

REPORTS ON RURAL AMERICA



# Working Hard for the Money

## Trends in Women's Employment 1970 to 2007

KRISTIN SMITH



BUILDING KNOWLEDGE FOR FAMILIES  
AND COMMUNITIES

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# Working Hard for the Money

## Trends in Women's Employment: 1970 to 2007

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*A Carsey Institute Report on Rural America*

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# Summary

When most people think of rural families, they imagine stay-at-home mothers, three or four children roaming free in the outdoors, and a father on a tractor or in the mines. Rural America is, in the country's imagination, still a bastion of traditional values and traditional families. While certain aspects of that vision remain true, one thing has decidedly changed. Mom is no longer home in the kitchen, and dad is no longer on the tractor or in the mines.

Rural married women, mothers and not, are clocking in at work more often today than even their urban counterparts, and since 2000, more married than single women are in the workforce in rural areas, a first. In 2006, 70 percent of married women with children under age 6 in rural areas worked for pay compared with 64 percent in urban areas. This report documents the changing nature of women and work nationally, and in rural and urban areas, concentrating on five big changes: 1) the increase in women's employment; 2) the recent "opting out" phenomenon; 3) the rise in women's earnings and declines in the earnings gap; 4) the rise in the working poor; and 5) the decline in the traditional family structure of a husband as breadwinner with a stay-at-home wife.

Many rural women today are working to add a second income to the family's strained budget as the traditional male-dominated fields like farming, mining, logging, and paper mills continue to disappear, replaced by a growing service economy. Since 1980, rural men are less likely to be working and earn less than their urban peers, and their wages have been declining as well. In 2006, for the first time, urban women earned as much as rural men—\$35,000. In 1980, the earnings difference was \$13,000. Women in rural areas earned even less, only \$27,000 in 2006. Not surprisingly, given this steep decline in earnings among men and the low wages of women, rural poverty rates are higher than in urban areas overall, particularly among mothers with young children.

## College Graduates Work More, Earn Less in Rural Areas

The job trends of the most educated women in rural areas, those with a college degree, are perhaps most portentous if rural areas are to rebuild vibrant economies. In this economy, the highest pay goes to those with the most education. Yet in rural areas, college-educated women gain less from this education

dividend than their urban peers. Although more college-educated women are in the workforce in rural areas (84 percent of rural women with a Bachelor's degree versus 81 percent of urban women), rural female college graduates earned only 81 cents for every dollar urban college graduates earned, or about \$9,000 less each year. One reason for this difference is the types of jobs available in rural areas. Two high-paying occupations—lawyers and doctors—are among the top eight occupations held by highly educated women (master's degree or higher) in urban, but not rural, areas. In contrast, two low-paying jobs—preschool and kindergarten teachers—are among the top eight for highly educated women in rural areas.

In addition to their own earnings, college-educated rural mothers reported, on average, \$39,028 in other family income (mostly their spouse's earnings), substantially less than the \$60,000 reported by college-educated urban mothers.

Women with less education fared even worse. While earnings among college graduates at least grew, earnings among women with lower levels of education decreased and did not keep pace with inflation, resulting in greater inequality.

## Rural Families Depend More on Women's Earnings

When earnings do not keep pace with inflation and when fathers and husbands face an ever-shrinking job market, families feel the pinch. Although many rural women have entered the workforce to make up this difference, their lower wages and more sporadic employment make this catch-up game all that much harder. Whereas the annual earnings gap between urban and rural families in 1969 was \$13,000, by 2006, rural couples were making \$18,000 less than urban married couples. Despite a similar work effort among rural and urban women, rural women are unable to compensate for the rural pay disadvantage.

Further evidence of families' increasing dependence on women's earnings is the growing share of families that are relying solely or primarily on the wife's income. Today, nearly one in five rural married women contributes the majority of the couple's earnings, a 56 percent increase since 1970. The rise of wives as primary providers was even faster among urban families—a 65 percent increase over the same period. College graduates are more likely to be primary or sole providers in rural areas than in urban areas (22 percent compared with 18 percent).

## Opting Out—Less an Option in Rural Areas

Much has been made of the so-called opting out of the workforce by more highly educated women with children—choosing after years of hard-fought gains in the workforce to sidestep the corporate ladder in favor of family. But this is largely an urban phenomenon. Indeed, since 2000, the share of college-educated, married mothers of young children in the country's cities and suburbs who are working has declined from 75 percent to 71 percent.

Yet the focus on this more privileged set, who may have the luxury of choice or may be pushed out by an inflexible workplace, seems to be hijacking the story. Mothers of all education levels with young children at home have been leaving the workforce. In fact, the largest declines have been among mothers with less than a high school degree. That all women are leaving the workforce suggests something other than choice is influencing the trends. Those with less education typically make less money and can least afford to stay home with their children, particularly since welfare reform now mandates work and imposes time limits. Therefore, they are more likely leaving the workforce not by choice but because they have been pushed out by economic downturns. Recent research suggests that women have reached parity with men on one thing: when they lose well-paid jobs in today's economy, they too have difficulty finding another job with comparable pay. The 50-year-old woman without a high school degree who has been working at Maytag for 25 years earning \$25 an hour with benefits finds herself out of work in a new service economy, where pay starts at \$10 an hour without benefits.

What is also missed in this opting out discussion is the rural story. Rural mothers have not left the workforce at the same pace as their urban counterparts. After decades of slightly higher employment rates among urban women than rural women, the difference between the two has disappeared, largely because of a faster decline in employment among urban women since 2000.

Even college-educated rural women were less likely than their urban counterparts to “opt out” of their job in the early 2000s. In 2000, 86 percent of college-educated rural mothers with young children were in the workforce, and by 2007, this had declined only a hint, to 85 percent. (As noted above, 71 percent of urban college-educated mothers with young children were working in 2007.)

## Mom in the Kitchen, Dad on Tractor Becoming More a Myth than a Reality

Although many still hold tight to notions of an idyllic rural life with mom at home with the children, and dad putting in a hard day's work on the farm or in the mines, that scenario today is more myth than reality. Suffering from economic restructuring and the slow loss of good-paying, traditionally male jobs, rural families are turning to women to sustain their families. Rural married mothers of young children are more likely to work than their urban peers, more rural college-educated women work and earn less than their urban peers, and women are more often sole providers in rural families than ever before. Rural families, even those with a college degree, simply have less of a cushion than urban families.

It is particularly worrisome in this two-tiered economy of service workers and “knowledge” workers that rural areas compensate less for the increasingly expensive college degree than urban areas. Brain drain is a real issue for many rural areas, particularly in the Great Plains and Midwest. Without better paying jobs and more occupational diversity for female college graduates, stemming that drain will be even harder. The issue is particularly pressing when women graduates are forecast to continue to outnumber men for some time to come.

Easing the strain on those earning the least is also critical. In 2005, just shy of 2 million rural workers earned less than \$7.25 per hour. Expanding the Earned Income Tax Credit and raising the minimum wage would go far in helping these families make ends meet. It would also make it easier to attract and keep workers in rural areas. Industries that typically employ women, such as services, health, and education sectors, offer wages that often cannot support a family. State and federal policies that encourage better benefits, wages, and flexibility could make a substantial difference in the lives of rural families.

As the country falls into recession and mortgages are squeezed, and as jobs become even less secure, sound policies are needed to support all families. Seventeen percent of the U.S. population lives in rural areas. They should not be forgotten, as they often are, when designing policies to spur economic growth and support families.



# Introduction

The widespread entry of women into paid employment has played a major role in the transformation of the family, from the agrarian family that dominated American life until the middle of the nineteenth century to the dual employment and partial specialization that we see today (Gornick and Meyers 2003). Women in both rural and urban areas alike traditionally specialized in unpaid labor in the home, but with each passing decade both spent more of their time working for pay in the marketplace.

However, beginning in 2000, the decades-long trend of women's increasing employment reversed. This decrease in employment occurred across the board, but some segments of the population saw more precipitous drops than others. Employment declines were largest among women with less education, young women, black women, single women, and single mothers with young children—groups that typically have low earnings and cyclical employment that fluctuates with economic cycles (Blank, Danziger and Schoeni 2006; Borjas 2006; Mosisa and Hipple 2006).

Concurrent with large gains in women's employment since the 1970s, women's earnings and hours worked have increased. However, rural women's earnings grew more slowly than urban women's earnings, resulting in a rise in the earnings gap between the two groups of women. And while poor women are more likely to work now than in the past, their low wages and unstable work make it difficult for them to escape poverty, despite work.

Women's increased employment and earnings, coupled with men's declining wages and employment translates into larger provider roles for married women, altering the traditional breadwinning patterns of families. Today it is much more common for married couples to share the breadwinning role.

Many rural communities lack stable employment, opportunities for mobility, community investment and development, and diversity in the economy and other social institutions (Tickamyer and Duncan 1990). However, rural areas have not been immune to the social changes—including the changes in women's employment—that have swept the nation over the past several decades. While this report documents the convergence of rural and urban women's employment rates, we also find that rural women's earnings lag behind their urban peers', resulting in increased inequality.

Using employment estimates from the Current Population Survey (CPS) March supplements, this report focuses on five big changes in women's employment since 1970: 1) the increase in women's employment; 2) the recent "opting out" phenomenon; 3) the rise in women's earnings and decline in the earnings gap; 4) the rise in the working poor; and 5) the decline in the traditional family structure of a husband as sole breadwinner with a stay-at-home wife. It highlights change by several characteristics, including age, race and ethnicity, education level, and family status. For each section, rural and urban distinctions are explored.

# Trends in Women's Employment

## Women's Employment Rises in Both Rural and Urban Areas.

One big change in American family life is the large rise in women's employment. The majority of the growth in women's paid work occurred in the second half of the twentieth century, nationally and in both rural and urban America.<sup>1</sup> Employment rates among women aged 16–64 grew sharply in the 1970s and 1980s, before slowing in the 1990s, and decreasing since 2000 (see Figure 1A).<sup>2</sup> Nationally, women's employment peaked at 75 percent in 2001 before decreasing to 71 percent by 2004, where it has held steady since.<sup>3</sup> Men's employment, in contrast, has been slowly declining during the same time span, from 92 percent in 1970 to 82 percent by 2007.

Because of these diverging trends, the gender gap in employment has narrowed significantly in recent decades, driven primarily by the large increase in women's paid employment during the 1970s and 1980s. In 1970, 62 women were employed in the previous year for every 100 men aged 16–64, but by 2000 the ratio had climbed to 87 women per 100 men. The gender employment gap has held steady since 2000 because both women and men experienced declines in employment between 2000 and 2007.

Women and men's employment rates in rural and urban areas generally follow the national pattern (see Figure 1B). Trends in employment rates of rural and urban women virtually mirror each other, increasing steadily from 1970 to 2000.<sup>4</sup> However, after decades of slightly higher employment rates among urban women, employment rates of rural and urban women aged 16–64 converged in 2003 and remained steady, owing to a larger decline in employment among urban women since 2000.<sup>5</sup> Urban men have higher employment rates than rural men since 1980.<sup>6</sup>

FIGURE 1A. EMPLOYMENT RATES OF WOMEN AND MEN, 1970–2007

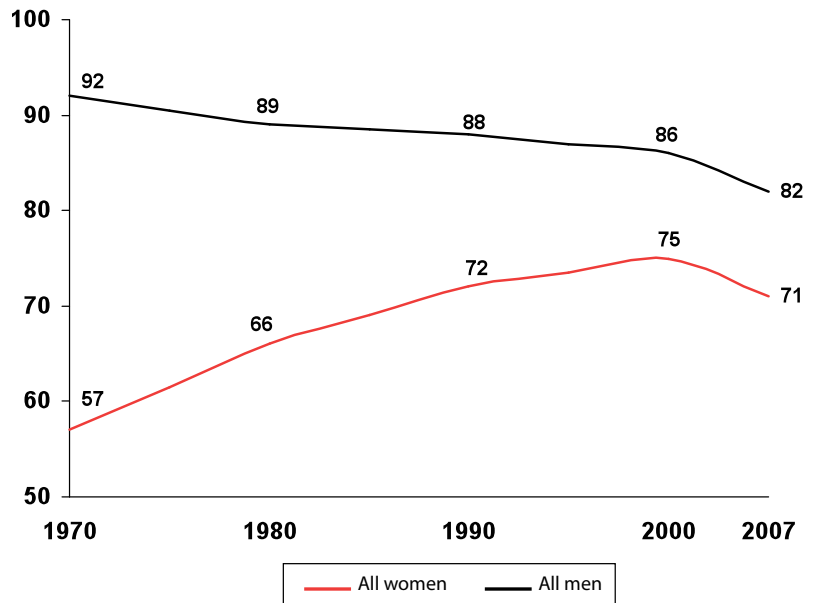
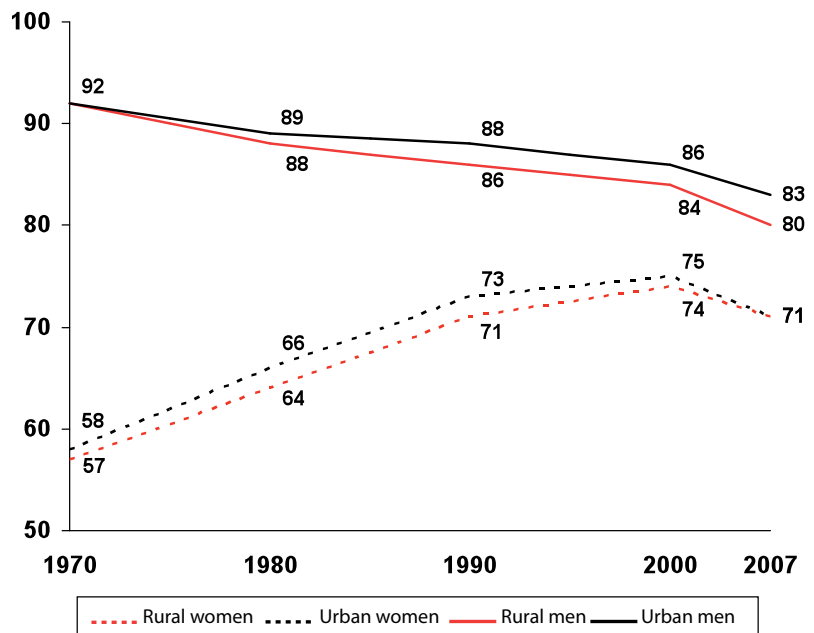


FIGURE 1B. EMPLOYMENT RATES OF WOMEN AND MEN BY PLACE, 1970–2007



Note: Employment rates calculated for women and men ages 16–64 in the previous year.

