



JOBS AND ECONOMIC SECURITY FOR AMERICA'S WOMEN

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Jobs and Economic Security for America's Women

Executive Summary

Since his first day in office, President Obama has worked to lay the foundation for economic growth that creates good jobs and incomes for all Americans. Many of these policies have been particularly important for women. These policies have helped stave off a second Great Depression and get our economy growing again, but job growth is still not fast enough. The President is committed to continuing to push for an economy that provides economic security and jobs for America's women.

This report lays out the economic landscape facing women today and details some of the many ways the Administration is committed to making sure the government is working for all Americans and especially American women.

- **Women are a growing share of our workforce, our entrepreneurs, and our innovators.** As the majority of college graduates and nearly 50 percent of the workforce, women are in a position to drive our 21st century economy.
- **An increasing number of women are breadwinners for their families.** In almost two-thirds of families led by single mothers or two parents, women are either the primary or co-breadwinner. In two-parent families, with the loss of jobs traditionally held by men in this economy, reliance on a woman's income in their family budget is even greater and remedying the wage gap even more pressing.
- **Since women are nearly 50 percent of the workforce, the recession's economic impacts on women are even more consequential for the economy than they would have been in the recessions of the last century.** As a result of the recession that started in December of 2007, women have lost jobs and seen their median annual earnings fall. Further, women have faced increased economic insecurity as housing prices declined and states and municipalities have cut back on the provision of social services.
- **Women face a number of longer-term challenges such as the gender wage gap and female underrepresentation in higher levels of management.** Further, specific groups of women like single mothers, older women and minorities face additional challenges.

The Obama Administration has implemented and proposed policies that form a comprehensive plan to support women at all stages of their careers. The Administration's policies will:

- **Promote economic expansion and job growth for women**
 - SBA loans are three to five times more likely to go to women and minorities than traditional, conventional small business loans. More than 12,000 SBA Recovery Act loans have gone to women-owned small businesses, driving \$3 billion in lending support into their hands to help them grow their businesses and create jobs.

- An estimated 2.9 million women who had been unemployed for more than two months were hired by employers who qualify for payroll tax exemptions under the HIRE Act.
- The Recovery Act and the Education Jobs and Medicaid Assistance Act have played a critical role in saving jobs in the education and healthcare sectors where women make up more than three-quarters of professionals. This fall over one hundred thousand teachers, the majority of them women, returned to their classrooms because of these laws.
- The TANF Emergency Contingency Fund has provided more than 250,000 jobs to parents and disadvantaged youth.
- **Train and educate women for quality jobs**
 - With affordable tuition, open admission policies, flexible course schedules, and convenient locations, community colleges are particularly important for women, who comprise 56 percent of enrollees. The Recovery Act funded workforce training programs, and work study funds to help community college students pay for their education through employment.
 - Women, as the vast majority of nurses and about half of all medical school enrollees, particularly benefit from the President’s policies on healthcare workforce development. The Affordable Care Act and other programs at HHS provide \$320 million in grants for a variety of targeted training programs.
- **Support working women at home and in their jobs**
 - The Recovery Act’s Making Work Pay Tax Credit benefited 74 million women in 2009. The average female recipient received nearly \$600 more in her pocketbook.
 - The President proposed nearly doubling the Child and Dependent Care Tax Credit.
 - The President is committed to the issue of workplace flexibility and proposed funding to help states start their own paid leave programs and is working towards establishing the federal government as a model employer.
 - To supplement the wages of low income working women, and especially working mothers, the President supported the expansion of the EITC in the Recovery Act that helped 7 million additional women in 2009.
 - The President is committed to equal pay for women. The first bill he signed was the Lilly Ledbetter Fair Pay Act; he established the Equal Pay Task Force; and he strongly supports the passage of the Paycheck Fairness Act in the Senate.
 - The Consumer Financial Protection Bureau created by Wall Street Reform will help women make smart financial choices by empowering women through financial education and financial literacy.
 - Women’s health security is an essential part of their overall economic security, facilitating job mobility and economic growth. The Affordable Care Act protects women from insurance company abuses and makes health insurance more affordable.

- **Support women in retirement and between jobs**
 - Social Security plays a vital role for women who represent 56 percent of all beneficiaries. This is why the President is committed to protecting and strengthening it, while fighting privatization – a step that would not only weaken Social Security overall but would specifically undermine many of the features that provide protections for women.
 - In 2008 and 2009 women accounted for 40 percent of Unemployment Insurance recipients, making this program extremely important to the economic health of women and their families. From July 2008 to August 2010 about 6.9 million women were helped by the extensions of unemployment benefits.
 - Over \$13.6 billion in economic recovery payments of \$250 each were provided to seniors and veterans. A substantial percentage of these payments have gone directly into the hands of women.

I. The State of Play for Women and Long-Term Challenges

Women, the majority of college graduates and a growing share of the workforce, are positioned to help drive the 21st century economy that is increasingly reliant on knowledge and innovation. In addition to their role in the paid workforce, women also continue to play a vital role as mothers and primary caregivers to children, and oftentimes, aging parents. Since his first day in office, President Obama has worked to lay the foundation for economic growth that creates quality jobs and incomes for all Americans. The President recognizes the essential role of women in driving our future economic growth and many of the Administration's policies have been particularly important for women in our economy. These policies have helped stave off a second Great Depression and get our economy growing again, but job growth is still not fast enough. The President is committed to continuing to build an economy that provides economic security and jobs for America's women.

Changing role of women in the economy

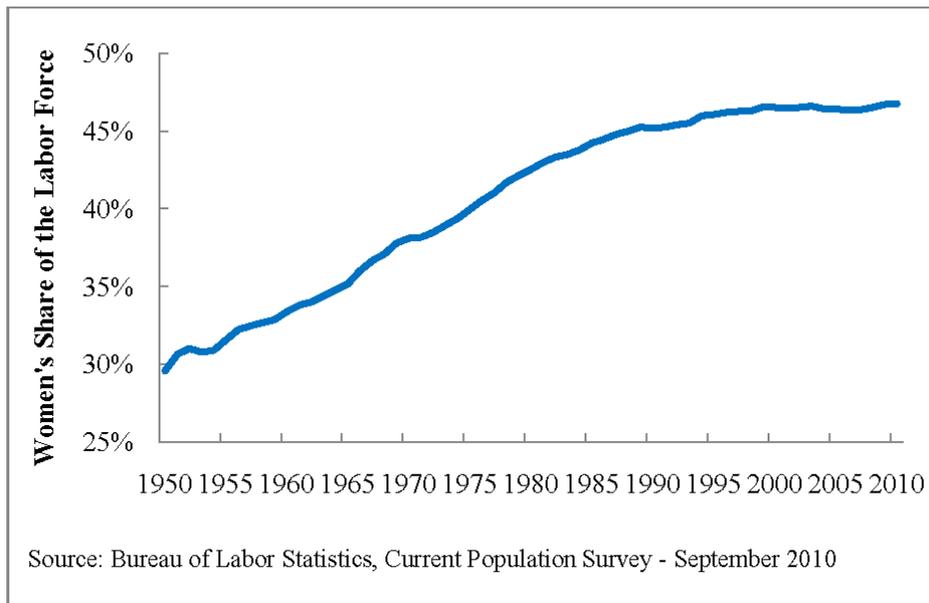
Over the past 50 years one of the largest changes to the United States economy has been the movement of women out of the home and into the workforce. From day one, President Obama has been committed to designing and implementing policies to address both the challenges women face in the wake of the Great Recession and the longer-term challenges women have faced over the past decades. The role of women in the economy has fundamentally changed:

