



Women’s Experience in the Labor Market: Pandemic Reflections

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With the [April 2022 Employment Situation Report](#) available, we now have two full years of employment data to reflect on women’s experiences in the labor market during the COVID-19 pandemic. We saw unprecedented rates of unemployment caused by pandemic precautions and resulting economic closures, federal and state expansion of unemployment insurance, student loan forbearance, stimulus payments, and child tax credits, as well as school closures and remote learning that present labor market challenges for working parents.

These economic shocks and stressors affected workers differently, but in the aggregate, women, and particularly women of color, have seen their attachment to the labor force change significantly. In the beginning of the pandemic, women accounted for a higher proportion of jobs lost and experienced higher unemployment rates than did their male counterparts, according to statistics from the US Bureau of Labor Statistics in the [April 2020 Employment Situation Report](#).

This differed from prior recessions, when men experienced higher unemployment rates, and led to a new term in our economic lexicon— the “[shecession](#).” Women in general were hit harder than men by the initial economic shocks the pandemic brought, but women of color experienced even higher rates of unemployment. In April 2020, the unemployment rate for Black women was 15.8 percent and for Hispanic women, it was 19.8 percent, both higher rates than that for White women—14.6 percent— and for all women—15.1 percent.

As the pandemic has trended toward an endemic state, with widespread vaccination availability, fewer restrictions on businesses, and schools shifting back to in-person learning, we have seen the labor market respond by adding jobs at a faster pace in recent months. For example, according to the Bureau of Labor Statistics, in April 2022, 428,000 payroll jobs were added on net, and women accounted for almost two-thirds of the gain—65 percent to be exact. Still, the employment of women has not recovered to the extent that it has for men over the past two years. As of April 2022, employment is still 1.9 million jobs lower than it was in February 2020, and women have accounted for the majority of that shortfall. In fact, as of April

2022, women represented almost 60 percent of the net employment loss even though they accounted for only 47 percent of prepandemic employment.*

With the aggregate unemployment rate at 3.6 percent in April, just one-tenth higher than the unemployment rate of 3.5 percent in February 2020, the labor market overall is strong. But when we disaggregate the data and look at the experiences of women, and in particular Black women, a somewhat different story emerges. From March to April, the Black unemployment rate fell from 6.2 percent to 5.9 percent, but that is still more than 60 percent higher than the national unemployment rate of 3.6 percent. For Black women, the April 2022 unemployment rate is 5 percent, down a half point from March 2022 but still significantly higher than the national rate. This points to positive month-over-month improvement, but it still far lags national trends. If we look below the topline numbers, we can see trends for specific populations and get a sense of their experience in the labor market, an experience that might otherwise get lost in the headlines. For example, historically Black unemployment rates have consistently been higher than the national unemployment rate. If we look at a few major moments just before the pandemic and over the last two years of the pandemic, we see that Black unemployment is on average 1.5 times higher than the national rate (see the table).

Month	National unemployment rate	Black unemployment rate	Differences in rate for Black workers
February 2020 Prepandemic labor market	3.5	5.8	1.7x higher
March 2020 Pandemic shock onset, CARES Act passed	4.4	6.7	1.5x higher
April 2020 Full month of pandemic labor market data	14.7	16.7	1.1x higher
March 2021 American Rescue Plan Act passed; unemployment extension continues	6.0	9.6	1.6x higher
June 2021 25 states start withdrawing early from federal unemployment extensions	5.9	9.2	1.6x higher
September 2021 Federal unemployment extension expires	4.8	7.9	1.6x higher
April 2022 Most recent employment data	3.6	5.9	1.6x higher

The closest that Black unemployment came to parity with the national rate was in the very onset of the pandemic, when the labor market experienced unemployment rates not seen

* Computed using data from the Bureau of Labor Statistics Current Population Survey adjusted for the impact of the 2020 census on population counts (see <https://www.atlantafed.org/blogs/macroblog/2022/03/01/assessing-recent-labor-market-improvement>).

