

FRBSF Economic Letter

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Parental Participation in a Pandemic Labor Market

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Gender gaps in labor market outcomes during the pandemic largely reflect differences in parents' experiences. Labor force participation fell much less for fathers compared with other men and all women at the onset of the pandemic; the recovery has been more pronounced for men and women without children. Meanwhile, labor force participation among mothers declined with the start of the school year. Evidence suggests flexibility in setting work schedules can offset some of the adverse impact on mothers' employment, while the ability to work from home does not.

One defining aspect of work during the COVID-19 pandemic has been whether or not people can work from home. Public health policies and private decisions regarding how to contain the spread of the virus have required a shift in where and how people work. Another defining aspect of the pandemic has been the widespread disruption to schooling that has required parents to shift *when* they work. With schools either fully closed or using some mode of partial remote learning, parents have been required to shift a portion of their available time to supervising their children's education.

This *Economic Letter* discusses findings in our recent paper (Lofton, Petrosky-Nadeau, and Seitelman 2021) on the pandemic's disparate impacts on mothers and fathers and their contributions to widening gender gaps in the labor market. Detailed microdata on prime-age workers from the U.S. Bureau of Labor Statistics (BLS) Current Population Survey (CPS) show labor force participation fell much less for fathers as compared with women and nonparent men in spring 2020, during the initial strict containment measures that were implemented to slow the spread of the virus. The subsequent recovery in participation has been more pronounced for men and women without children, particularly with the start of the school year. Overall, we find that, if mothers had experienced a recovery similar to that of nonparent women, their December 2020 participation rate would have been 2 percentage points higher than the actual rate. That is, approximately 700,000 additional prime-age women would have returned to the workforce. We further find evidence that the ability to set work schedules, more than the availability of work from home possibilities, provides mothers with the flexibility needed to return to the workforce during the recovery from the pandemic.

Parents working in a pandemic labor market

The onset of the pandemic and massive disruption to economic activity affected women to a greater extent than men (Alon et al. 2020, Cajner et al. 2020). Following sharp declines in April 2020, labor force participation rates for prime-age men and women—individuals between ages 25 and 54 who compose the bulk of the workforce—had recovered half of their earlier declines by midsummer. Since July, the participation rate for men has remained at the same level, about 1% lower than the pre-pandemic level.

Women's participation, however, fell again to around 75%, a 2.2 percentage point decline from before the pandemic.

These gender differences are driven by the differential impacts of the pandemic on parents. Figure 1 shows the evolution of participation in the labor market for mothers and fathers during the pandemic relative to their respective rates of participation in February 2020 (solid blue and red lines). The figure also shows the rates of participation for women and men without a child at home (dashed blue and red lines).

The initial impact of the pandemic was much more pronounced on mothers' participation in the labor market than on that of fathers. And while mothers' participation partially recovered during the summer, it reversed course with the start of the new school year, falling back to April lows. This contrasts with the participation patterns of nonparent women and men: nonparents experienced similar declines at the onset of the pandemic and were slightly below pre-pandemic rates in December, alongside fathers.

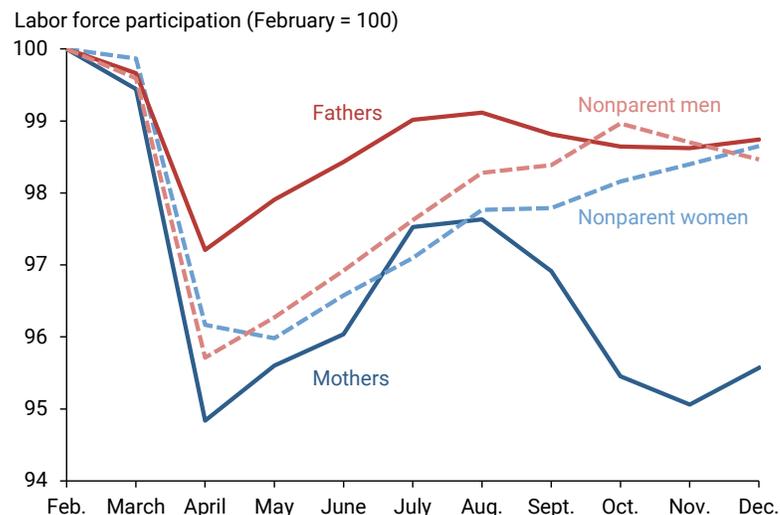
Fathers account for about one-third of the 1 percentage point decline in men's labor force participation rate since the start of the pandemic. This contrasts dramatically with the impact on mothers, who account for nearly three-fourths of the 2.2 percentage point decline in women's participation rate. If mothers had experienced a recovery similar to that of other women, their participation rate would have been approximately 73% in December 2020, 2 percentage points higher than their actual rate. That means approximately 700,000 additional prime-age mothers would have been in the workforce at the end of the year.