- **Women represent a growing share of the workforce**
 - Today women represent 47 percent of American workers, up from 33 percent in 1960.¹
 - Almost three out of every five American women work either on a part-time or full-time basis.
 - Women represent 65 percent of all part-time workers.²

1. U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey September 2010

2. Ibid.

Figure 1: Women's Share of the Labor Force



- **Women have an increasing role as managers and owners**
 - Today, women comprise 51.4 percent of all managers,³ up from 26.1 percent in 1980.
 - Between 1997 and 2007, the number of women-owned businesses grew by 44 percent, twice as fast as men-owned firms.
 - Forty years ago women owned five percent of all small businesses. Today they own 30 percent – which means that 7.8 million American small businesses are owned by women.
 - Total sales of women-owned, privately held firms totaled over \$1.2 trillion in 2007, an increase of 46 percent since 1997.
 - During this period, women-owned businesses added roughly 500,000 jobs, while other private firms lost jobs.
- **Women's salaries are playing a more critical role at home**
 - In 2008, 62 percent of married couples were dual income households with the mother as the primary or co-breadwinner.⁴
 - As of December 2009, 2.1 million women whose husbands were unemployed were working as the breadwinners for their families.⁵

3. Catalyst, "The Catalyst Pyramid: U.S. Women in Business", September 2010.

4. A Woman's Nation: Heather Boushey, "The New Breadwinners," in Heather Boushey and Ann O'Leary, eds. *The Shriver Report: A Woman's Nation Changes Everything* (Washington, DC: Center for American Progress, 2009)

5. Heidi Hartmann, Ashley English, and Jeffrey Hayes, "Women and Men's Employment and Unemployment in the Great Recession" *Institute for Women's Policy Research*, February 2010.

- Women’s contribution to the household economy has risen by nearly ten percentage points, from 26.6 percent of household income in 1970 to 36 percent in 2007.⁶
- 6.1 million women are single mothers and are the sole breadwinner for their household.
- **On average women have higher educational attainment than men**
 - Women now comprise 57 percent of undergraduate students, 60 percent of graduate school students, and 50.4 percent of PhD candidates.
 - With increased levels of education women can now obtain higher paying jobs in growing fields that require additional education, such as healthcare.
 - A higher level of education for women also increases the probability of self-employment.

The importance of women’s wages to the family, their workforce participation rate, increased access to education, and their direct contribution to the economy as workers and business owners make women essential to a successful job creation and economic growth strategy.

Long-term challenges

The progress made by women over the second half of the last century has been one of the most important drivers of the American economy. Although progress has been significant, women face a number of longer-term challenges including the wage gap and female underrepresentation in higher levels of management. Further, specific groups of women such as single mothers, older women, and minorities face additional challenges.

Gender wage gap

When America first put the Equal Pay Act on the books in 1963 women earned 59 cents for every dollar paid to men. Today, almost 50 years after the Equal Pay Act became law, women are paid an average of 77 cents for every dollar paid to men.⁷ The gender wage gap has narrowed, but it has not disappeared and has been virtually flat over the past decade.

- The wage gap affects all women and is larger among minority women and women with disabilities.
- The pay gap cannot be fully explained by a set of measurable variables – when controlling for factors such as experience, education, industry, and hours, among others, the wage gap still persists to a large extent.

Over the course of her lifetime this gap will cost a woman and her family lost wages, reduced pensions and reduced Social Security benefits. American families are relying now, more than ever, on the wages of women. Lower pay for women not only means less economic security for women but also for the families that depend on them, during their years in the workplace and in retirement.

6. U.S. Department of Labor, Bureau of Labor Statistics 2009b.

7. U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements

Female underrepresentation in high levels of management and high paying industries

Another persistent challenge facing women is overcoming the remaining hurdles to reaching the upper echelons of the American work force. Women are graduating from college and advanced degree programs in record numbers and are nearly half of all American workers. Yet, there is still a significant level of female underrepresentation in high levels of management. Additionally, among industries that are predominately female the average wage is lower than in industries that are predominately male.

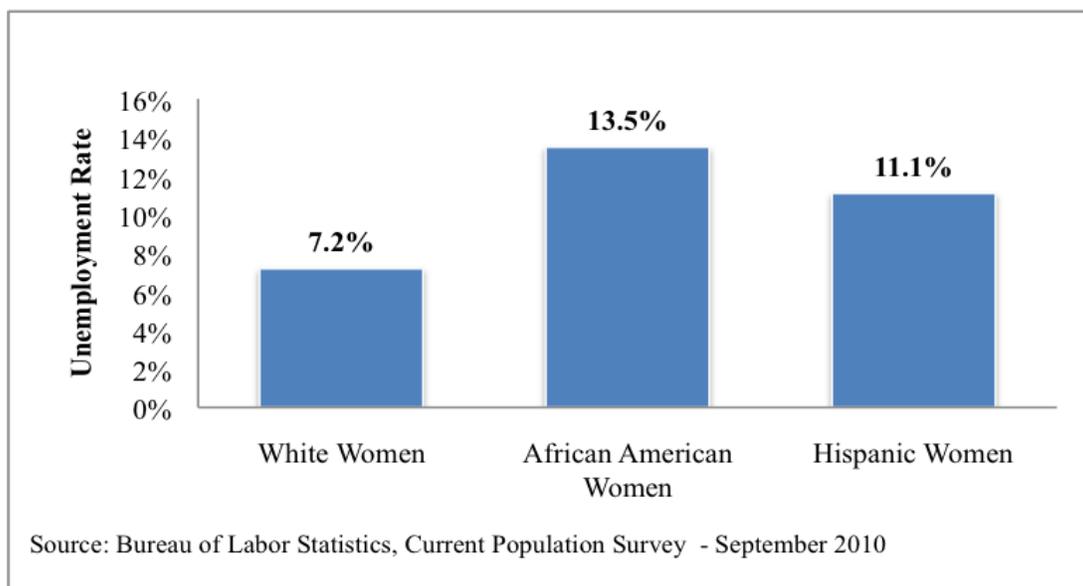
- Only 2.6 percent of Fortune 500 companies are led by a female CEO and only 15.2 percent of those companies' board seats are occupied by women.⁸
- At the country's top 100 law firms only 17 percent of equity partners are women.⁹
- Only 1 in 14 women earn over \$100,000 a year, compared with 1 in 7 men.¹⁰

Issues facing particular groups of women

While there are challenges that cut across America's female workforce, certain groups of women face additional challenges:

- **Minority groups suffer disproportionately.** African American women are nearly twice as likely to be unemployed as white women. Hispanic women are 50 percent more likely than whites to be unemployed.

