

The  
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The Economic Club of New York

114<sup>th</sup> Year  
627<sup>th</sup> Meeting

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Marshall Plan for Moms  
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and

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Webinar

Moderator: John C. Williams  
President and Chief Executive Officer  
Federal Reserve Bank of New York  
Chair, The Economic Club of New York

Welcome. This is Barbara Van Allen, President of the Club, and we will get started in a little less than a minute. Thank you.

## Introduction

Chairman John C. Williams

Well, good afternoon and welcome to the 627<sup>th</sup> meeting of The Economic Club of New York, and this is our 114<sup>th</sup> year. It seems like we've done half of those meetings just in the last two years. I'm John Williams. I'm President and CEO of the Federal Reserve Bank of New York and I'm Chair of the Club. So as many of you know, The Economic Club of New York is the nation's leading nonpartisan forum for discussions on economic, social and political issues, and our mission is as important today as ever as we continue to bring people together as a catalyst for civil conversation and innovation. A special welcome to members of the Economic Club of New York's 2021 Class of Fellows. It's a select group of diverse, rising, next-gen business thought leaders, as well as students from the City University of New York Graduate Center and the Gabelli School of Business at Fordham University.

It's really a pleasure for me now to welcome our special guests today, Reshma Saujani and Tim Allen. Reshma is a leading activist and the Founder of Girls Who Code and the Marshall Plan for Moms, and she's a trustee here at the Club. She's spent more than a

decade building movements to fight for women and girls' economic empowerment, working to close the gender gap in the tech sector and most recently advocating for policies to support moms impacted by the pandemic.

Tim Allen is the CEO of Care.com. A 15-year veteran of media and technology company IAC, Tim raised his hand to lead Care when it was acquired by IAC in 2020. Prior to that, Tim was CEO of IAC's Mosaic Group and during his tenure played pivotal roles shaping the early days of well-known brands like Vimeo and Ask.com.

Today's program will be a conversation, and I'm very fortunate to be the moderator. Any questions that were submitted to the Club, they were shared with me in advance. We'll end promptly at 2 pm, and as a reminder, this conversation is on the record as we do have media on the line.

#### Conversation with Reshma Saujani and Tim Allen

CHAIR JOHN C. WILLIAMS: So, first of all, welcome Reshma and Tim, to our conversation today.

RESHMA SAUJANI: Hello.

TIM ALLEN: Yes.

CHAIR JOHN C. WILLIAMS: And so, you know, I talk to business leaders and community leaders all the time. You know, clearly in my role I'm following the economy and the labor market very closely. And the number one topic on the labor market today is really around themes around labor supply and issues around labor participation, especially among women, during the pandemic. A period of time when there's record numbers of job openings but a lot of businesses and other organizations are finding it hard to fill those jobs. And we're also hearing about what people are calling the Great Resignation.

So I really want to start from there, and this is The Economic Club of New York, and thinking about our economy, what's happening out there in terms of labor supply, in terms of labor participation and these waves of retirements and people leaving their jobs? And how do you think about what's driving that? So Reshma, I'll start with you, to what extent do you think can these developments be related to Covid or aspects of the broader state of the economy?

RESHMA SAUJANI: Well, I think when it comes to women, you know, Covid played a huge impact. You know, at the beginning of 2020, women made up 51% of the labor force and we lost over nine months, 30 years of progress, and our participation was

back where it was in 1989. So women didn't just leave the workforce. They were pushed out. And they were pushed out for, you know, a handful of reasons.

First, when schools shut down, you know, many working mothers relied on schools to provide childcare, quite frankly. And so when schools shut down and daycare centers were shut and they couldn't invite their parents to come in and care for them because they were afraid that they could get sick, you know, working moms either had to reduce their hours, quit their job, move into their car, or in with their parents.

Secondly, childcare in this country has always been unaffordable. The United States has, you know, makes the least amount of investment in childcare. So during those moments, moms just simply couldn't afford to pay for childcare. And then finally, as you know, many women were in jobs that weren't pandemic-proof – in education, retail, healthcare, especially low-income women of color. And, you know, 70% of Black women in this country are not only the single breadwinners but the single caretakers. So when they lose their job, the entire family has suffered.

Unfortunately, two years later not much has changed. Fifty percent of daycare centers still remain shut. Childcare is way too expensive and we have a supply problem there. You know schools are still, you know, unstable. We haven't retrained women to go back into jobs that no longer exist and you see this playing out in the latest jobs report that

came out on Friday where 309,000 women left the workforce and 184,000 men entered it.

And so we, as Tim talks about, have this enormous opportunity, not just for government to act, which I think some of us are having less and less faith that that's actually going to happen, but for the private sector to really step up and lead and to help women reenter the workforce in ways that, quite frankly, are just more healthier and more tenable, you know, to the commitments that they want to make to their families.

CHAIR JOHN C. WILLIAMS: Tim, I'll turn it to you.

TIM ALLEN: Yes, I appreciate it. I would say, you know, it's interesting, we're in this epic an era of time where there's more flexibility in the workplace than ever before. But that has become a have and have-not moment. Right? As Reshma mentions, women have the flexibility but they're also taking on more at home, they taking on more silent labor hours. They're taking more on their own shoulders. So they're left with this, what I will call, untenable dire choice to be made. Do I tend to my family? Do I tend to my job? Do I tend to my aging parents? How do I regulate and how do I actually shift all of my attention and all of my focus in order to have it all?

And what needs to happen is actually it forces you to become more flexible. I know it

sounds a little bit archaic in this system where we're finding flexibility to work from home. But what they have to do is actually provide supplemental benefits so that women can actually have the work structures that are necessary and that are there.

Now the big issue we're facing that you mentioned and kicked it off with is we're facing real supply issues. We're facing issues where there's not enough childcare in America of quality and affordability and accessibility, to be frank, that allows women to actually be able to participate in the workforce, meaning, for example, childcare deserts were there prior to the pandemic. They had always been there. Right? But it was mostly relegated to some rural areas and to some of the pockets of the country that were not necessarily more urban.

