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# Poor Job Quality Keeps Women of Color from Economic Opportunity

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More than two years into the public health emergency, individuals and families continue to experience the ongoing economic effects of the COVID-19 pandemic. Recent job numbers show that the U.S. economy is on a path to recovery as jobs return and labor force participation increases at a steady pace. However, even with these positive trends, women of color continue to face disproportionate challenges.

To create an equitable path forward in economic recovery, we must ensure that the quality of jobs grows alongside the number of people employed. Building a resilient and sustainable recovery for women of color requires addressing the lack of benefits, worker protections, and well-paying jobs so that women of color can thrive.

## Forces Driving Poor Job Quality: Structural Racism, Low Wages, and Benefit Gaps

### 1. Systemic Racism in the Job Market Keeps Opportunity from Women of Color

Despite the centrality of women of color to our country and our economy, they are often overlooked or hurt by policy. During the pandemic, women of color disproportionately faced high levels of unemployment due to overrepresentation in low-wage industries that were impacted by COVID-19. In

addition, the lack of caregiving supports—including paid leave and affordable child care—led many to leave their jobs altogether.<sup>1</sup>

Due to racism in the job market and in our public policies, it's no accident that women of color make up a disproportionately high share of the low-wage workforce. For example, people of color—and especially women—have been pushed into job sectors that pay low wages and that were historically excluded from programs like Social Security, as was the case with farmworkers and domestic workers.

Latinas comprise 7.7 percent of the overall workforce, yet they make up 16 percent of workers who earn low wages. Black women represent 6.3 percent of the overall workforce, but they comprise 9.7 percent of workers earning low wages. And Asian American and Pacific Islander (AAPI) women make up 3.0 percent of the overall workforce, yet they represent 4.3 percent of workers paid low wages.<sup>2 3</sup>

Even before the pandemic, workers struggled with low earnings; unpredictable and erratic schedules; and lack of benefits such as health coverage and sick leave. During the public health emergency, they confronted these hardships while doing often emotionally taxing and/or physically draining work. And more recently, rising inflation and household costs have only exacerbated the challenges facing workers in low-paid jobs.

## 2. Low Wages Hinder Economic Mobility

The lack of family-sustaining wages has several negative consequences for women of color, who are often their families' primary earners. Low wages lead to increased rates of poverty, contribute to the gender wage gap, and widen the racial wealth divide.<sup>4</sup>

During the pandemic, women of color earning low wages struggled to cover basic expenses such as rent and food. On average, they had less than \$300 in savings—a significantly lower amount than white women. They also dealt with high levels of job and income loss.<sup>5</sup>

Racial discrimination also plays a role in the predominance of low wages for women of color. Longstanding systemic inequality combined with individual biases and racism have influenced the industries where women of color have been able to find employment. This has, in turn, created barriers to quality employment for women of color, relegating them to professions without adequate pay or benefits and has led to the demeaning and disparaging attitudes toward low-wage occupations that we see today.<sup>6</sup>

Volatile scheduling within the low-wage sector is another cause of women's low earnings. Unstable schedules make it difficult for workers to

- maintain a predictable income;
- meet basic household expenses;
- hold a second job;
- find child care; or
- pursue education and training programs needed for higher paid employment.<sup>7</sup>

Women of color may be forced to work fewer hours of paid work—despite wanting to work more hours—and are more likely to be underemployed. They are also more likely to work part time to fill gaps in

caregiving.<sup>8</sup> These factors contribute to significant financial instability.

If these trends continue, it poses a great risk to the livelihoods of women of color and their families, especially in any future economic recession or period of high unemployment.

### **3. Lack of Benefits Leaves Women of Color Vulnerable to Further Hardship**

Low-wage jobs almost always lack critical benefits such as paid sick leave and health care coverage, making the provision of publicly funded benefits crucial.

The critical need for paid family and medical leave and paid sick days for all workers has come into focus during the pandemic. Yet these benefits are disproportionately available to those who are better paid. All workers need access to paid leave, so they don't have to choose between losing their wages—or their jobs—and taking care of themselves and the caregiving needs of their families. However, only 51 percent of Hispanic women and 60 percent of Black women have access to paid sick days through their employers.<sup>9</sup>

The lack of paid leave has significant consequences for women of color, as they are overrepresented in jobs without these benefits. Given that women of color have lower earnings on average, they're also less likely to have the resources to weather a sudden illness or caregiving need. As a result, many are forced to take unpaid leave, resulting in economic instability, forgone wages, and even job loss.