Figure 2: Female Unemployment Rates, by Race and Ethnicity



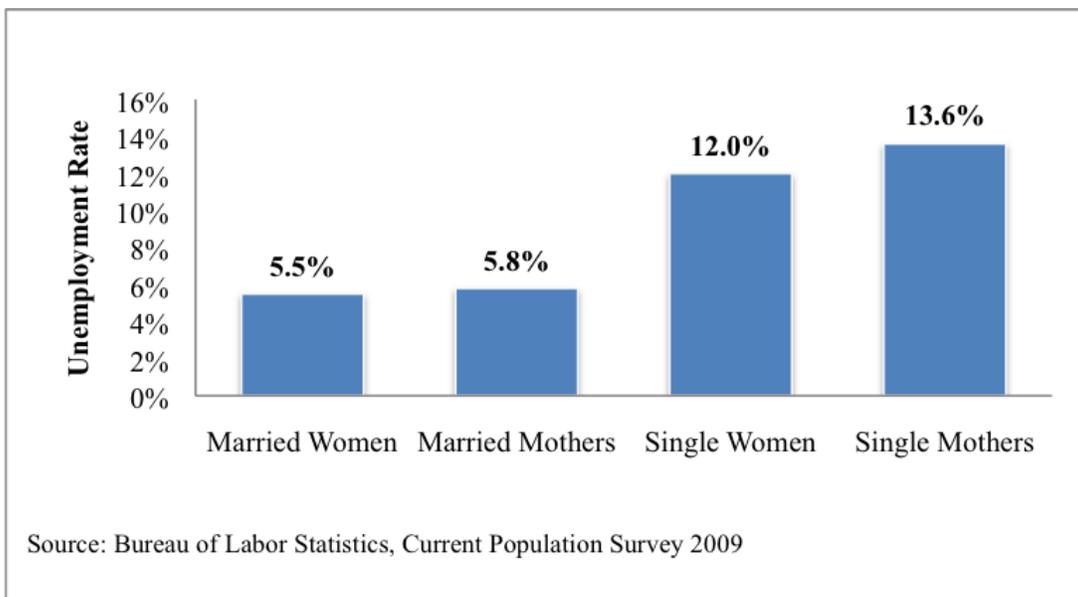
8. Catalyst, September 2010.

9. Vivia Chen, "Looking Into The Equity Box: Women and Partnership Status" *American Lawyer*, September 1, 2010.

10. Carol Morello and Dan Keating, "More U.S. Women Pull Down Big Bucks" *The Washington Post*, October 7, 2010.

- **Older women are at risk of economic insecurity.** Many older women seek to remain employed or re-enter the labor market because of inadequate pension or Social Security benefits, or because of depleted savings or pension assets. Single older women, in particular, face high rates of poverty.¹¹
- **Unemployment among single mothers is higher than that of married women.** Single mothers face particularly difficult challenges in that they are the sole breadwinners and, often, sole caregivers for their families. Even before the recession, 6.2 percent of women who were single heads of households were unemployed, and the increase in single mothers' unemployment has been more than twice the increase for married women.¹²

Figure 3: Unemployment Rate, by Marital Status



II. Women in Today's Economy

Women are a growing share of our workforce, our entrepreneurs, and our innovators. Despite this progress American women continue to face challenges in today's economy due to the impact of the Great Recession that began in 2007. Since women now comprise nearly 50 percent of the workforce,¹³ the economic burdens facing women today are even more consequential than they would have been in recessions of the last century.

The Great Recession has caused widespread challenges across the economy, not just in the form of unemployment but also in reduced incomes, house price declines, foreclosures, and general economic insecurity. Women have shared in all of these challenges. They have seen their median annual earnings

11. Hartmann, 2010.

12. Ibid.

13. U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey September 2010

fall. Further, as women have faced increased economic insecurity, states and municipalities have cut back on the provision of social services. Finally, the recession has come on top of the long-term challenges women face as a result of the wage gap and their under-representation at the highest levels of management.

Unemployment

The Great Recession eliminated millions of jobs. Some have argued that women's jobs are more "recession proof" than men's since job loss during the current recession was highest in industries that employ fewer women, such as manufacturing and construction.¹⁴ There is no doubt that men have experienced that majority of the job loss during the Great Recession. However, substantial job losses have occurred in industries where women comprise a disproportionate percentage of the workforce, such as in retail trade, leisure and hospitality, and financial activities. The recession saw more job losses for women than any prior recession in the post-World War II era. During the recession millions of American women lost their jobs:

- The unemployment rate for women increased from 4.9 percent in December 2007 to 8.3 percent in June 2009,¹⁵ the "official" period of the Great Recession. The economy has benefited from nine straight months of private-sector job growth this year, but the rate has not been fast enough to bring the unemployment rate down.
- Since the recession began in 2007, the number of unemployed women has increased from 3.5 million to a total of 6.2 million.¹⁶
- Since the start of the recession in December 2007, women have lost 2.6 million jobs.
- Though labor force participation has decreased during the Great Recession there is no evidence that women are more likely than men to be discouraged and leave the labor force at a faster rate. In fact, during the recession male participation began to fall earlier than female participation and has fallen at a slightly faster rate.
- Almost 42 percent of the long-term unemployed are women. As of September 2010, 2.5 million women had been looking for work for 27 weeks or longer.¹⁷
- The recession was the hardest on those with the least ability to weather the storm. Women who are single heads of households had an unemployment rate of 13.6 percent during the recession,¹⁸ their highest unemployment rate in over 25 years.

14. Hartmann, 2010.

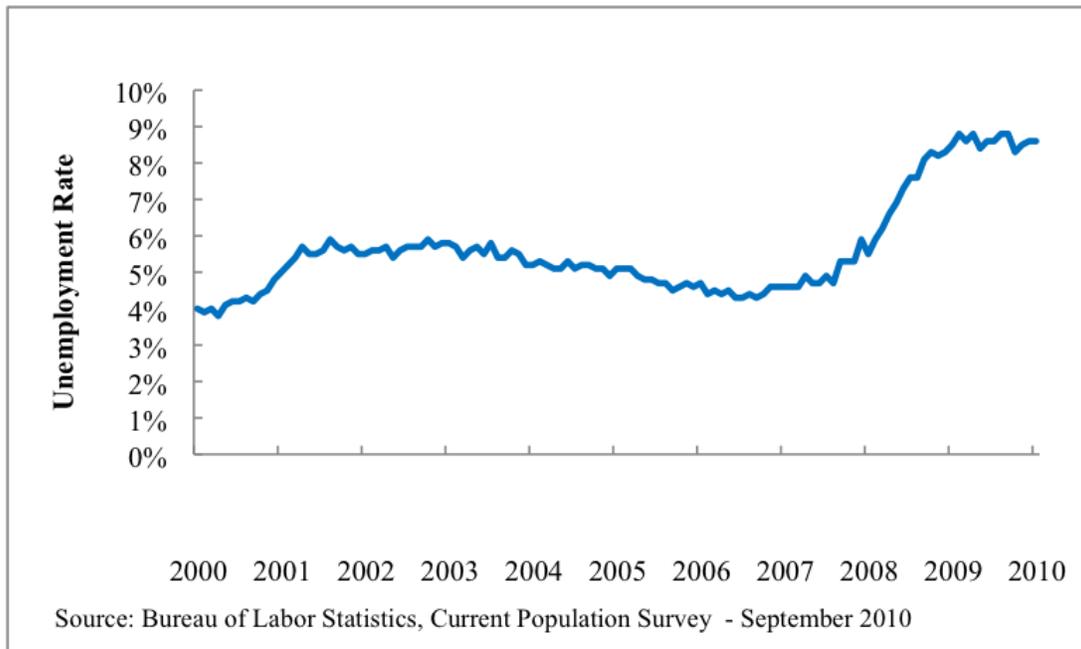
15. From December 2007 to June 2009

16. U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey 2009

17. Ibid

18. U.S. Department of Labor, Bureau of Labor Statistics 2009.

Figure 4: Unemployment Rate for Women



Wages

Even before the recession that started in 2007, women’s role as breadwinner had increased. Nearly four out of ten mothers are the primary breadwinners in their families, making as much as or more than their spouse or because they were single mothers. In addition, a quarter of mothers are co- breadwinners – bringing home at least a quarter of her family’s total income. This means that in nearly two thirds of families, women are either the primary or co- breadwinner. At the same time, this is the first recession since the late 1960s that has seen a decline in women’s annual earnings.¹⁹ During the recession, from 2007 to 2009 median annual earnings for women fell by 2.8 percent. In 2009, women’s median earnings were \$26,030 as compared to men’s median earnings of \$36,331. Women’s relatively low and falling wages have caused considerable hardship for their families, especially during the recession as the loss of a partners paycheck means that millions of families now rely on the mother’s wages to make ends meet.