You're starting to see now daycare centers aren't opening back up or capacity is being met. And what's actually interesting for the first time ever is daycares are now just as costly as in-home childcare. So it's becoming less affordable for families and particularly families with low-income households and those that are predominantly female-led and women of color. So you have this domino effect that's occurring in society from an economic perspective, from a supply perspective, but then it's also, what's happening is what always happens in our country is women are shouldering that burden.

So what we need to do is actually step in, from a private sector perspective, provide

supplemental benefits, provide a livable wage for our caregivers that are out there in the community, and this is going to take the government and the private sector locking arms in order for us to make a material difference over time.

CHAIR JOHN C. WILLIAMS: Both of you have highlighted that these issues predated the pandemic, but perhaps the pandemic has put a spotlight on them, as you said, Reshma, right now in terms of a lot of daycare centers haven't reopened and so the problem is even more severe. So a lot of these solutions really just aren't about right now, but really about how do we, on a sustained basis create a strong foundation for the labor force.

Before we get into some of those issues, which is where I think we're really going to go with this conversation, what are other things you're hearing from people right now, beyond the ones that we've talked about, you know, concerns about Covid, lack of childcare, the uncertainties around schools? And a lot of people talked a few months ago, well, once schools reopen, that solves the problem. But, of course, there's always a chance that schools will close again. What else are you hearing from people that you think is important that's holding back labor supply right now?

RESHMA SAUJANI: Look, I think that people are not going back to the old world. I mean I think about it, for me, CEO of Girls Who Code, my first child, I may have seen



him 45 minutes a day. And I didn't see him crawl, I didn't see him take his first steps. I never did nighttime or fed a meal to him during the work week. And then when I had my second child, I had him during Covid, and I did all of those things. And I kind of said to myself, I cannot believe I was living that way. Right?

And so I think for a lot of parents, in particular, they're not going back to barely seeing their children or not being able to take them to school or not being home for bath time. So I think we want to have, you know, manage our life to work, but we want to basically be able to work to live. Right? It's like there's different things that are important to people today. And so I think they're shopping. I think we're looking for who is the employer that's actually going to allow me to have these things because I know when I have these things I'm going to live longer. I'm going to be more productive. I'm going to be a better corporate citizen, quite frankly. And so I think that that is really underlying so much of this.

TIM ALLEN: I can't support that enough, by the way, and I would say it's mothers and fathers. I'm hearing a lot of fathers also saying that as well. They're going, I wasn't taking my, I'm a good example of that, right, I wasn't taking my six-year-old to school or kindergarten when they first started, and now I'm taking them every day as they go to school, and I wouldn't trade that for the world. It's like the most joyous part of my day. Even as they're kicking and screaming and don't want to get their backpack on, right?

Like I will trade that in at any moment so I have that moment with them. Right?

And Reshma is right. People are shopping. People are looking around and saying how can I have this flexible benefit but also be able to be employed and have a career that's successful and not be mitigated to having, you know, forward progression in my career. It's all happening. It's funny. You mentioned, you know, parents were saying during the pandemic, you know, when kids go back to school, it'll go back to normality.

I think parents have also woken up to, we are still living in an agricultural age. Like the hours of school are not tailored to an employment factor. The fact that we're on an 8 am to a 2 pm and then you have to figure out what to do with your kids after school and you have to negotiate, you have to get that after-school program or a grandparent or a babysitter or a nanny, you know, parents are going, wait, that doesn't work. Like, hold on, my job doesn't end at 2 pm. My job ends at 6 pm or I need to be on a Zoom call, or now I have noncontiguous blocks I need to be scheduling. So I think people are just waking up and going, wait, what works for me? What works for my family? And what works for an employer? And it goes in that priority order over time. So I completely agree with what Reshma is saying.

RESHMA SAUJANI: And caring about those things doesn't make me less ambitious. It doesn't make me be less committed, right, to my job. It just makes me, frankly, it makes

it just more practical for me and my family and my health. And I think that those things really matter.

TIM ALLEN: And, to your point, it makes the employee more loyal and it makes them more of a productive employee. And it makes it, you know, I'm sure everyone who is participating in the meeting today, doesn't turn off their iPhone at exactly 4:45 pm. Right? Like whether I get the work done at 9:45, 7:45, 11:45, I'm getting the work done. Right? Because we have the personalities to do that or we have the commitment and the whole thing. And that is what more and more people are subscribing to. They're going, look, I will be there when I need to be there. I will be there and show and perform and I'm going to be an incredible employee, but I don't want to miss these moments.

CHAIR JOHN C. WILLIAMS: So Reshma, you said people are shopping around. Tim, you made similar comments. People are looking for this. I mean, as employers, a lot of The Economic Club of New York, you know, people are thinking, well, okay, so people want these things, but what is it they want? Because we want to make sure that we're being an employer of choice, personally at the New York Fed, but more generally. So what is it they're looking for? What are some of the key components of that?

RESHMA SAUJANI: Yes, I mean I think, one, it starts with taking a hard left from doing what many companies had been doing, which is like digging their heels and being, you

must return to work five days a week. We've got to back away from that. And now that a lot of companies, you know, have changed the timeline again to January, I think everyone needs to sit back and say, okay, how do I structure this workforce?

So, one, you know, we did a survey of 1,000 working moms and asked them what they wanted, and it was pretty clear. So the first thing was about flexibility. Flexibility for salaried workers, predictability for hourly workers. Right? So if you're a salaried worker, you want to be able to pick up your kids from school. You want to be able to take your kids to school in the morning. So let me determine and have control and choice for what works best for me and don't give me grief about it. And I think for salaried workers that work in retail, like don't sign me up for a shift at 7 and then I've already gotten childcare and then I show up for my shift and you've changed it on me. Like give me some predictability about my life, which helps me with my logistics and managing my life. And these two things should be very, quite frankly, easy, right, and able.

