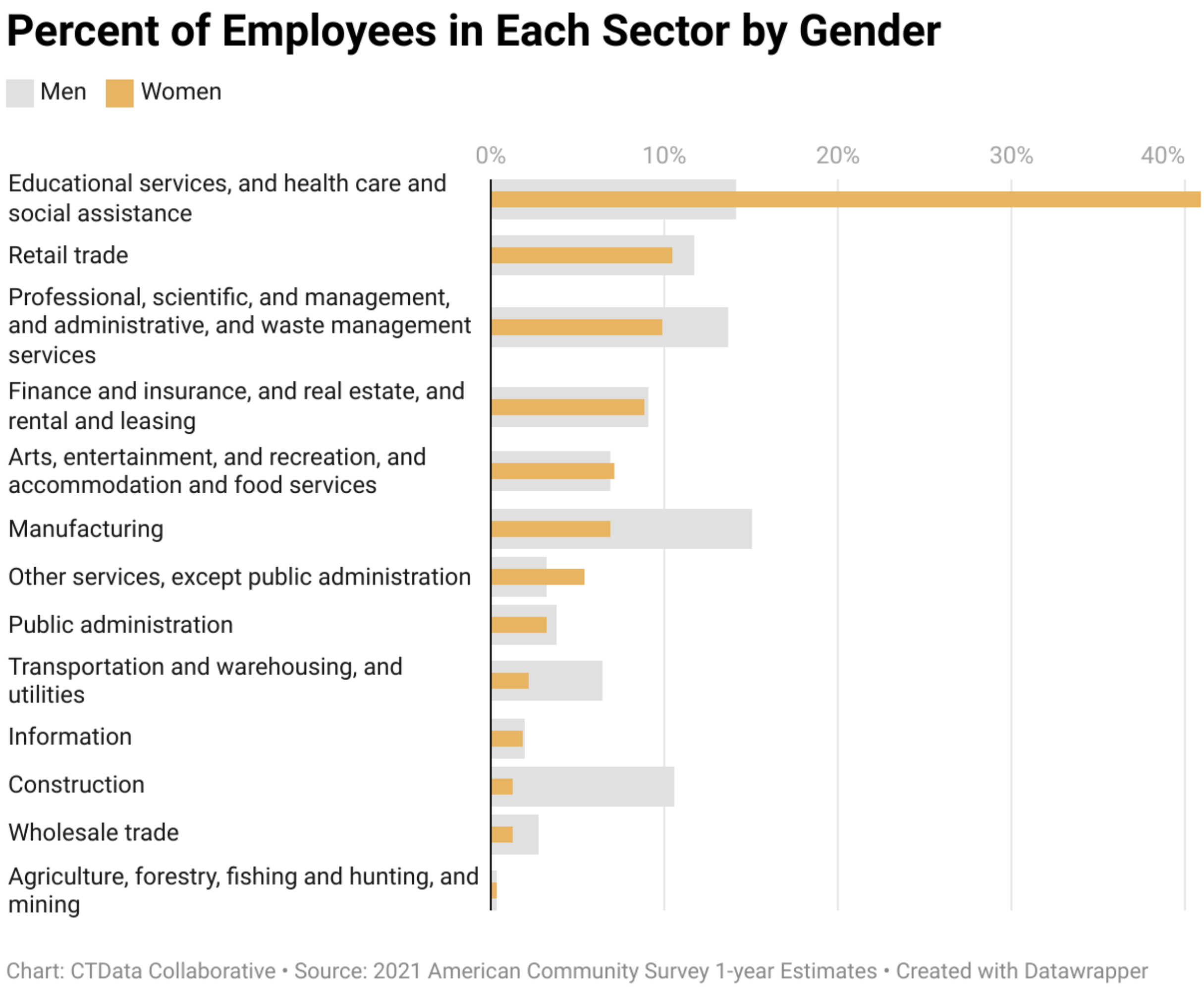


Chart: CTData Collaborative • Source: 2021 American Community Survey 1-year Estimates • Created with Datawrapper

