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The Palm Beach Post

January 24, 1999, Sunday, FINAL EDITION

SECTION: OPINION, Pg. 2E

LENGTH: 650 words

HEADLINE: WORKING WOMEN STILL AWAIT PAYOFF

BYLINE: Fran Hathaway

BODY:

One of the few surprising moments in Tuesday's State of the Union address came when President Clinton called for equal pay for women and men - and applause rang out from both sides of the chamber. Even Mr. Clinton seemed pleasantly startled.

"Let's make sure women and men get equal pay for equal work by strengthening enforcement of equal-pay laws," he had said. Why, of all the elements in that goody-laden speech, should that plea rouse even Republicans determined to sit on their hands? The better question might be:

Why, after all these years, did women in 1997 still earn on average just 74.1 percent of the wages earned by men? For black women, the figure was 63 percent, according to Labor Department figures. For Hispanic women, it was 54 percent.

Poll after poll shows pay equity is a top concern of working women and, increasingly, the men in their lives. A woman's earnings are the linchpin to her family's standard of living, her children's access to higher education and her own retirement security. Women were 46 percent of the work force in 1997 and earned \$ 1 trillion. Yet the average 25-year-old woman who works full-time year-round and retires at 65 will earn \$ 523,000 less than the average working man. And women still live several years longer than men.

How many men would stand for picking up just three of every four paychecks? Why aren't more women demanding fair treatment? Many don't know they aren't getting it, says Evelyn Knolle, program coordinator for the National Committee on Pay Equity, a Washington not-for-profit coalition of 180 organizations.

President Kennedy signed the Equal Pay Act in 1963. By 1997, the wage gap had narrowed from 62 percent in 1982 to 74.1 percent. Last year, the Clinton administration introduced the Paycheck Fairness Act to strengthen enforcement. Among other things, it would protect workers who share salary information with co-workers from being punished. Some companies prohibit that. But how else are women to know whether they are being treated fairly?

This month, in the largest case of its kind, Texaco agreed to pay \$ 3.1 million to 186 female mid-level workers whom the Labor Department found were systematically underpaid compared with their male counterparts. The department audits the practices of companies that do business with the federal government.

Looking at the numbers of girls flooding into colleges and graduate schools, one might assume that better-educated women are catching up faster. But a

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study last year by Catalyst, a New York women's research group, found that even the nation's top executive women earn only 68 cents for every dollar earned by men in comparable positions. Of the 2,267 top earners in the Fortune 500, 83 are women whose median annual compensation is \$ 518,596, compared with \$ 765,000 for men.

Among female physicians, too, average income trails those of male physicians by tens of thousands of dollars, and in some specialties more than \$ 100,000 a year, according to the latest Physician Compensation survey.

Want to learn how much, over a lifetime, the pay gap will cost you or your wife or daughter? Call up the Web site www.aflcio.org/women, tap in your personal data and prepare for a jolt.

Equal Pay Day was begun several years ago by the NCPE to raise awareness. Last year, more than 600 professional associations, unions and women's groups sponsored activities in 50 states. This year, it comes on April 8.

The problem with banishing bias is that it's often systemic. Attitudes ingrained over many generations are hard to root out in one or two. They also are absorbed early. Ms. Knolle recalls a pay equity study done by a fourth-grader who compared her classmates' allowances. Girls did more chores, but boys got bigger allowances.

Fran Hathaway is an editorial writer for The Palm Beach Post. Her e-mail address is fran-hathaway@pbpost.com

TYPE: COLUMN

LOAD-DATE: January 25, 1999

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Congressional Press Releases

April 3, 1998, Friday

SECTION: PRESS RELEASE

LENGTH: 394 words

HEADLINE: STATEMENT OF SENATOR EDWARD M. KENNEDY ON EQUAL PAY DAY

BYLINE: EDWARD M. KENNEDY , SENATOR , SENATE

BODY:

For Immediate Release: April 3, 1998 Contact: Kathleen McKiernan (202) 224-2633
STATEMENT OF SENATOR EDWARD M. KENNEDY ON EQUAL PAY DAY Working women must have a paycheck that works for them, Economic security cannot be achieved without paycheck security, and paychecks should reflect the fair value of the job performed. For women, this means equal pay for equal work. Without it, they are less able to provide an economic safety net for themselves and their families, less able to purchase a home, less able to go or send their children to college. Thirty-five years ago, when President Kennedy signed the Equal Pay Act into law, he called it the first step in addressing 'the unconscionable practice of paying female employees less wages than male employees for the same job.' A generation later, even that first step is in doubt. Wage discrimination against women continues to be a real and pervasive problem in workplaces across the country. The average female secretary makes \$ 2,400 less than her male co- worker performing exactly the same job. The same trend is evident in almost every sector of the job market. Over the course of a lifetime, the average American woman loses approximately \$ 420,000 in wages and benefits because of employers' pay discrimination. Today, the average American woman will finally -- finally -- earn what her male colleague had already earned by December 31, 1997. Why does it takes a woman 15 months to earn what a man earns in 12 months? That is clear gender bias and paycheck discrimination, and we cannot afford to ignore it any longer. Ingrained economic prejudices die hard. By passing the Paycheck Fairness Act, Congress, can do more to end the disparity between the earning power of men and women who perform the same job. The Act will make it easier to investigate charges of wage discrimination and provide compensation when violations are found. The Act also provides funds to ensure that the Equal Employment Opportunity Commission and the Women's Bureau at the Department of Labor have the resources needed to enforce the law vigorously, and to assist employers who are genuinely attempting to eliminate pay disparities. Every woman in America has a stake in swift Congressional passage of this measure. The sooner we strengthen the law, the sooner this unfair anti-woman bias in the workplace will end.

LANGUAGE: ENGLISH

LOAD-DATE: April 3, 1998

41ST STORY of Level 2 printed in FULL format.

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The Christian Science Monitor

July 17, 1998, Friday

SECTION: UNITED STATES; Pg. 7

LENGTH: 1956 words

HEADLINE: Another Day, Another 75 Cents

SERIES: Where Women Stand - 150 Years After The Women's Rights Movement Began

BYLINE: Ann Scott Tyson, Special to The Christian Science Monitor

DATELINE: WASHINGTON

HIGHLIGHT:

More than day care or harassment, America's 63 million working women say 'equal pay for equal work' is their No. 1 concern.

BODY:

Most nights, single mother Dolores Jones checks on her sleeping son, locks the door of her brick duplex, and drives down dark, pot-holed streets to a graveyard shift as a custodian on Capitol Hill.

For the past 11-1/2 years, Ms. Jones has worked until dawn dusting paper-strewn desktops, emptying trash, and pushing her husky Hoover sweeper through abandoned congressional suites - alone but for a few dogged staffers or lawmakers asleep behind "Do Not Disturb" signs.

But while she is resigned to the wearing job, Jones is no longer willing to tolerate what she sees as a blatant injustice: Men who perform essentially the same work as she does earn \$ 1 more per hour.

"We are tired of the unfair treatment," says Jones, one of 52 women custodians who last July brought a class-action pay-equity suit against their employer.

Many US women today share Jones's exasperation. Indeed, decades after women began breaking into the labor force in record numbers, the No. 1 concern of America's 63 million working women is the stubborn male-female wage gap.

"Equal pay for equal work" is the top workplace issue for the vast majority of employed women (94 percent), according to a nationwide survey of 50,000 working women by the AFL-CIO last year. It is cited more often than child care (33 percent), sexual harassment (78 percent), or downsizing (72 percent).

The emphasis on fairness is justified by facts:

* Today, as a result of discrimination and other factors, women still earn only about 75 cents for every \$ 1 that men make, according to the US Labor Department's median weekly wage figures for 1997.

* On average, women earn \$ 24,000 a year, compared with \$ 32,000 for men.

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* If current wage patterns continue, the average 25-year-old woman who works full time year-round for 40 years will earn \$ 400,000 to \$ 500,000 less than her male peer, according to the Institute for Women's Policy Research (IWPR) in Washington.

Especially hard hit by the gap are the 2 of every 5 working women who, like Jones, are the sole breadwinners in their homes. The toll is also heavy on minority women, as well as the expanding number of older women, whose retirement security is hurt by lower lifetime earnings. (See related story, Page 8.)