State and Local Government Fiscal Crises

In response to a trying fiscal situation, state and local governments have had to cut employees and programs. Many of the eliminated or curtailed social service programs including child care, after school programs, and elder care assistance are especially important to working mothers who are heads of households. The combined effects of losing one’s job, as well as important social services, leaves women and their families with less economic support during times when they need it most.

19. Heather Boushey, Karen Davenport, Joy Moses, and Melissa Boteach, “New Census Data Reveals Decreased Income and Health Coverage” *Center for American Progress*, September 17, 2010.

III. Obama Administration Policies to Create Jobs for Women and Support Women in the Workforce

The President recognizes women's vital role in driving future economic growth and is committed to creating jobs for America's working women as a key part of his overall jobs agenda. Starting with the Recovery Act, the President has demonstrated his commitment to women's economic security. According to a study released last year by the Center on Budget and Policy priorities, seven policies included in the Recovery Act would keep 3.3 million women and girls above the poverty line.²⁰

In addition to the policies President Obama has implemented that benefit women, he continues to push for an agenda to create jobs and support women at all stages of their lives by:

1. Promoting economic expansion and job growth for women;
2. Training and educating women for quality jobs;
3. Supporting working women at home and in their jobs;
4. Supporting women in retirement and between jobs.

This section details the key elements of the President's job creation policies that support women throughout their professional lives.

1. Promote Economic Expansion and Job Growth for Women

President Obama has put forth a strong job creation strategy that benefits all Americans with specific policies that directly help women find quality jobs.

Saving Jobs in Critical Areas for Women

Assistance for teachers and Medicaid in the Recovery Act and subsequently in the Education Jobs and Medicaid Assistance Act played a critical role in saving women's jobs. The latter was the largest jobs bill enacted since the Recovery Act. It was designed to keep the overall economy stable and to protect vital services and jobs from contraction occurring in state budgets across the country. These bills have played an important role in women's jobs:

- **Seventy-six percent of teachers are women²¹ and this fall more than 100,000 teachers returned to their classrooms because of teacher funds included in these laws.**

20. Sherman, Arloc "Stimulus Keeping 6 Million Americans Out of Poverty in 2009, Estimates Show." *Center on Budget and Policy Priorities*, September 2009.

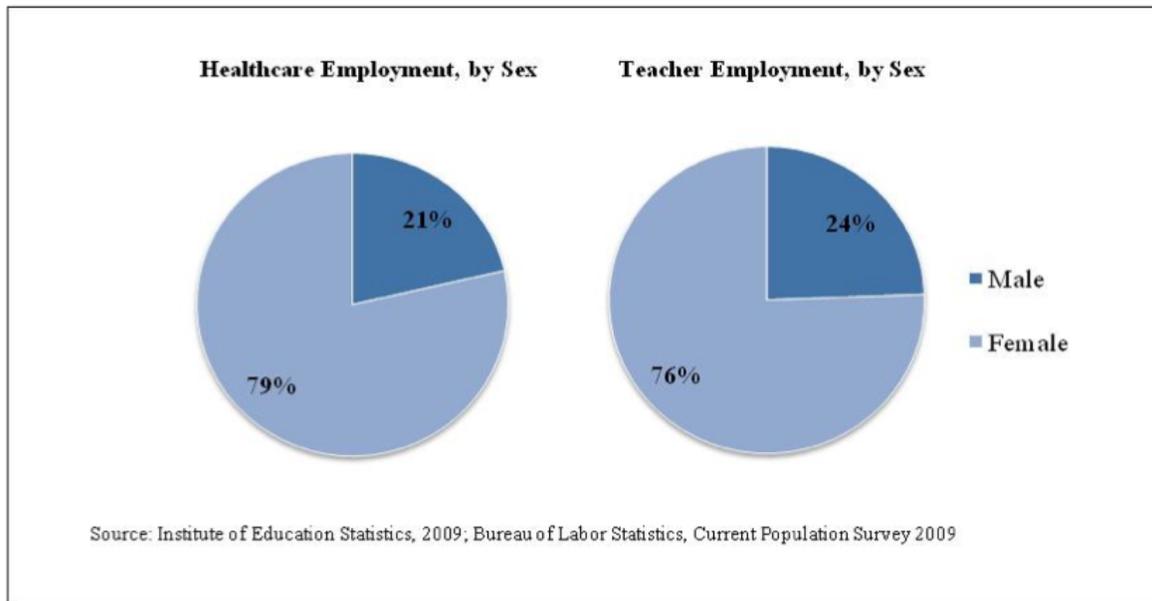
These seven policies are: Making Work Pay Tax Credit, improved Child Tax Credit, improved EITC, additional \$25 per week in unemployment benefits, additional weeks of unemployment assistance (Emergency Unemployment Compensation) for long-term jobless workers, increased benefit level in the Supplemental Nutrition Assistance Program, \$250 one-time Economic Recovery Payments for recipients of Social Security, veterans disability compensation, Railroad Retirement, and SSI for the elderly and people with disabilities.

The CBPP report highlights the number of people kept above the poverty line (using a comprehensive poverty measure recommended by the National Academy of Sciences and favored by many analysts) and additional, unpublished estimates from their model show that, of the 6.2 million, 3.3 million are female.

21. Department of Education, National Center for Education Statistics, Schools and Staffing Survey 2009

- **Seventy-five percent of health professionals are women²² – jobs that were supported by Medicaid assistance.** Increasing the federal matching rate for Medicaid just as states were coming under increasing budgetary strain and coping with larger caseloads helped prevent them from cutting back on services, cutting beneficiaries, and eliminating the jobs of health professionals. Women represent 32 of all doctors and surgeons and 92 percent of all registered nurses²³ – jobs that would have been threatened by the health cutbacks that these laws helped to prevent.

Figure 5: Teacher and Healthcare Employment, by Sex



- **18 percent of the Recovery Act was spent on FMAP and state education fiscal relief.**
- **18 percent of the Administration’s subsequent job policies have gone toward helping to save teaching jobs and health care jobs.**
- **The FMAP provision in the Recovery Act led to an increase in employment of 261,000 people through 2010.**
- **160,000 teacher jobs were funded by the Education Jobs and Medicaid Assistance Act, in addition to the hundreds of thousands of teacher jobs supported by the Recovery Act.**

Health Care Jobs Going Forward

Developing the health care workforce is integral to the health of our economy and is directly tied to job creation for women. A strong health care workforce is necessary to increase labor market mobility. This year, the Affordable Care Act’s Prevention and Public Health Fund included grants that help create jobs in the health care sector, jobs that are disproportionately held by women.

22. U.S. Department of Labor, Bureau of Labor Statistics 2009.

23. Ibid

- **Creating jobs for the primary health care workforce.** State health care workforce development grants are expected to result in a 10 to 25 percent increase in the primary health care workforce over a ten-year period by helping states develop and implement plans to address workforce needs.
- **Training and creating jobs for nurses.** The initiative will fund the operation of ten Nurse Managed Health Clinics to provide primary care or wellness services to underserved or vulnerable populations. These clinics will serve as invaluable training sites for more than 900 advanced practice nurses.