When considering industries and sectors which pose a high risk of Covid-19 exposure, including, but not limited to Retail Trade, Educational Services, Health Care, Social Assistance, and Accommodation & Food Services, women are much more likely than men to work in sectors that were most risky during the pandemic. A notable disparity is observed in Health Care and Social Assistance, with one in four (25%) women employed in these sectors compared to just 7% of men. Similarly, 15% of women work in Educational Services, compared to only 7% of men. In fact, women comprise over 70% of employees in the Educational Services, Health Care, and Social Assistance sectors.



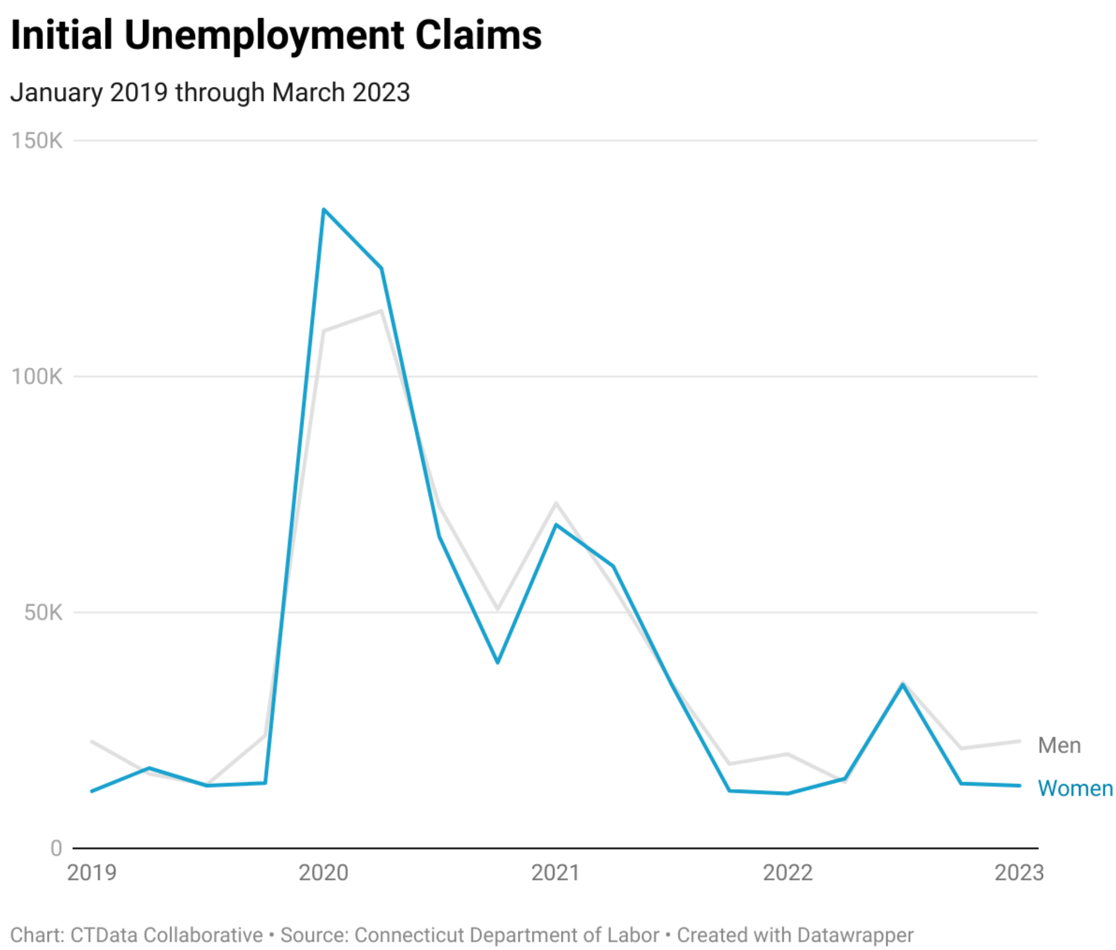
Being concentrated in workplaces that require in-person work means that women have less opportunity to telework, a circumstance that increases their vulnerability to contracting Covid-19. While the government has declared the health emergency of the pandemic at an end, access to telework could be a significant factor in any future pandemics.