"It's been hard on me in terms of keeping up with the mortgage," says Jones, who is divorced and supports her eight-year-old son and retired mother on \$ 23,000 a year. Most of her female co-workers are heads of household, she says.

Moreover, even as women's participation in the labor force continues to grow - reaching nearly 60 percent last year - elimination of the wage gap is in no way assured, economists say.

Although the gap has narrowed slowly since 1980, when women's earnings averaged just 60 percent of men's, most of the change can be attributed to a backsliding by men rather than progress by women, says Heidi Hartmann, director of the IWPR. Falling wages for men account for about three-fifths of the shrinking of the wage gap since 1980.

But when men gain, as they did in the mid-1990s, the gap widens again. From 1993 to 1997, for example, men's wages rebounded as women's earnings stalled, leading to a wider gap.

Only very recently, in the first quarter of 1998, did the earnings ratio inch back up to 76 cents per dollar. Economists are unsure the trend will hold, attributing it to short-term phenomena such as the strong economy and a boost in the minimum wage. (Women are two-thirds of minimum-wage workers, so they benefit disproportionately from the increase.)

"There is a lot of reason for concern that we won't see the continued narrowing," says Ms. Hartmann.

Experts point to three basic reasons why women still earn less, despite progress in each area:

Experience and education. Women's relative shortfall in full-time work experience remains a leading source of wage inequality, accounting for one-third of the gender pay gap in the late 1980s, according to research published last year in the Journal of Labor Economics.

Women make up 68 percent of part-time workers. They also more often take time off to care for children or elderly relatives. "Children are associated with lower wages for women but not for men," notes a report this month by the president's Council of Economic Advisers.

Women do get penalized for time off. A 1994 study of nearly 200 women with MBA degrees showed that those who took leave after childbirth - averaging eight months - earned 17 percent less than did women who never took time off.

Today, however, the trend is toward greater continuity in the work force by

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women, including mothers. Unlike in the 1970s, when women often left paid work during mid-career years to care for children, women's pattern of labor participation now much more closely resembles that of men. In 1996, for instance, 54.3 percent of women were back on the job by their baby's first birthday.

Meanwhile, women are entering the work force with greater education and skills. Women now earn more bachelor's and master's degrees than men do. And last year, many more female high-school graduates (70.3 percent) went to college than did male (63.5 percent).

Gender segregation of occupations. Another nearly 30 percent of the pay gap arises from the clustering of women in traditionally female job categories, which pay less than blue-collar trades that are still dominated by men.

For example, most of the nation's 3 million secretaries and 3.6 million teachers are women, as are the majority of nurses and cashiers.

"We still have a long way to go when you look at the occupational categories and the participation rates of women," says Labor Secretary Alexis Herman.

Much has changed since the 1960s, when newspapers ran "Help Wanted - Male" ads offering higher pay for men than for women doing the same work. Back then, women were discouraged from careers in medicine and law and were virtually barred from skilled trades.

In the 1970s and '80s, the segregation of jobs by gender declined as women moved into traditionally male jobs. From 1983 to 1997, the proportion of employed women who worked in managerial and professional occupations increased from 23 percent to 32 percent. More than 25 percent of lawyers and physicians are now female.

But even as women break into jobs that were formerly male bastions, they are still paid less. "There is a pay gap in every job category," says Karen Nussbaum, director of the working women's department at the AFL-CIO in Washington.

Discrimination. "Discrimination is clearly still a factor in the labor market today, and that is why enforcement efforts are very important," says Ms. Herman.

At least one-quarter of the wage gap is the result of differences in pay between men and women "working in similar jobs and establishments," according to a study published this year by economists of the National Bureau of Economic Research in Cambridge, Mass.

For example, Jones and other female "custodians" who vacuum and dust inside congressional suites contend that their work is the same as that of the male "laborers" who wash the hallways and polish the brass banisters outside. "We do just as much work as the men, and they get paid more," Jones says.

In addition to holding down women's pay, discrimination prevents women from being hired and promoted into better-paying jobs.