Source: 1970, 1980, 1990, 2000 and 2007 March CPS.



## Rural College Graduates More Likely To Work Than Urban Peers.

One pattern that has held fast since the 1970s is rising employment rates at higher levels of education. Highly educated women are more likely to work for pay than are less-educated women, as shown in Figure 2A. For example, in 2007, 82 percent of women aged 16–64 with a college degree were employed in the previous year, while 70 percent of women with a high school degree were employed. In contrast, only 45 percent of women who had not completed high school were working for pay.

Employment patterns among women with college degrees follow the general trends seen for all women. Women with some college and high school graduates experienced similar trends, although their participation rates remain lower than those with college degrees. The pattern diverges, however, for women who have not finished high school. Their employment rates held relatively constant during the 1970s and 1980s before rising in the late 1990s. Since 2000, however, employment rates among this group declined to 45 percent by 2007.

These same patterns are evident for both rural and urban women. In both areas, women with less than a high school degree registered the largest declines in employment rates after 2000; and college graduates saw a smaller decline (see Figures 2B and 2C). Female college graduates in rural areas were more likely to work for pay than their urban peers (84 percent compared with 81 percent in 2007).

FIGURE 2A. EMPLOYMENT RATES OF WOMEN BY EDUCATION, 1970-2007

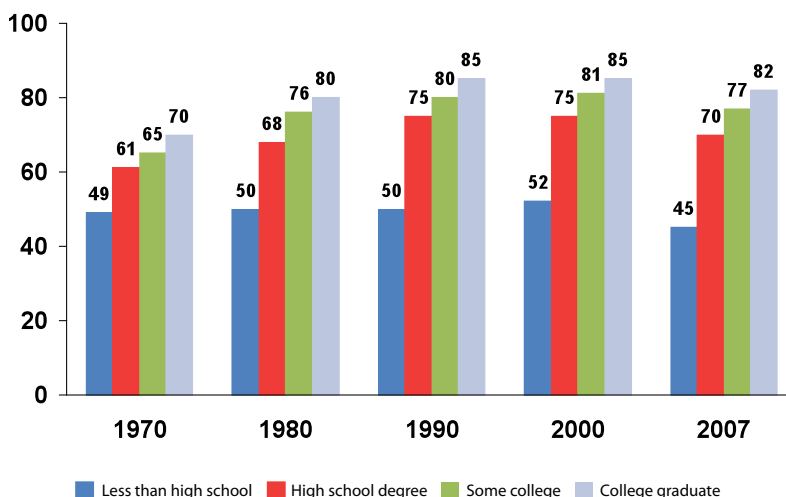


FIGURE 2B. EMPLOYMENT RATES OF RURAL WOMEN BY EDUCATION, 1970-2007

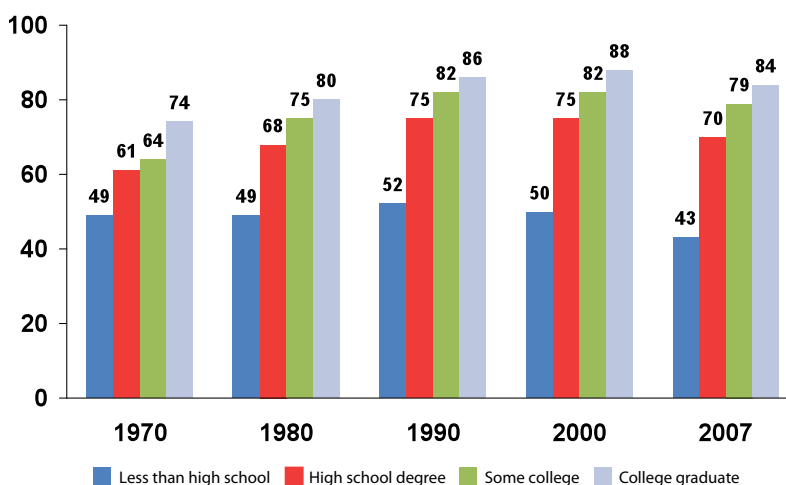
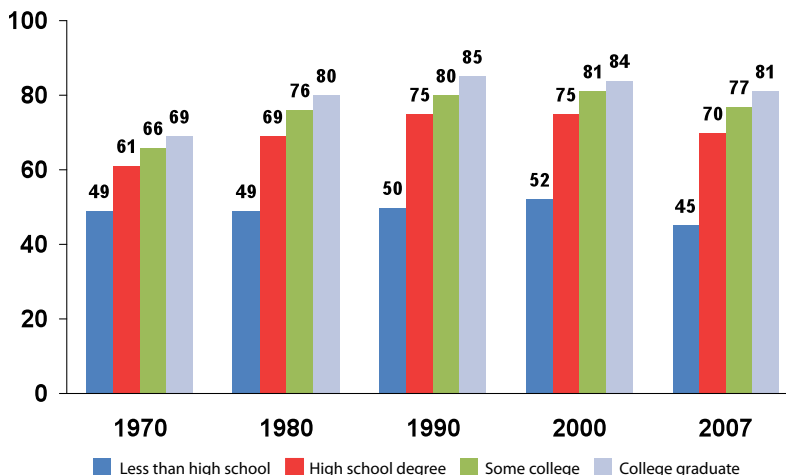


FIGURE 2C. EMPLOYMENT RATES OF URBAN WOMEN BY EDUCATION, 1970-2007



Note: Employment rates calculated for women ages 16-64 in the previous year.  
Source: 1970, 1980, 1990, 2000, and 2007 March CPS.

Women's employment rates differ by age. Historically, young women under age 25 had the highest employment rates. However, employment now tends to be more common among those aged 25–54, due in part to the large rise in employment among 25–54 year olds, but also because many people under age 25 have taken advantage of growing opportunities to attend college and many over 55 are retired (see Figure 3A). Since the 1980s, employment rates among women aged 55–64 have risen. The same trends are evident among rural and urban women (see Figures 3B and 3C).

FIGURE 3A. EMPLOYMENT RATES OF WOMEN BY AGE GROUP, 1970–2007

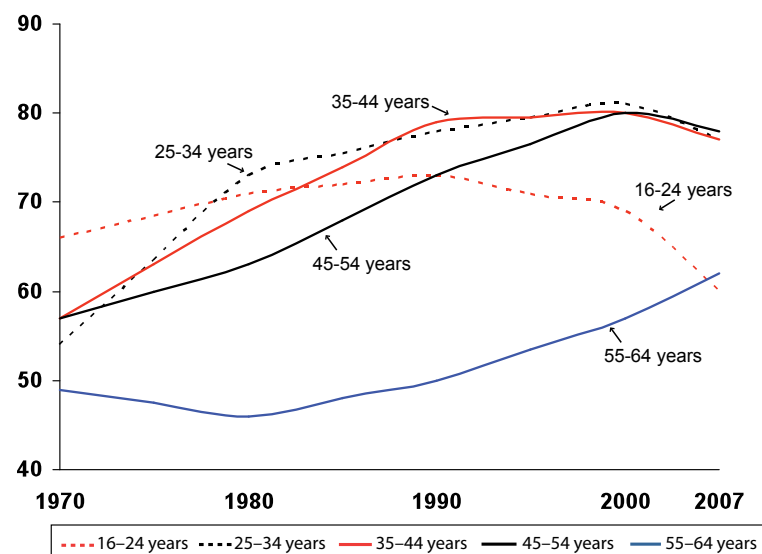


FIGURE 3B. EMPLOYMENT RATES OF RURAL WOMEN BY AGE GROUP, 1970–2007

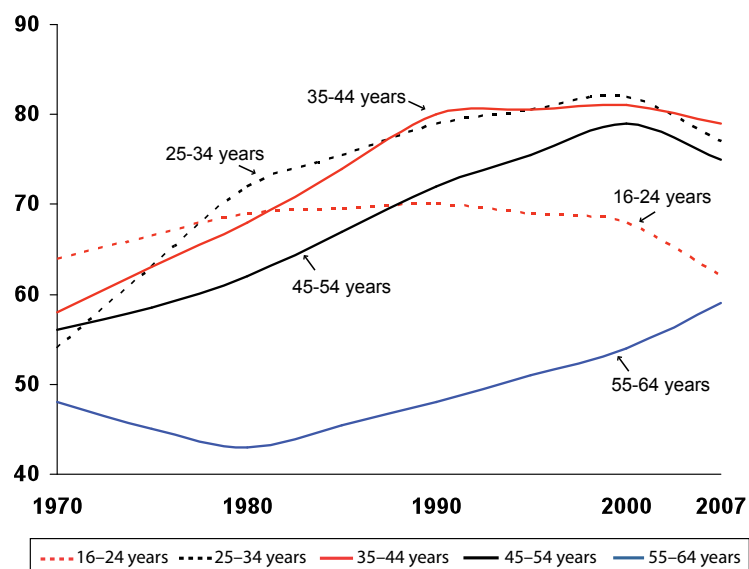
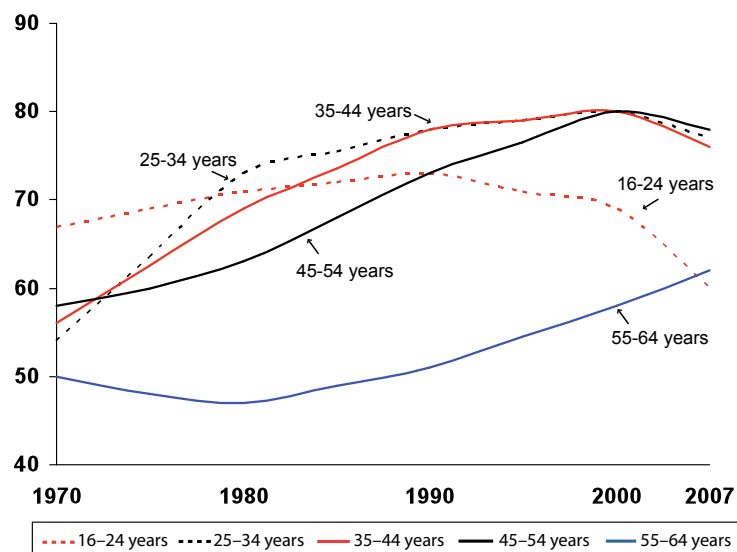


FIGURE 3C. EMPLOYMENT RATES OF URBAN WOMEN BY AGE GROUP, 1970–2007



Note: Employment rates calculated for women ages 16–64 in the previous year.

Source: 1970, 1980, 1990, 2000, and 2007 March CPS.

## Employment Among Married Women Surpasses Single Women in Rural Areas.

The gains in women's employment during the past four decades have largely been driven by the changes in work patterns among married women. Historically, married women had lower employment rates than single women. However, employment rates of married women climbed 45 percent between 1970 and 2000. In 1970, approximately one-half of married women worked for pay, while by 2000, three-fourths were employed. The majority of the increase occurred during the 1970s and 1980s (*see Figure 4A*).

On the other hand, the share of single employed women increased only modestly between 1970 and 2000, before returning by 2004 to rates last seen in the 1970s and 1980s. Employment rates of single women decreased more than those of married women between 2000 and 2007, such that employment rates of married and single women converged in 2007 at 71 percent.

In rural areas, married women caught up and then surpassed their single peers in the workforce (*see Figure 4B*). In contrast, in urban areas, married women never surpassed single women in the workforce, although by 2007, single and married urban women were equally likely to be employed (*see Figure 4C*).<sup>7</sup>

FIGURE 4A. EMPLOYMENT RATES OF WOMEN BY MARITAL STATUS, 1970-2007

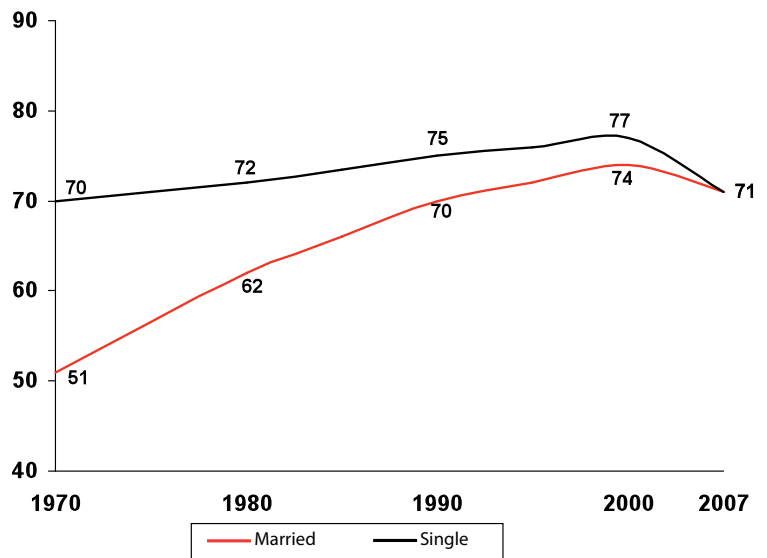


FIGURE 4B. EMPLOYMENT RATES OF RURAL WOMEN BY MARITAL STATUS, 1970-2007

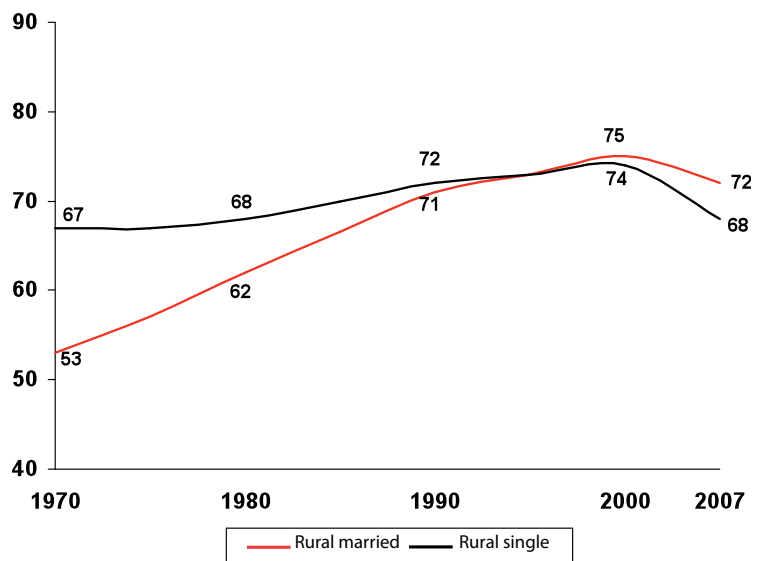
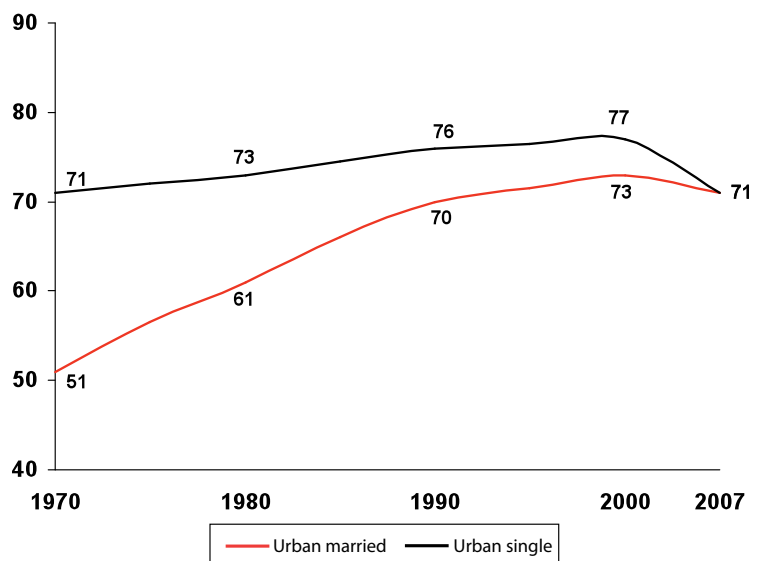


FIGURE 4C. EMPLOYMENT RATES OF URBAN WOMEN BY MARITAL STATUS, 1970-2007



Note: Employment rates calculated for women ages 16-64 in the previous year.

