



COMPTROLLER OF MARYLAND

STATE OF THE ECONOMY SERIES:

WOMEN & THE ECONOMY

OCTOBER 2026

Women & The Economy is the latest report in the Comptroller's State of the Economy series. This report analyzes economic challenges and opportunities facing women in Maryland's economy and is intended to inform policymakers and the public seeking to advance women's economic success and empowerment.

Key Findings

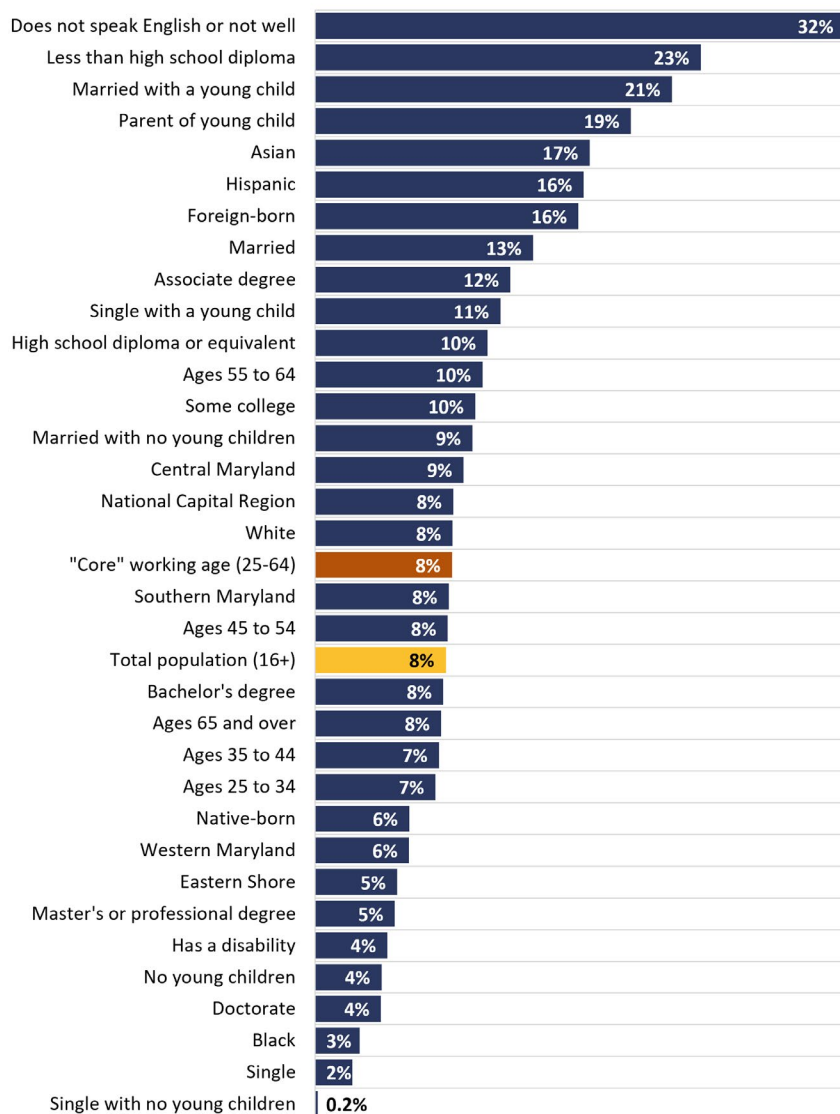
Women power Maryland's economy as employees, business owners, and consumers. However, historic inequities persist between women and men in key economic categories, including labor force participation, wages, business ownership, and positions of leadership. Recent economic shocks have had a disproportionately negative effect on Maryland's women compared to men, notably federal government cuts and DEI (Diversity, Equity, Inclusion) rollbacks. One area where women outpace men in recent years is new business starts. Since 2019, women-owned businesses have increased by 17% compared to a 10% increase for businesses owned by men.

Labor Force Participation

There is an 8-percentage point gap between women's and men's labor force participation rates (LFPR) in Maryland (65% vs. 73%). This report considers 50 factors of gender-based differences in labor force participation. The chart to the right illustrates the demographics associated with the largest gender LFPR gaps and demonstrates that gender gaps vary by demographic and socioeconomic groups.