Finally, gender biases long entrenched in wage structures continue to hamper efforts to increase wages for what was once unpaid "women's work," such as

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child care, says Ellen Bravo, head of the 9 to 5 National Association of Working Women in Milwaukee. "Women's work has been devalued," she says.

Given the long-term trends in women's work experience, education, and inroads into male occupations, some experts anticipate that the wage gap will continue to shrink, albeit slowly and unevenly. "It is clearly a work in progress, but we've come a long way," says Herman.

Still, advocates of equal pay stress that without stronger and better-enforced antidiscrimination laws, it will be difficult to close the gap.

The Equal Pay Act of 1963, which now covers women in most jobs, prohibits pay disparities between men and women who are performing work under similar conditions that is "substantially equal" in skill, effort, and responsibility.

The reach of the law is limited, however. Men and women must work in the same establishment; hiring discrimination is not covered; exceptions are made for seniority and merit systems; and the maximum compensation is double three years' back pay.

As a result, plaintiffs in equal-pay lawsuits often also bring claims under Title VII of the Civil Rights Act, which more broadly prohibits sex discrimination and allows damages of as much as \$ 300,000.

Enforcement of the law is also lacking, partly because it is difficult for people to learn how much others earn. "The key is having the data," says Jocelyn Frye, director of legal and public policy for the National Partnership for Women and Families, an advocacy group in Washington. "A lot of times people don't have access to information that will allow them to know whether they are being paid unfairly."

Over the past 12 years, the Equal Employment Opportunity Commission (EEOC), which holds enforcement authority for the Equal Pay Act, has filed only 164 cases, resolved 251 lawsuits, and recovered some \$ 16 million. Hampered by understaffing and underfunding, the EEOC often takes more than a year to resolve a case.

Federal and state legislative initiatives aim to strengthen laws against pay inequity in several ways.

The Paycheck Fairness Act, which has been introduced in the Senate, would combat pay discrimination by bolstering EEOC resources, allowing higher penalties and compensation for violations of the Equal Pay Act and lifting gag rules imposed by employers who forbid employees to discuss wages with co-workers.

Meanwhile, equal-wage advocates are seeking federal legislation that would make it illegal for employers to pay part-time workers - the majority of whom are women - at a lower hourly rate than they pay full-time employees doing the same job.

And more than half the states have taken action or passed legislation since the 1980s to create a principle of "comparable worth," eliminating wage disparities between traditionally male and female occupations, such as janitor and clerical worker. A Fair Pay Act bill with similar aims has been introduced in both houses of Congress.

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For Jones and her female co-workers, winning the right to unionize in 1996 gave them a weapon for combatting alleged wage discrimination by the Architect of the Capitol (AOC), a federal body that oversees all House and Senate buildings. The AOC declined to comment on the case, which is expected to go to trial in 1999.

"I've known about the wage gap for years, but we didn't have the backing or unity to do anything about it," says Jones, who this January was elected chief shop steward in her union. "It was like whispers in the night," she says. "Nobody heard."

Women in the Workplace

How women have fared in six professions:

Judges in states' highest courts

1985: 23 / 1997: 78 (actual number)