Source: 1980, 1990, 2000, and 2007 March CPS.

Nationally, black married women consistently have the highest employment rates, followed by white married women. Hispanic married women have the lowest employment rates (see Figure 5A). However, a different pattern emerges when place is considered. In rural areas in 1980, black married women were more likely to be employed than white married women (see Figure 5B). Their employment rates converged during the 1980s and then a gap again emerged by 2007, with higher rates again among black married women than white married women. Urban trends mirror the national trends (see Figure 5C).

FIGURE 5A. EMPLOYMENT RATES OF MARRIED WOMEN BY RACE AND ETHNICITY, 1980-2007

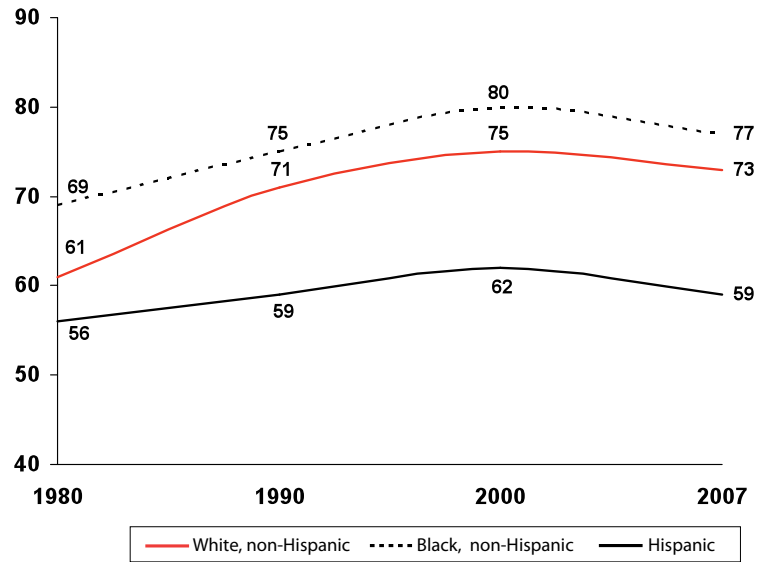


FIGURE 5B. EMPLOYMENT RATES OF RURAL MARRIED WOMEN BY RACE AND ETHNICITY, 1980-2007

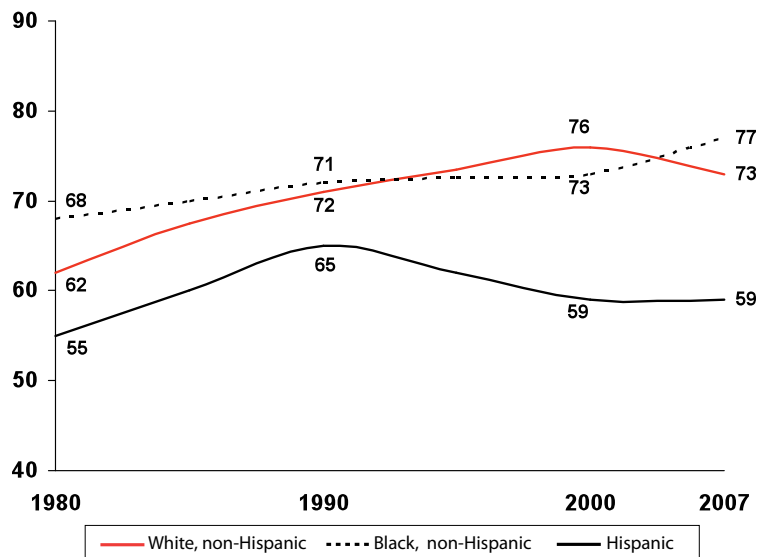
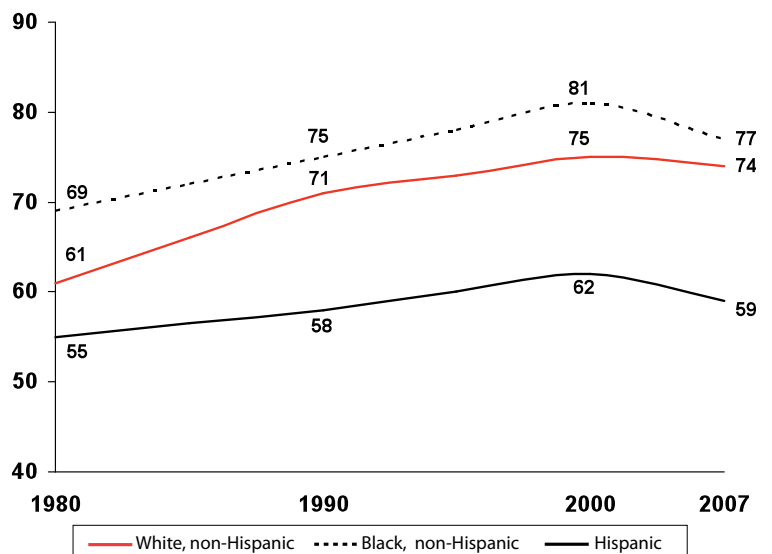


FIGURE 5C. EMPLOYMENT RATES OF URBAN MARRIED WOMEN BY RACE AND ETHNICITY, 1980-2007



Note: Employment rates calculated for women ages 16-64 in the previous year.

Source: 1980, 1990, 2000, and 2007 March CPS.

## Employment Rates of Single Mothers Jump During the 1990s in both Rural and Urban America.

Having young children tends to deter women's employment because of the concurrent demands of work and family on a mother's time. Once children are in school, mothers increase their employment to rates comparable to those of married women with no children at home (data not shown). Figure 6A shows that in 2007, 65 percent—still a majority—of married mothers of young children worked for pay compared with 73 percent of women with no young children.<sup>8</sup> Likewise, single mothers of young children had lower employment rates than single women without children under age 6 (66 percent compared with 72 percent). In rural areas, the differences are less striking, but the general pattern persists (see Figure 6B).

Although married mothers with young children are less likely to work than those with no young children, their employment rates increased during the 1980s before stabilizing during the 1990s, marking the end of the decades-long growth in married mothers' employment (see Figures 6A, 6B and 6C). In contrast, employment rates among single mothers with young children were steady in the 1980s before rising significantly in the 1990s, particularly in urban areas. Employment rates of urban single mothers jumped from 58 percent in 1990 to 73 percent in 2000. During the same time period, rural single mothers' employment rates also rose substantially—from 62 percent to 72 percent.<sup>9</sup>

However, since 2000, employment rates of all single mothers (both rural and urban) with young children have decreased substantially to levels comparable to the late 1990s. Employment rates of married mothers with young children have also declined since 2000, but to a lesser extent.

Note: Employment rates calculated for women ages 16-64 in the previous year.

Source: 1980, 1990, 2000 and 2007 March CPS.

FIGURE 6A. EMPLOYMENT RATES OF WOMEN BY FAMILY STATUS, 1980-2007

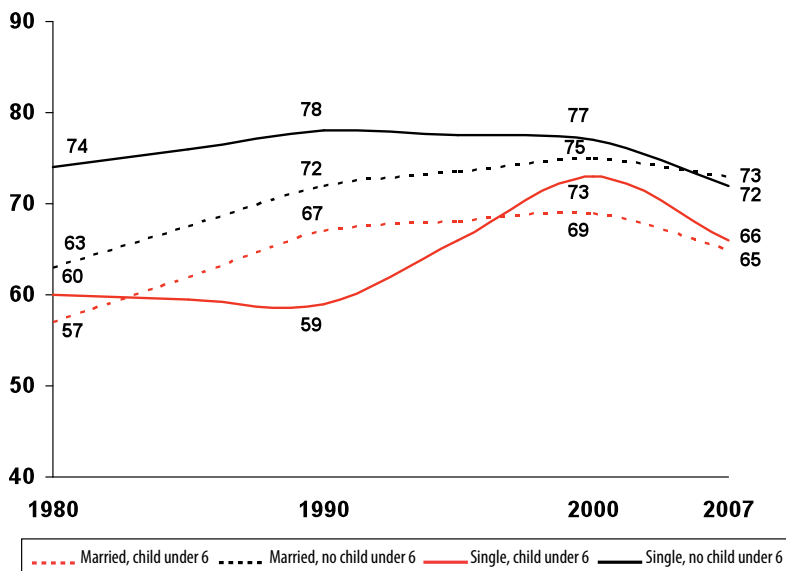


FIGURE 6B. EMPLOYMENT RATES OF RURAL WOMEN BY FAMILY STATUS, 1980-2007

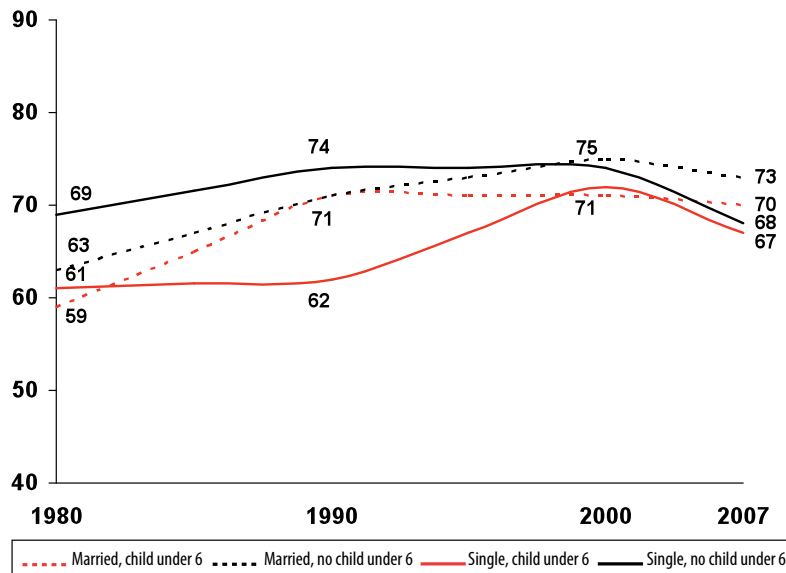
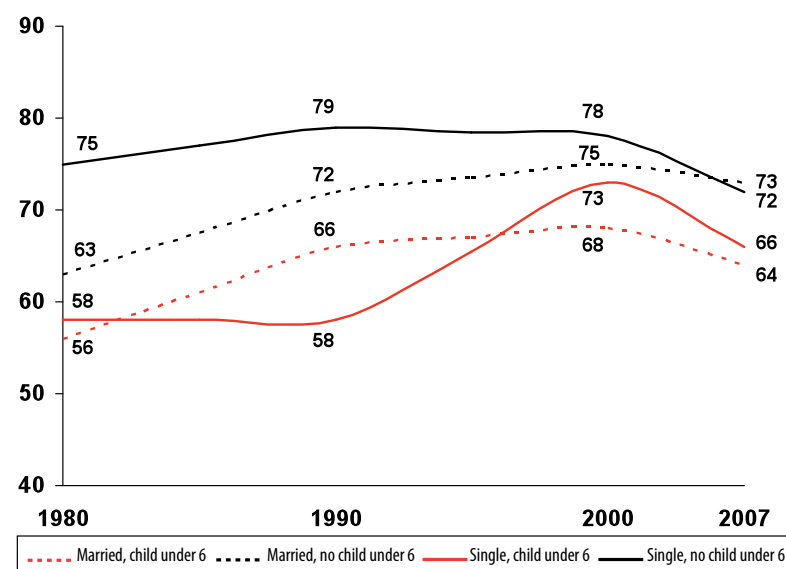


FIGURE 6C. EMPLOYMENT RATES OF URBAN WOMEN BY FAMILY STATUS, 1980-2007



## Factors Contributing to the Rise in Women's Employment through 2000

Several societal shifts have contributed to the change in how women allocate their time and negotiate their work and family roles. Social change and shifting family structure, exemplified in delays in marriage, declines in fertility, and the rise in cohabitation and divorce, result in women spending fewer years married and rearing children, leaving more time for paid market work (Casper and Bianchi 2002). The rise in single-mother families, stagnant or declining men's wages, and job loss in industries that traditionally employ men (such as manufacturing and agriculture) have put pressure on women to work for pay (Levy 1998). The rise in educational attainment among women coupled with an increase in service sector jobs, which are typically female-dominated, also increased opportunities for women in the paid labor market (Blau, Ferber, and Winkler 2002; Falk and Lobao 2003; Sayer, Cohen, and Casper 2004). Furthermore, gender roles have become less rigid, and today it is more common for couples to share responsibility for both work and family spheres (Shelton and John 1996). Public attitudes have become more accepting of women working outside the home for pay (Thornton and Young-DeMarco 2001), even women with young children, and policymakers have introduced legislation to ease work and family conflicts (such as the Family Medical Leave Act) and mandate paid work for single mothers who otherwise might seek welfare (Williams and Cooper 2004).

Rural areas have not been immune to the social changes that have swept the nation during the past four decades. Rural communities, often perceived as wholesome, traditionally minded, family-friendly enclaves, are keeping pace with their urban neighbors on many of these social changes. Even though rural people may prefer a "rural way of life"—where children are reared in intact families surrounded by supportive kin and community networks—the structure of rural families today resembles those of urban families, due, in part, to rising divorce rates and increased cohabitation. Rural households, historically larger than urban households, are now smaller, reflecting the aging population and lower birth rates (MacTavish and Salamon 2003).

