

**UN WORKING GROUP ON THE ISSUE OF DISCRIMINATION AGAINST WOMEN IN LAW AND IN POLICY
SUBMISSION TEMPLATE FOR US CIVIL SOCIETY**

I. Title/Date

*Impact of Fiscal Policy, Budget Allocation, and Federal Oversight on Women's Right to Work and
Right to Adequate Standard of Living
November 2015*

II. Reporting Organization(s)

The Center for Women's Global Leadership at Rutgers, The State University of New Jersey

Contact Information

- Rachael Wyant
Program Coordinator, Economic and Social Rights
rwyant@cwgl.rutgers.edu

- Krishanti Dharmaraj
Executive Director
kdharmaraj@cwgl.rutgers.edu

III. National or Local

National/federal level, with some best practices selected from the city/state level

IV. Issue/s Statement and Summary

The global economic crisis created serious challenges for the realization of human rights in the United States and throughout the world. The roots of the crisis stemmed from U.S. financial markets and policy decisions, including deliberate legislative changes, the lack of regulatory protections for risky financial products offered by commercial or investment banks, and the failure to extend government oversight of the private sector. The "Great Recession" created high rates of unemployment and home foreclosures. It also revealed the true extent of discriminatory practices in the subprime mortgage market. Subsequent government policies to boost the economy, regulate financial institutions, and protect consumers, including the Troubled Asset Relief Program (2008), and the American Recovery and Reinvestment Act (2009) resulted in decreased expenditures on critical social protection programs. The Budget Control Act (2011) violated the principles of non-discrimination and equality, and labor market trends reveal continuing inequalities. In March 2013, mandatory sequestration of federal spending, followed by the government shut-down (October 2013) impacted nutrition programs, housing support, education, Medicare, unemployment benefits. For example, the Special Supplemental Nutrition Program for Women, Infants and Children reduced by \$333 million. These cuts had a disproportionately negative impact on minority women and single mothers.

Since 2013, budget allocation at the federal level has not demonstrated the use of maximum available resources, and full-time employment rates remain lower than pre-recession figures, violating the principle of non-retrogression. Despite long-term unemployment rates (+27 weeks), long term benefits were cut (expiration of the Emergency Unemployment Compensation, 2013).

Those that do find work face a decrease in the quality of jobs (especially new jobs) available, as they are often lower paid and part-time, with erratic schedules

In 2014¹:

- ▶ 1.85 million more people (than 2008) had low-paying jobs
- ▶ 958,000 fewer had mid-wage jobs
- ▶ 976,000 fewer in high-wage jobs

ICESCR:

- ▶ The right to work, to free choice of employment, to just and favorable conditions of work, and to protection against unemployment.
- ▶ Employment is intrinsically linked to aspects of the right to an adequate standard of living: health, education, social protection

Due to budget cuts, federal oversight of wage theft and investigations into employer accountability has decreased (the number of investigations between 1998 and 2007 decreased from 51,643 to 29,584) despite an increase in workers. Such wage theft, particularly in manufacturing, construction, and service jobs cost low-income workers an average of \$2,643 USD annually.² The Obama administration has recently increased the budget of the Wage and Hour Division (U.S. Department of Labor) by 18% to support investigations.

Lingering impacts of the financial crisis also highlight the violation of the principles of non-discrimination and equality. The wage gap between men and women has expanded since the recession, with Native American women and Latinas earning significantly less than their counterparts. Older women (age 65 and over) also earn lower wages. Unemployment rates for black and Latina women, as well as single mothers and younger women remain higher than white men. Unemployed women who enroll in job training programs are more likely to be accepted to service jobs, while men receive trainings in higher paying sectors such as construction (earning at least \$1,700 USD more per quarter than women). Wage theft impacts undocumented women most heavily (for example, in New York City in 2014, 40.1% of undocumented women faced violation of minimum wage laws, compared to 23.6% of other women and 17.4% of men).³

Recent labor trends, such as an increasing number of states passing “Right to Work” laws, risk the potential benefits women see as union members as union negotiating power and funding decrease. Typically women earn 30.9% more week than non-union women (with Latina women earning a median weekly income 42.1% higher than non-union), and all members receive subsidized health premiums and other benefits. In right to work states, women already face an annual wage that is 4.48% lower than men.

Disaggregated data highlighted above demonstrates multiple forms of discrimination and violations of the right to work and the right to an adequate standard of living that many women face. However, available data does not illustrate the large number of women, particularly women

¹ Center for Women’s Global Leadership and Political Economy Research Institute. “Towards A Human Rights-Centered Macroeconomic and Financial Policy in the US: Revisited.” Universal Periodic Review 22nd Session, Shadow Report 2014.

