

# Vermont Legislative Joint Fiscal Office

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## ISSUE BRIEF

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### **An Update on Women's Share of Unemployment Insurance Recipients in Vermont**

#### **Summary**

In the whirl of the pandemic, the data underlying the statistic on women's share of Unemployment Insurance (UI) recipients in Vermont no longer represent the full population of UI recipients, raising concerns about the accuracy of the gender share in the data. Nevertheless, other reliable data on jobs and earnings in Vermont demonstrate that working women have been disproportionately hurt by the pandemic.

According to data published by the U.S. Department of Labor, 73 percent of Vermont's recipients of Unemployment Insurance in November 2020 were women. As of March 2021, the corresponding statistic was 60 percent. Those proportions were higher than any other state and much higher than the national average. However, the data underlying that statistic have become less reliable since the beginning of the pandemic because only a subset of recipients was represented in the underlying data base. Data on the characteristics of UI recipients may not be accurate.

However, more reliable administrative data on jobs held by Vermont men and women demonstrates the heavier burden of the pandemic on women in the labor force relative to men. Women lost more jobs than men during the pandemic. And average quarterly wages for jobs held by women rose more steeply than wages for jobs held by men, suggesting larger job losses among low-income women in particular during the pandemic. The average wage will go up if low-wage jobs disappear.

#### **Less Confidence in Data on Characteristics of UI Claimants in Vermont**

Questions have arisen regarding the accuracy of the data showing Vermont's share of women among regular Unemployment Insurance (UI) recipients. The statistic often cited is that women made up 73 percent of Vermont's UI recipients in November 2020 when the U.S. women's share was 50 percent.<sup>1</sup> The corresponding statistic for Vermont as of March 2021 was about 60 percent when the U.S. women's share was 45 percent.<sup>2</sup>

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<sup>1</sup> See JFO Issue Brief, "Vermont's Unemployment Insurance Recipients: Relatively High Proportions of Women, Older People, and Food and Lodging Employees," January 6, 2021;

[https://lifo.vermont.gov/assets/Publications/Issue-Briefs/1263dff53e/Women\\_and\\_older\\_workers\\_higher\\_share\\_on\\_UI\\_dec2020.pdf](https://lifo.vermont.gov/assets/Publications/Issue-Briefs/1263dff53e/Women_and_older_workers_higher_share_on_UI_dec2020.pdf)

<sup>2</sup> The source of the data, known as Characteristics of the Unemployment Insurance Claimants, is a monthly report by the Employment and Training Administration at the U.S. Department of Labor based on data reported by each

The precision of the statistic on women's share in Vermont is in question in part because those statistics have been so different not only from the national average but also from other nearby states with similar experience during the pandemic. As reported by the Joint Fiscal Office (JFO) in late January 2021, women in Maine comprised 55 percent of their UI recipients in November 2020.<sup>3</sup>

In addition, over the last year or so, the data underlying the gender shares have represented a smaller portion of UI recipients in Vermont. In the first two months of 2020, prior to the pandemic, the underlying data for Vermont included 94 percent or more of total UI recipients. Confidence in the statistic on women's share was strong. Starting with the month of March 2020, the share of recipients represented in the underlying data became somewhat erratic according to JFO estimates. It fell to about 35 percent of all UI recipients in March 2020, was at 88 percent in July, but dropped to 55 percent in October 2020. Since then, it has continued to fall. In March 2021, the sample was only 40 percent of the total UI population. If 60 percent of UI recipients are missing from the data, it's difficult to have confidence in the reported characteristics of UI recipients.<sup>4</sup>

### **Evidence of the Pandemic's Heavier Burden on Women**

Labor market analysts place more confidence in other gender-related data reports using the full set of administrative data. The Vermont Department of Labor (VDOL) reports the number of jobs held by men and women based on quarterly wage records starting with 2006. Any job covered by regular UI is included in the Earnings and Jobs by Gender report.<sup>5</sup> Quarterly wages for those jobs are reported as well.