Economic restructuring has both pushed and pulled women into the paid labor market. As men's jobs declined in traditional rural industries such as agriculture, natural resource extraction, and manufacturing, the service sector expanded, creating opportunities for women just as households needed additional wage earners to make ends meet (Falk and Lobao 2003). This was particularly common among farm families in the Midwest during the farm crisis of the 1980s, when women were more likely to move into off-farm work than men and, relative to the past, to contribute needed economic support to their families (Lobao and Meyer 1995, 2001). This trend was not confined to the Midwest, however. From the paper mill communities in northern New England to the coal field communities of rural Appalachia (Oberhauser and Turnage 1999) to the logging areas of the Pacific Northwest (Carroll 1995, Tickamyer and Henderson 2003), rural women were entering the workforce to help sustain families. Even among communities that follow strict gender roles, women often have become the primary wage earner as men's jobs have disappeared (Tickamyer and Henderson 2003).



# “Opting Out” since 2000—Who is Leaving the Labor Force?

## Employment Declines Largest Among Women With Low Education Levels, Young Women, Black Women, Single Women, and Single Mothers.

For the first time in decades, women’s employment rates declined in 2001. This decline occurred across several demographic groups, in both rural and urban America, and even among men. Most of the change in women’s employment occurred between 2000 and 2004, and then stabilized. The decline in women’s employment has touched all demographic groups (*see Appendix Table 1*), but some segments of the population saw more precipitous drops than others. For example, employment declines were large among women with low education levels, young women, black women, single women, and single mothers. The media has paid much attention to this decline, but for only one group of women—highly educated mothers.

## Are College-Educated Mothers with Young Children Opting Out?

The media has made much of the “opting out” phenomenon among highly educated mothers (Belkin 2003; Story 2005; Wallis 2004). The stories, often based on interviews with a small number of college-educated mothers, contend that college graduates are choosing to focus on motherhood over career advancement.<sup>10</sup>

Are college-educated mothers with young children opting out? Yes, and no. Approximately three-fourths of college-educated mothers with children under age 6 were employed in 2007 (*see Figure 7A*). Although their workforce participation declined in the early 2000s, they were not alone. In fact, the rate of decline was even greater among mothers with less than or just a high school degree.

Among mothers with college degrees, the decline in employment was more pronounced among urban mothers than rural mothers with young children (*see Figures 7B and 7C*). However, the decline in employment among mothers with less than a high school degree was higher in rural areas than in urban areas.

At every education level, rural mothers with young children are more likely to work outside the home than their urban peers. Furthermore, in contrast to urban mothers, employment rates among rural mothers with young children rise with each additional level of education. Urban mothers’ employment rates taper off at higher education levels, leaving a large dis-

crepancy in employment among rural and urban mothers who are college graduates (85 percent compared with 71 percent, respectively).

Higher employment rates among rural mothers are not surprising, given that rural mothers with children under 6 have higher poverty rates, indicating their greater economic need. In 2004, 24 percent of rural and 20 percent of urban mothers with young children lived in poverty. At every education level, rural mothers of young children are more likely to live in low-income families (incomes below 200 percent of the poverty level), have lower hourly wages, and have less family income other than their own earnings (such as a spouse’s earnings or interest income) (Smith, 2007a). For example, rural mothers with less than a high school education reported other income totaling, on average, \$13,200 compared with \$16,600 for their urban counterparts. This gap in other family income is the widest among college graduates. College-educated rural mothers had, on average, \$39,028 in other family income, substantially less than the \$60,000 reported by college-educated urban mothers. Urban mothers, therefore, may be better poised to drop out of the workforce when family and work demands collide.

It appears that all mothers, regardless of education, have been “opting out” of the labor force since 2000, but perhaps for different reasons. Urban, college-educated mothers—often the focus of media stories—may indeed be opting out as work and family demands collide, perhaps because they can. They earn more and have more joint family income on which to fall back. But highly educated women are also high-earning women, who likely have jobs that require full-time or long work hours, making work and family balance difficult to achieve. Some argue that the inflexible workplace that requires full-time hours of all professional employees, without consideration of family responsibilities, pushes women out of the workplace as their choice is between full-time or no-time (Smith 2007b; Stone 2007; Williams, Manvell, and Bornstein 2006).

In contrast, rural mothers with a college degree have less of a cushion and may not be able to opt out because their families’ economic stability depends on their earnings. When their work and family demands collide, the option of no-time does not gain traction. On the other hand, mothers with low education levels in both rural and urban areas may not be opting out as much as being forced out by economic conditions, as their decline in employment was larger than mothers of higher education levels.

## Factors Contributing to the Decline in Women's Employment Since 2000

Social scientists are still studying why women's employment declined since 2000. Longer-term structural factors that can influence employment include the aging of the population, changes in the propensity of women to work outside the home, and rising education. In the short term, the employment of low-wage workers, who are often women, tends to fluctuate more across the business cycle than the employment of other workers (Blank, Danziger, and Schoeni 2006).<sup>11</sup>

In March 2001, the economy entered a recession, which officially ended in November of that year. Unlike previous recessions, the labor market recovered more slowly than average and was what economists call a job-less recovery. Production returned to prior levels but employers did not add jobs. Employment rates declined in 2001 across many groups—groups that typically respond to economic downturns with lower employment as job opportunities become scarce.<sup>12</sup> Employment continued to fall the most among younger women, women with low education levels, black women, and single women between 2001 and 2004, before stabilizing for most groups. Furthermore, many women have found it difficult to find a new job paying wages similar to their former job, leaving them unemployed and looking for work for long periods of time (Uchitelle 2008).

Others argue that women leave paid work because the workplace is not family friendly, as it is organized around an outdated notion of family breadwinning patterns, where one parent devoted endless time and energy to paid work because the other tended to the unpaid housework (Williams 2000). Women with children may be pushed out of an inflexible workplace that makes no room for family responsibilities. Another possibility is that until women's and men's time spent in unpaid housework and child care become more equal, women's employment will remain flat or decrease. Finally, cultural backlash to the women's movement emphasizing the value of a mother's caretaking role over her economic role may contribute as well (Cotter, Hermesen and Vanneman 2004).

Note: Employment rates calculated for women ages 16-64 in the previous year.

Source: 1980, 1990, 2000 and 2007 March CPS.

FIGURE 7A. EMPLOYMENT RATES OF MOTHERS WITH CHILDREN UNDER 6 BY EDUCATION, 1980-2007

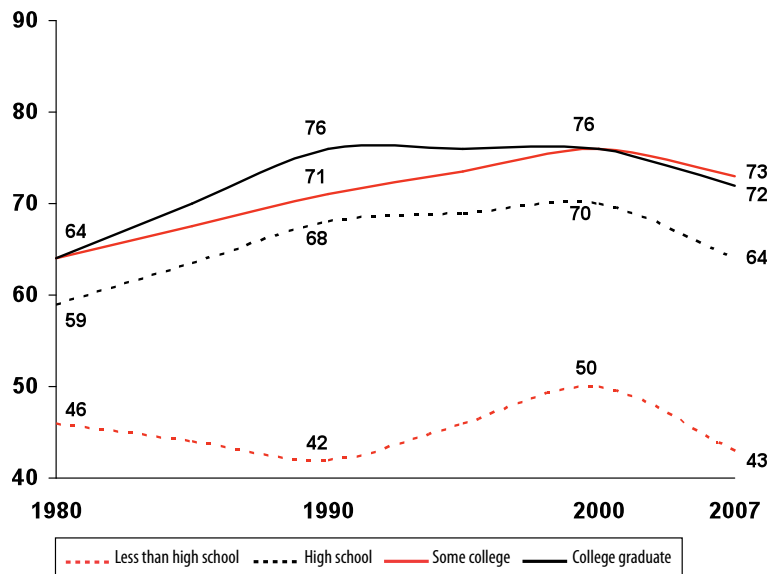


FIGURE 7B. EMPLOYMENT RATES OF RURAL MOTHERS WITH CHILDREN UNDER 6 BY EDUCATION, 1980-2007

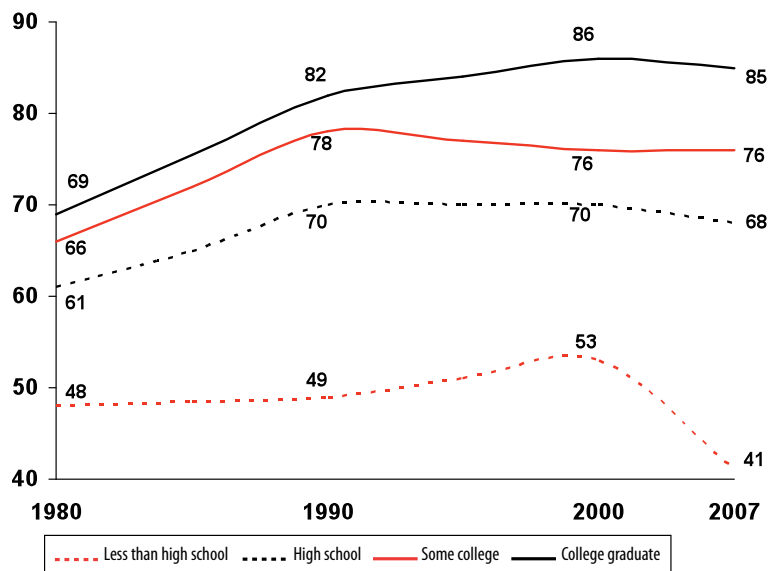
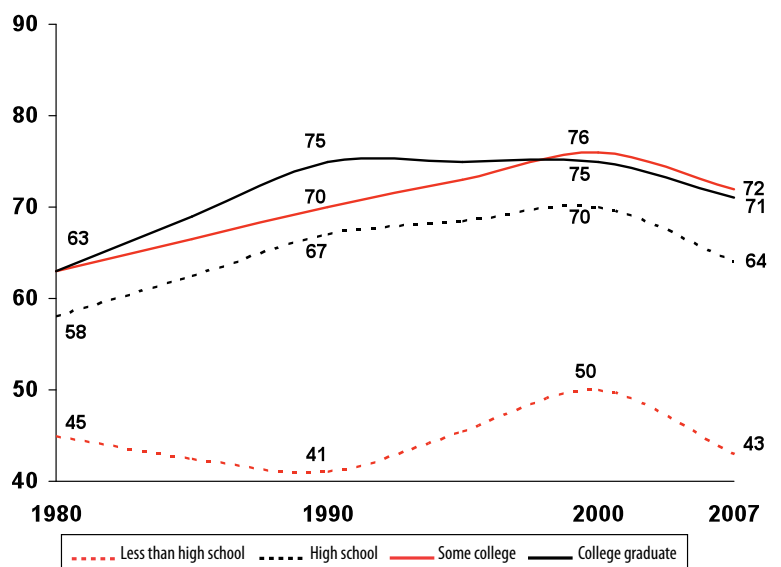


FIGURE 7C. EMPLOYMENT RATES OF URBAN MOTHERS WITH CHILDREN UNDER 6 BY EDUCATION, 1980-2007



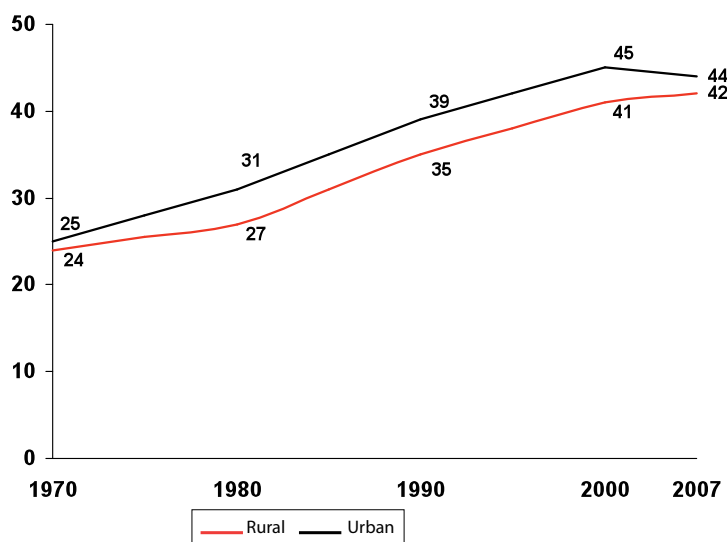
# Women's Earnings and the Rural-urban Earnings Gap

Another big change in women's employment trends is the rise in women's earnings. Women's earnings have increased significantly since 1970. Some of this increase stems from more time in the workforce.<sup>13</sup> The share of women employed full-time, year-round has grown in both rural and urban areas, as shown in Figure 8. Only one quarter of women worked full-time, year-round in 1969, but by 2006 the share had grown to over two-fifths. Urban women consistently had higher rates of working full-time, year-round than rural women.

Figure 9A shows median annual earnings for employed women and men who worked full-time, year-round in the previous year. Women earned, on average \$27,422 (in 2006 dollars) in 1969 and \$33,000 in 2006—an increase of 20 percent.<sup>14</sup> After rising during the 1970s, men's median annual earnings declined between 1980 and 2007, for an overall 8 percent loss. The end result of these two trends is the narrowing of the earnings gap between men and women.

Despite women's steady gains in earnings since 1970, men still substantially outearn women. On average, the median earnings for women aged 16–64 who worked full-time, year-round in 2006 were 79 percent of the median earnings for men.<sup>15</sup> The gender gap in earnings has declined since 1970,

FIGURE 8. PERCENT OF WOMEN EMPLOYED FULL-TIME, YEAR-ROUND BY PLACE, 1970-2007



Note: Employment rates calculated for women ages 16–64 in the previous year.  
Source: 1970, 1980, 1990, 2000, and 2007 March CPS.