When residents were surveyed during the pandemic about their ability to telework, a higher proportion of men (46%) than women (36%) reported teleworking or working from home at least one day during the week. The disparity is particularly noticeable among individuals who worked remotely for 5 or more days, with 18% of men reporting doing so, compared to only 12% of women. These findings indicate that women may have fewer chances to work remotely, a significant disadvantage during a pandemic.

Unemployment and Caregiving Impact Women’s Participation in the Labor Force

During the first six months of 2020, the beginning of the pandemic, women filed 54% of initial unemployment claims. Numerous studies and publications by organizations such as The U.S. Census Bureau, The Center for American Progress, and The New York Times suggest that the scarcity of childcare programs during and after the peak of Covid-19 forced many women to leave their jobs or reduce their working hours to take on childcare responsibilities as the capacity and availability of childcare programs became even more sparse.

Most recently, unemployment claims are returning to near pre-pandemic levels, and women make up almost half (48%) of the state’s labor force. Increasing opportunities for their participation should be a top priority.



High Rents and Evictions Mean Reveal Housing Instability Persists for Women

One of the drivers of the higher poverty rate among women is the cost of housing. When looking at overall median rent data from the 2021 ACS, women spend over 25% of their earnings on rent. Even though income increased between 2019 and 2021, so did rent. The data reveal that 25% is spent on rent even with the rise in income.

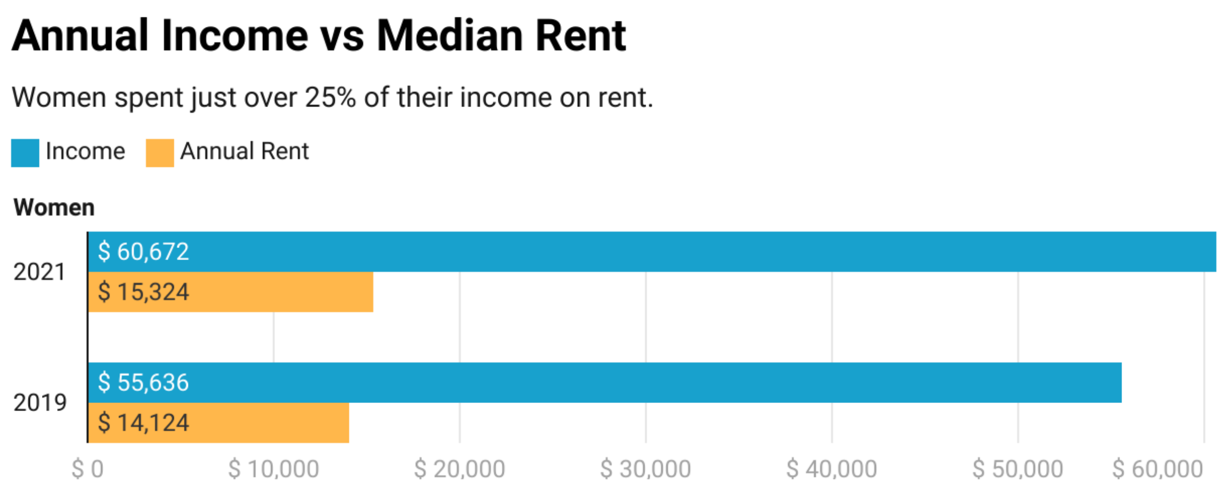


Chart: CTData Collaborative • Source: 2021 American Community Survey 1-year estimates, Tables DP03 and DP04 • Created with Datawrapper

Since 2020, average rents in towns across Connecticut have been rising. According to data from Zillow.com, rents in the 14 towns for which data was available increased 16-30% between 2020 and 2022. Fairfield (30%), Waterbury (29%), New London (27%), and Milford (26%) each experienced an increase of more than 25%. According to the 2021 ACS 1-year estimates, median rent in Connecticut was $1,277 per month.

