

Abstract:

The COVID-19 pandemic had various atypical effects on our society: specifically looking at labor markets, women's unemployment was found to be higher than men's during the 2020 recession (the opposite trend has occurred in the past). This result has been thought to be attributed to a couple of different reasons such as states mandating policies that restricted the operations of certain industries and businesses such as child care centers. This paper investigates the impact policies related to the closure and class size restrictions of child care centers have had on women's labor market outcomes at the state level. Using data from January 2019 to December 2021, we utilize baseline regression, triple-difference, and dynamic models to quantify the effects these closures had on women's labor supply outcomes, specifically employment, labor force participation, the average number of hours worked per week, and weekly earnings. Overall, these models have uncovered that there was a negative effect on many labor supply outcomes for women of working age with children less than five years old—contributing to the age-old theory of “The Cult of Domesticity.”