FIGURE 9A. MEDIAN ANNUAL EARNINGS OF WOMEN AND MEN, 1970-2007

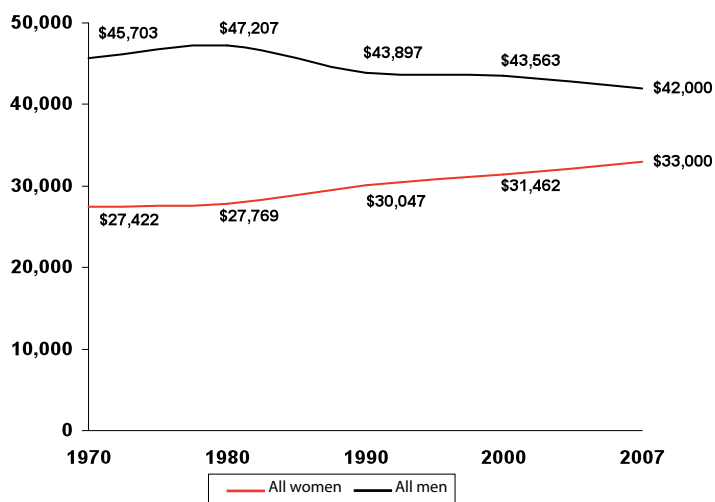
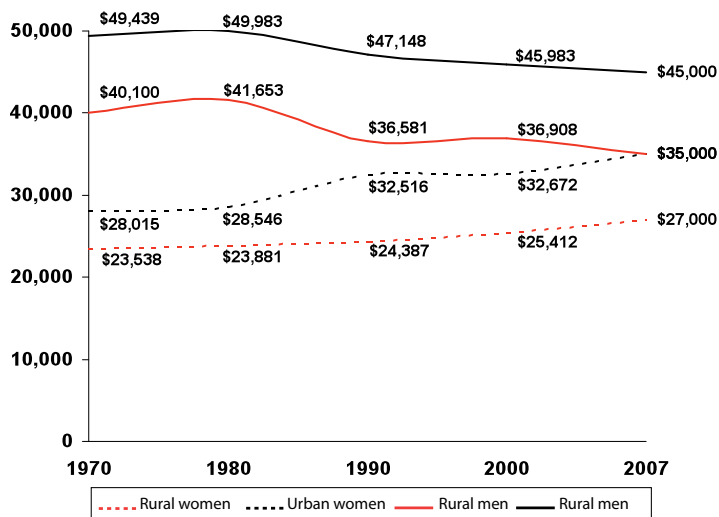


FIGURE 9B. MEDIAN ANNUAL EARNINGS OF WOMEN AND MEN BY PLACE, 1970-2007



Figures 9A and 9B Note: Earnings calculated for women and men, ages 16–64, employed full-time, year-round in the previous year. Inflation-adjusted to 2006 dollars.

Source: 1970, 1980, 1990, 2000 and 2007 March CPS.

with large gains occurring in the 1980s (see Figure 10; a higher gender ratio indicates a smaller gender gap in earnings). Since 1990, the gender gap in earnings has been larger in rural areas than in urban areas, meaning that the difference in women's and men's earnings is larger in rural areas than in urban areas.

### Rural Women's Earnings Grew Slower Than Urban Women's, Rise in Gap

Rural women working full-time, year-round consistently earn less than their urban counterparts. Rural women's real earnings rose from \$23,538 in 1969 to \$27,000 in 2006—an increase of 15 percent (see Figure 9B). However, urban women's earnings grew by 25 percent during the same time period, from \$28,015 to \$35,000, thus widening the gap. To put it another way, rural women earned 83 cents for every dollar urban women earned in 1969, but by 2006 this ratio dropped to 77 cents.

FIGURE 10. GENDER EARNINGS RATIO, 1970-2007

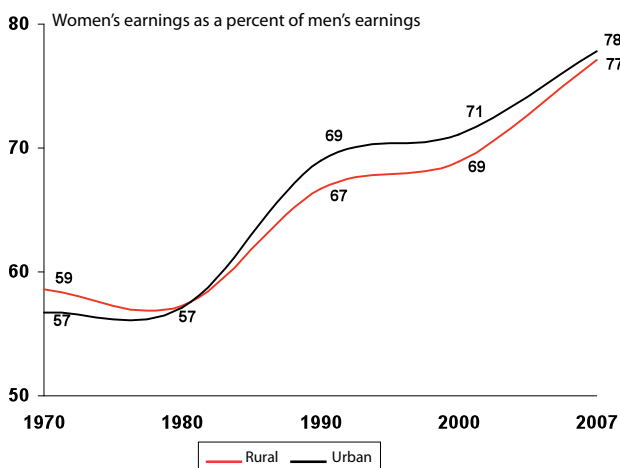


Figure 10 Note: Earnings ratio based on median annual earnings for women and men, ages 16-64, employed full-time, year-round in the previous year.

Source: 1970, 1980, 1990, 2000 and 2007 March CPS.

Figures 11A, B, and C Note: Earnings calculated for women, ages 16-64, employed full-time, year-round in the previous year. Inflation-adjusted to 2006 dollars.

Source: 1970, 1980, 1990, 2000 and 2007 March CPS.

FIGURE 11A. MEDIAN ANNUAL EARNINGS OF WOMEN BY EDUCATION, 1970-2007

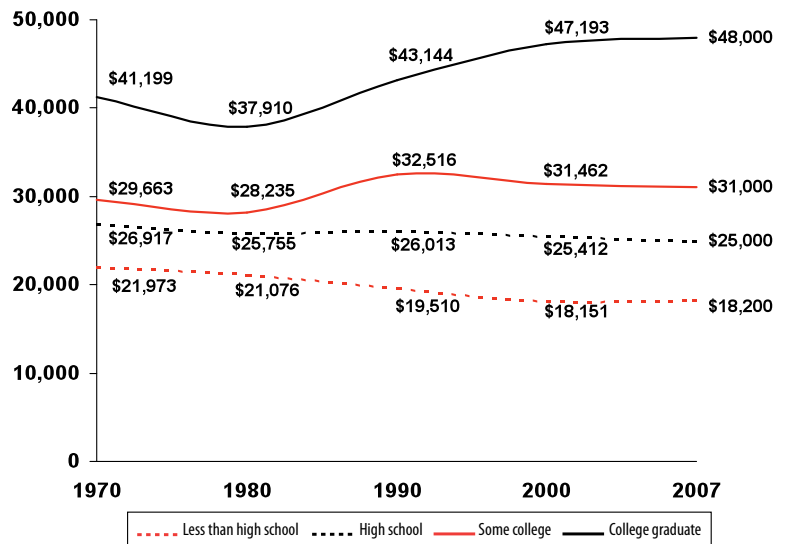


FIGURE 11B. MEDIAN ANNUAL EARNINGS OF RURAL WOMEN BY EDUCATION, 1970-2007

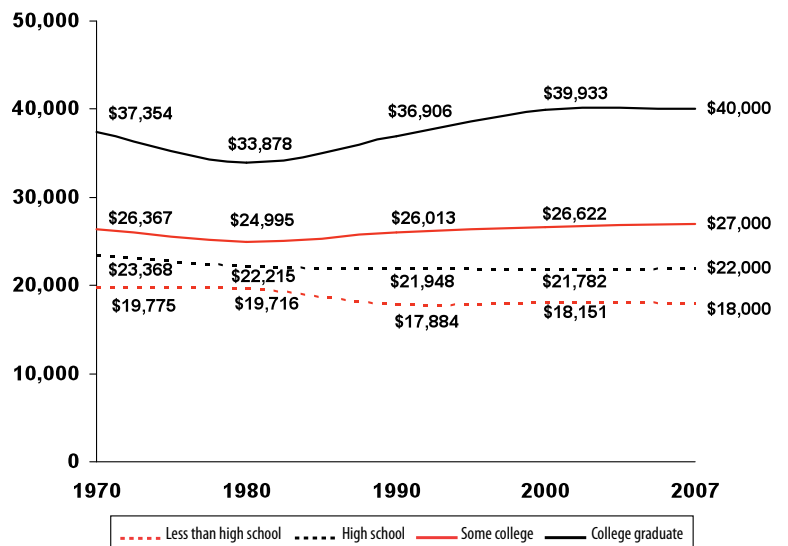
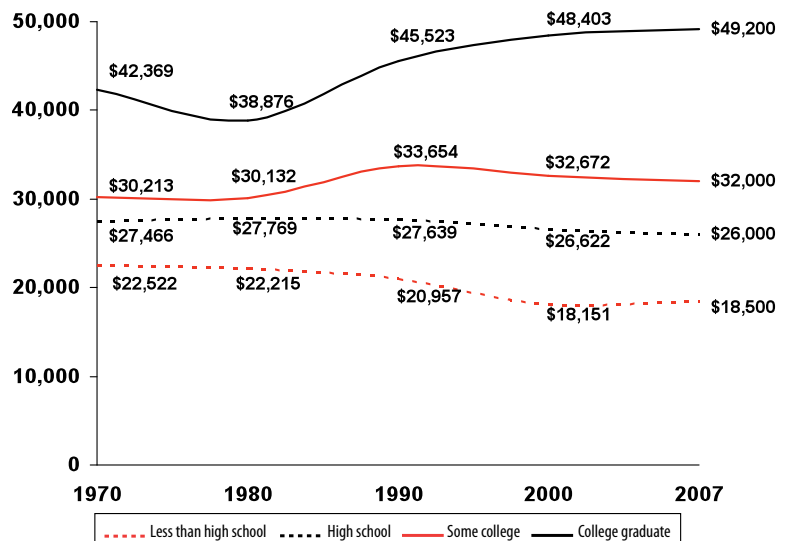


FIGURE 11C. MEDIAN ANNUAL EARNINGS OF URBAN WOMEN BY EDUCATION, 1970-2007



Education disparity is a key reason why urban women earn more. Although earnings increase with education for both rural and urban women, the return on education is greater in urban areas than rural areas (*see Figures 11B and 11C*). Rural and urban women with less than a high school degree have comparable earnings—both earned about \$18,000 annually in 2006. However, the gap in earnings grows with each additional level of education—rural college graduates earned only 81 cents for every dollar urban college graduates earned, resulting in a difference of about \$9,000.<sup>16</sup>

Furthermore, earnings increase with education. In 2006, women with college degrees earned \$48,000, substantially more than the \$18,000 to \$31,000 earned by women with lower education levels. The earnings of college educated women increased from 1970 to 2007 in both rural and urban areas, particularly during the 1980s and 1990s, while the earnings of low educated women have been decreasing, resulting in greater inequality in earnings among women.

Another factor that likely contributes to the higher wages among more highly educated urban women is differences in occupations by place. A larger share of urban than rural women with a master's degree or higher work in high-paying occupations (*see Table 1*). Two typically high-paying occupations—lawyers and judges; and physicians and surgeons—are among the top eight occupations for highly educated women in urban, but not rural areas. On the other end of the pay spectrum, two notoriously low paying occupations—preschool and kindergarten teachers—are among the top eight occupations for highly educated women in rural areas. In fact, five of the eight top occupations among rural highly educated women are in the education sector. This suggests that rural and urban areas may have different labor markets for highly educated women, with fewer high-paying opportunities for women in rural areas.

TABLE 1. TOP EIGHT OCCUPATIONS EMPLOYING WOMEN WITH A MASTER'S DEGREE OR HIGHER, 2007

OCCUPATION	PERCENT EMPLOYED IN OCCUPATION
<b>RURAL WOMEN WITH MASTER'S DEGREE OR HIGHER EDUCATION</b>	
Elementary and middle school teachers	23.5
Secondary school teachers	8.8
Registered nurses	5.9
Postsecondary teachers	5.8
Education administrators	5.4
Counselors	4.6
Special education teachers	4.1
Preschool and kindergarten teachers	2.4
<b>URBAN WOMEN WITH MASTER'S DEGREE OR HIGHER EDUCATION</b>	
Elementary and middle school teachers	12.7
Postsecondary teachers	5.9
Lawyers, judges, magistrates, etc.	4.7
Secondary school teachers	4.6
Managers, miscellaneous	3.5
Registered nurses	3.5
Physicians and surgeons	3.5
Education administrators	3.4

Note: Includes women ages 16–64 who were employed in the previous year.

Source: 2007 March CPS.

# Rise in the Working Poor

## More Poor Women Work for Pay in Rural and Urban America.

Changing political and cultural sentiment since the 1990s, culminating with the enactment of the 1996 Welfare Reform bill, has shifted anti-poverty policy toward increasing support for low-income working parents and away from traditional welfare support for families without a worker (Ellwood 2000). The welfare reform bill introduced work mandates for women on welfare and shifted the focus to promoting self-sufficiency among single mothers. Legislators simultaneously increased work support programs such as the Earned Income Tax Credit (EITC), raised the minimum wage, extended Medicaid for all children, and increased child care subsidies (Blank 2002). Economic good-times in the late 1990s increased the availability of low-wage jobs. Employment rates among poor women increased and welfare caseloads decreased, particularly among single mothers, because of the good economy coupled with the strong work message and work support policies. However, low wages and unstable work continues to dominate for these women, resulting in the replacement of the welfare poor with the working poor.

Poor women face multiple barriers to employment, especially poor single mothers. Poor women generally have low education levels and thus the jobs they can get tend to be low-paying, demand irregular hours, and are subject to frequent layoffs (Edin and Lein 1997). The lack of affordable child care and reliable transportation leaves many poor mothers paying more for work-related expenses than they earn. These challenges are magnified in rural areas where persistent poverty and the lack of infrastructure are common.

In 1970, 10 percent of women aged 16 to 64 lived in poverty.<sup>17</sup> In 2007, 12 percent of women lived in poverty. Poverty rates are consistently higher among rural women than urban women and while rates remained constant at 11 percent among urban women from 2000 to 2007, the share of rural women in poverty increased from 14 percent to 15 percent (see Figure 12A). Mothers are more likely to be in poverty than all women in general, and nearly one in every five rural mothers lives in poverty (see Figure 12B).

