

As State and Local Governments Face a Fiscal Crisis, Women's Jobs Are on the Line

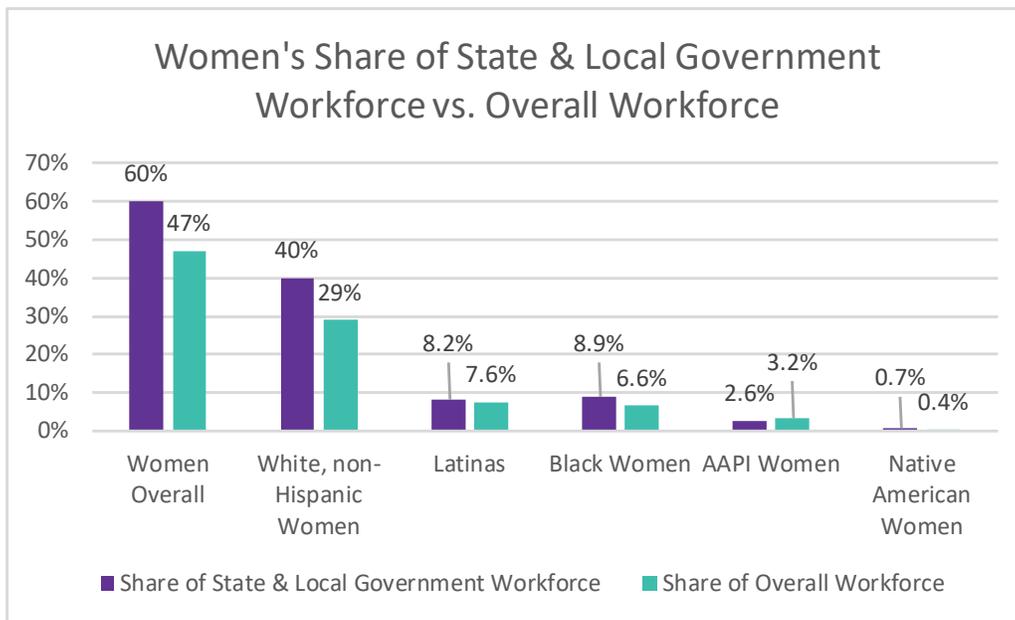
BY CLAIRE EWING-NELSON

The economic recession triggered by the COVID-19 pandemic has dampened economic activity and resulted in nearly 20.8 million people losing their jobs between March and April 2020 alone.¹ As millions of workers lose income and consumption falls, leading to a loss of income tax and sales tax, the revenue base that state and local governments depend on to balance their budgets is likely to shrink dramatically. Absent federal aid, state and local governments are predicted to face a nearly \$1 trillion revenue shortfall by the end of 2021.²

State and local governments provide vital services that are even more necessary in the current crisis – including education, social services, and public health protections – and they employ over 17.4 million workers, six in ten of whom are women.³ Between February and May 2020, over 1.5 million state and local government jobs were lost,⁴ with women accounting for 63% of those losses.⁵ In June, employment in state government fell by an additional 25,000 jobs, while local government gained 57,000 jobs.⁶ Accounting for June's gains and losses, 284,000 net jobs have been lost in state government and over 1.2 million net jobs have been lost in local government since the start of the pandemic.⁷ This is a devastating blow to women, who are more likely than men to hold state and local government jobs, particularly given that these jobs have a higher median wage and are more likely to provide important benefits than private sector jobs. Without federal fiscal relief to state and local governments, job losses will continue, with harsh impacts for working people and for the important services that state and local government provide.⁸

Women Are Essential to State and Local Government Workforces

- While women make up 47% of the overall workforce, 60% of state and local government workers are women.⁹
- Black women are a critical part of these workforces, making up 9% of state and local government employees, while they are only 7% of the overall workforce. More than one in seven (15%) of all Black women in the workforce hold jobs in state and local government. By comparison, only 11% of workers overall hold state and local government jobs.¹⁰
- More than 6 in 10 (61%) workers in education-related jobs are employed by state or local governments. Among state and local government employees working in education, more than 7 in 10 (71%) are women.¹¹



Source: NWLC calculations based on 2019 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC). In the CPS, respondents self-identify their sex, race, and whether they are Latinx.