College professors

1975: 24.7% / 1995: 34.6%

Police forces

1972: 2.0% / 1997: 13.3%

Construction workers

1964: 4.9% / 1997: 11.1%

Pilots/navigators

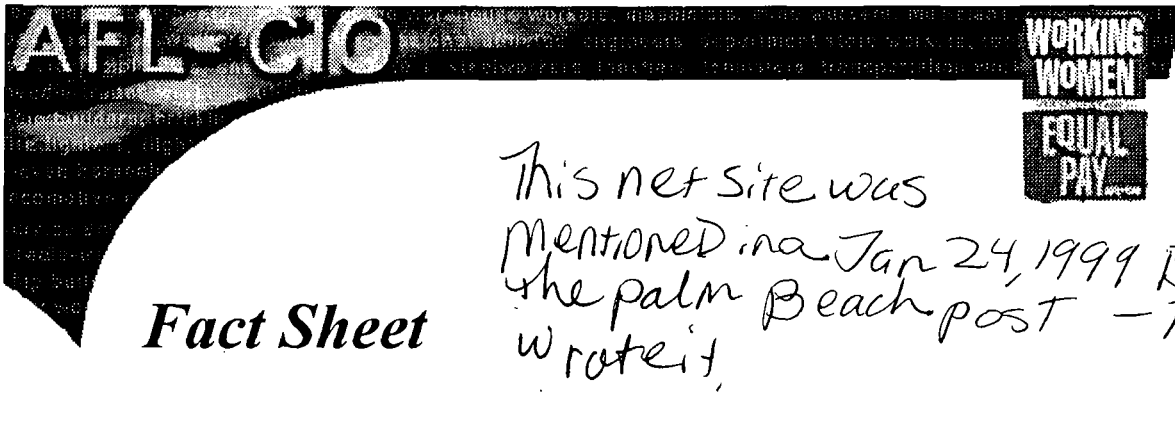
1983: 2.1% / 1996: 1.4%

Bank CEOs

1986: 1.4% / 1997: 4.9%

GRAPHIC: PHOTOS: 1) A CAPITOL OFFENSE? Dolores Jones, a custodian, says she earns \$1 an hour less than men do who perform basically the same work. BY ANDY NELSON - STAFF 2) Women left to right: Ruth Abrams, justice, Massachusetts Supreme Judicial Court, Boston; Helen Lefkowitz Horowitz professor of American studies, Smith College, Northhampton, Mass.; Pamela Grace, police sergeant, Boston; Jennie Anderson, construction worker, Boston; Linda Tobin, pilot, Southwest Airlines, Oakland, Calif.; and Angela Hill, assistant vice president of Community Development Group, NationsBank, Washington. ILLUSTRATION: Showing Women in the Workplace. PHOTO ILLUSTRATION BY ARI DENISON -STAFF/FROM STAFF PHOTOS CHART: Showing US Wage Gap, 1960 - 1996 BY JEWEL BECKER SIMMONS - STAFF

LANGUAGE: ENGLISH



Fact Sheet

Facts About Working Women

More women are working than ever before. And they're looking for solutions to the problems of juggling work and family, making ends meet and finding respect and opportunity on the job.

More and More Women Are Working

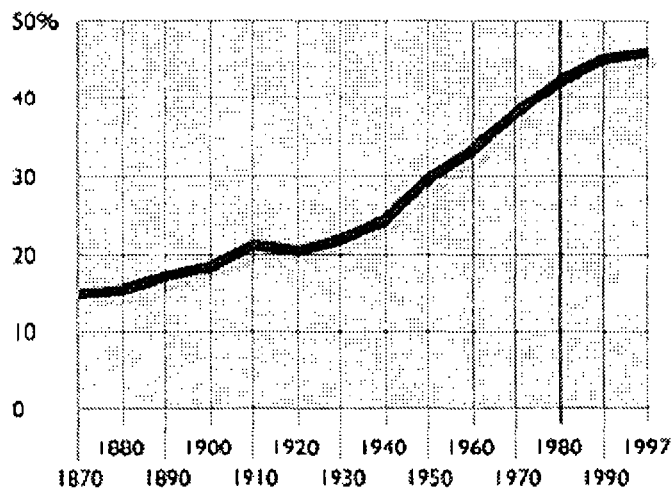
Over the past century, women workers have grown steadily in number and as a proportion of the workforce.

- The number of working women has grown from 5.3 million in 1900 to 18.4 million in 1950 and to 63 million in 1997.
- Women made up 18.3 percent of the labor force in 1900, 29.6 percent in 1950 and 46.2 percent in 1997.^{1,2,3}

In the United States, 99 out of every 100 women will work for pay at some point in their lives.⁴ Regardless of their marital status, the majority of women (except widows)--even those with young children--work for pay.

- 62.1 percent of married women with spouses present, 65.3 percent of married women with absent spouses, 66.8 percent of never-married women and 74.5 percent of divorced women were in the labor force in March 1997.⁵

Women's Share of the Labor Force, 1870-1997



Source: Bureau of Labor Statistics, *Employment and Earnings*, various years; Bureau of the Census, *The Statistical History of the United States—From Colonial Times to the Present*, 1976; Bureau of Labor Statistics, *Handbook of Labor Statistics—Bulletin 2340*, August 1989.