The disproportionate burden of the pandemic recession on women, especially mothers, contrasts sharply with the situation during the Great Recession. The participation rates for men, especially nonparents, fell more than for women during the three years covering the Great Recession and the initial recovery period. The paths for mothers and fathers were similar overall, with fathers faring slightly worse during the first couple years of that period.

Unequal impact across demographic groups

Labor market outcomes vary significantly across demographic groups during recessions in general, and a pandemic recession in particular. The disparate gender and parental labor market impacts of the pandemic are amplified across the household income distribution. To study this, we restrict the population to households with two or more adults and sort individuals into three groups defined by the distribution of household income before the onset of the pandemic. Figure 2 reports the change in labor market

Figure 1
Evolution in labor force participation during the pandemic

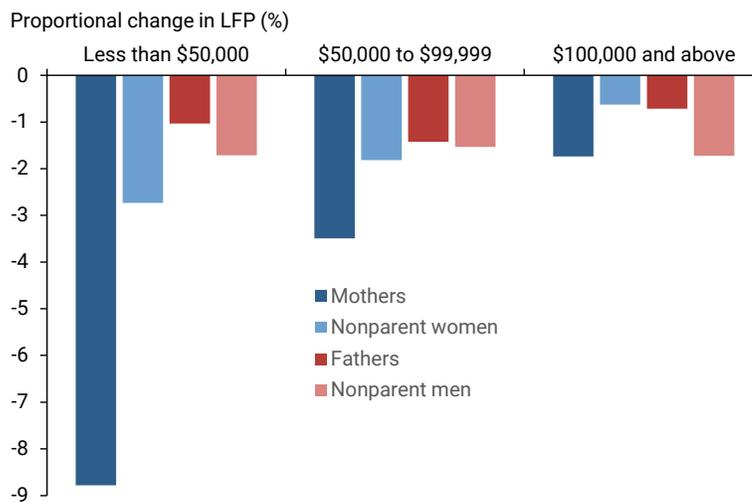


Source: Authors' calculations using data from Current Population Survey.

participation between February and December 2020 for parents and men and women without children at home according to income.

Mothers in the lowest income group exited the labor force at a rate four times that of mothers in the highest household income group (dark blue bars in Figure 2). That is, participation for mothers in households with an annual income below \$50,000 per year declined nearly 9%, while mothers in households with incomes above \$100,000 per year fell a little under 2% below their pre-pandemic participation rate.

Figure 2
Labor force participation by income group in the pandemic



Source: Authors' calculations using data from Current Population Survey. Data show proportional change in labor force participation (LFP) between February and December 2020.

Meanwhile, the decline in participation for fathers (dark red bars) was smaller than for mothers across all household income groups. One sharp contrast is within the lowest income group, with participation for fathers suffering only a fraction of the losses experienced by mothers. By comparison, changes in participation across the household income distribution were similar for men and women without children at home (light blue and light red bars). These differences may in part reflect the particular manner in which the pandemic has affected how people work.