TANF Emergency Contingency Fund

The TANF Emergency Contingency Fund (ECF) lets states use Recovery Act dollars to help employers pay for the cost of hiring low-income, unemployed workers. Assuming that recipients of TANF ECF have the same demographics of the underlying TANF population – which is 83 percent female - then women are likely over-represented in the TANF subsidized jobs population. The program has been very successful at creating jobs and has strong support from Governors from both political parties. Specifically, the program:

- **Helps create jobs for jobless parents and disadvantaged youth.** Since the inception of the program, states have provided nearly 250,000 jobs to parents and disadvantaged youth, according to a recent analysis.²⁴
- **Helped to employ up to 100,000 Americans in subsidized jobs in September alone.** These jobs are now in jeopardy given the expiration of this successful initiative at the end of September.

President Obama is committed to extending this program and urges Congress to renew funding for the Emergency Contingency Fund to provide businesses a chance to hire and the neediest Americans an opportunity to work.

Support for Women-owned Businesses

Women-owned businesses have played, and continue to play, a critical part in the American economy. Women-owned small businesses are one of the fastest growing segments of the small business community. From 1997 to 2007, women-owned businesses added roughly 500,000 jobs, while other private firms lost jobs. Women-owned businesses' ability to grow and create jobs, even in difficult times, is a testament to their important role in helping drive economic recovery and growth. At the same time, women-owned businesses continue to face challenges, including access to capital and opportunities to grow. The Administration has addressed these concerns by taking proactive steps to expand both access to capital and federal contracting opportunities. The Recovery Act put much-needed capital in the hands of women entrepreneurs and small business owners:

- **The importance of SBA loans for women.** Small Business Administration (SBA) loans are three to five times more likely to go to women and minorities than traditional, conventional small

24. Liz Schott and LaDonna Pavetti, "Walking Away from a Win-Win-Win" *Center on Budget and Policy Priorities*, September 2, 2010.

business loans making the increased SBA lending in the Small Business Jobs Act extremely important for women.

- **Provide access to capital.** More than 12,000 SBA Recovery Act loans have gone to women-owned small businesses, driving \$3 billion in lending support into their hands to help them grow and create jobs.

The recently signed Small Business Jobs Act extends successful SBA loan program beginning with the more than 1,400 small businesses that have been waiting to get the credit they need – with thousands more benefitting on top of that. The law significantly increases the size of, and expands eligibility for SBA loans. In addition to the 90 percent SBA guarantee on its loans, the new law significantly increases the maximum sizes of SBA loans and expands the number of businesses eligible for SBA loans by allowing larger small businesses with less than \$15 million in net worth and \$5 million in average net income to qualify.

Access to capital is only part of the challenge that women owned businesses face. Women-owned businesses continue to be significantly underrepresented in many industries – and do not have fair access to opportunities for doing business with the federal government. Additionally, helping women start and grow their own businesses is essential support that government provides:

- **Help more women-owned businesses obtain government contracts.** The Administration has recently published a comprehensive women's contracting rule that will level the playing field and help women-owned businesses meet the five percent contracting goal and compete in more than 80 industries where they are underrepresented in federal contracting.
- **Support 114 Women's Business Centers around the country.** Four new centers will open this year in addition to the already existing 110 centers that are up and running. Last year, Women Business Centers counseled more than 150,000 entrepreneurs and business owners. By providing hands on training and advice, the Administration is working to provide women business owners with the type of mentoring and networking they need in order to start and expand their businesses.
- **Host regional women entrepreneurship forums around the country.** Over the coming year, SBA will lead forums on women's entrepreneurship around the country to facilitate conversations about how the Administration can expand its support of women-owned businesses.
- **Increase commercial loans for women.** The Administration has worked closely with the Federal Reserve and the Federal Deposit Insurance Corporation to implement policies and outreach practices that encourage more lenders to make more commercial loans to creditworthy women-owned businesses.
- **Help veterans start businesses.** Of the two million female veterans, many are interested in starting their own businesses or becoming entrepreneurs. For the past year, the Administration has held discussions with public and private entities to better understand their requirements. In so doing, the Administration is committed to providing support to women veterans that builds on the unique skills they bring to the marketplace and how best to facilitate a transition to the private sector.

Hiring Incentives to Restore Employment (HIRE) Act

Last March, the President signed the HIRE Act into law. The HIRE Act seeks to promote a strong, dynamic private sector – the true engine of job creation in the American economy. A key part of this law provides tax cuts for businesses that hire someone who has been out of work for at least two months. Specifically, the law exempts employers from payroll taxes on the employee through the end of 2010.

- From February 2010 through August 2010, there were an estimated 2.9 million women hired whose employers could potentially qualify for tax exemptions under the HIRE Act.
- According to analysis by the Department of the Treasury, these women represented approximately 36 percent of all workers hired over this period whose employers could potentially qualify for tax exemptions under the HIRE Act.

2. Train Women for Quality Jobs

President Obama believes that nations that out-educate us today will out-compete us tomorrow. In the coming years, jobs requiring at least an associate's degree are projected to grow twice as fast as those requiring no college experience.

Higher Education

The President recognizes the vital role that education plays in women's economic achievement and growth. Over the next decade, nearly eight in ten new jobs will require higher education and workforce training. To meet this need, President Obama set two national goals: by 2020, America will once again have the highest proportion of college graduates in the world; and community colleges will produce an additional five million graduates. The Administration's higher education agenda includes:

- **Help students and working families pay for college through the American Opportunity Tax Credit.** The Recovery Act expanded the American Opportunity Tax Credit so that it now provides three times more relief than its predecessor, the Hope Credit, and is refundable to low-income students for the first time.
 - The American Opportunity Tax Credit gives working families and students a \$2,500 per year tax credit for students attending college.
 - President Obama is calling on Congress to make the American Opportunity Tax Credit permanent. If passed, it would be worth up to \$10,000 for four years of college and 12 million more students from working families will have a chance to earn a college degree. This is the result of the 90 percent increase in tax credits for education passed during the first year of the Obama Administration.
- **Ensure that student aid keeps pace with inflation and rising college costs.** The Student Aid and Fiscal Responsibility Act invested more than \$40 billion in Pell Grants to ensure that these awards are increased in future years to help keep pace with both inflation and the rising costs of college. It also stabilized funding for the Pell program, which has nearly doubled since

the President took office. In addition, the Administration is simplifying the process of applying for federal student aid, to making it easier for students to apply and college more accessible.

- **Provide more affordable student loans.** About two-thirds of college graduates take out loans, with an average student debt of over \$23,000. To ensure that Americans can afford their student loan payments, the Health Care and Education Reconciliation Act expands the existing income-based student loan repayment plan to provide greater choices for Americans managing their student loan debt. New borrowers after 2014 will be able to cap their monthly student loan payments at ten percent of their discretionary income and, if they keep up with payments over time, will have the balance forgiven after 20 years. Public service workers – such as teachers, nurses, and those in military service – will see any remaining debt forgiven after just ten years.

Job Training

The President recognizes that targeted job training programs are often necessary to help workers enter the workforce or transition between jobs:

- **Train the workers of tomorrow.** The President's FY 2011 Budget proposes a \$320 million innovation fund within the Workforce Investment Act, to improve job training, services for disconnected youth, adult education, and vocational rehabilitation services. More than 30 million Americans used these services last year.
- **Strengthen the healthcare workforce and increasing jobs for women.** The Obama Administration believes that strengthening and growing our primary care workforce is critical to reforming the nation's health care system and at the same time helps strengthen our economy, in part, by creating jobs. The Association of American Medical Colleges estimated that the nation would have a shortage of approximately 30,000 primary care physicians in 2015. Women make up the vast majority of nurses and are about half of all medical school enrollees, and particularly benefit from healthcare workforce development. The Administration has announced \$250 million in grants under the Affordable Care Act's Prevention and Public Health Fund that will help strengthen the health care workforce through a variety of programs that train nurses practitioners, physician assistants, and primary care physicians. The Affordable Care Act also supports the training of personal and home care aids.