I think, you know, again for a lot of working moms, the other thing I'm hearing is get rid of the motherhood penalty. You know for so long when we talk about the pay gap, you know, in the United States, it's not between childless moms and women and men, it's between fathers and mothers. And so there's a lot of, we go into a lot of judgment when women have children in terms of their commitment to the job. And suddenly, if you're a mom, you're less committed, you're less focused, but if you're dad, oh, let me hire the

guy from Little League. And so that discrimination, you know, needs to really change.

I think a lot of, again, the United States is one of the few nations that doesn't provide paid leave. Many companies still don't provide sick days and paid leave and the ability to stay home and take care of a family member when they're sick. You know, we need to start putting those types of benefits.

And then finally, as we've said, companies have to subsidize childcare. Like if you're going to pay me, you're going to pay for me to freeze my eggs, can you please pay for my childcare. Like it just doesn't make sense. So I really do think that, again, we've talked about this, all the studies show we would never get rid of K-12 education, but all the studies show that that 0-4 is critical. So companies investing in that next generation, putting money back into their employees to help them pay for childcare is a worthy investment, not only in their employee base, but in our country.

TIM ALLEN: Reshma and I were talking about this prior to the start of the meeting, which is we did a survey of over 1,000 HR executives and only 19% of them offer childcare benefits as some kind of subsidy. That is just, you know, I truly believe and I'm predictive in this and, of course, I have a bias on this as well, but I think over time childcare benefits, and not only childcare benefits but also senior care benefits because in this sandwich generation, parents are getting pulled in both directions of taking care

of their parents and also taking care of their children.

And what's going to end up happening is companies in the private sector is going to need to step in and it's going to become an akin benefit for those employees of choice, those that they want to recruit to healthcare, to dental, to what you see in a normal package of benefits that's going to happen. And it doesn't have to be overly expensive.

A small subsidy of daycare, a small subsidy of in-home care. You know, what we offer is ubiquity of care over at Care.com in our enterprise product and we say, look, let the employees make a choice, because inevitably with employees some go, well, I don't have kids, but I have a dog. Right? Or I don't have...and so everyone tries to make everyone, you know, same foot, equality. Well, we say, good, give them a stipend, give them a subsidy, give them something that they can apply to their lives that actually amplifies and benefits their life to make them a more productive employee.

There is one other thing I think corporations are going to have to evolve into within the benefit sector as well. It's going to be, from an employee perspective, it's moving from what I would call performative to effectiveness. And I say this and it's controversial and what I mean is a lot of people have policies on paper. A lot of people say that they have these things, but they don't necessarily encourage or actually demonstrate from the executive levels the utilization of said benefits.

And so I'll give really good examples, right? Employees want to see and have representation where people are taking maternity and paternity leaves. They want to see that it's not just lip service on bereavement and time off, that actually when something happens in their household, they have the flexibility to actually go and use that time.

You know a lot of fathers, and it's a lesson I hard-learned from myself, a lot of fathers take a limited amount of paternity. Right? And so in our company we have people who show up to meetings and, look, I run Care.com., so it's not lost on me, of course, I get the luxury of doing this and a lot of companies don't, but I would say organizations have to take a hard line. And in our company what we do is if a father, we know it's a new father, comes into a meeting and they're not done with their paternity leave, we say, it's so great to see you. How is the baby? You don't need to be here.

And it has to start to be in the chambers of the executive echelon for people to actually push into their organizations that these are effective policies that people can really take advantage of, not just on paper, not just there in terms of checking a box and making you a more attractive employer. And I would say through Covid, people are starting to recognize that.

RESHMA SAUJANI: Yes, I want to build on that. It's such a powerful and important

point. You know 70% of American dads take less than ten days off when they have a child. And, you know, we know a lot of our companies here in New York City in finance, you know, they again want to hire the guy that's a dad and that teaches Little League, but when he takes paternity leave, we're like, oh, whoa, whoa, wait a minute here.

And so I think you're absolutely right. I don't think you get to get the, you know, most innovative company award for applauding your paid leave program unless you can show how many men took it. And, you know, are you actually incentivizing? Are you tying it to performance? Are you tying it to a performance review?

And I think why that is so critical, I mean my big aha, you know, as an activist, as a CEO, as a leader, in this moment was that we have been focused so much in the corporate workplace on equality in the workplace that we didn't realize that the only way we get equality in the workplace is if we have equality at home. Eighty-six percent of that unpaid labor is still done by women and so you're never going to lean into your job if you just don't have the time. And so I think if companies can actually start putting forth policies like the one we just talked about that will help change that ratio at home, we're going to get to equality in the workplace much faster.

TIM ALLEN: I completely agree. I completely agree. I mean you look at nations such as Norway and Switzerland that have some of the most progressive family policies from a



governmental perspective, and even they are not quite at the 50/50 silent paid labor hours between men and women. It is going to take a complete landscape shift for us to do this and it starts with the private sector encouraging fathers. To Reshma's point. I couldn't, I subscribe 100%, I'm fully onboard. That's it.

CHAIR JOHN C. WILLIAMS: So I'm curious. You know, you talked about employers changing, kind of not only some of their policies but the flexibility. Reshma, you mentioned that. Has the pandemic maybe taught or should have taught leaders that, you know, trusting people to work remotely, not necessarily have to be in the office being watched all the time, that people can be productive, or the way I always put it, that we should be measured by the outcomes that we achieve rather than the inputs that we put in, in terms of the number of hours at the office? Should this be one of those moments where, you know, leaders say this actually does all the things that you said. It makes people more productive, being able to balance all the things in their lives and implement that.

And I have a follow up because we're moving to a flexible approach here. And a lot of people aren't quite sure what that is. And I think that's another question I would have for both of you, like how do you define that for people so that it doesn't become working, and Tim, you actually did this, it doesn't mean that I'm working until 11:45 at night and it really means that I have flexibility but I still, I'm still working a normal number of hours?