FIGURE 12A. PERCENT OF WOMEN IN POVERTY BY PLACE, 1970-2007

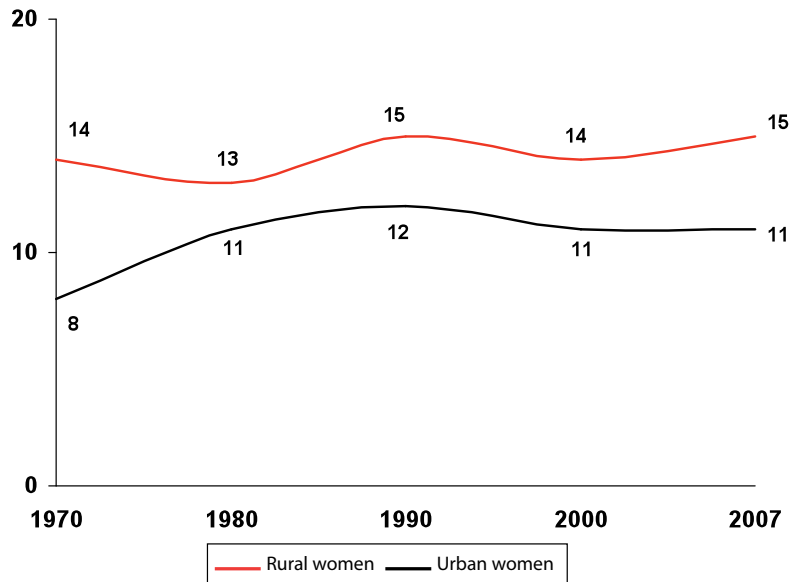
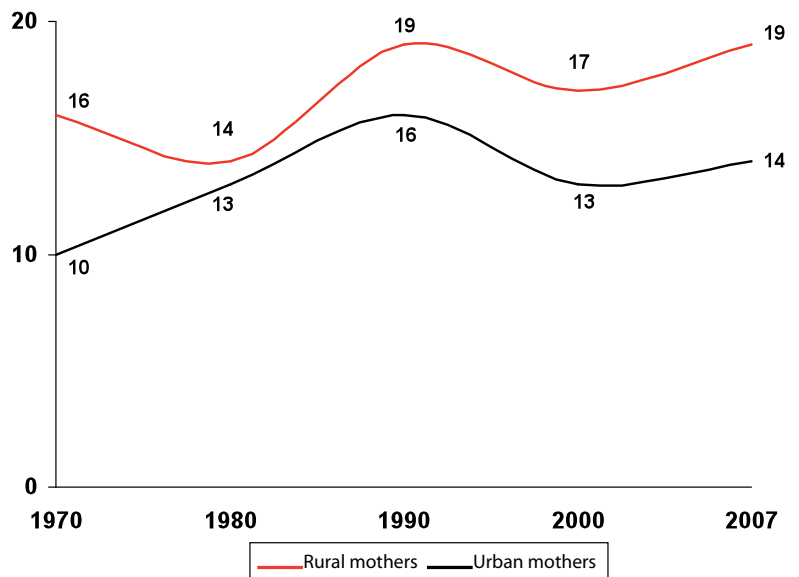


FIGURE 12B. PERCENT OF MOTHERS IN POVERTY BY PLACE, 1970-2007



Note: Poverty rates calculated for women ages 16-64.

Source: 1970, 1980, 1990, 2000 and 2007 March CPS.



After a steady 26 percent rise, employment rates among women in poverty have declined by 8 percent since 2000, and declines were slightly larger in urban areas than rural areas. Over time, poor rural women were more likely to be employed than poor urban women, except in 1980 (see Figure 13A).

Amid employment declines since 2000, one group stands out—poor rural single mothers. Their employment rates have remained steady (see Figure 13B). Marriage typically means a shift away from paid work among poor women, regardless of place, but rural poor married mothers are still more likely to work than their urban peers. Employment among poor rural married mothers increased sharply during the 1980s, nearing the rate for poor rural single mothers, but then it decreased during the 1990s and again since 2000. Employment rates among poor rural and urban married mothers, while diverging in the 1980s and 1990s, nearly converged once again by 2007.

### Low Wages Prevalent among Working Poor, and Not Keeping Pace with Inflation.

Low wages and unstable work are prevalent among poor women, making it difficult to escape poverty despite work. Figure 14A demonstrates that work does not pay a livable wage for poor women. Median hourly wages for employed poor women are substantially lower than wages earned by all women (\$6.58 compared with \$13.85 in 2006, respectively).<sup>18</sup>

Urban poor women earn more per hour than their rural peers (see Figure 14A), but for both groups, wages have not kept pace with inflation. Small increases in women's hourly wages in the 1990s were not enough to offset the large declines of the 1980s.

The same holds true for poor single and married mothers by place over time (see Figure 14B). Declining wages over the 1980s overshadow gains since the 1990s, except for wages for poor rural married mothers—their wages are higher in 2006 than in 1979 due to large gains since 2000. Poor urban single mothers have the highest median hourly wages, but their wages are still low at \$7.14 per hour, especially in light of the \$14.42 per hour earned by all urban women (the median hourly wage is \$11.54 for all rural women).

FIGURE 13A. EMPLOYMENT RATES OF POOR WOMEN BY PLACE, 1970-2007

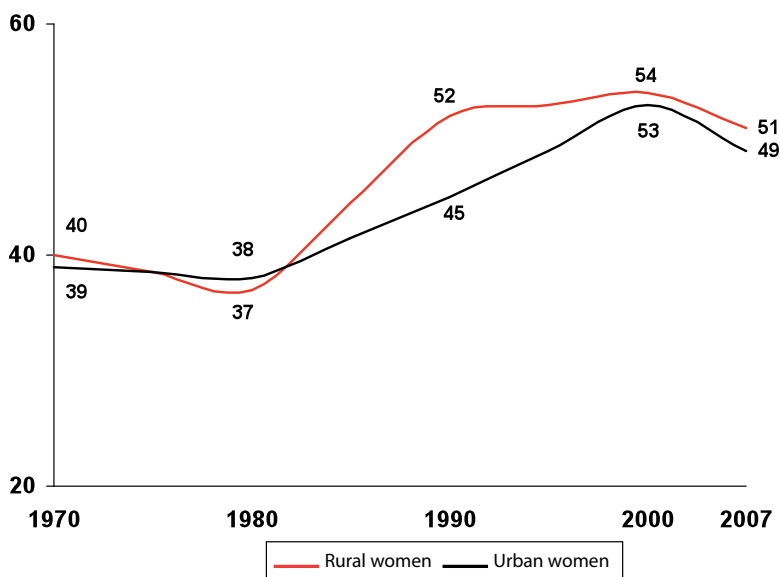
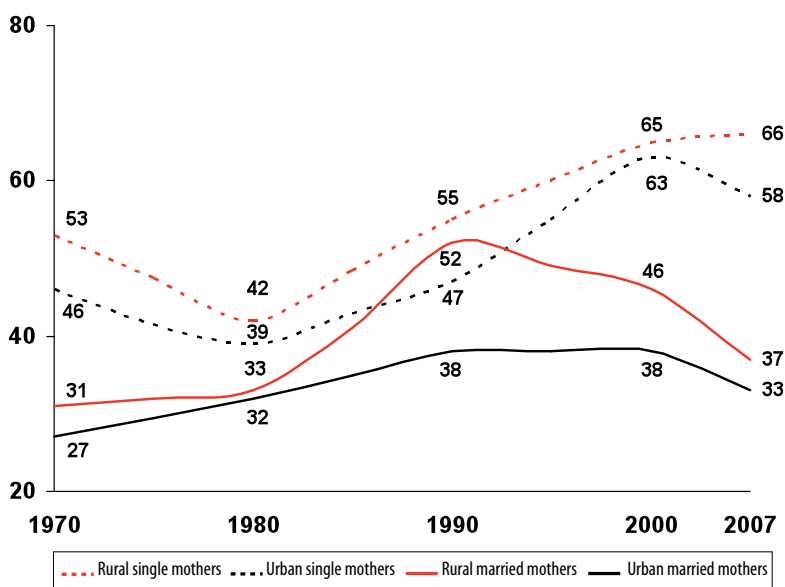


FIGURE 13B. EMPLOYMENT RATES OF POOR WOMEN BY MARITAL STATUS AND PLACE, 1970-2007



Note: Employment rates calculated for women ages 16-64 in the previous year.  
Source: 1970, 1980, 1990, 2000 and 2007 March CPS.

Poor women spend more time working for pay today than they did in 1970, but very few poor women work full-time, year-round (see Figure 15). The lack of secure employment is another factor that contributes to the rise in the working poor, in both rural and urban areas.

Furthermore, poor women have low education levels. Even though poor women today have higher education levels than they did in 1970 (following the national trends of increasing education levels for women), many have a high school degree or less. Education is a strong predictor of wages and the type of job one holds—low-educated women earn less than women with higher education levels (refer to previous section on earnings) and work in low-wage jobs. Table 2 shows the top 8 occupations that employ poor women. All of these occupations generally pay close to the minimum wage and there is very little variation by place.

### Policies to Supplement Wages of Working Poor

Work support policies help the working poor by supplementing their low wages. The Earned Income Tax Credit (EITC) is a refundable tax credit for low earning workers and plays an important role in supplementing wages earned by low-income working families. Use of the EITC expanded since 2000 in response to a weakened economy, particularly in areas hit hard by the economic downturn and slow economic recovery. Federally mandated raises in the minimum wage benefit the working poor as their wages tend to be affected directly. Child care subsidies help poor and low-income families meet the high cost of child care, and access high quality child care for their children.

FIGURE 14A. MEDIAN HOURLY WAGE OF POOR WOMEN BY PLACE IN 2006 DOLLARS, 1980-2007

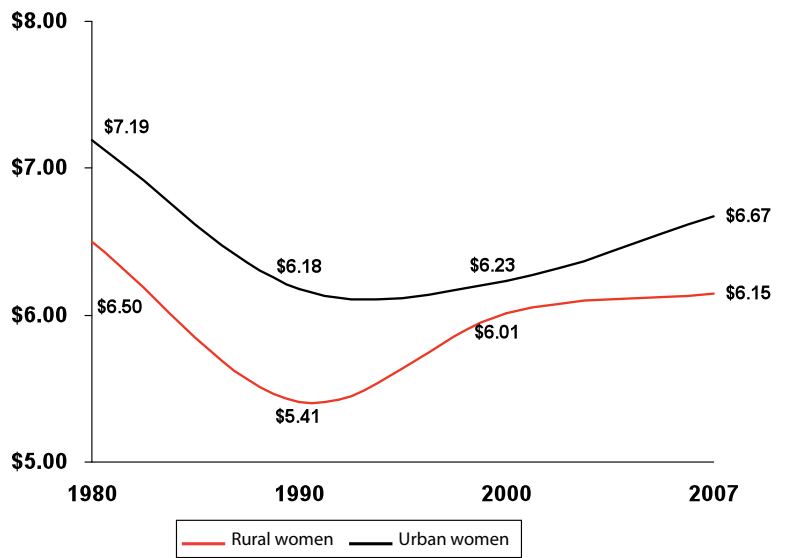


FIGURE 14B. MEDIAN HOURLY WAGES OF POOR SINGLE AND MARRIED MOTHERS BY PLACE, 1980-2007

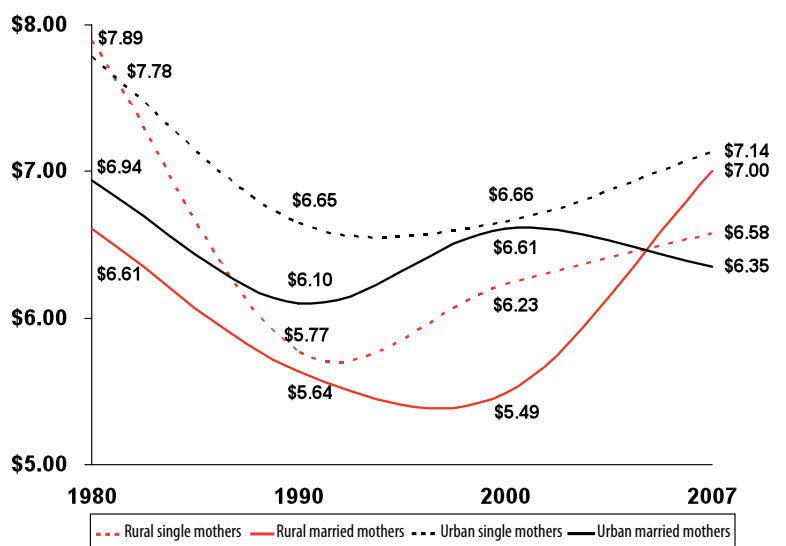


FIGURE 15. PERCENT OF POOR WOMEN EMPLOYED FULL-TIME AND FULL-TIME, YEAR-ROUND BY PLACE, 1970-2007

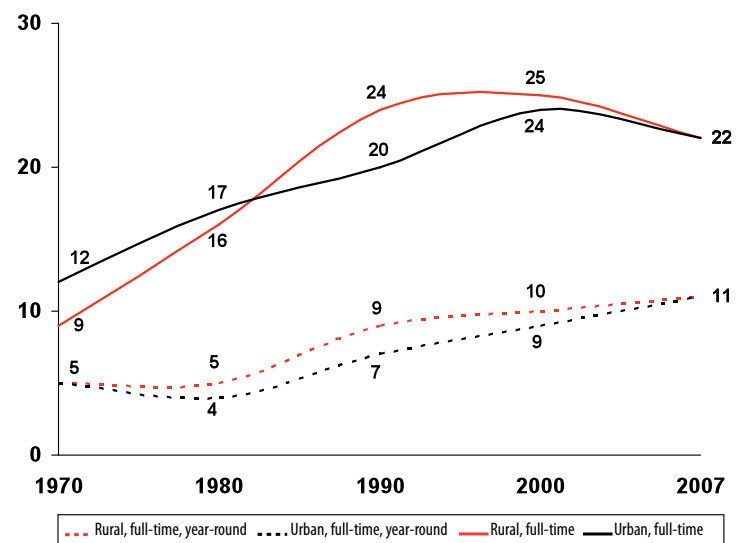


Figure 14A and 14B Note: Median hourly wages are calculated for women ages 16-64 and are inflation-adjusted to 2006 dollars.

Source: 1980, 1990, 2000 and 2007 March CPS.

Figure 15 Note: Employment rates calculated for women ages 16-64 in the previous year.

Source: 1970, 1980, 1990, 2000, and 2007 March CPS.

TABLE 2. TOP EIGHT OCCUPATIONS EMPLOYING POOR WOMEN, 2007

OCCUPATION	PERCENT EMPLOYED IN OCCUPATION
<b>POOR RURAL WOMEN</b>	
Cashiers	12.6
Waitresses	7.0
Maids and housekeeping cleaners	6.9
Nursing, psychiatric, and home health aides	6.1
Secretaries and administrative assistants	4.4
Personal and home care aides	3.6
Child care workers	3.4
Cooks	3.1
<b>POOR URBAN WOMEN</b>	
Cashiers	10.3
Nursing, psychiatric, and home health aides	6.0
Maids and housekeeping cleaners	5.6
Waitresses	5.4
Child care workers	3.7
Retail salespersons	3.6
Cooks	3.0
Personal and home care aides	2.5

Note: Includes poor women ages 16–64 who were employed in the previous year.

Source: 2007 March CPS.

# Decline of the Traditional Family

**E**qual providers are dual-income couples where wives contribute at least 40 percent but less than 60 percent of the total couple earnings; wife primary providers are dual-income couples where the wife contributes 60 percent or more of the total couple earnings; and husband primary providers are dual-income couples where the wife contributes less than 40 percent of the total couple earnings. Husband sole providers are couples where only the husband works for pay. Similarly, wife sole providers are couples where only the wife works for pay. See Nock (2001) and Raley et al (2006) for more information on these classifications.