As the largest part of the nation's higher education system, community colleges enroll more than eight million students and are growing rapidly. Fifty-six percent of community college students are women and about 60 percent of associate's degrees and certificates are earned by women. Community colleges feature affordable tuition, open admission policies, flexible course schedules, and convenient locations, making them particularly important for women as well as students who are older, working, or need remedial classes. Community colleges also work with businesses, industry, labor, and government to create tailored training programs to meet economic needs like nursing and health information technology – industries in which women are a large share of the workforce. The President's community college agenda includes:

- **Funding for community college and career training.** The Health Care and Education Reconciliation Act that provides \$2 billion over four years to fund the Community College and Career Training initiative.
- **Train workers of the future at community colleges.** The Recovery Act included over \$1 billion in workforce training programs at community colleges and other training providers, the provision of education and training to dislocated workers and \$40 million in Work Study funds to help community college students pay for their education through employment.

Science, Technology, Engineering, and Math (STEM) Education

President Obama understands that in order to create jobs for the 21st century we need to train tomorrow's workers today in fields like Science, Technology, Engineering, and Math (STEM). Women and minorities have too often been underrepresented in science and technological fields, and we cannot afford to lose their potential contribution to these fields and to our economy. That is why the Administration has proposed a \$3.7 billion investment in STEM education programs across the federal government.

- **Increase the participation of girls in STEM.** One of the three key pillars of the President's Educate to Innovate campaign includes increasing participation of women and underrepresented minorities. As part of the campaign, the President challenged governors, philanthropists, scientists, engineers, educators, and the private sector to join him in a national campaign to dramatically improve achievement in STEM subjects, with a new set of public-private partnerships that have already mobilized \$500 million in private resources to improve STEM education.
 - The President has tasked Sally Ride, the first American woman in space, to be a leader in this initiative and with a specific focus on how to get girls more involved.
 - The Department of Energy recently committed to reach out to more than 500 women and girls to encourage pursuit of degrees in one of the STEM fields.
 - The Department of Transportation recently announced the expansion of their pilot program with Historic Black Colleges and Universities to mentor and provide internship opportunities for girls and women to pursue engineering degrees.

Helping Female Veterans Transition into the Civilian Workforce

- **Helping Veterans Find Jobs.** Last November, the President signed an Executive Order establishing a Veterans Employment Initiative – a strategic, yet very straightforward, approach to helping those who have served our country in the military find employment in the Federal Government. And in April, the President signed another Executive Order, creating a Veterans Small Business Task Force, committed to coordinating the efforts of Federal agencies to improve capital, business development opportunities and contracting goals for small businesses owned and controlled by veterans and service-disabled veterans.

3. Support Women at Home and in Jobs

In addition his commitment to helping women find jobs, the President knows that many would benefit from additional support while they are at work. The American workforce looks very different than it did two decades ago – two-income families are the norm, older workers are staying in the workforce longer, and men and women are more evenly sharing care giving responsibilities – but the workplace has, for the most part, not changed to reflect these realities. For the majority of middle-class families, it is no longer the case that one parent is the breadwinner while the other is the caregiver. The economic stability of middle-class families depends at least in part on policies that help families balance work and care giving obligations so that adults do not need to step away from the workforce and risk losing their jobs to care for children or elderly parents or to update their own training, certifications, or skills. In order for women to succeed in the workplace they must be given the support they need to maintain the health of their families, including safety net policies to help stabilize them when economic times are tough and consumer protection to help with money management at home.

Workplace Flexibility

Workplace flexibility has become increasingly important to help facilitate an environment in which women can succeed in the workplace and at home. Flexible workplaces often lead to increased worker productivity, a better bottom line and help companies attract and retain the best workers. Additionally, our efficiency as nation is no longer derived from a division of tasks between spouses. Rather, efficiency is gained through people moving seamlessly across roles and the ability of spouses and partners to be substitutes for one another.

Last spring President Obama and First Lady Michelle Obama hosted a White House Forum on Workplace Flexibility where they highlighted the importance of this issue to the Administration. There have been a number of initiatives to further the Administration's agenda, including:

- **The federal government as a model employer.** The federal government is committed to ensuring that it can become the gold standard for workplace flexibility – looking at ways to increase its use of telework and flexible work arrangements, among other policies. The Office of Personnel Management is currently running a pilot program of flexible workplace policies and measuring results in terms of worker productivity and not in terms of the hours of face-time logged.
- **Helping states establish paid leave funds.** Too many workers must make the painful choice between caring for their families and the paychecks they desperately need. The President's Budget proposes a \$50 million State Paid Leave Fund at the Department of Labor that will provide competitive grants to help cover start-up costs for states that choose to launch paid leave programs.
- **Funding better data collection.** The President's Budget provides funding to the Women's Bureau at the Department of Labor to update our data collection efforts surrounding issues related to workplace flexibility.

- **Facilitating a nationwide dialogue about workplace flexibility.** The Department of Labor will hold a series of Workplace Flexibility Forums around the country over the course of the next year to discuss the ways in which workplace flexibility can work in different types of industries.
- **Helping people around the country hold their own conversations.** The Council on Women and Girls has put up an online Work Flex Event Starter Toolkit to help people around the country hold and register their own forums on workplace flexibility, both large and small, around the country.

Rewarding Working Families through Tax Incentives

Tax credits that incentivize work are a critical tool for a private sector-led recovery. The Administration wants to make permanent the expansions of two key tax credits in the Recovery Act that are set to expire at the end of this year. Both the Earned Income Tax Credit and the Child Tax Credit are crucial to helping working mothers propel their children and themselves into the middle class and stay there.

- **Keeping working mothers and their children out of poverty.** The Earned Income Tax Credit (EITC) supplements the wages of low income working women, and especially working mothers, lifting more children out of poverty than any other single program or category of programs.
 - According to the Center on Budget and Policy Priorities, in 2009, the EITC was projected to lift an estimated 6.6 million people out of poverty, including 3.3 million children.
 - The poverty rate among children would have been nearly one-third higher without the EITC.
 - More than sixteen women potentially benefited from the EITC in 2009 and received \$2200 each on average.

Under the Recovery Act marriage penalty relief in the EITC was expanded to reduce the marriage penalty and to create a “third tier” of the EITC for families with three or more children. This means larger families now receive up to \$629 more than they would have under the old system.

- **The expansion of the EITC in the Recovery Act kept even more working mothers and their children out of poverty.** In total, nearly 7 million women were potentially helped by the EITC expansion in 2009, including close to one million women who would not have been eligible for EITC under the old rules and 6 million women who could have gotten an increase in the credit amount provided under the new rules.

The Child Tax Credit expansions through the Recovery Act helped millions of children. The Recovery Act increased the credit amount by up to \$1,368 for low-income families.

- **If Congress does not extend the 2009 child tax credit improvements, more than 10 million families would see their child tax credit reduced and 600,000 children would fall into poverty.**

The President is strongly committed to making both the EITC improvements and the increased child tax credit refundability permanent.