The steeper decline in the number of jobs held by women during the pandemic is clear when we look at the change in the number of jobs held by men and women from the first quarter of

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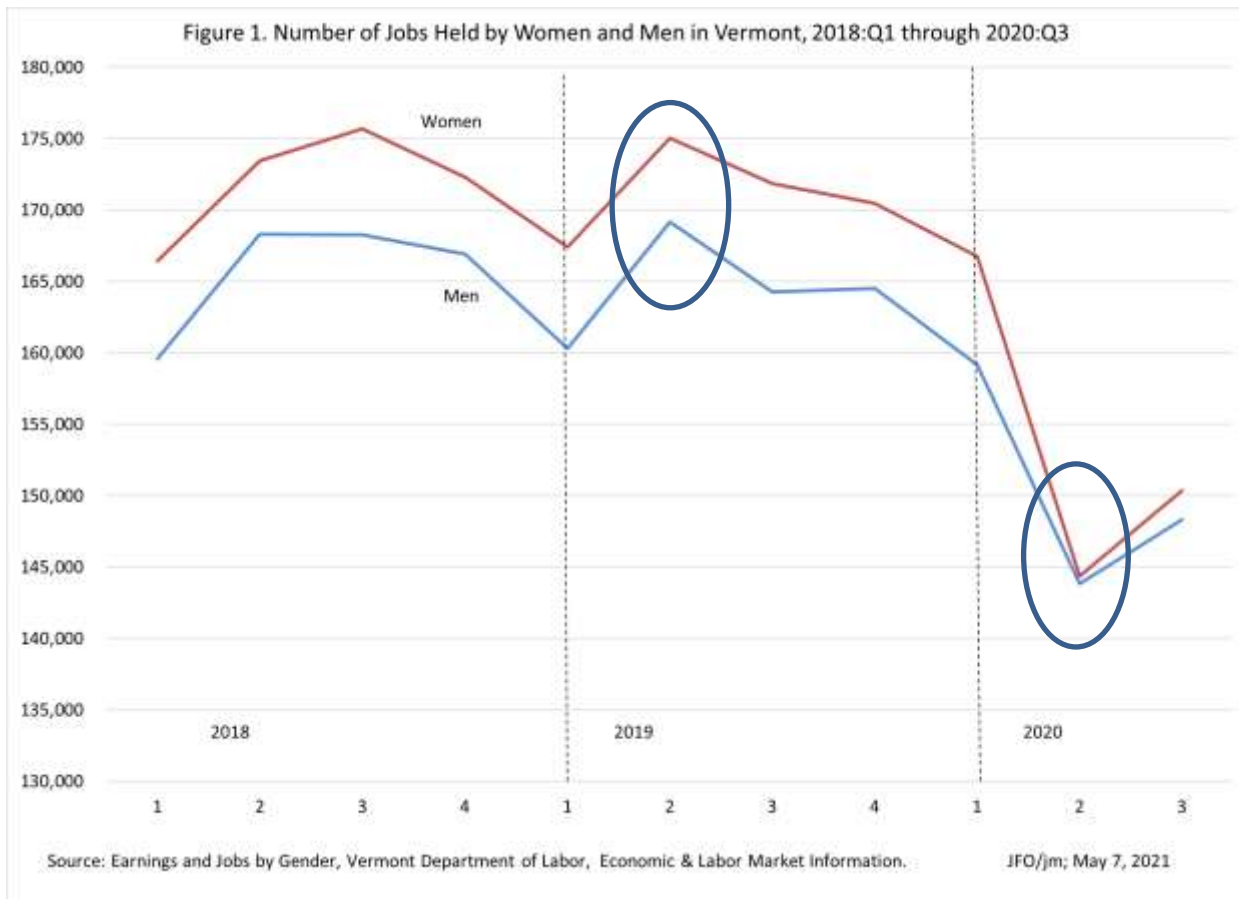
state to the federal government. The data from each state represents information on continued claims filed during the week containing the 19<sup>th</sup> of the month. That week reflects unemployment experienced during the prior week containing the 12<sup>th</sup> of the month.