## Rise in Dual-Earner Couples, Drop in Husband Sole Provider Couples in Rural and Urban Areas

Women's increased employment and earnings, coupled with men's declining wages and employment translates into a larger economic provider role for women. Among married-couple families in 1970, it was common for the husband to be the sole provider and the wife to stay home (see Figures 16A, 16B, and 16C). By 2007, the incidence of husbands as sole providers had dropped dramatically, from 46 percent to 24 percent. Some of this decline can be attributed to changes in wives' breadwinning roles. Couples in which the wife contributed 60 percent or more of the combined couples' earnings (wife primary and wife sole provider couples) grew from 6 percent to 16 percent from 1970 to 2007. The proportion of couples who provide equally to their family income grew steadily from 11 percent to 24 percent. Families with wives as secondary providers grew over the 1970s and 1980s, but then declined. Even so, by 2007 this family type constituted a large group of couples. In sum,

FIGURE 16A. BREADWINNER STATUS AMONG MARRIED COUPLES, 1970-2007

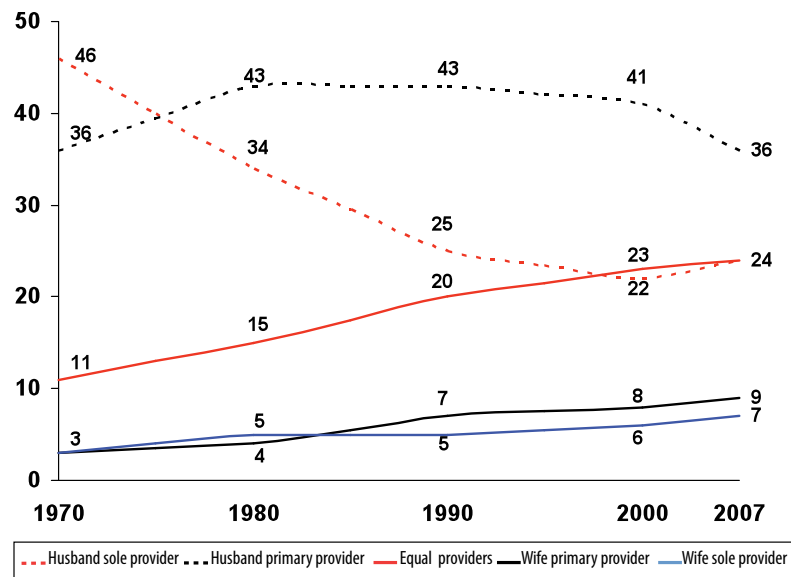
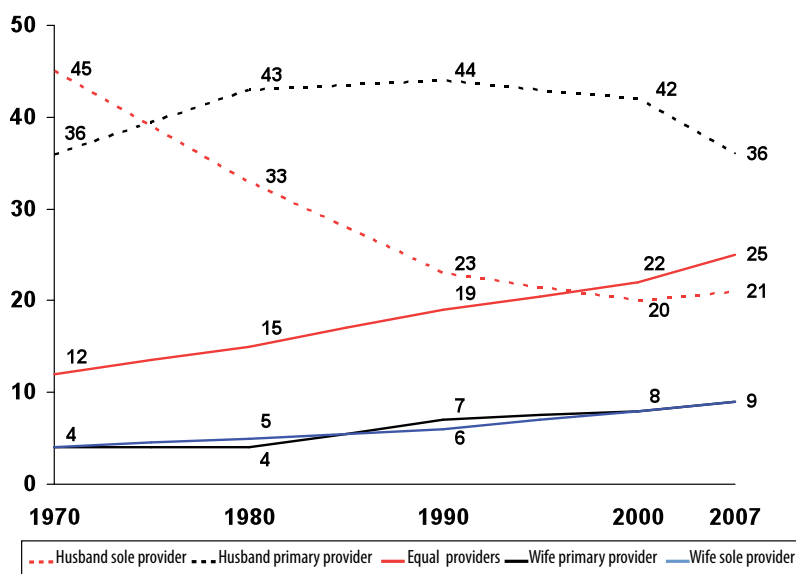


FIGURE 16B. BREADWINNER STATUS AMONG RURAL MARRIED COUPLES, 1970-2007



Source: 1970, 1980, 1990, 2000, and 2007 March CPS.

a shift in breadwinning patterns has occurred among married couples, such that by 2007 a large majority of couples were dual providers.

Trends in breadwinning patterns among rural and urban married couple families are remarkably similar. Both rural and urban areas have seen a shift away from husbands as sole providers and toward dual provider couples. The likelihood of being a dual-earner couple is similar for rural and urban wives at lower levels of education, but college graduates are more likely to be dual earner wives in rural areas than in urban areas (*see Figure 17*). Urban wives with a college degree more often rely on their husband's earnings only.

### More Families Rely on Wives' as the Primary or Sole Provider.

Both rural and urban families have seen a large rise in wives as primary and sole providers. Once a small minority, now nearly one in five rural married women contribute the majority of the couple's earnings, representing a 56 percent increase since 1970. The proportion of urban married women as primary and sole breadwinners increased by 65 percent over the same time period.

College graduates are more likely to be primary or sole providers in rural areas than in urban areas (22 percent compared with 18 percent). In rural areas, the share of wives as primary or sole providers is highest among those with a college degree (*see Figure 18*).

While differences emerge by education, the same pattern is evident by race and ethnicity by place: in both rural and urban areas black wives are most likely and Hispanic wives least likely to be primary or sole providers (*see Figure 19*).

Figure 17 Note: Dual-earner couples include couples where both the husband and wife are employed.

Source: 2007 March CPS.

Figure 18 Note: Wife primary providers are couples where the wife earns 60 percent or more of total couple earnings; wife sole providers are couples where only the wife is employed.

Source: 2007 March CPS.

FIGURE 16C. BREADWINNER STATUS AMONG URBAN MARRIED COUPLES, 1970-2007

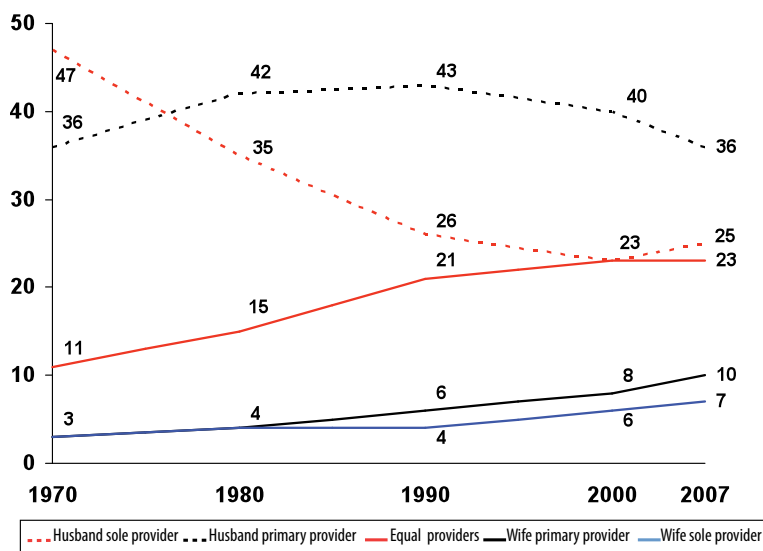


FIGURE 17. PERCENT OF EQUAL EARNER COUPLES BY EDUCATION, 2007

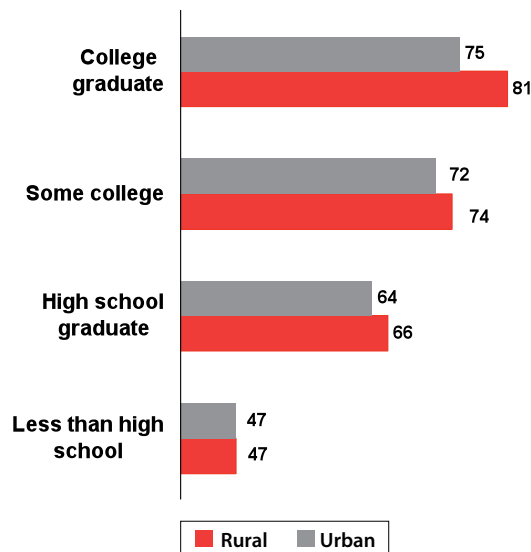
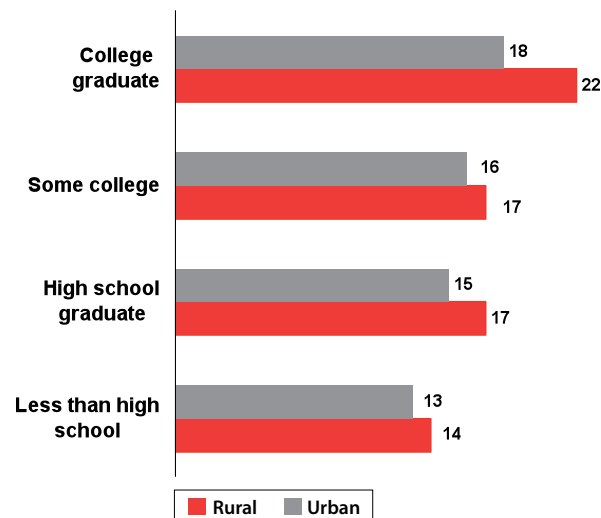


FIGURE 18. PERCENT OF COUPLES WITH WIVES AS PRIMARY AND SOLE PROVIDERS BY EDUCATION, 2007



### Earnings of Urban Couples Outpace those of Rural Couples, Rising Inequality Between Rural and Urban Families

All of this translates into higher total family earnings among urban married couple families than among their rural peers. Figures 20A and 20B show husbands and wives’ combined earnings in 2006 dollars from 1970 to 2007. In each year shown, combined earnings of urban couples outpaced those of rural couples. For example, urban husbands and wives together earned \$13,000 more in 1969 than rural married couples. By 2006, the difference was \$18,000. This underscores a rising inequality between rural and urban families and an increased disadvantage for rural children. Despite a similar work effort among rural and urban women, rural women are unable to compensate for the rural pay disadvantage.

These figures also show that families in both rural and urban areas are not getting ahead as total family earnings have been relatively flat since 1990. In fact, it is increases in women’s earnings that are keeping families from slipping because husbands’ earnings have lost ground. Any gains in family earnings have been due to increasing wives’ earnings highlighting the rising importance of wives as economic providers.

FIGURE 19. PERCENT OF COUPLES WITH WIVES AS PRIMARY AND SOLE PROVIDERS BY RACE AND ETHNICITY, 2007

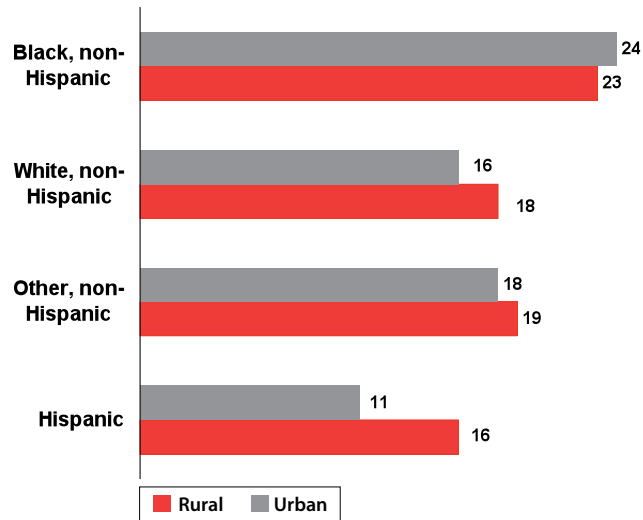


FIGURE 20A. MEDIAN TOTAL FAMILY EARNINGS AMONG RURAL MARRIED COUPLES, 1970-2007

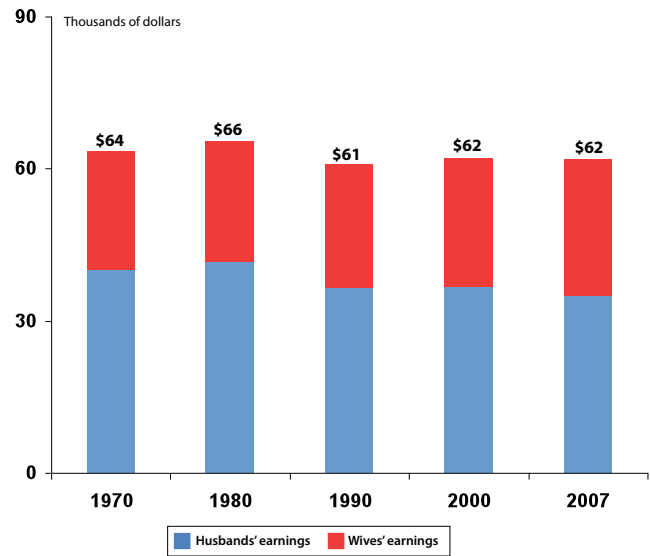


FIGURE 20B. MEDIAN TOTAL FAMILY EARNINGS AMONG URBAN MARRIED COUPLES, 1970-2007

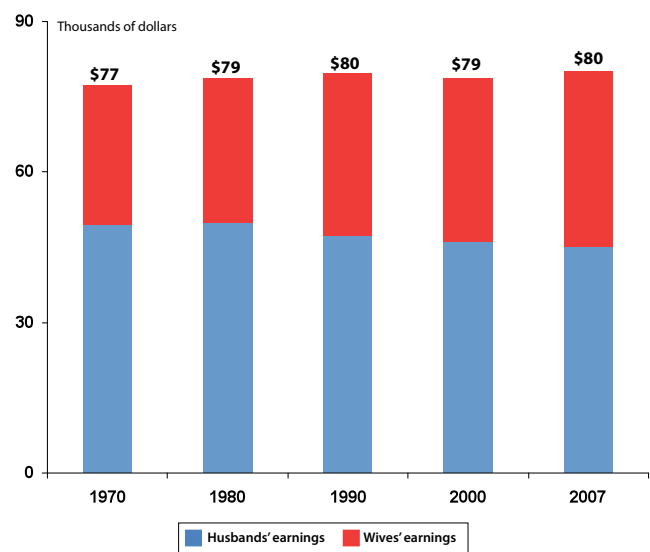


Figure 19 Note: Wife primary providers are couples where the wife earns 60 percent or more of total couple earnings; wife sole providers are couples where only the wife is employed.  
Source: 2007 March CPS.

Figures 20A and 20B Note: Median family earnings are calculated by adding together the wives’ and husbands’ median annual personal earnings. Inflation-adjusted to 2006 dollars.  
Source: 1970, 1980, 1990, 2000 and 2007 March CPS.