Equal Pay

President Obama is committed to achieving equal pay for women. The Administration has taken critical steps to ensure equal pay for women and plans to further build on these measures to help women achieve pay parity:

- **Pass the Paycheck Fairness Act.** The President applauds the work of the House of Representatives and continues to strongly support the passage of the Paycheck Fairness Act in the Senate, commonsense legislation that updates and strengthens the Equal Pay Act. The Act would close the loopholes in the Equal Pay Act that give employers unjustified defenses to their discriminatory conduct, strengthen retaliation prohibitions, and ensure that women receive the same remedies under the Equal Pay Act as are available to people subjected to wage discrimination on other bases.
- **Defending equal pay and reversing a Supreme Court ruling.** The first bill the President signed into law was Lilly Ledbetter Fair Pay Act of 2009. The Act restores the interpretation of the law that a pay discrimination claim accrues whenever pay discrimination affects an employee. The Act reverses the Supreme Court's decision that held that people subject to pay discrimination have only 180 days from the date the employer first decides to pay them less to file a discrimination claim and reinstates the long-standing interpretation of the law that treats each paycheck as a separate discriminatory act that starts a new clock.
- **Establishment of the National Equal Pay Enforcement Task Force.** The Equal Pay Task Force brings together the Equal Employment Opportunity Commission, the Department of Justice, the Department of Labor and the Office of Personnel Management to address specific challenges preventing women from receiving equal pay for equal work. These recommendations call for new levels of interagency coordination and communication and will result in improved enforcement of equal pay laws and a workforce better educated on its right to equal pay and employers better educated on how to provide it.

Helping Families with Child Care Costs

Over the past decade, child care costs have grown significantly faster than inflation or family incomes. The President's Budget proposes a series of investments to help families afford the cost of quality child care, including:

- **Nearly Doubling the Child and Dependent Care Tax Credit.** The President's Budget proposes to nearly double the Child and Dependent Care Tax Credit for families making under \$85,000 a year by increasing their credit rate from 20 percent to 35 percent of child care expenses. Nearly all eligible families making under \$115,000 would see a larger credit.
- **Building on historic increases in Head Start and child care provided in the Recovery Act.** The President's Budget provides an additional \$989 million for Head Start and Early Head Start to continue to serve 64,000 additional children and families funded in the Recovery Act. The Budget also provides an additional \$1.6 billion for the Child Care and Development Fund, which would create 235,000 child care slots and is the largest one-year increase in 20 years.

- **Supporting child care for military families.** The President’s Budget provides an additional \$87 million to expand the availability of affordable, high-quality child care services at over 800 military-run child development centers both in the U.S. and overseas.

Making Work Pay in the Recovery Act

The President is committed to helping families that need it most and to building and maintaining a strong middle class. The Making Work Pay (MWP) refundable tax credit in the Recovery Act provides wage earners with a credit up to \$400 (\$800 for joint filers) for the 2009 and 2010 taxable years. This credit is calculated at a rate of 6.2 percent of earned income and is phased out for individual taxpayers with an adjusted gross income of \$75,000 and above and joint filers with an adjusted gross income of \$150,000 and above.

- **Support wage earners.** The Department of the Treasury Office of Tax Analysis estimates that over 100 million families will benefit from the Making Work Pay tax credit in 2010. More than 74 million women benefited from the Making Work Pay tax credit in 2009, receiving an average credit of nearly \$600.

The President has proposed extending Making Work Pay for 2011.

Caregiver Initiative

An estimated 65 million Americans provide unpaid care to seniors or people with disabilities. Many of these caregivers are part of the “sandwich generation” – those who care for children and aging parents at the same time. Sixty-two percent of caregivers in America are women and since women live longer than men, creating policies that support caregivers and aid the elderly are especially relevant to women’s long-term economic security and health. President Obama recognizes the unpaid contribution caregivers make to the economy and is committed to supporting them.

- **Supporting caregivers.** The President’s 2011 Budget includes \$102.5 million for the Administration on Aging’s Caregiver Initiative, to help caregivers better manage their multiple responsibilities and so that seniors can live in their communities for as long as possible. The proposal helps caregivers do their jobs by providing funding for caregiver support programs that provide temporary respite care, counseling, training, and referrals to critical services. The extra funding will allow nearly 200,000 additional caregivers to be served and three million more hours of respite care to be provided.
- **The proposal helps seniors stay in their homes by providing \$50 million for programs that provide transportation assistance, adult day care, and in-home services,** such as aides to help seniors bathe and cook – easing the burden for family members and helping seniors stay in their homes. These new resources will support one million additional hours of adult day care and three million rides to critical daily activities.

Supporting Paid Sick Leave

Approximately 40 percent of private-sector employees work at a company that does not offer sick pay for their own illness or injury. And low- and middle-income workers, as well as part-time workers, are

much less likely to be offered paid sick leave than highly paid and full-time workers. In fact, 65 percent of part-time jobs are held by women²⁵ and only 26 percent of part-time jobs supply access to paid sick days. Last fall, the Administration announced its support for the Healthy Families Act:

- **Guaranteeing workers time to care for themselves and family.** The Act would allow millions of working Americans to earn up to seven days per year of paid sick time, which they could use to care for themselves or for a sick family member.

Consumer Financial Protection for Women

The Wall Street Reform and Consumer Protection Act signed by the President last spring and the new Consumer Financial Protection Bureau it created are especially beneficial for women.

- **The Consumer Financial Protection Bureau will help ensure fair markets for women**, by requiring that markets for consumer financial products and services operate transparently and efficiently to facilitate access for all Americans, including women:
 - **Protecting women from discriminatory lending practices.** The Bureau will enforce fair lending laws that protect women from discriminatory lending practices. The Bureau will also be able to rein in practices that may drive some women away from banks – including stopping banks from enrolling customers in expensive overdraft programs without their consent.
 - **Empowering women through financial education and financial literacy.** The Bureau will empower women to make smart financial choices by promoting financial education and financial literacy. It will promote consumer financial education and financial literacy, with a dedicated office focused on ensuring that the Bureau’s expertise and research are used to help raise awareness, and educate and empower consumers to avoid unfair practices and make smart financial choices.
 - **Helping women buy homes.** The Bureau will take steps to consolidate and simplify with plain language two overlapping and sometimes inconsistent federal mortgage forms. The Bureau will, for the first time, provide ongoing federal oversight of both nonbank companies and banks in the mortgage market and protect borrowers from unfair, deceptive or other illegal mortgage lending practices.
 - **Protecting women’s retirement savings.** The Wall Street Reform and Consumer Protection Act will protect women’s retirement savings by strengthening investor protection. The Act empowers the Securities and Exchange Commission (SEC) to raise the standards for brokers and investment professionals when giving advice so that they have a fiduciary duty and are required to act in the interests of investors, rather than their own; and requires brokers to disclose costs and risk factors to investors prior to selling a product, instead of after it is purchased.
 - **Protecting women from unfair credit company practices.** The Bureau will prevent evasion of the Credit CARD Act of 2009, which bans arbitrary rate hikes on existing balances and

25. U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey September 2010

other unfair practices. For women who have used credit cards to get by when times are tight, the law will give them clarity on the interest rates they are charged. It will prevent evasion of new rules that give consumers a real choice as to whether to join expensive overdraft programs so that they are not unknowingly charged unnecessary fees.