RESHMA SAUJANI: I mean, look, I think all studies show that workers are more productive than ever before. I mean all you have to do is look at the stock market. So I'm not sure that this has ever been really about productivity, but just really, you know, it's hard to shift people's behavior and then have them, and people go back to, not easily go back. So I think that's why there's this push, you know, come back, come back, come back, because it's this fear of the unknown. But I don't think it's about productivity and I think that that's clear.

But you do raise, there is no harm, there is no, not any harm in working remotely. You know we know that people are more stressed out, they're more anxious, you know, they're less connected in some ways. And so we have to really think about design very carefully. You know I've been thinking about this, again in my work at Marshall Plan for Moms, you know, if all the moms opt to work remotely and all of the dads go back to the office, well, guess what? They're having that water cooler conversation and we're kind of back here on Zoom, you know, when we don't all immediately already have great technology and we're out of the conversation.

And so I think we have to be very thoughtful about design, and how we don't create second class workers. And so, again, I think we're spending so much time on resistance, on resisting what is inevitable rather than thinking about what to build, and I'd like for that shift to happen soon.

TIM ALLEN: I think, you know, necessity is the mother of invention. Right? So no one knew what they were doing in a lot of ways. Right? The technology companies had a leg up because they were mostly, they had the digital capabilities and the virtual capabilities in order to have the pandemic and be able to have a workforce that was continuing to be productive. I would say lot of people adopted very quickly. And what that could show is the ingenuity and the innovation that occurs inside of our private sector every single day.

And you look at it, and there's certain sectors that will never be able to go remote. Right? Retail workers, fast food workers, they will never be able to. But I think a lot of companies are going, great, so how do we ensure that they're getting the same capabilities – to Reshma's point – not necessarily, that they're not second-class citizens, they are getting similar benefits, similar capabilities and flexibility. We're able to be more dynamic with them. I think it's causing a re-think.

And so I look at this right now and everyone says to me, you know, and a lot of the other IAC companies, what does flexibility mean? What does it actually look like? And I love the word that Reshma is using, which is by design. I also use a word called; it is today an experiment. We are all experimenting. We are all going to figure out what works and doesn't work. No one is going to hit the nail on the head. As you've seen from the reversal of most major companies that were like, we're going full force back in,

and now they're going, wait, we're not going full force back in because we have a revolution on our hands. Right? Like everyone is experimenting. And for us to pretend it's anything other than an experiment at this moment in time and we have it figured it out, it's foolish. No one has this figured out.

But what we can do as a collective is to be able to share the data, look at the information, see the productivity and go, what actually works for my workforce? And it's also going to be customized and tailored to the workforce. Right? It's not going to be a one-size-fits-all. It's not going to be Amazon going back to the office, Facebook going back, and following each other. This isn't an arms race. This is a race for what is best for your employee group, what is best for your team members, and define what's flexibility, what's best for your company.

And so for us what we're doing is a hybrid model of a hub and spoke. We let people come in to offices when they so choose, but we also let them work remotely when they so choose, and we set them up for success. That's our experiment right now. And we've also told very transparently to every employee we reserve the right to change. We reserve the right to pivot and move because you can't get locked into what flexibility is defined as in a very temporal moment of time.

CHAIR JOHN C. WILLIAMS: So we're going to talk a lot about childcare in a moment

and come back to that issue. But before we do, I know one thing that I think both of you have mentioned, and we've definitely experienced, is that it's not just, childcare is a huge part of it, but it's also taking care of other family members – parents or others – but also the mental health aspects of that. And we've definitely seen a lot of expanding offerings from employees when they work remotely and have been working remotely around that.

So how do you think of, like all the pieces of the puzzle? And again, we'll get in more depth around the childcare particular issue, but how do you think about making, what are employers' roles in making sure, especially in a remote kind of environment, that they're providing a full set of support for employees?

TIM ALLEN: I would say the drum beat of today is childcare, as you mentioned, and we'll get deeper into it. The latent silent underneath current that no one is really acknowledging but is sitting there is senior care for most adults inside of a workplace. And I would say to you, what I grapple with every day at work, what I actually grapple with personally as well because I have aging parents about 1,000 miles away from me, plus I've got my kids that I'm also dealing with, meaning that I'm trying to figure out and find the configuration, is, you know, with 86% – as Reshma mentioned – 86% of silent labor hours falling on women, it is taking its toll.

You bring up mental health and that is the one that I find myself losing sleep about at night. Like there is a crisis happening in America that is silent and it is occurring because the stress and the anxiety of a normal pandemic that would be occurring and figuring it out yourself, and then having to figure out, what do you do with your aging parents when people can't enter the household but they need to have medicine administered to them?

What do you do when you have a caregiver that's, I mean we have a companion who was going to see my mother three times a week and she couldn't enter the house anymore. So for my mother to get just the basic necessities of groceries, because she couldn't go and actually purchase the groceries herself because she can't drive anymore, it became highly stressful for me. And I don't even take on the majority of the silent labor hours in my household.

And so I go, if this is a burden to me, what is occurring in the workforce for all of those who are having to pick up, not only the responsibilities of work, being the most productive that we've seen in society yet, as Reshma has mentioned, but also how do you take care of your parents? How do you take care of your kids? It really is going to constitute a crisis. And by the way, we're seeing it from corporations.

So a lot of companies work with us on their benefit plans and what they do from a

childcare and senior care perspective. They're coming and saying we really need to have senior care benefits available to our employees and our constituents. But they're also saying to us we're really concerned about mental health benefits. We're really concerned. Employee Assistance Programs of yesteryear were not effective. It was an 800-number. No one called it. People were like, oh, I guess I have this resource.