## **Solutions to Improve Jobs for Women of Color**

Women of color need robust, substantive policies that center their unique needs. As individuals, they continue to weather the unique challenges brought on by the pandemic—and in their post-COVID recovery. As a group, they continue experiencing the effects of systemic racism and sexism. Low-wage work creates barriers for women of color to achieve economic, racial, and gender equity. Policies that deny paid leave benefits also push economic stability out of their reach. Critical work supports, like paid sick days and paid family and medical leave, can make the difference between a family staying afloat or falling into poverty.

Employment numbers offer one look at the country's economic recovery. An economy that works for everyone must offer good jobs and public policies that support women of color and workers earning low wages.

Federal and state policymakers should act to expand economic opportunity for women of color by

- increasing minimum wages and closing loopholes that enable subminimum wages;
- investing in proven workforce development strategies, paired with a commitment to include more women and workers of color in key industries;
- guaranteeing all workers access to paid family and medical leave, paid sick and safe days, and fair scheduling;
- providing affordable, high-quality child care paired with higher wages for care workers, who are disproportionately women of color; and
- supporting efforts to strengthen workers' abilities to organize. Two-thirds of workers covered by union contracts are women and/or people of color. Union contracts are an effective way to

fight job and gender discrimination at work and increase salaries and benefits for women of color.

The status quo prior to COVID-19 did not work for women of color. Our vision for the future must offer something new. These solutions are effective paths to increase economic security for women of color, and for us all.

## Endnotes

<sup>1</sup> Jocelyn Fry, “On the Frontlines at Work and at Home: The Disproportionate Effects of the Coronavirus Pandemic on Women of Color,” Center for American Progress, 2020, <https://www.americanprogress.org/article/frontlines-work-home/>.

<sup>2</sup> Jasmine Tucker and Julie Vogtman, “When Hard Work is Not Enough: Women in Low-Paid Jobs” National Women’s Law Center, 2020, [https://nwlc.org/wp-content/uploads/2020/04/Women-in-Low-Paid-Jobs-report\\_pp04-FINAL-4.2.pdf](https://nwlc.org/wp-content/uploads/2020/04/Women-in-Low-Paid-Jobs-report_pp04-FINAL-4.2.pdf).

<sup>3</sup> Nina Banks, “Black women’s labor market history reveals deep-seated race and gender discrimination.” Economic Policy Institute, 2019, [epi.org/blog/black-womens-labor-market-history-reveals-deep-seated-race-and-gender-discrimination](http://epi.org/blog/black-womens-labor-market-history-reveals-deep-seated-race-and-gender-discrimination).

<sup>4</sup> Robin Bleweis, Jocelyn Frye, and Rose Khatter, “Women of Color and the Wage Gap,” Center for American Progress, November 2021, <https://www.americanprogress.org/article/women-of-color-and-the-wage-gap/>.

<sup>5</sup> Jasmine Tucker, “The Wage Gap Has Robbed Women of Their Ability to Weather COVID-19,” National Women’s Law Center, 2021, <https://nwlc.org/wp-content/uploads/2021/03/EPD-2021-v1.pdf>.

<sup>6</sup> **U.S Department of Labor, “Bearing the Cost” March 2022.**

<sup>7</sup> Asha Bannerjee and Adewale Maye, “The Struggles of Low Wage Work,” Center for Law and Social Policy, 2021, <https://www.clasp.org/publications/fact-sheet/struggles-low-wage-work-0/>.

<sup>8</sup> Lonnie Golden and Jaeseung Kim, “Underemployment Just Isn’t Working for U.S. Part-Time Workers,” Center for Law and Social Policy, 2020, [https://www.clasp.org/sites/default/files/publications/2020/02/Underemployment%20Just%20Isn%27t%20Working%20for%20U.S.%20Part-Time%20Workers\\_fin.pdf](https://www.clasp.org/sites/default/files/publications/2020/02/Underemployment%20Just%20Isn%27t%20Working%20for%20U.S.%20Part-Time%20Workers_fin.pdf).

<sup>9</sup> Tucker and Vogtman, When Hard Work is Not Enough.