- 71.9 percent of women with children younger than 18, 77.9 percent of women with 6- to 17-year-olds and 64.8 percent of women with children younger than 6 were in the labor force in 1997.⁶
- 53.8 percent of women without children younger than 18 were in the labor force in 1997.^{7,8}

More Families Are Maintained by Women

The number and proportion of families in which a woman is the householder and no spouse is present are growing, too.

- In 1997, 12.8 million families were maintained by women, representing 18.2 percent of all families,⁹ compared with 5.6 million--10.8 percent of all families--in 1970.¹⁰
- 62 percent of women who maintained families were employed in 1997.¹¹

Nonstandard Work

Most "nonstandard" workers (workers who do not hold regular, full-time jobs) are women.¹²

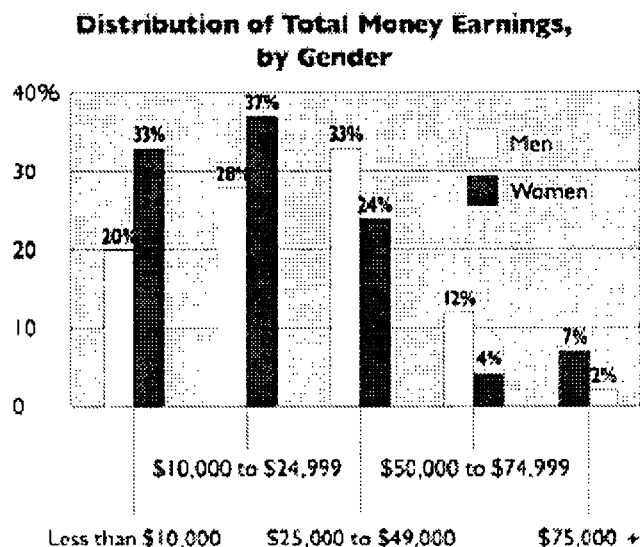
- 55 percent of workers paid by temporary help agencies are female.¹³
- 70 percent of part-time workers are female.¹⁴

Holding Multiple Jobs

- Women accounted for 85 percent of the total increase between 1989 and 1995 in the number of workers with more than one job.¹⁵
- 47 percent of all multiple jobholders in 1995 were women, up from 20 percent in 1973.¹⁶

Wages and Income

- In 1996, women who worked full time, year-round earned 74 cents for every dollar earned by men.¹⁷
- Over a lifetime of work, the average 25-year-old woman who works full time, year-round until she retires at age 65 will earn \$523,000 less than the average working man.¹⁸

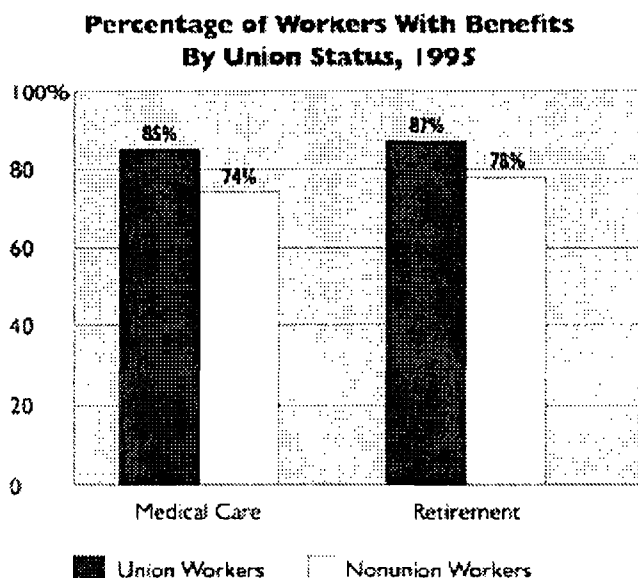


Source: Bureau of the Census, *Money Income in the United States: 1996*, P 60-197.