They're becoming more proactive about saying how do we actually get the intervention, the points of inflection that we're actually noticing within employee groups? How do we proactively reach out to them to let them know that they are here. We are here. They've got the resource. And how do we intervene with mental health benefits, not just therapists, because when people hear mental health benefits, they think therapists, but also the intervention benefits of mothers, you know, a mother group, you know, community groups can make a huge difference in your office, like a huge difference.

We have tons of data, tons of data and studies that show that groups of mothers who correlate together and actually discuss what it's like being a mom, working, or having to take care of an aging parent, increases productivity and satisfaction by close to 70%.

Like there's huge things that can be done inside the HR suite of these organizations in order to make sure that it is a life stage conversation, not just a one aspect conversation of either childcare or work. So I would say that's what's happening in the hallways and

the things that we're seeing here.

RESHMA SAUJANI: Yes, I mean I really appreciate you saying that because, you know, they say like almost 86% of women at the age of 45 in the workforce are moms. And so a lot of women are like me, you know, I'm 45, I have a one-year-old, a six-year-old, and two parents that are 76 and 73. And, you know, last year I was trying to make sure to take care of my kids and then like constantly on the CVS website trying to set up my parents for the vaccine. And so most of the reality of women that you see in the workforce that are around my age are living that reality. And it's untenable. And I think it is hard, you know, it is hard for them to talk about these things because you already face a penalty in the workforce. It's hard to raise your hand and say, yes, I am suffering from depression and anxiety, even though at the start of the pandemic, one out of seven moms were, and now it's seven out of ten.

And so again these benefits of paid leave, you know, mental health days, just having the time to say I need a minute, you know, I think is really important. Also, you know, I surveyed my moms in my PTA and I'm like did any of you get a memo from your employer saying what do you need? And I think in this moment just to be seen and recognized and almost applauded and praised, you know, about what, kind of mothers did for not just our children but our parents, you know, over the past year and a half, I think it's just, I think it's so, just, can you just see me, you know, and everything I've



been through and what I'm doing and just please help me just a little bit.

And so I do think that that conversation is really, and it makes me happy, John, you were saying that a lot of people are talking about this, that you talk to. And I'm like, finally, thank you. Because sometimes you feel like you're screaming into the vortex.

CHAIR JOHN C. WILLIAMS: So let's turn to the big issue of childcare where we started and, you know, a big part of this. We've talked a little bit about the U.S. as kind of an outlier in terms of provision of childcare. We've talked about the shortage of providers right now. So why don't we just go and, Reshma, if you could start maybe on this, kind of talk about what you think are the biggest issues here. And we're going to get into discussions about what can we do about it? But, like, how do you see childcare issues really hindering people being able to effectively enter the workforce and achieve their economic potential?

RESHMA SAUJANI: Yes, it's just too expensive. You know, my parents came here as refugees and my dad couldn't afford the \$50 a week for childcare. And so from the time I was my son's age, you know, six or seven, I was a latchkey kid. And so a lot of parents are being asked to make untenable choices. I mean you have moms today that, again, have to go to work, can't afford childcare, are leaving their kids home alone and they're getting arrested. And so we've got to make childcare again affordable in this country and, again, prioritize it in society in the same way that we prioritize public education.

Secondly, we've got to realize, you know, that we pay parking attendants more than we pay childcare workers. And so we value our cars more than we value the people that are caring for our kids. And I think a lot of the women in this industry are saying no. And so, you know, we've got to provide a living wage for those who work in the childcare industry and start valuing that work. And again, it's why we don't value the unpaid work that women do in the home because we don't value care.

And I think it's not just important to solve this crisis but I know there's a lot of conversation about the fact that we have the lowest rate of men participating in the workforce in the history of our nation. Well, part of the reason why that's happening is because a lot of the jobs that are open are in care, but we've created this culture, this American culture, that men don't do care. And so it benefits all of us to uplift care and its reverence in our society.

TIM ALLEN: We often say the economy does not work without care. Right? You've seen this through the pandemic. You've seen, we have all the stats. We've been talking about the numbers. We've been talking about the workforce exit. It doesn't work if you don't have care as the backbone. And Reshma is exactly right. If we're not paying our caregivers a livable wage, there are just so many other opportunities available to them that we are going to have a crisis that will just be protracted and will continue on for a long period of time without their actually being any kind of intervention actually to bring

tax benefits to the families in order to really pay above board and pay above the table.

You know a lot of caregivers actually looked at this and said they love their job, they love the work, it's meaningful for them. But a lot of caregivers also said I didn't have unemployment benefits because I was being paid in cash when the crisis hit, when the pandemic hit. And now they're looking and saying, I'm not doing that again. Right? Like I'm not taking that risk. I'm not taking that chance. I need to have a career that actually will invest in me as much as we invest in them. And so caregivers are definitely an investment point that we need to lift up and I agree 100% with what Reshma said.

I think the other thing that we just really need to take a look at is the societal benefits that happen in children and actually happened in fathers when we start to invest in childcare and allow them to take participation in, participate in the upbringing of their children. You know, men have significantly lower death rates. They have significantly lower heart attack rates. They have significantly lower stress when they're active participants in their children's lives and they're not having to go to work and spend, John, to what we talked about, endless hours, you know, from 8:00 am until 11 pm, having to be in front of a computer and having to actually show face time. When they get to be an active participant in their children's lives, they actually have better quality of life over time and so do the children.

Children actually, when they start to see gender-neutral roles occurring inside of the

home, actually have a more positive favorable view of men taking on caregiver responsibilities. This is a generational impact. This is something that I go, we are investing today for future generations of tomorrow and this is what it's going to take in order to get gender equality and neutrality inside of the home. Right? Sons need to see fathers playing this role so that they feel enabled and empowered to play this role in their future.

You know it's funny, girls in the household actually become more, they take on more jobs, they become more employable outside the home when they start to see their mothers work. They actually want to mirror. Representation matters inside of the households. And so I really do think that from a societal investment perspective, we need to be investing in the kids in terms of having early intervention childcare. Test scores, crime rate goes down, test scores skyrocket and crime rate goes down. There's a number of studies out there. And so I actually think for society as a whole, we have a once-in-a-lifetime opportunity to really make a difference here.