since the Great Depression. Legislation was immediately passed through the CARES Act. This legislation continued the following year with the American Rescue Plan Act to offer financial support and stimulus for American workers. However, at every stage of intervention, Black unemployment rates significantly surpassed national unemployment rates, which we typically view as the bellwether for labor market strength. Disaggregating the numbers—in this case, Black worker data—reveals a job market that is not booming. As Dr. Alex Camardelle, director of the Workforce Policy Program at the Joint Center, [stated on a recent NPR Marketplace's Economic Pulse podcast](#), “If the unemployment rate was nationally what it is for Black workers right now, we would be in crisis mode.” These trends also hold true for Black women specifically. In February 2022, prior to the pandemic, Black women’s unemployment was 1.5 times higher than was unemployment for all women. The most recent data from April 2022 show the same trend: Black woman were unemployed at a rate 1.6 times higher than the rate for all women.

Ultimately, we know it’s not just the strength of a sector or the availability of a job that affects labor force participation—caring for children, especially young children, significantly affects women’s ability to work. During the pandemic, employment levels for prime-age workers were greatly reduced and females were disproportionately affected. [Atlanta Fed research found](#) evidence suggesting that having young children in a household largely accounts for the difference. Women with children under age 6 made up 10 percent of the prepandemic workforce but accounted for almost 25 percent of the COVID-19-related employment loss through mid-2021.

Research by economists from the [Federal Reserve Bank of Minneapolis and the Federal Reserve Board of Governors](#) shows that Black and Latina women dropped out of the labor market at rates three times that of White women. These discrepancies were the result of Latina women disproportionately holding jobs associated with pandemic disruptions and Black women being less likely than White women to be in jobs where remote work was an option, exacerbated by the challenge that the cost of childcare presents. Analysis by the [Federal Reserve Banks of Atlanta and Minneapolis](#) found that most families cannot afford childcare market rates and that affordability influence decisions to participate or not in the labor market. With all this in mind, it is easy to understand why we see the current trends in jobs data for women, and particularly women of color.

Overall, the labor market trends are positive but challenges for women in the labor market persist. It’s important to keep these contours in mind when we hear the topline jobs outlook for the workforce. Assessing jobs data going forward will help us to see if the recovery has been equitable for women, particularly women of color, in terms of job gains and labor force participation. What are we seeing month over month that could adjust how we engage with working women and help them connect or progress in the labor market? To aid in this pulse check, the Atlanta Fed tracks these rates within the [Labor Force Participation Dynamics Tool](#). You can also access these data at the Atlanta Fed’s [Labor Report First Look](#), which allows you to track trends in monthly jobs data for women or other demographic and industrial groups.

The Center for Workforce and Economic Opportunity uses a national scope to focus on employment policies and labor market issues. Our work acts as a bridge from research to practice to test and grow innovations that create stronger economic opportunities through education and employment. Our goal is to help build connections among workforce, economic, and community development professionals to create stronger opportunities in the labor market. During 2022, the Center is working with partners and leaders in the Federal Reserve System to talk directly with workers and job seekers across the country to better understand the labor market experiences and shifting employment priorities. The Center's efforts are especially focused on gathering the insights of low- to moderate-income workers and workers of color, including women. This work aims to provide a broader lens through which we can understand current economic conditions and get a deeper context of workers' experiences in the labor market. This work focuses on if and how priorities around employment have shifted as a result of the pandemic.

As we reflect on the shocks to the labor market caused by the pandemic, we can discern from the employment data included in this article the unique experiences that women have had and the difficult decisions many have had to make concerning their families and careers. Some chose to leave or needed to leave their jobs to care for their children, and some had jobs without much, or any, flexibility in working remotely. As we continue to work toward an equitable recovery from the pandemic, it is important to reflect on how we can better understand women's experiences, support their career aspirations, and value their importance in the labor market.