Gender gaps have been persistent and vary by demographic and socioeconomic groups. The groups with the largest gender gaps are (1) limited English speakers, (2) individuals without a high school diploma, and (3) married people with young children. LFPR gaps are driven by a combination of factors including societal and cultural norms, caregiving duties, and gender wage gaps. Wage gaps are driven in part by industry and

Percentage Point Gap between Male and Female Labor Force Participation Rates by Demographics or Characteristics for Ages 25-64*, Maryland, 2024



Source: IPUMS USA, U.S. Census, American Community Survey (ACS) 2024 1YR *Data points that refer to "young children" are only based on ages 25-44

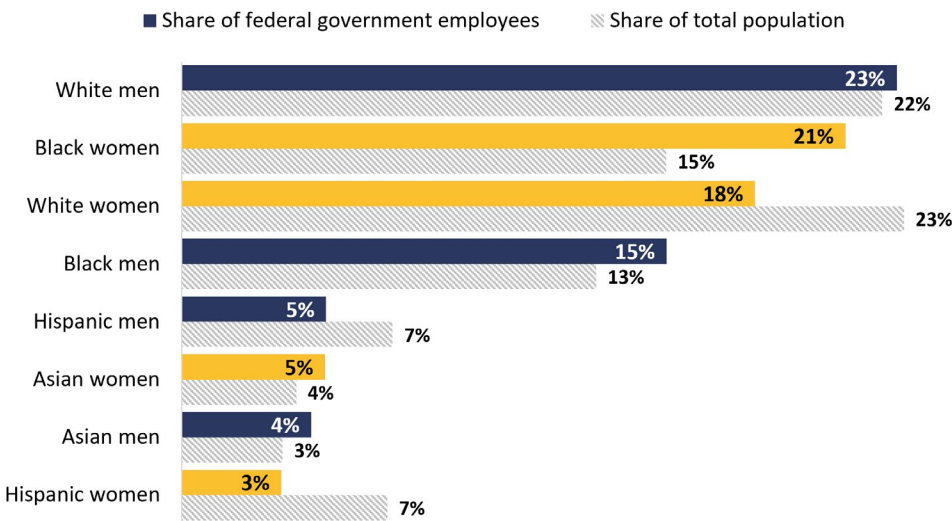
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occupational segregation but, in some cases, still remain when men and women work in the same jobs with the same educational attainment levels. Flexibility and better work-life balance, including remote work and paid parental leave have been found to help women remain in the workforce.

Employment Classifications

Women in Maryland are more likely to work for the government and nonprofit organizations, while men are more likely to be self-employed and work in the private sector. As of 2024, Black women were overrepresented (compared to their population share) in Maryland’s federal government workforce. Recent federal government job cuts along with DEI rollbacks have had a disproportionately negative impact on women in Maryland, particularly Black women. These actions have coincided with a steady increase in Black unemployment rates in Maryland, from 4.2% in 2024 to 7.5% in mid-2026 (during the same time period, white unemployment has increased at a much slower rate, from 2.1% to 2.9%).

Federal Government Employment by Race/Ethnicity and Gender, Maryland, 2024

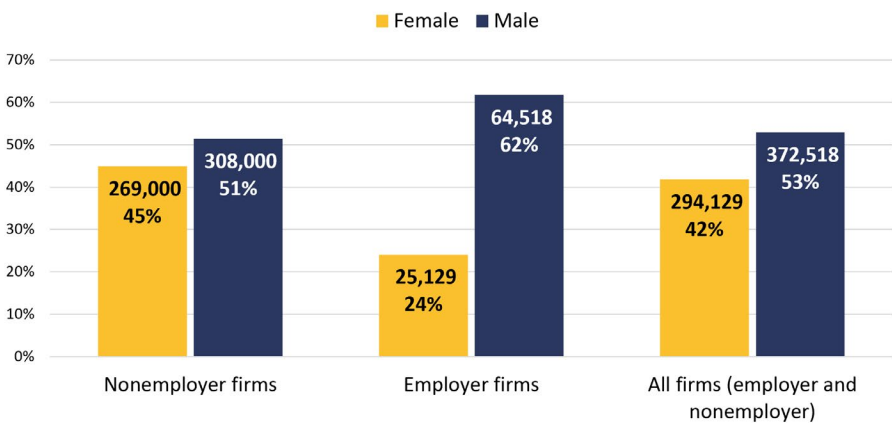


Source: IPUMS USA, U.S. Census, American Community Survey (ACS) 2024 1YR

Business Ownership & Entrepreneurship

Men own more businesses than women in Maryland (53% versus 42%), including the vast majority (62%) of employer firms, which tend to generate far more revenue than nonemployer firms. Since 2019, the number of women-owned businesses in Maryland has grown faster than businesses owned by men: Maryland gained an additional 42,500 women-owned firms (+17%) compared to 33,300 new firms (+10%) for men. Black women and Latina-owned businesses drove three-quarters of that growth, increasing by 31,500. These new businesses lifted the state share of women-owned businesses from 40% in 2019 to 42% in 2023. Research demonstrates that women entrepreneurs are held back by systemic biases and discrimination that limits access to growth capital, networks, and business opportunities.

Ownership of Employer and Nonemployer Firms by Gender, Maryland, 2023



Source: U.S. Census Bureau, 2023 Economic Surveys and Nonemployer Statistics by Demographics