

To: Interested Parties

From: Page Gardner, Women's Voices. Women Vote.

Re: The Impact of a Declining Economy on Unmarried Women

Date: April 6, 2009

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*For over a year now the American economy has been in a recession. Last September the financial industry collapsed, and shortly after that, Congress bailed-out Wall Street. In December, Congress rescued the automakers. And just last month President Obama signed into law his economic recovery package. This economy has touched all Americans, but its disproportionate impact on unmarried women has been clear for some time. Immediate action to keep and create well paying jobs is of vital interest to all Americans, but especially to unmarried women. Unmarried women continue to make less on the dollar than married men, and a fifth live in poverty. Women without spouses pay more of their income to their mortgage than any other marital group. As a result, less money is left for other expenses. Unmarried women also file for bankruptcy at higher rates than other groups. When children enter the equation, the reality is even more stark. These children grow up in households with less income, more economic stress, and potentially less stability because of challenges uniquely facing unmarried mothers. Women's Voices, Women Vote has long reported that many women in this growing demographic group are living on the economic edges, experiencing the stress and anxiety that more and more Americans are coming to face.*

## UNEMPLOYMENT

The most recent unemployment data released for March indicates that 8.5% of Americans are unemployed, up from 8.1% in February. Unemployment figures are direr for single Americans. **While 6.9% of married men and 5.2% of married women are unemployed, that figure jumps to 15.7% for unmarried men (16.6% of men who have never been married), and 9.6% for unmarried women (10.1% for women who have never been married).**<sup>1</sup> So while unmarried adults make up roughly 45% of the population, they account for 62% of unemployed Americans. Since unmarried men make up a disproportionate share of Americans who are unemployed, unmarried women are proportionally unemployed (25% of population, 24% of unemployed).

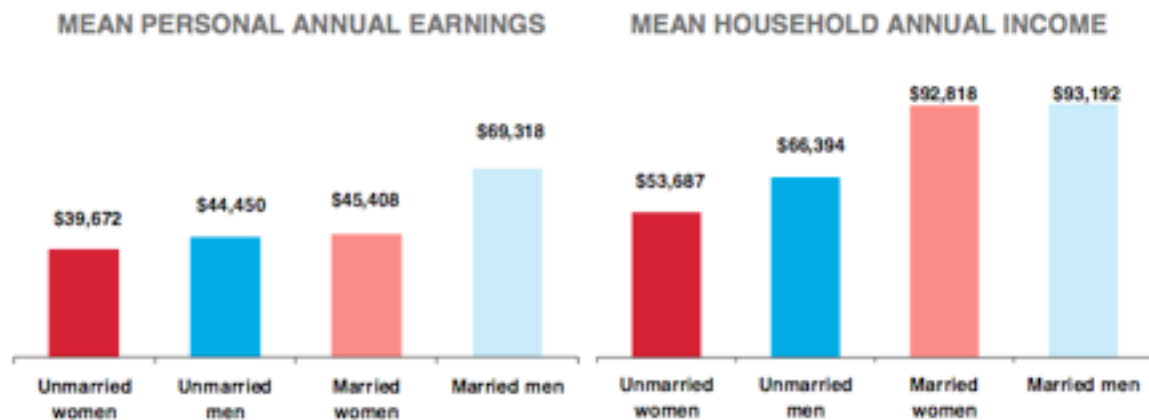
## WAGES, INCOME, AND POVERTY

For unmarried women, earning enough money to provide for themselves and their families and to meet the monthly bills is becoming an increasing concern. Indeed, making ends meet is even more of a struggle in an environment where **unmarried women earn only 57 cents for every dollar a married man earns (\$69,318 compared to just \$39,672).**<sup>2</sup> The typical unmarried woman would need to work 21 months to earn as much as the typical married man makes in 12 months. That means if she started January 1, 2009 she would not equal a married man's salary until the end of September 2010. Married women also earn less than married men, (66 cents on the dollar), as do single men (64 cents on the dollar compared to married men).