Another indicator of an increasing cost of living is the increasing number of people receiving Supplemental Nutrition Assistance Program (SNAP) benefits, as reported by the Connecticut Department of Social Services. Women receiving SNAP has increased 5% since 2019, compared to an increase of 2% for men. The increase in SNAP usage suggests that there may be a lack of food security due to the increasing costs of basic needs, exacerbated by the pandemic. For example, since more money is required to pay rent, it leaves less money for food and more reliance on programs like SNAP to fill the gaps.

High cost of living and the end of pandemic eviction limitations mean that [more women are facing eviction](). Due to the state and federal eviction moratoria put in place in 2020, along with rental assistance distributed through the UniteCT program, the annual number of eviction cases was 68% lower in 2020 than the pre-pandemic average (2017-2019 averaged 19,981 filings a year). However, with the eviction moratorium ending in summer 2021, Connecticut experienced nearly 23,000 eviction filings in 2022, surpassing pre-pandemic levels. From 2019 through the end of 2022, landlords in CT filed a total of 98,177 eviction cases. Of those where CTData was able to assign sex probabilities, 49,817 principal defendants were female and 39,473 principal defendants were male.

Women are more likely to be heads of household in rental housing, which is reflected in the evictions data. In census tracts with the highest numbers of evictions between 2019 through 2022, 39% to 57% of households were headed by a female householder with no spouse/partner present, according to the 2021 ACS 5-year estimates.

In the evictions report, CTData found that evictions disproportionately affect women, particularly Black and Hispanic women. 56% of total eviction case filings were against female renters. Eviction case filings were even higher for female renters of certain race and ethnicity categories. While 51% of eviction filings for Asian, Native Hawaiian, and Pacific Islander and 53% of eviction filings for white renters were female, we see that 62% of eviction filings for Black and 59% of eviction filings for Hispanic/Latino renters were against those headed by females. Access to affordable housing impacts women's economic security and eviction filings, whether or not the eviction is ultimately filed, damage women's credit reports and makes securing other housing and also employment, extremely difficult.

Childcare: Lost Slots and High Cost Impact Women and Families

When the pandemic hit, many childcare centers abruptly suspended their operations, putting great strain on parents with young children. While most programs resumed more limited operations in the summer of 2020, some programs closed their doors permanently. Analysis from the Office of Early Childhood's (OEC) "At-a-Glance" report showed that total number spaces in child daycare centers across the state decreased 8%, from 4,387 in 2019 to 4,052 in 2022, while the number of licensed childcare facilities decreased from 3,844 to 3,292.

The 2022 CT OEC Parent Survey revealed that half of the 5,474 parents surveyed reported a reduction in work hours or stopping work altogether to take care of their children during the pandemic. 34% of these parents had not fully returned to work at the time of the survey in August through September of 2022. Furthermore, one in four parents with infants/toddlers and one in seven with preschool-aged children were unable to access their preferred type of childcare due to cost, capacity, or hours of operation.

On top of the financial stress caused by the childcare situation during the pandemic, 38% of parents reported being concerned or very concerned about their child's social progress and 34% were concerned about emotional and mental health. Non-white respondents were overall slightly more concerned about their child's health and well-being compared to white respondents. The complete report is available here.

A 2022 study from OEC and UCONN found that average annual costs per child were between $12,368 and $14,351 in 2021. Without access to reliable and affordable childcare, many mothers have been forced to reduce their work hours or leave the workforce altogether to care for their children. This can have long-term negative effects on their career trajectories and economic independence, as well as on family income and financial stability.

