

Gendered Impact of COVID-19 in Colorado: Health and Economic Risks

Diksha Arora, Alexandra Bernasek, Teresa Perry, and Elissa Braunstein

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Currently in Colorado, as in rest of the country, we are experiencing a health crisis caused by the novel coronavirus. The necessary social distancing measures to control this pandemic have already caused our <u>economy to spiral</u> and <u>millions of people to lose their livelihoods</u>. The health crisis has now evolved into an economic crisis, the impacts of which vary by <u>gender</u>, <u>race/ethnicity</u>, <u>immigration status</u> and <u>class</u>. In this preliminary research, we focus on the gendered impacts of the dual crises in terms of their potential health and economic impacts on workers and their earnings in Colorado.

Health Risks and Economic Risks

As of April 22, 2020, approximately 10,106 confirmed cases of COVID-19 and 449 deaths have been recorded in Colorado. Of the total infected, 52.2% are women, which is not surprising, given traditional gender norms that result in women being front-line caregivers within households and in the labor force as health-care workers, nurses, home-aid workers etc. In Colorado, women make up 78% of healthcare industry workforce,2 which increases their risk of infection and puts them at a greater risk of experiencing mental health issues. In addition to health risks, many women face economic risks associated with job and income losses. Women are heavily present in industries such as food, accommodation, personal services like spas & salons, domestic work, child-care services and retail sales that are hard hit by job losses associated with social distancing measures. Even in the healthcare industry, women's high representation in non-essential services such as dentists, allergists, dermatologists etc. affect their risk of losing livelihoods due to the pandemic. At the same time, the majority of women who continue to work on the frontline as healthcare workers, home-health aides and grocery store workers are among the lowest-paid workers in jobs that are less likely to include benefits.

Social distancing and Employment

Governor Jared Polis issued a "stay-at-home" order on March 14, 2020. The order designated certain essential economic activities such as healthcare, utilities, food production, processing and sales as "critical businesses" which are allowed to operate as long as they comply with social distancing requirements. Among the "non-essential" economic activities, some involve the possibility of working remotely from home, such as education, business consulting, and information services. Others are fundamentally face-to-face activities that are the most negatively impacted by social distancing practices, for example tourism and recreation services, hotels, restaurants, retail sales of clothing and shoes.

Using the guidelines in the <u>stay-at-home order</u>, we divided 64 broad industries (as per NAICS 3-digit classification) into three categories; (1) **essential** industries, (2) **non-essential work-from-home** industries, and (3) **non-essential face-to-face** industries.³ Data are from the Quarterly Workforce Indicators database, which includes sex-disaggregated indicators for employment and earnings by 3- and 4-digit NAICS classifications across all states and counties in the U.S. We use state-level data for Colorado at the 3-digit industry classification for private sector employment in the 2nd Quarter of 2019 (most recent data available).

¹ The authors would like to acknowledge the assistance of Alexandra Hall, Chief Economist, CDLE. 2Authors' calculations based on QWI data, Qtr. II, 2019.

³Using methodology similar to Schiavone et al. 2020. A complete list of our categorization is available from the authors.

Our findings indicate that in Colorado, overall, 39% of employment is in non-essential face-to-face industries, 13% in work-from-home industries and 48% in essential industries. Figure 1 shows these three classifications by gender.

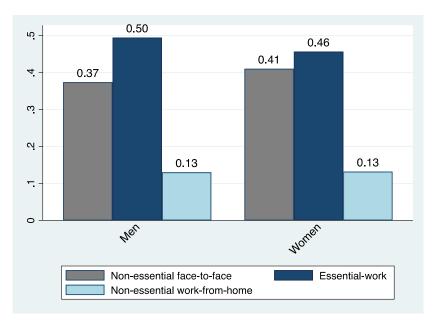


Figure 1: Employment share breakdown by gender of the worker (state-wide pattern)

At the state level, there is very little variation across the three broad classifications. What that level of aggregation masks is the gender variation within each of these classifications. For instance, among **essential** industries, those with high risk of contracting the virus have workers in healthcare, personal care and food retail including gasoline convenience stores. About 68% of the workforce in these **high health risk essential industries** is composed of women workers. This implies that even though women form a slightly smaller share of workers in broad category of essential industries, they form the majority in essential economic activities facing extremely high health risk.