² Theodore, Nik. “The Movement to End Wage Theft: A Report to the Discount Foundation.” University of Illinois, Chicago. October 2011.

³ Bernhardt, Annette, Diana Polson, James Defilippis. “Working Without Laws: A Survey of Employment and Labor Law Violations in New York City.” National Employment Law Project. March 2015.

of color and migrant women, working in the informal economy. With the exception of a limited number of privately employed care workers, most of these women lack protection from national labor legislation, social protection, and benefits:⁴

- 23% of domestic workers are paid below minimum wage
- 48% do not earn enough to adequately support their households
- 65% lack health insurance
- Fewer than 2% have earned retirement pensions

This data does not capture the situation of other informal economy spaces such as nail salons, sex work, and additional types of service jobs. Austerity measures, heightened since the recession, continue to impact vulnerable women workers and those balancing unpaid care work with regular employment. Such measures, including recent state level budget cuts resulting in 4-day school weeks (in states such as Arizona, these cuts were not accompanied by affordable childcare options) and decreased child and elder care subsidies. When women are forced to take time off for this unpaid caregiving, there is no financial compensation or pension support for the time missed in formal jobs, nor is there employment training for those who have left the work force for an extended period of time due to care giving.

Best Practices:

- As of 2014, 7 states have passed paid leave politics, however there is still a gap between women in low-income and high-income sectors with access to paid sick leave (1 out of 5 low-income women versus 9 out of 10 high-income).⁵
- The official definition of “family” now recognizes same sex and multigenerational family ties, which allows women more flexibility for emergency or long-term care giving leave.⁶
- Vermont and San Francisco now have the right to request flexible work hours for caregiving responsibilities (2014). San Francisco has also passed the Retail Workers Bill of Rights, which includes the rights to advanced notice of schedule and equal treatment for full and part-time workers.
- Washington D.C and 5 other states have begun to tackle the undervaluation of women’s work (January 2015), pushing for minimum wage laws for low-tipping sectors dominated by women.⁷

V. Recommended Questions

- Implementation of the SDGs---adequate domestic resources---as ending poverty is critical for addressing discrimination. How do governments intend to address these international commitments and integrate them into anti-discrimination measures at the domestic level?
- For those local and state officials implementing best practices (i.e. worker bill of rights, legislation supporting women’s access to flexible work, regular schedules, maternity and sick leave, and affordable childcare), what resources and infrastructure would be necessary to scale up these practices?
- What measures can be put in place to ensure continuity of best practices despite election cycles and parties elected to office?

⁴ National Domestic Workers’ Alliance. “Home Economics: The Invisible and Unregulated World of Domestic Work.” 2012.

⁵ Institute for Women’s Policy Research. “The Status of Women in the States 2015.” February 2015.

⁶ Ibid

⁷ National Economic Council, Council of Economic Advisers, Domestic Policy Council, and Department of Labor. “The Impact of Raising the Minimum Wage on Women and the Importance of Ensuring a Robust Tipped Minimum wage.” March 2014.

VI. Recommendations

- States should conduct regular time-use surveys, with a view to recognizing, reducing and redistributing unpaid care work.⁸ This data should be disaggregated and take into account intersectionality of poverty and unpaid care work, including migrant status, race, gender identity, sexual orientation, and those working in non-traditional employment.
- Take into account the multi-dimensional nature of poverty when providing housing support or social protection programs, particularly for single mother households and those facing heavy unpaid care burdens.
- Increasing oversight of wage theft, discrimination at the federal level will have positive impacts on the percentage of workers paying taxes, accessing employer benefits, and earning an adequate standard of living to for food security, housing, and medical care.
- Disaggregated data collection on women working in the informal economy, including women-led households, women of color, and migration status.
- Look at data collection methodologies in countries that strong networks of informal workers, particularly movements of street vendors, caregivers, and waste pickers
- Enforcement of CERD
- Modeling city and state legislation on ILO Conventions on Gender Equality (Equal Remuneration Convention, Discrimination in Employment and Occupation Convention, Workers with Family Responsibilities Convention, Maternity Protection Convention)
- When auditing labor legislation for fulfillment of human rights principles, include intersection approach to “formalizing” and regulating the informal economy especially as it relates to income tax and access to relevant loans and permits for women.

⁸ Sepulveda Carmona, Magdalena, Report of the Special Rapporteur on Extreme Poverty and Human Rights: Unpaid Care Work and Women's Human Rights (August 9, 2013)