- Women who worked full time, year-round saw their inflation-adjusted median annual earnings increase by 2.4 percent from 1995 to 1996--but 1996 earnings remained lower than those in 1989.¹⁹
- Median family income (adjusted for inflation) increased only by 1.9 percent between 1979 and 1996--and fell by 2.3 percent between 1989 and 1996.²⁰
- For the poorest two-fifths of families, average family income (adjusted for inflation) fell between 1979 and 1996.²¹
- In 1996, 70 percent of working women earned less than \$25,000, compared with 48 percent of men.²²
- 58 percent of the workers who benefited from the last increase in the minimum wage were women.²³

Benefits

- In 1996, 41.4 million people younger than 65--17.7 percent of nonelderly Americans--were without health insurance. This is up from 31.8 million people, or 14.8 percent of the nonelderly population, in 1987.²⁴



Source: Bureau of the Census, *Money Income in the United States: 1996*, P60-197.

- 58 percent of private-sector wage and salary workers were covered by employer-sponsored health insurance plans in 1993--down from 62 percent in 1988. That included 63 percent of male private-sector wage and salary workers but only 51 percent of women.²⁵
- 43 percent of private-sector wage and salary workers in 1993 were covered under an employment-based pension plan--up from 42 percent in 1988. Forty-six percent of male but only 39 percent of female private-sector wage and salary workers were covered.²⁶
- In 1995, the median annual private pension income was \$7,800 for men older than 65, but only \$4,200 for women.²⁷
- 14 percent of working women do not have sick leave, including 31 percent of women earning less than \$10,000 a year.²⁸

Unions Benefit Working Women

Pay for women in unions is higher than for their nonunion counterparts. In 1997, women union members earned 40 percent more than nonunion women, according to union wage data based upon the median weekly earnings of full-time wage and salary workers.²⁹

- African American women who belonged to unions earned 44 percent more than their nonunion counterparts.³⁰
- Latina union members earned 42 percent more than nonunion Latina workers.³¹
- Unions work to increase equality in wages between women and men.
- Union women earned 84 percent of what union men earned in 1997, while nonunion women earned only 76 percent of what nonunion men earned.³²

Union workers are more likely than nonunion workers to have health and pension benefits.

- 85 percent of full-time union workers in medium-sized and large private establishments had health benefits in 1995, compared with 74 percent of full-time nonunion workers.³³
- 87 percent of full-time union workers in medium-sized and large private establishments had retirement benefits, compared with 78 percent of full-time nonunion workers.³⁴

Gender and Organizing

Women make up a growing percentage of union membership.

- In 1962, women accounted for 19 percent of union membership.³⁵ By 1997, 39 percent of all union members were women.³⁶
- When they have the opportunity, women consistently are more likely than men to vote for unions.³⁷

Public opinion polls show that women favor collective action.

- When asked if women should join together in groups to solve their workplace problems, 79 percent of nonunion women workers said yes.³⁸
- Among nonunion workers, 49 percent of women in 1997 said they would vote for a union, while only 40 percent of men said they would vote for one. Nonunion women consistently have been more supportive of unionizing the workplace than nonunion men.³⁹

Organizing Women

The AFL-CIO, with 5.5 million women members, is a powerful voice for working women. To make your voice heard, join in the Working Women Working Together Network!

Call toll free 1-888-971-9797 for more information.

Endnotes:

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LEVEL 1 - 4 OF 29 STORIES

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April 03, 1998; Friday 02:50 Eastern Time

SECTION: Washington - general news

LENGTH: 371 words

HEADLINE: White House Backs Pay Equality

DATELINE: WASHINGTON

BODY:

On this National **Equal Pay Day**, the Clinton administration is stepping up support for congressional action to narrow the gap between what women and men earn.

Vice President **Gore** on Thursday urged passage of the Paycheck Fairness Act, which would toughen the **Equal Pay Act** by allowing compensatory and punitive damages and easing the way for cases to proceed as class actions.

President Clinton released a proclamation urging employers to "review their wage practices and to ensure that all their employees, including women, are paid equitably for their work."

Today's National **Equal Pay Day** is the day when a typical woman's earnings for the year, coupled with her 1997 earnings, equal what the average man made in 1997 alone.