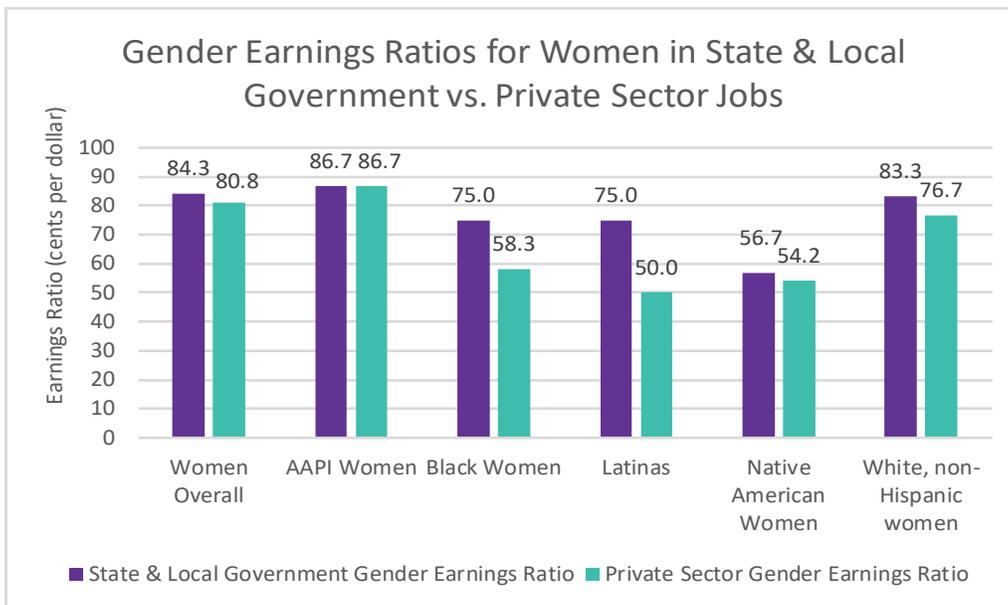
State and Local Government Jobs Help Shrink the Wage Gap, Especially for Black Women and Latinas

- State and local government jobs are more likely to provide livable wages for working women. Indeed, in 2018, women in state and local government jobs had a median wage of almost \$7,000 more per year than women in private sector jobs.¹²
- For Black women and Latinas, the difference was even more pronounced, with the typical salary for a Black woman working in state or local government exceeding the typical salary for a Black woman working in the private sector worker by \$10,000 per year, and the typical salary for a Latina working in state or local government exceeding the typical salary for a Latina working in the private sector by \$15,000 per year.¹³
- Women are paid more equally in state and local government jobs. In the private sector in 2018, women typically made only 81 cents for every dollar men made (resulting in a gender wage gap of 19 cents). In state and local government in 2018, women typically made 84 cents for every dollar men made, for a gender wage gap of 16 cents.¹⁴
- For Black women and Latinas, state and local government jobs shrink the wage gap especially dramatically: In state and local government, the wage gap for Black women compared to white, non-Hispanic men was almost 17 cents smaller than in the private sector, and the wage gap for Latinas working in state and local government was 25 cents smaller than in the private sector.¹⁵

Typical Wages for State & Local Government Jobs (2018)

	Median Annual Wages in State & Local Government Jobs	Median Annual Wages in Private Sector
Women overall	\$48,921	\$42,000
Men overall	\$58,000	\$52,002
AAPI women	\$52,000	\$52,000
Black women	\$45,000	\$35,000
Latinas	\$45,000	\$30,000
Native American Women	\$34,000	\$32,500
White, non-Hispanic women	\$50,000	\$46,000
White, non-Hispanic men	\$60,000	\$60,000

Source: NWLC calculations based on 2019 CPS ASEC, using IPUMS. Median annual wages are for full-time, year-round workers in 2018. On the CPS, respondents self-identify their sex, race, and whether they are Latinx.



The gender earnings ratio for women overall (or “what a woman makes for every dollar a man makes”) is calculated by dividing the median annual wages for women working full-time year-round by the median annual wages for men working full-time, year-round. Gender earnings ratios for AAPI women, Black women, Latinas, Native American women, and white, non-Hispanic women are calculated by dividing the median annual wages for women working full-time, year-round in each demographic group by the median annual wages for white, non-Hispanic men working full-time, year-round.

State and Local Government Jobs Provide Crucial Benefits

- Workers in state and local government are over five times more likely than those in private sector jobs to be members of a union. While only 6% of private sector employees are union members, 34% of state and local government workers are union members.¹⁶ Compared to non-unionized workplaces, unionized workplaces typically offer better benefits, safer working conditions,¹⁶ and more equitable pay for women.¹⁷

- Workers in state and local government are also more likely than private sector workers to have health insurance through their employers. Overall, 68% of workers in state and local government are policyholders for employer-provided health insurance (EPHI), compared to 51% of private sector workers. Among women working in state and local government, 65% are EPHI policyholders, compared to 48% of women in private sector jobs.¹⁸

State and local jobs offer high-quality jobs with fair pay to millions of employees, most of whom are women. And the loss of these jobs could just be beginning. Without prompt fiscal relief from the federal government, the Economic Policy Institute estimates that a total of 5.3 million state and local government jobs could be lost by the end of the year, leading to hardship for workers and families as well as a loss of critically important services on which we all rely.¹⁹ To prevent these catastrophic losses, the federal government must act quickly to provide the aid that state and local governments desperately need.