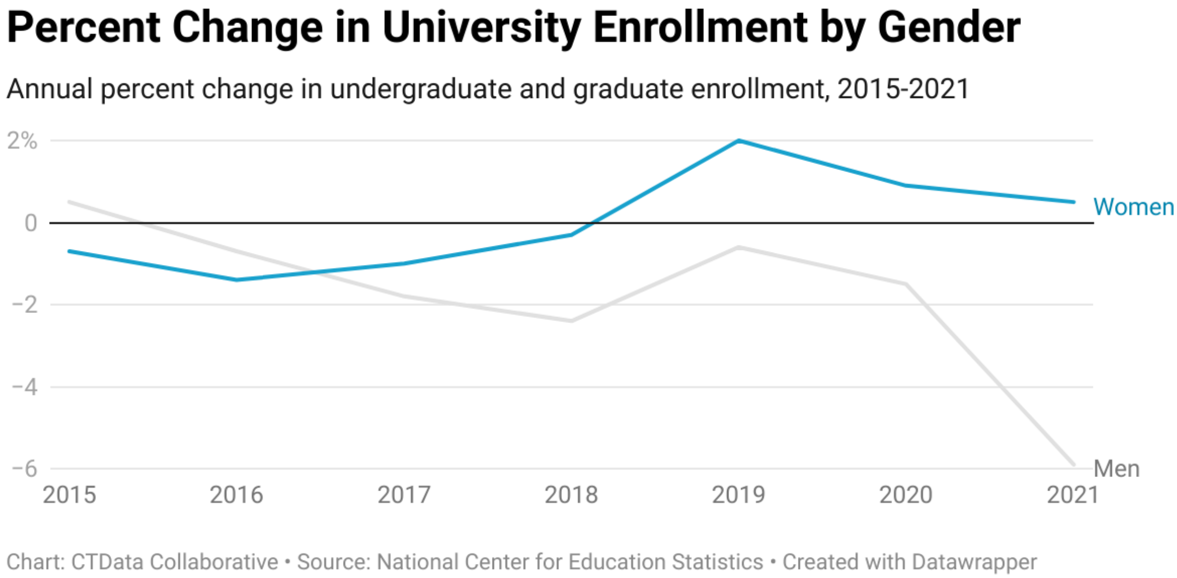
Investments in childcare, such as those made by the OEC in response to the pandemic, are essential to support working parents. As the state continues to recover from the pandemic, it's crucial to prioritize investments in childcare – whether through increasing access to childcare, affordability, or ensuring that childcare centers can provide reliable care.

Connecticut is one of two states without a state-level child income tax credit. According to a 2023 United Way report, the temporary 2022 Child Tax Rebate, which provided a $250 benefit per child up to $750 for single filers earning $100,000 or less and married filers earning $200,000 or less, received over 238,000 applications—an estimated 80% of eligible families applied.

Women Seek Opportunity Through Higher Education, but Struggle with Student Loan Debt

According to data gathered by the National Center for Education Statistics (NCES), out of the 258k students enrolled in 71 Connecticut colleges and universities in 2021, a large majority of students were women. 60% of undergraduate students were women, while a notable 63% of graduate students were women as well.

Despite the challenges posed by the Covid-19 pandemic, data collected between 2019 and 2021 reveals women's enrollment increased slightly by 1.4%.



Numerous studies have shown that obtaining higher education typically results in higher income levels. Given the wage gaps discussed previously in this report, and even given the increasing costs for higher education, it may suggest that women see higher education as a route to economic mobility.

However, economic gains that could be possible through higher education can be hampered by student loan debt. As of March 2022, 27% of Connecticut students had outstanding student loans, with an average loan amount of $35,931. For residents who have student loans, the average outstanding loan amount increases with age. 16% of Connecticut borrowers are on income-driven repayment plans, which are available to borrowers with high loan payments relative to their income. As of June 2023, federal student loan interest and payments remain paused until September 2023 due to the COVID-19 pandemic and potential debt relief program litigation.