<sup>3</sup> See JFO Issue Brief, "Updated Addendum to the Issue Brief of January 6, 2021," January 20, 2021, page 4, available at [https://jfo.vermont.gov/assets/Publications/Issue-Briefs/26c4075295/Updated\\_Addendum\\_to\\_Jan\\_6\\_2021\\_Issue\\_Brief\\_on\\_UI\\_Recipients.pdf](https://jfo.vermont.gov/assets/Publications/Issue-Briefs/26c4075295/Updated_Addendum_to_Jan_6_2021_Issue_Brief_on_UI_Recipients.pdf)

<sup>4</sup> The primary responsibility of the Vermont Department of Labor is to pay UI benefits to all eligible claimants. Given the unprecedented increase in the number of claimants, it is not at all surprising that other aspects of their workload took a back seat during the pandemic. The federal government has offered some leniency in the quality of the data they receive from states for the "Characteristics" report during the pandemic because they recognize the demands on the states. However, a recent blog post by a former commissioner of the U.S. Bureau of Labor Statistics recognizes the challenge. As she stated, "The U.S. needs and could have much better official labor market statistics. To get there, we must tap our most underutilized national data asset: Unemployment Insurance (UI) administrative records... The recent experiences of the COVID-19 pandemic and the national reckoning on racial inequities call for upgrading our current suite of statistics. Making changes will be complicated, but it is also doable, overdue, and will help fuel a brighter economic future, locally and nationally." Erica Groshen, "Pandemic, racial inequities underscore need for better labor market data." Cornell University, Industrial and Labor Relations School, Work and the Coronavirus blog, May 5, 2021. <https://www.ilr.cornell.edu/work-and-coronavirus/public-policy/pandemic-racial-inequities-underscore-need-better-labor-market-data>

<sup>5</sup> Vermont Department of Labor, "Earnings and Jobs by Gender," accessed May 7, 2021; available at <http://www.vtلمي.info/genderjob.cfm>

2018 to the third quarter of 2020 (see Figure 1). The number of jobs held by women in Vermont dropped 30,676 between the second quarter of 2020 and the second quarter of 2019, a decline of 17.5 percent. Over the same period, the number of jobs held by men in Vermont was 25,318 below the 2019 level, a decline of 15 percent (see Table 1). A similar pattern applies to the third quarter of 2020 compared with the third quarter of 2019—a drop of 12.5 percent for women and 9.7 percent for men. The pandemic has led to a loss of jobs for both men and women, but women have been disproportionately affected.



Year	Qtr	Difference from the Same Quarter in 2019			
		Female		Male	
		Number	Percent	Number	Percent
2020	1	-647	-0.4%	-1,158	-0.7%
2020	2	-30,676	-17.5%	-25,318	-15.0%
2020	3	-21,507	-12.5%	-15,940	-9.7%

Source: VDOL, Earnings and Jobs by Gender.

An indication of the pandemic's severe impact on lower-wage jobs for women in Vermont comes from data on the average quarterly wage per job for jobs held by women and men, again

coming from the VDOL report, Earnings and Jobs by Gender. The average wage per quarter in jobs held by women was \$8,430 in the second quarter of 2019 but rose \$1,121 or 13.3 percent in the second quarter of 2020 (see Figure 2). Many women in lower-paying jobs were working fewer hours or not at all as the pandemic hit the leisure and hospitality sector especially hard and children often stayed home from school. At the same time, average quarterly wages at jobs held by men were \$10,973 in the second quarter of 2019 and rose \$982 or 8.9 percent in the second quarter of 2020 (see Table 2). A similar pattern applies to the third quarter of 2020 compared with the third quarter of 2019, with increases of 13.1 percent for women and 8.8 percent for men. The pandemic has disproportionately affected low-wage jobs, and especially low-wage jobs for women.