# Conclusions and Policy Recommendations

**W**omen's work and family roles have changed dramatically since the 1970s. With economic restructuring and downturns hitting rural areas hard, many rural women today are working outside the home to help sustain their families. Increasing numbers of women, particularly married mothers, have entered the labor force, and one of the most pressing challenges facing families is how to balance work and family responsibilities. Rural areas are no longer immune to these challenges. Mom is no longer at home in the kitchen, and dad is no longer on the tractor or in the mines. Rural women are just as likely as urban women to work for pay, but earn less, have fewer occupational choices, and have seen their family income diminish as men's wages have not kept pace with inflation. Despite a similar work effort among rural and urban women, rural women are unable to compensate for the rural pay disadvantage. As the country enters another recession, as mortgages are squeezed and families lose their homes, and as jobs become even less secure, sound policies are needed to support all families.

Rural families are particularly challenged in balancing their work and family responsibilities. Many rural communities lack stable employment, opportunities for mobility, community investment and development, and diversity in the economy and other social institutions. Many rural areas must confront persistent poverty, and poverty rates are higher in rural than in urban areas overall, particularly among mothers with young children. Yet, given the converging employment trends among women in rural and urban areas and other similarities in family structure, rural families may benefit equally from organizational and government policies tailored to the majority of the populace in the urban areas.

## Policies to Reduce Work and Family Conflict

### *Create flexible workplaces.*

Policies that support the dual demands of caring for family members while working to meet basic needs are necessary in rural and urban America. Low-wage jobs typically do not have benefits or offer paid or unpaid leave to care for family members, forcing women to choose between caring for a sick child and keeping their job. On the other end of the spectrum, highly professional jobs often require full-time or overtime hours of all professional employees forcing women to choose between full-time or no-time. Paid sick leave, family medical

leave to care for sick family members or a new child, flexible work schedules, and quality part-time jobs are all areas where policies can be expanded to reduce the conflict between work and family.

### *Expand child care options and increase subsidies.*

Rural married mothers with a young child are more likely to work for pay than their urban peers. This finding may come as a surprise for some because the perception is that rural families hold more traditional values than urban residents, and because of the greater obstacles to mothers' employment in rural areas, such as less access to quality child care and the lack of transportation (Smith 2006; Tickamyer and Henderson 2003). But rural families, suffering from economic contraction and restructuring and the loss of good-paying, traditionally male jobs with benefits, are turning to women's wage labor to sustain their families (Falk and Lobao 2003). Further, the "non" opt-out of rural women, particularly mothers and highly educated mothers, suggests that rural women have different pressures and options than urban women. Rural mothers with a college degree have less of a cushion than urban women because of their husbands' lower earnings, and so when faced with an inflexible work place, they may not be financially able to opt out.

Rural mothers face serious challenges in finding and securing high-quality child care. They rely on home-based care arrangements to a greater extent than urban mothers (Smith 2006) and rural families have fewer child care choices than urban families, particularly center-based care (Gordon and Chase-Lansdale 2001). High-quality early child care and early education programs for preschoolers could help reverse the fact that rural children enter kindergarten with fewer key early literacy skills than urban children (Grace et al 2006). Expanding the availability of high quality child care and increasing the level of child care subsidies could help rural families balance work and family.

### *Raise the minimum wage and expand the EITC.*

State and federal policies that increase earnings or supplement wages will help rural families make ends meet. The vast majority of rural men and women are already working for pay, but often at jobs that do not pay sufficient wages, offer full-time hours, or provide benefits. In 2005, 1.9 million rural

workers earned less than \$7.25 an hour (O'Hare 2007). Rural low-income families would benefit from raising the minimum wage, and setting the wage to keep pace with inflation. Expanding the EITC could also help bolster rural families as they struggle with stagnant wages, job loss, and economic turmoil. Twenty percent of rural households relied on the EITC and received an average of \$1,850 in 2004 (O'Hare and Kneebone 2007), a big help to families struggling to maintain economic stability.

***Diversify the rural labor market.***

Economic restructuring hits rural areas hard because when a mill closes or the one manufacturing plant lays off workers, the entire community is affected. That wages among rural women are lower than those of urban women, particularly among college graduates, makes it harder for rural areas to attract and keep highly educated workers. Brain drain is a real issue for many rural areas, particularly in the Great Plains and Midwest. Without better paying jobs and more occupational diversity for female college graduates, stemming that drain will be even harder. Developing higher-paying jobs, expanding employment opportunities, and increasing occupational diversity for women in rural America could benefit the increasing number of families that rely on women's earnings as the primary or sole provider.

Despite the greater reliance on women's earnings among families, industries that typically employ women, such as in the service, health, and education sectors, are increasingly offering wages and benefits that cannot support a family. State and federal policies that encourage better benefits, such as health insurance, and worker flexibility for low-wage, part-time, and workers in small businesses could make a substantial difference in the lives of rural families.

American families were hit hard by the 2001 economic recession and the jobless recovery. Now, as we enter another recession, more families are feeling squeezed. Earnings among low- and middle-income families are not keeping pace with inflation, as even real earnings among men with college degrees declined in recent years. Creating policies that support working families should be a strong focus of state and federal policy.

# Data and Methods

This report relies on data from the U.S. Census Bureau's Current Population Survey (CPS) March Supplements from 1970, 1980, 1990, and 1996-2007. The CPS provides a nationally representative sample of households and the individuals in those households, and collects demographic, economic, and employment information, as well as participation in select government assistance programs. Employment rates are calculated for civilians aged 16 to 64 who, during the previous year, were gainfully employed. Comparisons presented in the text are statistically significant at the 0.05 level.

Several variables were not available in the 1970 data set and thus data on the following were presented beginning in 1980: race and ethnicity; employment rates among mothers with children under 6 years old; and median hourly wage numbers.

## Employment Measures

Social scientists use several measures to distinguish the level and extent of one's labor market activity. Table 3 presents several of these measures for women and men in rural and urban America. Individuals who are not employed or not actively seeking work are considered to be out of the labor force. In 2007, 31 percent of women and 20 percent of men aged 16-64 were out of the labor force. The same proportion of rural and urban women were out of the labor force, but rural men were more likely to be out of the labor force than urban men. There are many reasons people are out of the labor force, including having a work-limiting disability, choosing not to work, going to school, or becoming discouraged in the job search (Cotter, Hermesen, and Vanneman 2004).

The labor force participation rate consists of those who are currently employed and those actively seeking employment, or the unemployed. This measure is useful as a gauge of the willingness to work or search for work under varying economic conditions. In 2007, 69 percent of women and 80 percent of men were in the labor force. Nationally, between 3 and 4 percent of women and men were unemployed, although rural men had slightly higher unemployment rates.

In addition to current measures of employment, the Current Population Survey (CPS) collects data on employment—or work for pay—in the previous year. The CPS employment rate reflects how many people were actually working in the recent past, and as such is a good gauge of labor activity. Moreover, with a measure of employment in the previous year, we can then determine the level of labor market activity over a con-

stant time period by considering the distribution of hours and weeks worked. A measure of hours worked indicates whether one works full- or part-time, an important consideration when examining women's labor force activity, given that women are more likely to work part-time than men. The number of weeks worked reveals the stability of an individual's employment—women work fewer weeks per year than men, and those living in rural areas work fewer weeks than those living in urban areas.

Two measures, annual hours worked and whether one works full-time, year-round (at least 35 or more hours per week and 50 weeks per year), are constructed using hours worked per week and weeks worked per year. Annual hours is a measure of total time committed to the paid labor market during one year. Women's total work commitment is lower than men's. This is not surprising given that women's employment and the total number of hours they work often reflect the availability of jobs and the acceptability of the terms of employment, such as whether part-time work during school hours is available for working mothers. Working full-time, year-round is a strict measure of a consistent and sizable commitment to the paid labor market in a year. Because women are more likely to be out of the labor force, work part-time or part-year, they are less likely to work full-time, year-round than men. In 2006, 44 percent of women and 63 percent of men worked full-time, year-round. Working full-time, year-round was less prevalent in rural than urban areas.

TABLE 3. EMPLOYMENT MEASURES, 2007

EMPLOYMENT STATUS	WOMEN			MEN		
	All	Rural	Urban	All	Rural	Urban
<b>Employment last week (in 2007):</b>						
Out of labor force (percent)	31	31	31	20	23	19
In labor force (percent)	69	69	69	80	77	81
Unemployed	3	3	3	4	5	4
Employed	66	65	66	76	72	77
<b>Employment last year (in 2006):</b>						
Employed (percent)	71	71	71	82	80	83
Of whom:						
Usual hours worked in 2006						
1–34	26	27	26	11	11	11
35–40	59	60	59	58	56	58
41+	15	13	16	31	32	31
Average hours worked per week	37	36	37	42	42	42
Average annual hours worked in 2006	1,727	1,688	1,735	2,036	2,007	2,040
Number of weeks worked in 2006 (percent)						
1–24	10	10	9	7	8	6
25–49	15	17	15	12	14	12
50–52	75	73	76	81	77	82
Average weeks worked in 2006	46	45	46	48	47	48
Worked full-time, year-round in 2006 (percent)	44	42	44	63	58	64

Note: Employment measures calculated for women and men ages 16–64.

Source: 2007 March CPS.

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## Endnotes

<sup>1</sup> Employment rates in this report refer to whether women (and men) between the ages of 16 and 64 were gainfully employed at any time in the previous year. Employment includes wage and salary jobs, and farm and non-farm self-employment.

<sup>2</sup> For more information on the stalling of employment gains among women in the 1990s see Sayer, Cohen, and Casper, 2004; Cotter, Hermesen, and Vanneman 2004; and Casper and Bianchi, 2002.

<sup>3</sup> This same pattern of decreasing labor force activity from 2000 to 2004, and then stabilizing has been found by other researchers among various segments of the population (Boushey 2005; Bradbury and Katz 2005; and Mosisa and Hipple 2006). Cotter, England, and Hermesen (2007) find a decrease in labor force participation among women 25-54 from 2000 to 2004, and then a small increase by 2006.

<sup>4</sup> The term “rural” here refers to persons living outside the officially designated metropolitan areas. “Urban” refers to persons living within metropolitan areas. Metropolitan residence is based on Office of Management and Budget delineation at the time of data collection.

<sup>5</sup> U.S. women aged 16–64 experienced a decline in employment in the previous year of 4 percentage points since 2000. Another measure, the labor force participation rate in the previous week (employed and unemployed together) has also declined since 2000, but to a lesser extent among women age 16–64 and also among women age 25–54 (2 percentage points for each group). Unemployment rates ranged between 3 percent and 4 percent since 2000.

<sup>6</sup> For the remainder of the report, analyses focus on women’s employment trends, unless a comparison with men is particularly salient.

<sup>7</sup> Employment rates of urban married and single women converged in 2006 at 71 percent and held steady in 2007.

<sup>8</sup> The category “women without young children” includes women with children 6-17 and women without children under 18 living with them.

<sup>9</sup> Debate still remains as to how much of the increase in single mother’s employment is attributable to the 1996 welfare reform bill with its emphasis on moving welfare mothers into paid employment and imposing time limits, or to the strong economy of the late 1990s that created a demand for low-wage female employment, or to their interactive effects (Blank 2002).

<sup>10</sup> Academic researchers have also been delving into this question, looking at whether the child penalty has changed for advanced degree holders (Boushey 2005); analyzing whether employment levels have increased among college educated women in professional and managerial occupations (Percheski 2008); researching the reasons why highly accomplished mothers leave the labor force (Stone 2007), and reviewing employment hours and increases in fertility by cohort groups (Vere 2007).

<sup>11</sup> Low-wage employment tends to be procyclical, meaning that it increases during economic expansions when more individuals join the labor force as jobs are easier to find, and decreases during economic downturns as individuals leave the labor force when jobs are scarce (Blank, Danziger, and Schoeni 2006; Borjas 2006; Mosisa and Hipple 2006).

<sup>12</sup> Moisisa and Hipple (2006) find the same trend, that after the economy entered the recession in 2001, the labor force participation rate fell.

<sup>13</sup> When considering annual earnings, researchers tend to make comparisons among workers who have a similar time commitment to paid work and compare annual median earnings for those who are employed full-time, year-round.

<sup>14</sup> The Census Bureau collects data about last year’s earnings. Thus, the 1970 Current Population Survey yields estimates for 1969 earnings, the 1980 data for 1979 earnings, etc. A median wage means that 50 percent of the workers earn wages below this figure, and 50 percent earn wages above it.

<sup>15</sup> The gender earnings ratio for the total US may be higher than the rural or urban ratio because it is based on median annual earnings rather than averages.

<sup>16</sup> In addition, a smaller share of rural women attain a college degree compared with urban women (17 percent and 29 percent, respectively) or have a masters degree (5 percent and 9 percent, respectively).

<sup>17</sup> Poverty statistics shown here are based on the official poverty measure as determined by the U.S Office of Management and Budget. The official poverty measure consists of a series of income thresholds based on family size and composition. The 2007 poverty level was \$21,027 for a family of two adults and two children and \$16,705 for a family of one adult and two children.

<sup>18</sup> Data not shown for all poor women. Median hourly wages are calculated using the total annual earnings divided by the annual hours worked in the same year. This measure is used rather than the median annual earnings for full-time, year-round workers because the small fraction of poor women working full-time, year-round yields too small a sample size for analysis.

# Appendix

APPENDIX TABLE 1. EMPLOYMENT RATES FOR WOMEN BY PLACE AND SELECTED CHARACTERISTICS, 2000 AND 2007

	<b>ALL WOMEN</b>		<b>RURAL WOMEN</b>		<b>URBAN WOMEN</b>	
	2000	2007	2000	2007	2000	2007
<b>Age</b>						
16-24	69	60	68	62	69	60
25-34	81	77	82	77	80	77
35-44	80	77	81	79	80	76
45-54	80	78	79	75	80	78
55-64	57	62	54	59	58	62
<b>Race and Ethnicity</b>						
White, Non-Hispanic	77	74	75	72	78	74
Black, Non-Hispanic	75	70	70	67	75	70
Other, Non-Hispanic	69	67	69	65	70	68
Hispanic	63	62	60	59	63	62
<b>Education</b>						
Less than high school	52	45	50	43	52	45
High school	75	70	75	70	75	70
Some college	81	77	82	79	81	77
College graduate	85	82	88	84	84	81
<b>Marital Status</b>						
Married	74	71	75	72	73	71
Single	77	71	74	68	77	71
<b>Family Status</b>						
Married, child under 6	69	65	71	70	68	64
Single, child under 6	73	66	72	67	73	66
Married, no child under 6	75	73	75	73	75	73
Single, no child under 6	77	72	74	68	78	72

Note: Employment rates measures calculated for women ages 16–64 in the previous year.

Source: 2000 and 2007 March CPS.



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## About the author

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