CHAIR JOHN C. WILLIAMS: Tim, I'm going to come back to you on this because I want to hear more about what Care.com does in this world, in this space, and how your company has been adapting to the pandemic and all these issues that we've been talking about.

TIM ALLEN: Yes, so we acquired Care.com approximately three weeks before the full force pandemic hit so I can tell everyone out there don't do that if you have the chance. We had already been locked in and signed the deal. But it's been a great acquisition for IAC. We're really excited about it.

And here's really where we've been focused. We've been focused on those two pillars of affordability and accessibility. We view ourselves as a platform of choice. We are agnostic as to the type of care. We want families to come and actually be guided towards finding the type of care that they need for their particular household. You know as we've always said, we were talking about it earlier, care is a very individualized need. It's not one-size-fits all.

You know I have a son who has autism and so he needs special care in terms of where he goes to for after-school. So what we actually look for inside of the platform is we say, we start to guide and we start to question parents. We start to get to their specific care needs, and then we look to match them. We look to match them with daycares. We look to match them with in-home providers. We look to match them with group activities that they actually would participate in, after-school programs. We're really agnostic about the provider and type of care as long as it meets the safety and the quality standards that we set. And we also just think that this is going to drive accessibility but also affordability.

Affordability, as Reshma said, is one of the most important things that we're focused on in today's society. When parents have to make this dire choice of employment or their household or food or all of the things that they would like to put on the table, childcare happens to be right now for the average middle-income households, 31% of their take-home pay. That is not sustainable. That's just, it's not sustainable. You can't dedicate 31% of your household income, your combined household income, for two kids in order to just have care to then go to work to pay the 31% in order to have the childcare. It's like, it makes no sense. And so what we think is free marketplace dynamics is going to really open up more affordability over time, but that's going to take investment in the caregiving community from a government perspective.

You know I, we talked about policy a little earlier, John, and I want to say one thing, which is it's a little bit of my soapbox so everyone, please forgive me. The fact that we're the only developed nation that continues to not have a paid family leave act is, it's astounding to me. It is astounding to me. And I am sure the hyper-majority of employers that are sitting on this call today and part of this conversation of the economic household provide maternity and paternity leaves.

But the fact that there is just a hyper-majority of small businesses that cannot actually provide maternity leave because the government hasn't intervened and said we are going to make it sustainable for you as a small business in order to provide this benefit,

we are the only developed country not to have this. This is ludicrous at this point in time. And the fact that I am going to say that that is one of the most exciting and progressive pieces of the Build Back Better program, it's sad, because it should just be table stakes. It should just be something that we've already conquered and gone past.

So, look, I know you asked about care. I apologize, I had to make my plug there for that. But I have to tell you, like from a policy perspective, I can't let that one slide by ever because it's just crazy to me.

But I will say at Care.com we're big advocates for this. We're big advocates for government programs that will actually put dollars back in families' pockets. We think that there are better tax programs that are out there. We believe that there should be portability similar to an FSA, but not FSA tied to your employer. We think there should be a portability with a childcare dependent savings program that you can take from employer to employer or even take with you if you're not employed and that you should be able to deploy those dollars towards a plethora of care services that are out there. So we're big advocates across the landscape on that as well.

CHAIR JOHN C. WILLIAMS: On that issue, we're talking about the supply of labor into the industry too and about the care industry in general. I mean this has been an issue, Reshma, what you said, it's been an issue for decades. And, you know, my wife is in nursing and there's been a nursing shortage her entire career, which goes back to the

early 90s. And how can we, I'm curious, how do we, we've talked a little bit about this, but how do we really shift mindsets around what rewarding, meaningful, stable careers are?

I mean I always go to the nursing example. It's the one I know the most. This is an incredibly rewarding career. It's an incredibly important one. It pays well. It's got a lot of opportunities, a lot of growth. And yet there's a lot of people who don't think, well, that's not the kind of thing I want to do for some of the reasons you've said. But how do we change mindsets around the labor force given this is such a priority for our economy to be successful?

RESHMA SAUJANI: Yes, and it's similar to why I spend a lot of time pushing girls to go into coding. You know President Obama said, like the last jobs to go will be the humans telling the computers what to do, and that's true. And what's also the future of the workforce is care. You see that in everything. So, look, I think it does start with our little boys. You know, I have two sons, and I think we have to be very thoughtful every single day about how we, again, elevate care as a respectable and dignified job. And part of why that's so important is I think we; I think the dads or the men in their lives have to model that.

And so a lot of that starts at home. And for a lot of women, you know, we are stuck in



our houses with our partners and they saw us doing the laundry and the dishes and doing the cooking and cleaning and didn't shift anything. You still started the pandemic with 86% of women doing the work, you know, the labor, and ended it the same. And it's not just the United States. It's India. It's Africa. Wherever you go, it's almost the same ratio.

So part of that is just because that work is not valued. And so I do think, you know, the child tax credit again, so these ideas of allowances and paternity allowances, valuing that unpaid, literally putting a dollar amount on that unpaid labor is really critical to valuing that labor. And then we've just got a lot of work to do kind of culturally. The images that you see on television, the images that you see in magazines, you know, how we portray mothers versus fathers and the things that they're actually doing and elevate them, not for Instagram-performing, right?, but actually like say that this is what it means to be a dad. And so I think that there's a lot of work that we have to do.

You know in the Philippines they did this whole PSA campaign that laundry is love. And it was this whole initiative that they had in the country to get men to do more laundry, and it worked. And so we need to like really start thinking about these kinds of creative ways, you know, I think to push it because again those are the jobs that are open. And, you know, we need them to be filled and we need to have, again talented, loving, young men who want to do that work.