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- NWLC calculations based on historical data for U.S. Department of Labor, Bureau of Labor Statistics (BLS), historical data for Table B-1: Employees on nonfarm payrolls by industry sector and selected industry detail, available at <https://www.bls.gov/webapps/legacy/cesbtab1.htm>.
 - Josh Bivens, Economic Policy Institute, As economic forecasts worsen, up to \$1 trillion in federal aid to state and local governments could be needed by the end of 2021 (May 2020), available at <https://www.epi.org/blog/as-economic-forecasts-worsen-up-to-1-trillion-in-federal-aid-to-state-and-local-governments-could-be-needed-by-the-end-of-2021key-takeaways/>.
 - NWLC calculations based on U.S. Census Bureau, 2019 Current Population Survey (CPS), Annual Social and Economic Supplement, using IPUMS-CPS, University of Minnesota, www.ipums.org. CPS respondents self-identify their sex as either male or female. In the CPS, state and local government employees are identified based on their “class of worker,” and may work in any industry.
 - NWLC calculations based on BLS, historical data for Table B-1.
 - NWLC calculations based on BLS, historical data for Table B-5a: Employment of women on nonfarm payrolls by industry sector, seasonally adjusted, available at <https://beta.bls.gov/dataViewer/view/timeseries/CES9092000010> and <https://beta.bls.gov/dataViewer/view/timeseries/CES9093000010>.
 - NWLC calculations based on BLS, June 2020 Employment Situation Summary, Table B-1 (July 2020), available at <https://www.bls.gov/news.release/empsit.t17.htm>.
 - NWLC calculations based on BLS, historical data for Table B-1. In this factsheet, we measure changes “since the start of the pandemic” using February as a baseline.
 - National Women’s Law Center, Providing Fiscal Relief to States In Response to COVID-19 (May 2020), available at <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/05/State-Fiscal-Relief-in-Response-to-COVID-19.pdf>.
 - NWLC calculations based on 2019 Current Population Survey ASEC.
 - Id.*
 - Id.*
 - Id.* Calculations use median annual wages from 2018 for women working full-time, year-round in state and local government and in the private sector.
 - Id.* Black women are those who self-identified as Black or African American. Latinas are those who self-identified as being of Hispanic, Latino, or Spanish origin. Latinas may be of any race.
 - Id.* For each sector, wage gaps are calculated by dividing the median annual earnings for a woman working full-time, year-round in that sector by the median annual earnings for a man working full-time, year-round in the same sector, and subtracting the result from 1. The wage gap for women overall (which includes women working in both the private and public sectors) is 18 cents, meaning women typically make 82 cents for every dollar a man makes. For more information on the wage gap, see Amanda Fins, National Women’s Law Center, Women and the Lifetime Wage Gap: How Many Woman Years Does It Take To Equal 40 Man Years? (March 2020), available at <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/03/Women-and-the-Lifetime-Wage-Gap.pdf>.
 - Id.* For Black women in each sector, the wage gap is calculated by dividing the median annual wages for a Black woman working full-time in the sector by the median annual earnings for a white, non-Hispanic man working full-time, year-round in the same sector, and subtracting the result from 1. The same method is used to calculate the wage gap for Latinas.
 - NWLC calculations based on 2019 Current Population Survey ASEC.
 - Kayla Patrick, National Women’s Law Center, Public Sector Unions Promote Economic Security and Equality for Women (Jan. 2018), available at <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2015/12/Public-Sector-Unions.pdf>; Josh Bivens et al., Economic Policy Institute, *How today’s unions help working people: Giving workers the power to improve their jobs and unrig the economy* (Aug. 2017), available at <https://www.epi.org/publication/how-todays-unions-help-working-people-giving-workers-the-power-to-improve-their-jobs-and-unrig-the-economy/>.
 - NWLC calculations based on 2019 Current Population Survey ASEC.
 - Josh Bivens & David Cooper, Economic Policy Institute, Without federal aid to state and local governments, 5.3 million workers will likely lose their jobs by the end of 2021 (June 2020), available at <https://www.epi.org/blog/without-federal-aid-to-state-and-local-governments-5-3-million-workers-will-likely-lose-their-jobs-by-the-end-of-2021-see-estimated-job-losses-by-state/>.