In summary, in Colorado, more than 36% of women workers in essential industries work in **high health risk essential industries**, facing a higher risk of exposure to COVID-19. Among women in industries at a high risk of job loss (**non-essential face-to-face** industries), 56% are in the most insecure industries with few job protections and benefits; while only 5% work in **high job protection non-essential face-to-face** industries. It should be noted that women who are employed in non-essential work-from-home industries and can work from home to maintain their earnings, face a double-burden. Given prevailing gender norms that tend to assign primary responsibility for care of children and the elderly to women, women who are able to work from home still face significant challenges balancing their paid work with their unpaid care responsibilities.



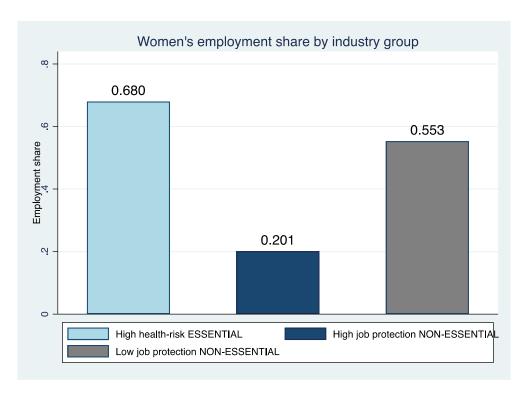


Figure 2: Gender composition in high health-risk essential work industries

Gender earnings gap

The effect of unemployment is compounded when one does not have savings to rely on. This is an economic risk for a large majority of women workers in Colorado because in general, women are more heavily represented in low-paying jobs across all industries, as shown in Figure 3. The distribution of women's earnings lies to the left of and above the distribution of men's earnings, indicating that women are more heavily concentrated at the lower end of the earnings distribution.

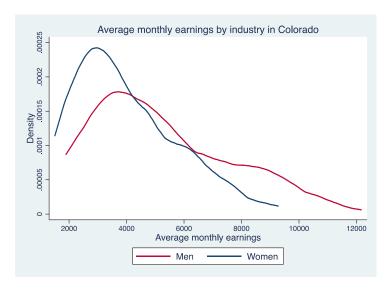


Figure 3: Distribution of average monthly earnings of men and women by industry



Social distancing and loss of income

Workers in **non-essential face-to-face** industries are experiencing the most dramatic job and earnings losses compared to **essential** and **non-essential work-from-home** industries. Classifying the former as "insecure" and the latter two combined as "more secure," one can see from Figure 4 that earnings in the more secure industries are higher for both women and men, with the gap being greatest at lower levels of earnings. Women in both insecure and more secure occupational groups are more heavily concentrated at the low end of the earnings distribution.

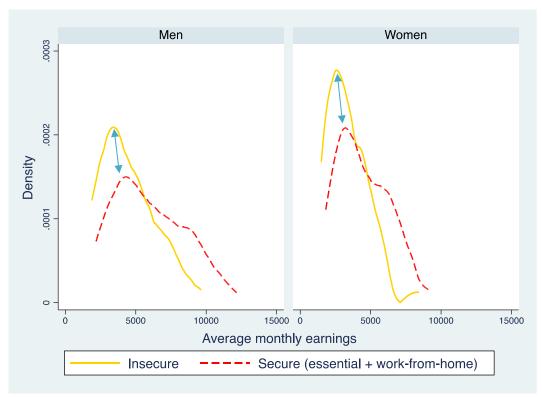


Figure 4: Earning distribution by industry – "insecure/at-risk of jobs losses" & "secure" industries

The pandemic has forced many to choose between risking their lives or their livelihoods. The situation is especially precarious for a large majority of underpaid women workers in **high health risk essential** industries. They are risking their lives to provide crucial services and care that our society absolutely needs. Yet, <u>efforts to better reward these essential workers have been continuously ignored</u>. At the same time, women working in **non-essential** industries with low job protection suffer from being cut off from their livelihoods, support which they desperately need to provide for themselves and their families.

Bibliography

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