

Cuts to Employment in the State and Local Public Sector will Disproportionately Harm Women and Black Workers

December 2020

GOVERNOR CUOMO SUPPORTS REDUCING STATE SPENDING citing revenue shortfalls which have been fueled by the economic recession that followed the COVID-19 pandemic. Reduced or eliminated state funding could mean losing public sector jobs that employ workers in communities statewide. This loss would disproportionately impact women and Black workers who constitute the majority of public sector employees.

Historically, [the public sector has been an essential employer for women and people of color](#). Public sector employment has offered a stable path into the middle class with regulated pay requirements, health benefits, and a pension. Losing a public sector job in a pandemic means not only the initial loss of income, but it can also mean losing long-term financial security. Though discrimination in the public sector still exists, public sector employment remains a model of how to achieve greater equality in employment and workplace diversity. New York State would be affected by public sector job loss statewide as more workers would lose the ability to support themselves and purchase necessities and cover housing costs. Individually, women and Black workers would be harmed the most by public sector job loss.

While Black workers make up only 14 percent of the total workforce, they constitute an outsized share of state and local governments' workers at 18 percent (See figure 1). In New York, women make up half of the total workforce however, they made up the majority, 56 percent, of the state and local public sector (See figure 2).

State and local governments employ a higher proportion of Black workers

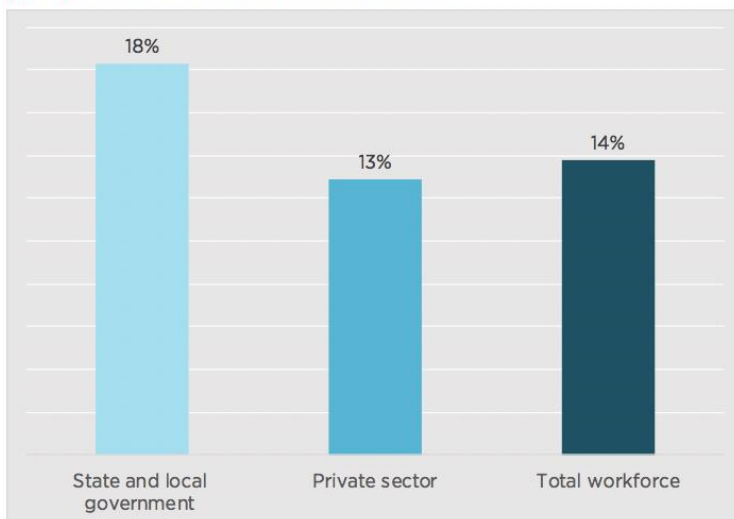


FIG. 1 Source: Economic Policy Institute analysis of American Community Survey microdata, pooled years 2017-2018

State and local governments employ a higher proportion of women

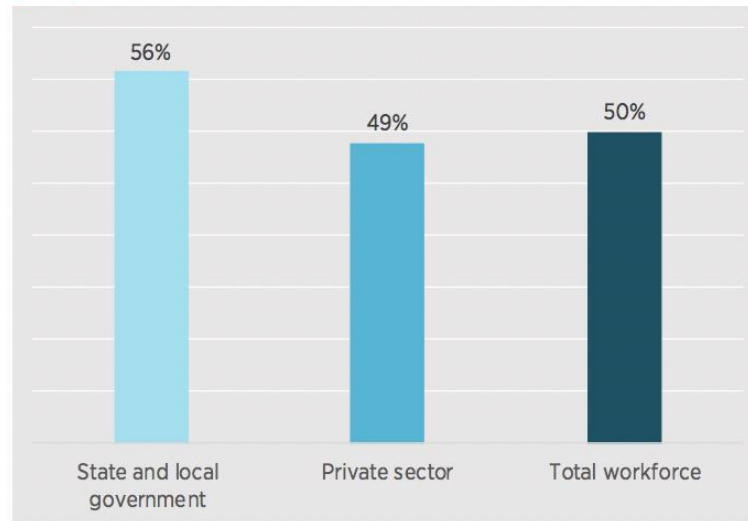


FIG. 1 Source: Economic Policy Institute analysis of American Community Survey microdata, pooled years 2017–2018

Recommendations

- The state legislature should consider creative ways of [raising new revenues](#) that may include: enacting the Pied-à-Terre tax, reinstating the Stock Transfer Tax, increasing taxes for the wealthiest New Yorkers, and abandoning the two percent state spending cap.
- New York should advocate for appropriate state and local aid to be included in future federal aid packages. This vital funding will be critical in helping us avoid severe budget cuts and saving thousands of public sector jobs for New Yorkers.

By Shamier Settle

Shamier Settle is a Policy Analyst with the Fiscal Policy Institute.

The Fiscal Policy Institute is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. FPI's Immigration Research Initiative looks at immigration issues in New York State, and around the country.