CHAIR JOHN C. WILLIAMS: Okay, so I said we were going to hold the policy to the end. Both of you jumped into the policy because, of course, that's the really important part of this. And before we continue – on the public policy – we've talked a bit about employer policy, but public policy, you know, this is a macro and a microeconomic, a social, a cultural issue all intertwined, but right now it's such a macro issue. You know we still have five million fewer people working today than before the pandemic, and part of it seems to be the challenges of getting people back into the labor force, especially women and mothers and dads as part of that. So this is a huge issue. It was before.

But right now, like how do we get our economy back to full strength and really create opportunities for everybody? I'll toss the mike to you, Tim, first. What do you think are the, I'll ask a very specific, what do you think are the – based on the evidence we've seen either in the U.S. or in other countries or whatever you point to – what do you think are the most effective ways to address the issues we've been talking about for the last 45 minutes? So, Tim, I'll ask you to start and Reshma go next.

TIM ALLEN: Yes, you know, I mentioned it a little earlier in the conversation, which is if you look at the Nordic countries, what they end up doing is they actually really incentivize employers to ensure that paternity and maternity is taken and then they also give subsidies in terms of ensuring that there is the equal amount of pay, equal amount of labor, equal amount of actual job functionality for mothers to come back into as they

enter back into the workforce. They have a ton of societal structural programs, including the subsidy of their daycare centers, the subsidy of their in-home childcare.

But it's really about taking all of those different societal programs and bringing them out into the forefront and saying, look, we are going to force participation in a lot of ways. We're going to force that you're going to take maternity and paternity, and employers, you're going to be the regulators of that. We're going to enforce the fact that you're going to have access to childcare and the government is going to take on the responsibility of that. So I think that those structural programs have really been the most impactful that we've seen from an economic and from a study perspective as well, especially in workforce participation. You see a lot more moms in the Nordic countries continuing to reenter the workforce, participate in the workforce and feel emboldened to actually be part of the workforce.

I think this is going to be a slow, progressive conversation in American society over time. What I actually love is the Marshall Plan for Moms. I love programs that put dollars back in the pockets of mothers. And trust me, Reshma didn't pay me to say this, and Reshma and I have talked about this sometimes. I'm actually a big advocate for it because I think that you have to go all the way out to say, look, we do need to be paying for silent labor hours. We do need to put a dollar value on the work that's being done. And in order for moms to get that recognition and actually feel valued, and by the way,

also give the opportunity of flexibility in our economy where they go, look, Employer A, you're not going to respect that, getting paid for mom duties, great, that gives me some leverage in terms of going to Employer B. You know it really does start to put economic means in the pockets of mothers that actually participate in full gusto, let me put it that way. I think those policies are there.

But as I just mentioned, I won't go back on my soapbox, we are still grappling with the basics of the policies that are inside the Build Back Better program. The fact that we're, you know, paid family leave, the fact that we're trying to get childcare subsidized to some point in the tax incentive, these are just small concessions that need to happen, and by the way, are by no means a slam-dunk getting through.

So the fact that we're not able to get out of that, I do think that we have to take the policies and corporations specifically have to factor the policies to go, hey, government, we will take our responsibility but you all need to step up and actually help us in terms of ensuring that the – the points I made earlier – small businesses have the ability to provide maternity leave. These businesses really need to band together and say, hey, we want the policies, we'll advocate for the policies. We will participate in the policies, but there has to be a shared joined effort inside of all of this. So I look at that spectrum. I think if you look at developed nations, that's really what has been successful over time. You know they have 30-years plus data, and I think that America has to get off the

bench in a lot of ways on these policies.

RESHMA SAUJANI: Yes, I mean that's absolutely right. I mean right now we're just having the wrong conversation in Washington. You know the cost of bailing out Delta Air Lines is exactly the cost of what subsidizing childcare would be. Yet one is viewed as, you know, an unearned benefit to American parents that, you know, people don't want to pay for. And so that, to me, is a values problem, you know, that we have to actually shift. Because again, the United States is the only one who says, nope, you've got a kid, that's your problem. You solve it. It's your individual problem. You know it's not my responsibility as government. It's not my responsibility as your employer. And so, again, that's a values thing, I think, that has to shift.

The policy, the levers, again we are never going to go back to where we were on January 1, 2020 in terms of women's labor market participation unless you pull these three levers, you know, which is the child tax credit, subsidizing childcare, and getting paid leave done. And so as much as we want, as much recovery as we want, will be determined what we are willing to actually invest in it. And I think unfortunately I don't have a lot of faith that this is going to happen.

And, you know, Tim, just as we were speaking, it just broke that they're trying to pull out paid leave as we speak. And so I really do think that a lot of the work that I know I'm

going to do as an activist is really pushing the private sector to kind of stand up and fill in the gaps. Because if we don't, we're never going to make up that loss that we've made with women's labor market participation, especially for women of color.

CHAIR JOHN C. WILLIAMS: Go ahead, Tim.

TIM ALLEN: I was just going to add one other thing, which is, you know, Reshma and I have talked to a lot of the same people, but I've been talking to the paid leave, the United States advocacy group. It is truly, and this isn't hyperbolic, if we don't pass paid leave this time, it's truly going to be another generation before this happens. And that is just not palatable. That's just not palatable in our society. So, you know, I encourage everyone who is on this call, if you're a private business, please galvanize yourselves, stand up, talk to your representatives, like this is something that if it does not happen in this bill, it will be another 50 to 100 years before it actually gets through.

CHAIR JOHN C. WILLIAMS: So I want to come back to something Reshma just said about, and both of you said about the role of employers, whether large businesses or small ones. This is a time when labor markets are, you know, reportedly very tight. Job openings are really high. Every employer I talk to in this district or this region or anywhere, it's hard to fill jobs. Isn't this a time where employers are going to have a lot of incentive to figure out ways to bring people back into the labor force, to retain people

who are thinking like, hey, this isn't working for me. Is this also a time, beyond the political issues, to really be, you know, the employers are ready to think about how can I address my problems, that I can't staff my organizations?

