

**Testimony of Cary Brown, Executive Director of the Vermont Commission on Women
House Committee on Health Care
March 8, 2016
RE: H.620, an act relating to health insurance and Medicaid coverage for contraceptives**

The ability to decide when and whether to have a child is one of the most important factors in a woman's economic well-being over the course of her lifetime. Having control over the timing of children allows women to increase their own education, make better investments in their early work and career choices, and create better outcomes for their children. Women's access to birth control is tied to increased labor force participation, higher earnings, more advanced careers, and better financial conditions for their children and families.

HISTORICAL PERSPECTIVE

In the 1960s and 1970s, the introduction of oral contraceptives and repeal of laws restricting the sale of contraceptives in general, coupled with the expansion of funding for family planning programs, provided a significant increase in women's access to birth control. Looking back, it's possible to link this access years later to an increase in women's wages, their labor force participation, family incomes, and even their children's college completion rates.¹

Children born after this access increased were 15% less likely to live in households receiving public assistance and 4% less likely to live with a single parent.²

This access also contributed to an increase in the number of women employed in non-traditional and professional occupations, and to higher occupational levels in general.³

Increased access to birth control can even be credited for helping to reduce the gender wage gap. One analysis showed that access to the birth control pill by younger, unmarried women in the 1960s and 1970s increased their hourly earnings by 8% by the time they were 50 years old.⁴ The same analysis concluded that the Pill can account for 10% of the reduction of the gender wage gap in the 1980s and 30% in the 1990s.⁵

CURRENT BENEFITS

Women today continue to see economic benefits from birth control. When women were asked their reasons for using contraception, they most frequently cited economic factors: 65% said that it was because they could not afford to take care of a baby at that time.⁶ The majority of women surveyed

¹ Martha J. Bailey, 2013. "[Fifty Years of Family Planning: New Evidence on the Long-Run Effects of Increasing Access to Contraception](#)," Brookings Papers on Economic Activity, Economic Studies Program, The Brookings Institution, vol. 46(1) (Spring), pages 341-409.

² Martha J. Bailey, Olga Malkova, and Zoe M. McLaren. Does Family Planning Increase Children's Opportunities? Evidence from the War on Poverty and the Early Years of Title X. (2014)

³ Claudia Goldin & Lawrence F. Katz, The Power of the Pill: Oral Contraceptives and Women's Career and Marriage Decisions, 110 J. POL. ECON. 730, 758-62 (2002).

⁴ Martha J. Bailey et al., The Opt-In Revolution? Contraception and the Gender Gap in Wages, NAT'L BUREAU OF ECON. RESEARCH 26-27 (2012), available at http://www.nber.org/papers/w17922.pdf?new_window=1

⁵ *Ibid.*

⁶ Frost, J., & Lindberg, L. D. (2012). Reasons for Using Contraception: Perspectives of US

reported that contraceptive use had allowed them to take better care of themselves or their families, support themselves financially, complete their education, or keep or get a job.⁷

Low-income women are particularly impacted by lack of access to contraception; they are over five times more likely to become pregnant unintentionally than higher-income women, despite being sexually active at the same rates.⁸

Access to birth control is linked to increases in women's wages,⁹ in their participation in the workforce, and in their families' reliance on their earnings.¹⁰ While having a child at all does create both an immediate decrease in women's earnings and a long-term decrease in their lifetime earnings,¹¹ delaying having a child can mitigate some of this loss. A delay allows time for investing in education and in early work experience, and women earn 3% more for each year they delay having children.¹²

Children whose mothers had access to birth control have higher family incomes, are less likely to live in poverty, and are more likely to go to college.¹³

VERMONT

As we've noted in the 2016 report *Women, Work and Wages in Vermont* through our work with *Change the Story VT*, working women are essential to Vermont's economy, and the economic well-being of Vermont women is critical to the well-being of Vermont families. 66% of Vermont women are in the labor force, which is 8 percentage points higher than the national average,¹⁴ and this peaks during childbearing years: 70% of pregnant women and women who've given birth in the last year in Vermont are working.¹⁵ Women are contributing over 40% of the income in a third of Vermont's families.¹⁶

But women in Vermont are struggling as it is – 43% of Vermont women who are working full-time don't make enough to cover their basic expenses.¹⁷ So every step that we can take to move Vermont women towards economic security is critically important for Vermont families and for the Vermont economy as a whole.

Women Seeking Care at Specialized Family Planning Clinics. *Contraception*. doi:10.1016/j.contraception.2012.08.012.

⁷ Ibid.

⁸ Finer LB and Zolna MR, Declines in unintended pregnancy in the United States, 2008–2011, *New England Journal of Medicine*, 2016, 374(9):843–852, <http://nejm.org/doi/full/10.1056/NEJMsa1506575>.

⁹ Martha J. Bailey et al., The Opt-In Revolution? Contraception and the Gender Gap in Wages, NAT'L BUREAU OF ECON. RESEARCH 26-27 (2012), available at http://www.nber.org/papers/w17922.pdf?new_window=1

¹⁰ ADAM SONFIELD ET AL., GUTTMACHER INST., THE SOCIAL AND ECONOMIC BENEFITS OF WOMEN'S ABILITY TO DETERMINE WHETHER AND WHEN TO HAVE CHILDREN (2013), available at <http://www.guttmacher.org/pubs/social-economic-benefits.pdf>.

¹¹ Ibid.

¹² KELLEEN KAYE ET AL., NATIONAL CAMPAIGN TO PREVENT TEEN AND UNPLANNED PREGNANCY, THE BENEFITS OF BIRTH CONTROL IN AMERICA: GETTING THE FACTS STRAIGHT 4 (2014), available at <http://thenationalcampaign.org/sites/default/files/resource-primary-download/getting-the-facts-straight-final.pdf>.

¹³ Martha J. Bailey, 2013. "[Fifty Years of Family Planning: New Evidence on the Long-Run Effects of Increasing Access to Contraception](#)," *Brookings Papers on Economic Activity, Economic Studies Program*, The Brookings Institution, vol. 46(1 (Spring)), pages 341-409.

¹⁴ U.S. Census Current Population Survey (CPS) 5 Year Average (2011-2015)-Adult Civilian Persons.

¹⁵ U.S. Census Bureau. (2011). American Community Survey 3 Year Estimates, Geographies: All States within United States, Table B13012: WOMEN 16 TO 50 YEARS WHO HAD A BIRTH IN THE PAST 12 MONTHS BY MARITAL STATUS AND LABOR FORCE STATUS.

¹⁶ U.S. Census Bureau, Public Use Microdata Sample; American Community Survey 5 Year Data Release (2009-2013).

¹⁷ As defined by the 2015 Basic Needs Budget figures developed by the Vermont Joint Fiscal Office and controlled for family size. Based on averaging rural and urban estimates.