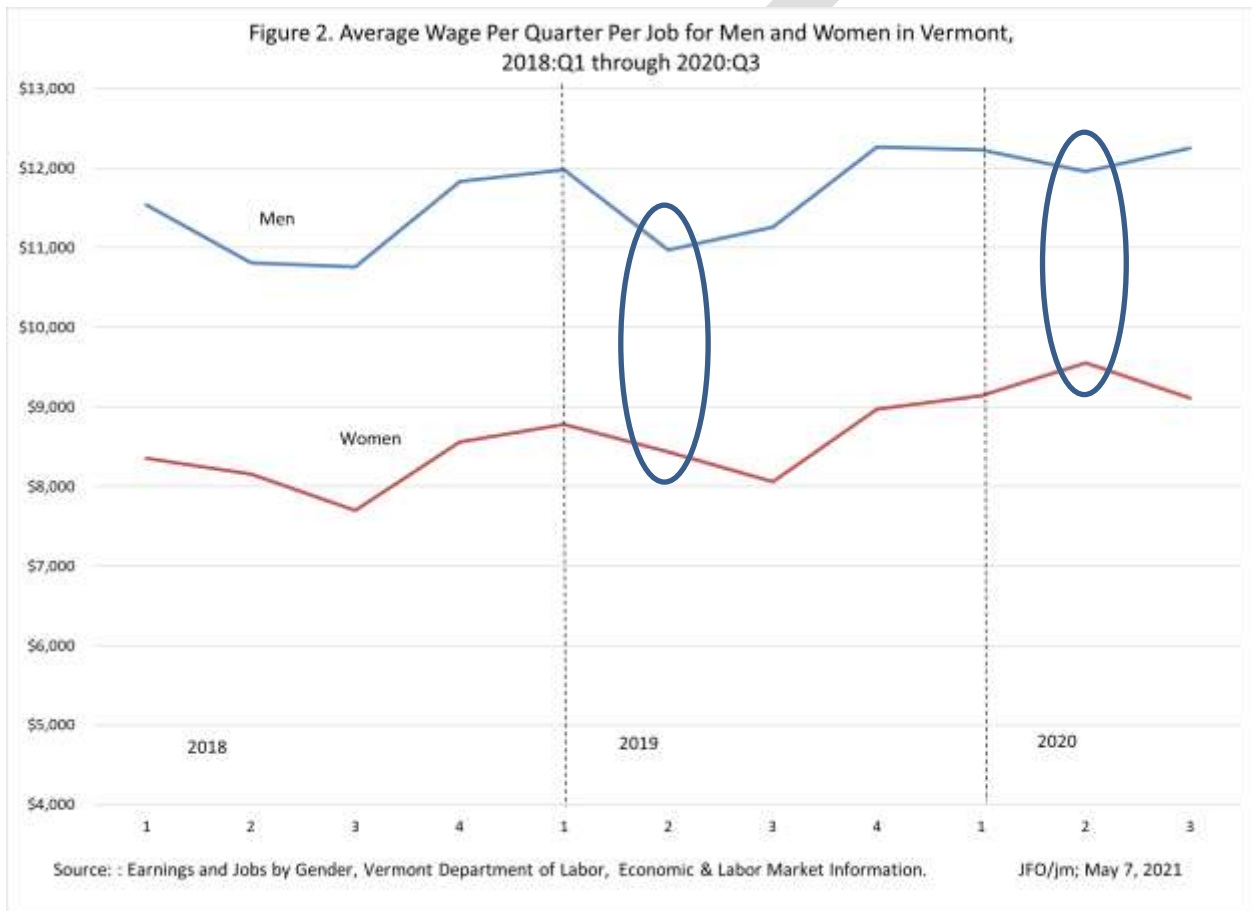


Table 2. Difference in Average Quarterly Wages in Vermont for Women and Men, 2020 vs. 2019

		Difference from the Same Quarter in 2019			
		Female		Male	
Year	Qtr	Dollars	Percent	Dollars	Percent
2020	1	\$ 361	4.1%	\$ 249	2.1%
2020	2	\$ 1,121	13.3%	\$ 982	8.9%
2020	3	\$ 1,055	13.1%	\$ 987	8.8%

Source: VDOL, Earnings and Jobs by Gender.