

THEN THE PANDEMIC HIT.

The case for stronger policies and programs

In August 2021, AAUW contracted with the public opinion research firm Ipsos to poll women in New York City about how they fared economically during the pandemic. The 723 women surveyed were representative of women in the five boroughs in terms of age, race, education and income. The results of this survey document how too many women feel financially insecure, with many unable to meet even their basic expenses.

Women—including many women earning middle-class incomes—report that they were in a financially precarious position well before the pandemic pushed them over the edge. While those living in New York City and other high-cost cities face some unique challenges, their experiences before and after the pandemic provide a window into the larger national issue of how quickly all women can fall into financial hardship. These findings underscore the need for a full range of programs, policies and services to help women thrive in the good times and survive the bad.

A year and a half into the COVID-19 pandemic, women in New York City are in a precarious position. Nearly a third (31%) report that their income is insufficient to meet their basic needs, including housing, health care, food, utilities, transportation or child care.² The situation is bad for all women but much worse for women of color (Figure 1). Take, for instance, the difference between white women and Latinas: 22% of white women reported that their income did not cover their basic needs, compared to 37% of Latinas.

Our research indicates that wages are not the only factor in this racial divide. Among women whose household income was less than \$50,000 per year, only 51% of women

of color, compared to 60% of white women, reported that their income meets their basic needs.³ To explain why this might be the case, some national findings are revealing: In high-poverty neighborhoods, Black women face higher eviction rates than white women; low-income Black women are less likely to have health insurance and therefore to spend more on health care; and white Americans are more likely to receive money from their parents than Black Americans are, due to discriminatory policies that keep many Black families from building wealth.⁴

The picture gets worse when you look beyond basic necessities to consider women's broader economic vulnerability. Strikingly, 49% of women do not feel financially

secure, 48% do not feel comfortable when thinking about their current financial situation, and 53% report that their income is insufficient to secure the lifestyle they want. Even women living in middle- and upper-income households say they worry about their finances. Of women with annual household incomes greater than \$75,000—roughly \$11,000 above the median for New York City—over one-third do not feel financially secure.⁵

Did the pandemic put women in this position? There's no denying that the economic collapse hurt women's finances. In New York, by May 2020, almost twice as many women as men had dropped out of the labor force. By June 2020, 1 in 5 women in New York City were unemployed.⁶ And by August 2021, 38% of the women we surveyed reported that they had lost some or all of their income during the pandemic. Due to devastating

job losses in low-paying job sectors like retail, hospitality and child care, women in lower-income households were especially likely to lose money: Almost half of women in households with annual incomes below \$75,000 lost income due to the pandemic, compared to just over a quarter of women in households earning more than that amount.⁷

Yet the data make it clear that women's financial difficulties predate the pandemic. Of the 31% of women whose income does not meet their basic needs, just under half (45%) had lost income during the pandemic, while just over half (55%) hadn't. This drives home a critical point: Women were struggling to make ends meet long before March 2020. If a global health crisis had not devastated their finances, a job loss, a medical issue or an unexpected expense easily could have had the same result.

Despite their best efforts, women are in a precarious position. But there are some support systems that can make a real difference, and the ways women use them shed light on how they can be expanded. These include comprehensive unemployment insurance, accessible paid leave for all and student debt relief.

During the pandemic, nearly 1 in 5 did. There's no denying that the pandemic mattered: Shuttering industries and closing child care centers forced women out of jobs and made it harder

	Women earning less than NYC median income	Women earning more than NYC median income
Have used paid leave since start of pandemic	32%	54%
Have used unpaid leave since start of pandemic	3%	5%
Have used both paid and unpaid leave since start of pandemic	13%	13%
Have not taken any leave since the start of the pandemic	52%	29%
	100%	101%*

POLICY RESPONSES TO HELP WOMEN WITH CAREER RESPONSIBILITIES 17.7 (29.7%) DURING THE PANDEMIC

these benefits. States, including New York, are unable to afford extending robust benefits without federal assistance.¹² Congress should make this a priority by ensuring coverage for every category of worker, including part-time workers, as well as those who face job loss or a reduction in hours. Congress can also lower or eliminate the earnings threshold to increase the number of workers covered by unemployment insurance.¹³

Establish Broadly Accessible Paid Leave Programs.

At the state level, New York already has both a paid family leave law and Temporary Disability Insurance (TDI).¹⁴ The programs have different parameters, and they cannot be used at the same time, but all employers in New York City need to educate their workers about these options. Moreover, as lawmakers seek to address holes in existing systems, they should consider which workers are unable to take advantage of these supports and why. Full wage replacement for the lowest earners could make a big difference.

In addition to state-specific policies, policy makers must take action at the federal level. The United States remains the only wealthy nation without paid leave. Enacting a well-funded and accessible program would enable more workers to get the time off that they need. It would also spur a national dialogue around paid leave that would encourage more people to understand and access the benefit. Congress is currently considering national paid family leave as part of the Build Back Better Act. While more limited than the sound