- **Helping women who take loans to pay for higher education.** And for women who must take out loans to cover the costs of higher education, the Bureau will be able to supervise private student lenders, fight unfair lending practices, and require lenders to follow fair rules of the road and give students the information they need to make smart choices.
- **The Wall Street Reform and Consumer Protection Act established an Office of Women and Minorities** in nine federal agencies, including the Treasury Department, Securities and Exchange Commission, and the FDIC. Each office aimed at increasing our nation’s workforce diversity, must be opened by early 2011, with many already up and running. The office will:
 - **Develop and execute workforce diversity standards.** The Office will promote the inclusion and operation of women-owned businesses in agency programs and contracts, and will assess the diversity policies and practices of entities regulated by each agency.
 - **Submit an annual report to Congress regarding the actions taken by the agency.** The annual report will highlight the percent of contract expenditures that went to women-owned businesses and the successes and challenges related to targeted hiring and procurement efforts.
 - Implement staff recruiting efforts, internships and partnerships targeted toward women.

Health Security for Women

The Affordable Care Act, signed by the President on March 23, 2010, addresses the financial challenges that women face when accessing health care – which is critical in providing women with more options for jobs and more mobility between jobs. Prior to the passage of the law, women were at a particular disadvantage, especially on the individual market, where they are sometimes charged up to 48 percent more on premiums or more than men, have difficulty obtaining coverage for pregnancies, and are denied or excluded health care benefits by insurance companies because of a pre-existing medical condition. The law addresses these issues and ensures access to affordable, quality health insurance options by:

- **Protecting women from insurance company abuses.** The law prohibits insurance plans from putting lifetime caps, and restricts annual caps, on the dollar amount that they will spend on benefits. The ban on these caps is particularly important to patients with cancer or other chronic diseases who too often curbed treatments or lost access to care when they hit their annual or lifetime cap. The law also bans insurance plans from canceling your coverage when you get sick because of a technical mistake on your application. And already, the law bans insurance companies from refusing coverage to or limiting the benefits of children (up to age 19) because of a pre-existing medical condition. This prohibition will be extended to all individuals, regardless of age, who have a pre-existing condition in 2014 – including women who have been denied or limited coverage because they’ve been pregnant.

- **Creating new competitive, transparent health insurance marketplaces.** In 2014, the law will establish new private health insurance marketplaces, called Exchanges, where individuals, families, and small businesses will be able to purchase affordable coverage with the same purchasing power as large employers, and choose among the same insurance options that members of Congress will have. In 2014, all insurance plans – regardless of whether they are offered inside or outside new Exchanges – will be banned from charging women more for their health insurance on account of their gender, and from charging more, limiting, or denying coverage for anyone because of a pre-existing medical condition. And Exchanges will ensure coverage is always available to women and their spouses if they want pursue new career opportunities, or if they lose their job.
- **Making health insurance more affordable.** The law will require insurance companies to publicly disclose and justify unreasonable premium increases, and already states have received new resources from the law to help crackdown on unjustified premium increases. In 2011, insurance companies will be required to spend at least 80 percent of premium dollars on health care and quality improvements instead of overhead, salaries or administrative expenses. If they fail to do so, they will be required to provide their enrollees rebates. And in 2014, new tax credits will help middle class families pay for health insurance in new, competitive private health insurance exchanges. Medicaid will be expanded to Americans with low incomes of up to \$14,000 for an individual or \$29,000 for a family of four in 2010 dollars.
- **Promoting primary care and prevention.** The law requires all new insurance plans to cover recommended preventive services, including mammograms, colonoscopies, immunizations, and well-baby and well-child care without charging deductibles, co-payments or co-insurance. Also, all new plans must guarantee choice of any available primary care doctor in the plan’s network of providers. It will also assure women the right to see an OB-GYN without having to obtain a referral first.

Improving Nutrition and Fighting Hunger

The President recognizes the importance of providing nutrition assistance benefits to low-income Americans so that no one in America goes hungry.

- **Supplemental Nutrition Assistance Program (SNAP) is benefiting over 40 million Americans.** The Recovery Act provided a significant, temporary increase in SNAP benefits and allocated \$150 million in grants to food banks and other emergency food providers.
- **Creating and Saving Jobs.** The increase in SNAP benefits made possible through the Recovery Act helps low-income households better meet their nutritional needs and creates and saves jobs by boosting the overall economy.
- **Bringing healthy food to the populations that need it most.** The President’s FY 2011 Budget also proposes investing more than \$400 million in a Healthy Food Financing Initiative, to bring healthy food options to underserved low-income communities. Improving child nutrition and addressing “food deserts” are two key elements of the new *Let’s Move!* campaign that the First Lady is leading, with the goal of solving the problem of childhood obesity within a generation.

4. Supporting Women in Retirement and Between Jobs

Women who are not working but are looking for work need ways to stay connected to the workforce so they can transition smoothly back into work. Safety net policies are more important than ever to keeping women and their families afloat.

Economic Recovery Payments

- **Over 13.6 billion in economic recovery payments of \$250 each were provided to seniors and veterans. A significant percentage of these payments have gone directly into the hands of women.**

Extending Help for the Unemployed

In response to the worst recession since the Great Depression, the President has supported an unprecedented extension of unemployment insurance benefits. Unemployment Insurance (UI) provides a level of economic security for women as they look for work, encouraging them to stay in the labor force rather than becoming discouraged and leaving the labor force.

- **Provide economic security to women and families through unemployment insurance.** About 40 percent of unemployment insurance recipients were women in 2008 and 2009, making this program extremely important to the economic health of women and families. From July 2008 to August 2010 about 6.9 million women benefited from the extensions of unemployment benefits.
- **Enacted the longest-lasting emergency unemployment program in history and included the first benefit increase in a downturn in history.**
 - **Unemployment insurance keeps people out of poverty.** The extension of unemployment insurance has kept 3.3 million people out of poverty, 1 million of whom are children.
 - **Helping states assist unemployed workers.** The Recovery Act provided unemployment benefits to over 20 million workers, allowing states to assist the largest share of unemployed workers in 30 years. The Recovery Act provided incentives to states to extend coverage to part-time workers and recent entrants to the labor force, many of whom are women, as well as to unemployed workers who are pursuing education or training and others who had previously been excluded.
 - **Modernizing unemployment insurance.** While providing increased benefits and extended coverage the President has supported the modernization of the Unemployment Insurance program to address problems with the system that were revealed during the recession.

The Administration is working with Congress to further extend emergency unemployment insurance.

Supporting Female Retirees Through Social Security

Social Security plays a vital role for women, which is why the President is committed to protecting and strengthening it, while fighting privatization – a step that would not only weaken Social Security overall

but would specifically undermine many of the features that provide protections for women. Some of the key facts about Social Security are:

- **The majority of Social Security beneficiaries are women.** 20.4 million women received benefits in 2008, representing 57 percent of all Social Security beneficiaries age 62 and older and approximately 69 percent of beneficiaries age 85 and older.
- **Women disproportionately benefit from many of the features of Social Security:**
 - **Women live, on average, 2.3 years longer than men.** This makes lifetime guaranteed, inflation-protected benefits especially important for women.
 - **Women, on average, have lower earnings.** As a result they benefit from the progressive benefit structure in Social Security.
 - **Women have fewer sources of income.** Women are less likely to have significant family income during retirement and on average receive less pension income. All of this makes them more reliant on Social Security.
 - **Women disproportionately benefit from spouse and survivors benefits.**

Many privatization proposals would erode many of the features that benefit women. Potentially at risk, depending on the details of the privatization proposal, would be inflation-protected benefits, the progressive benefit structure, survivor's benefits, and the entire concept of a guaranteed benefit that provides an additional bedrock of security for women. President Obama is committed to working with members from both parties who are committed to strengthening Social Security, including its vital features for women, but will continue to oppose efforts to weaken it through privatization.