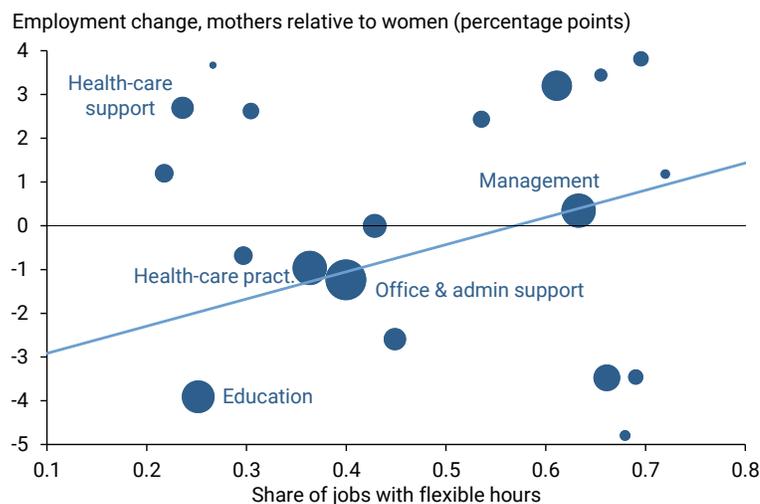
Telework and flexibility in setting work schedules in a pandemic

Pandemic-related health measures have placed constraints on in-person work. At the same time, the additional childcare burden caused by school and day care closures have placed greater importance on flexible work schedules, as parents have been required to shift part of their available time to supervising their children's education. Survey evidence points to a large shift toward mothers being the sole providers of childcare since May 2020, even in dual-earner households (Zamarro and Prados, 2021). The same surveys find that women—particularly mothers—who remain employed have not reduced the numbers of hours they work on the job during the week.

These responsibilities create conflict when jobs require a physical presence (Mongey, Pilossoph, and Weinberg 2020), but also when flexibility in work schedules is limited. We examined the relation between the ability to do work from home, flexibility in setting work schedules, and changes in parental employment during the pandemic. We did so by complementing detailed CPS employment microdata with measures of the degree of telework ability and work flexibility using responses to the BLS American Time Use Survey Leave Modules. In particular, we perform two sets of rankings: first, we rank occupations according to the share of jobs that can be done from home, and second, we rank occupations based on the share of jobs that provide flexibility in setting start and end times.

We find that the second ranking, flexibility in setting work schedules, offsets some of the adverse impact of the pandemic on mothers' employment, whereas the availability of teleworking did not. Figure 3 plots the ratio of the change in mothers' employment relative to the change in women's employment for a given occupation from February to December 2020 on the vertical axis, and the share of jobs with flexible hours for that occupation on the horizontal axis. The figure shows that, in occupations with flexible work schedules such as management, the ratio of mothers' to women's employment did not change significantly during the pandemic. In contrast, occupations with rigid work schedules—such as education—saw pronounced declines in mothers' relative to women's employment within the same occupation.

Figure 3
Flexible job schedules more supportive for mothers



Source: Authors' calculations using data from Current Population Survey and American Time Use Survey job leave module.

Conclusions

The pandemic recession differentiated parents from the rest of the workforce and adversely affected mothers in particular, as the effects of the virus on society persisted. Prime-age men and women without a child in the household experienced broadly similar labor market dynamics from the onset of the pandemic through December 2020. Prime-age men with a child at home fared better than all other groups. By contrast, prime-age women with a child at home experienced a significantly weaker labor market recovery. In addition, flexibility in work schedules appears to have provided a better support than the ability to work from home as one way to help mothers stay employed. This is likely due to inflexible childcare hours during periods of remote schooling.

If the pandemic persists, further delaying women with children from returning to the labor market, there is a risk that the delay could damage their future earnings potential and reduce the number of mothers who eventually return to work. Moreover, if household behavioral adaptations—a reversion to older gender norms of household tasks and responsibilities—are sustained beyond the recession, the pandemic could prevent a cohort of mothers from fully recovering their former roles in the labor market. Finally, the lack of childcare support and flexibility laid bare by the pandemic may affect the labor supply decisions of future parents, with long-lasting implications for gender equality in labor force participation, employment, and earnings gaps.

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