RESHMA SAUJANI: Yes, I mean, and especially if you are smart, this is a talent race. You know you have a lot of very talented people that are sitting on the sidelines and that are kind of waiting and watching. You know when PWC announced that, hey, everybody's going to work remotely, like I swear to God, I had like five friends who just went and applied. So it is really, it's real. I think people are kind of waiting to see.

So I think that this is just an opportunity, a once-in-a-lifetime opportunity to really again get very talented people to come and work for you. I mean I've seen technology companies do this with engineers forever. You know they've had engineers who've had deals to work remotely, you know, for as long as I know because they were going to move their policies towards what their most talented people wanted. And it is the same, I think, opportunity to do that. And I think what people are saying is very clear. Give me flexibility. Give me choice and control over my life. Support me if I'm a caretaker with that burden of that expense, especially in this moment where there is a care desert and there aren't a lot of, there's not a lot of opportunity for me out there. There are the supply issues. And so I think a lot of this stuff is quite, it's not rocket science.

TIM ALLEN: John, all I was going to say is, and it's been there. And I would just say finally, finally, and it's unfortunate the pandemic had to bring this to the forefront of the conversation, but finally we're having the conversation, and especially in employer ranks, that go, okay, how do I actually subsidize the full life, not just what I used to have as the wall of work/life? Right? And that didn't exist. It was always a facade. It was always going to be your life. And so finally we're having a conversation of, great, how can I help moms get back in the workforce? How can I make sure women are feeling empowered and having all of the support and access they need in terms of being successful, not just from within the walls of my building, but outside the office as well.

And men, right, like finally companies are having conversations going, no, no, you need to go take your paternity. You need to be home and sharing the silent labor hours. You need to be able to participate in all this. It's going to take that conversation, and we're going to actually have to apply it in practicality that says, look, here's the policy, here's the things we have to do. And to Reshma's point, employers of choice are going to win that. Employers of choice are going to actually nail that. They're going to actually show that. We get a lot of people showing up to our doorstep. They're going my employer is not offering flexibility. My employer is not a family-friendly employer. My employer expects me to work until 2 am and be putting together spreadsheets and doing all that stuff. And I go, well, come up, I want your talents. I want your skill. And this labor market, it's going to continue to be in that direction.



RESHMA SAUJANI: Yes, and I think it's like we just have to decouple ambition and hard work from the desire to live a healthy life. And I think for so long, like again rugged American capitalism never decoupled those two. And we have to because we just had a global pandemic that just showed us that life is, you just have this one and you want to live it well.

CHAIR JOHN C. WILLIAMS: Okay, so this has been, well, I'll give you one last, Tim, one last comment before we wrap up, and Reshma, one last word from you, although that was a very good last word actually. I don't know how you're going to beat that.

RESHMA SAUJANI: I might just, yes, I think I'm done.

CHAIR JOHN C. WILLIAMS: Tim, you're up.

TIM ALLEN: All I'll say is this is deeply applicable to me. Reshma and I have talked about her parents in the past and you coming from immigrants and being a latchkey kid. You know I am the son of a single mother who was an ER nurse, who would work flexible hours – or flexible hours weren't even in the deal – who would work archaic hours, right, into the wee hours of the night where I was home a lot of the time. And I would watch my mom struggle to figure out what neighbor or what family member or someone in the community who could actually come help take care of me when I was a

child.

And, you know, it was really, like what would have been possible for her if there was an infrastructure in place of care, if she had the support and subsidies that were there, that can be there today in private sector and private employment. And I go, this is our opportunity, this is our once-in-a-lifetime opportunity. This is the moment when the private sector can step in, align themselves with the government and really be a force of change for future generations, and the future generations are going to demand it.

CHAIR JOHN C. WILLIAMS: Well, terrific. I was very much looking forward to this conversation. They're really important issues. Like I said, these are big issues for our macroeconomy. They're issues really for our local economy, you know, in the New York area, and they're issues for all of our families and businesses and our society. I'm glad we had this conversation.

I do think, Tim, something you said, as an employer it's absolutely right, as we go forward we are all experimenting with these flexible or however we think about them, approaches and experimenting from learning and from the pandemic because, you know, we've seen a lot of things that we never saw before. We've seen our workforce do things that we never imagined that would work as well as it did and also learned things that don't work as well as you would think. So we have to apply that, figure it out,

and learn from this. But I do think again this issue of how do we address these issues, whether childcare, parental care, all the other issues too and really have an economy that's based on having work and life and everything fit together.

And like Reshma has said, this is going to help us be more productive, not less productive. So these are really important conversations. I'm looking forward to continuing this in the future but we're out of time now. So I'm going to thank both of you for participating today and then turn to the events that we have coming up.

So, I'm pleased to report we've got many prominent speakers lined up for this fall. And as always, we encourage you to invite guests to our events. On October 18<sup>th</sup>, we have a Member Only discussion on Global Foreign Policy Developments with a focus on China, Afghanistan and Australia. We then have on October 21<sup>st</sup>, The Honorable Gina Raimondo, the Secretary of Commerce. Then we have a Member Only discussion on the 26<sup>th</sup> on managing to horizon risks such as climate change and decentralized payments. And then on the 28<sup>th</sup>, we have The Honorable Christopher Wray, the Director of the FBI. And then on November 4<sup>th</sup>, we have Bob Sulentic, the President and CEO of CBRE, and Mason Morfit, Partner, CEO and CIO of ValueAct Capital, and they're going to discuss ESG and climate change. So if you joined as a guest and would like to become a member, please email the Club at the address on the screen.

And finally, I'd like to take a moment to recognize our 338 members of the Centennial Society joining us today as their contributions continue to be the financial backbone of support for the Club and help enable us to offer our wonderful and diverse programming, both now and in the future. So thank you again. Stay healthy. Stay safe. We hope to see you at our next webinar.