## PERSONAL EARNINGS, 2007<sup>3</sup>

	Women		Men	
	Unmarried	Married	Unmarried	Married
Average	\$39,672	\$45,407	\$44,450	\$69,318
Comparative personal earnings	57¢	66¢	64¢	\$1.00

The impact is greater when you look beyond simply comparing dollar for dollar and cents on those dollars, though that is plenty dramatic. The average household income for married couples is roughly \$93,000, with only 12% of married couples residing in households earning less than \$30,000. **Unmarried women's average household income is only \$53,687, or nearly \$40,000 dollars less than the average married household** – and, 40% of unmarried women live in households earning less than \$30,000<sup>4</sup>. That gap has widened since last year, when unmarried women's average household income was \$37,000 less than the average married household.



The gap is even larger and more ominous for households headed by unmarried mothers and for the children residing in them. **A typical unmarried mother's household income is \$42,000 less than a married mother's household income (\$56,309 for the unmarried mother, \$98,420 for the married mother).** Unmarried women without children still make less than married women without children, and that gap stands at \$36,000 (\$52,517 for the unmarried non-mother compared to \$88,457 for the married non-mother). Taken another way, married mothers (\$98,420) have nearly \$10,000 more in annual household income than married women without children (\$88,457), but unmarried mothers (\$56,309) must provide for themselves and for at least one child, on nearly the same income as unmarried non-mothers (\$53,517).<sup>5</sup>

### A SLIPPING AMERICAN DREAM

Poverty hits unmarried women hard, harder than any other marital/gender group. One in five unmarried women live in poverty (19.6%), compared to 12.8% of unmarried men and 4.1% of married women (3.8% of married men). **In fact, eight of every ten women living in poverty are unmarried,<sup>6</sup> and of all American adults who live in poverty, unmarried women account for half of them<sup>7</sup>.** Children of unmarried mothers are greatly impacted, as the rate of poverty among unmarried mothers is more than twice that among married mothers: 26% compared to 12%. More than half (51%) of all children age six or

younger who live with an unmarried mother are in poverty, and 59% of all children age six or under who live in poverty are living with an unmarried mother.

Lack of health care coverage is another concern for unmarried America. While only 9% of both married men and married women are uninsured, that percentage is nearly twice as high for unmarried women (17%), **and a full quarter of unmarried men are uninsured (25%)**. Based on current census numbers, that means there are more than 18.6 million unmarried Americans who are uninsured.

Owning a home has long been a part of the American Dream, but obtaining that dream is harder for unmarried women than for any other marital/gender group. Overall, half of Americans (51.7%) have a mortgage, including 37.8% of unmarried women.<sup>8</sup> The burden of that mortgage, however, weighs more heavily on unmarried women than on others. Married men pay a higher mortgage on average (\$1298.70) than unmarried women (\$1,101.30), but when taking into account average personal earnings, **for every dollar an unmarried woman earns, 30 cents goes toward her mortgage compared to only 22 cents for a married man**. Even taken to the household level, the burden is greater for unmarried women (25 cents per dollar to the mortgage), than for married men (nearly 17 cents), and unmarried women have less left over income to spend on other necessities.

Foreclosures rocked much of America last year, and they hit unmarried women pretty hard. Indeed, **40% of bankruptcy filings last year were filed by unmarried women**. Notably, unmarried women with children were three times more likely to have filed for bankruptcy last year than unmarried non-mothers or married couples (21 unmarried mothers per thousand, 7 unmarried women per thousand, and 7 married couples per thousand).<sup>9</sup>

## SUMMARY

In the end, the downturn in the American economy has created stress and anxiety across the demographic spectrum. However, for many Americans, the downturn has only exacerbated trends we began to report on in 2007. Unmarried women make less per dollar than married men, they pay more of their income to housing than other groups, they are more likely to live in poverty, and when children enter the discussion, the indicators are even more stark – all measures that are bound to worsen if the economy does not rebound soon. Senators and Representatives in Washington may have debated policy matters over the last few weeks, but to real Americans, and to unmarried American women especially, this is not just a policy debate—it is a debate about changing direction and bringing real relief to a growing demographic group.

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<sup>1</sup> Bureau of Labor Statistics, February and March 2009 unemployment figures

<sup>2</sup> Current Population Survey, 2008

<sup>3</sup> American Community Survey, 2007

<sup>4</sup> Ibid.

<sup>5</sup> American Community Survey, 2007

<sup>6</sup> “The Straight Facts on Women in Poverty,” Center for American Progress, October 2008

<sup>7</sup> Current Population Survey, 2008

<sup>8</sup> American Community Survey, 2007

<sup>9</sup> MSN Money, 7 Ways to Fight Off Bankruptcy