Entrepreneurship

Despite the economic hardships caused by the Covid-19 pandemic, new businesses continued to open in Connecticut, and the rate of new women-owned businesses is increasing. In 2019, Secretary of the State Business Registry data shows that 16% of new businesses identified as woman-owned. Throughout 2020 through 2023, 22% of new businesses were woman-owned. The remaining businesses include both businesses that are not women-owned and those that did not provide a response to this question.

New Business Owners by Gender

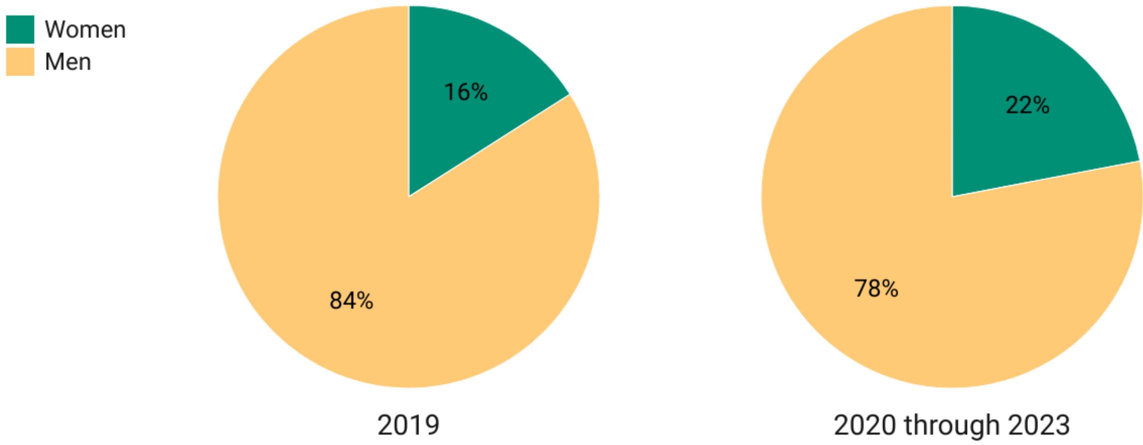


Chart: CTData Collaborative • Source: CT Secretary of the State Business Registry • Created with Datawrapper

While these numbers for new businesses for women are impressive, we also have a significant lack of information on Black and women-owned businesses due to how Connecticut Secretary of the State collects and reports business data. In addition, the data often don't reflect how many of these businesses are still operating. A better understanding of who is running businesses in Connecticut would help us understand their impact on the economy and how to support these businesses with equitable resources.

Conclusion: With the Not-So-New Normal, Equity Remains Elusive

We sounded the alarm about the disparate impact of the pandemic on women of color in our Essential Equity report in 2021, and now we find that many of the gaps that were previously identified still persist. Any economic gains women have seen have not outpaced increases in basic necessities –increasing incomes also coincided with increasing rents. The hope that we would have a societal reckoning about institutional inequality and address its roots in racism and sexism remains unrealized. Nonetheless, as women continue to navigate the post-COVID-19 economic landscape, challenges that were exacerbated by the pandemic must be addressed. Childcare availability and costs, rising rents, persistent income disparities, and risky workplaces continue to pose problems to women in Connecticut. Flexible working conditions and investments in childcare would alleviate some of the burden on women, allowing them to move towards better economic security. A bright spot is increasing rates of enrollment in higher education by women; however, student loan debt must also be closely monitored. Further support is needed for the growing number of women in higher education and for those starting their own businesses.

Footnotes

1. The U.S. Census Bureau defines: “The labor force includes all people classified in the civilian labor force, plus members of the U.S. Armed Forces (people on active duty with the United States Army, Air Force, Navy, Marine Corps, or Coast Guard). The civilian labor force consists of people classified as employed or unemployed.