Women on average earn 74 cents for every dollar men earn, although that is up from 59 cents in 1970, according to the Census Bureau. The gap is closing at a rate of about a half a penny a year.

The disparity is even bigger for minority women. Black women earn 65 cents and Hispanic women 57 cents for every dollar earned by white men.

The legislation's author, Rep. Rosa DeLauro, D-Conn., stressed that pay inequality affects not only women but their families as well. Two out of five working women provide the sole economic support for their family.

"This is fundamentally a day about paychecks and reality checks," Labor Secretary Alexis Herman said to a crowd wearing AFL-CIO stickers that read, "Where's my 26 cents?"

Gore outlined additional administration initiatives to provide better analysis of data on the wage gap and help federal agencies enforce pay discrimination and civil rights law.

He also announced Clinton's nomination of attorney Ida L. Castro as commissioner of the Equal Employment Opportunity Commission. Castro is acting director of the Women's Bureau at the Labor Department and has been involved in



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AP Online, April 03, 1998

employment and labor issues throughout her career.

'As a Hispanic woman, she has learned to face double discrimination by ethnicity and gender to develop the toughness that she needs to take care of herself and soon, as chair of EEOC, of so many others,' Gore said.

Castro's nomination will be sent to the Senate for confirmation.

LANGUAGE: ENGLISH

LOAD-DATE: April 03, 1998

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LEVEL 1 - 1 OF 29 STORIES

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April 7, 1998

LENGTH: 487 words

HEADLINE: THE WHITE HOUSE

Vice President **Gore** announces support for legislation on **equal pay**

BODY:

Vice President **Gore** today announced the Administration's support for legislation, introduced by Senate Minority Leader Tom Daschle and Congresswomen DeLauro, to improve enforcement of wage discrimination against women and to strengthen the remedy provisions in the **Equal Pay** Act to allow for compensatory and punitive damages.

In a White House ceremony, the Vice President also announced new initiatives that would enhance enforcement of wage discrimination both in the private sector and the federal government.

The price of unequal pay is denying our children adequate health care, keeping our kids from going to college and stopping thousands of women across the country from paying their bills, Vice President **Gore** said. And that is why President Clinton and I are committed to closing the wage gap between women and men and giving women the pay they need and deserve.

The Vice President's announcements came a day before **Equal Pay** Day, the date when women's earnings finally catch up to men's 1997 earnings. On average, women are paid 74 cents for every dollar men earn - forcing women to work for 15 months to earn what men earn in 12 months. To address this inequality, more than 650 **Equal Pay** Day activities will be held across the country.

The Administration's new initiatives will provide increased analysis of data on the wage gap; help federal agencies enforce wage discrimination law; provide technical assistance by highlighting best practices and offering a voluntary self-audit on the Internet; and strengthen the federal role in hiring and retaining qualified women.

Specifically, the Vice President announced two Memoranda of Understanding between the Equal Employment Opportunity Commission (EEOC) and the Department of Labor to cross-train their staffs to be sensitive to potential violations of the laws they enforce, including the **Equal Pay** Act, and to help the Department of Labor to collect damages under Title VII of the Civil Rights Act of 1964.

Also, the Vice President announced a ten-step voluntary self-audit for both private businesses and the federal agencies in order to help them monitor their efforts on **equal pay**. Finally, the Vice President will announce the Guide to Recruitment and Retention of Women in the federal government, a manual designed to assist agency managers hire and retain talented women.

The Vice President was joined by Labor Secretary Alexis Herman, AFL-CIO Vice



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President Linda Chavez Thompson, National Committee Pay Equity Chair Susan Bianchi Sands, Senator John Breaux (D-LA), Senator Tom Daschle (D-SD), Senator Dianne Feinstein (D-CA), Senator Bob Kerrey (D-NE), Senator Ted Kennedy (D-MA), Senator Carol Moseley-Braun (D-IL), Senator Harry Reid (D-NV), Senator Chuck Robb (D-VA), Rep. Rosa DeLauro (D-CT), Rep. Eleanor Holmes Norton (D-DC), Rep. Jim Maloney (D-CT), Rep. David Obey (D-WI), Rep. Robert Underwood (D-GUAM).

LANGUAGE: English

LOAD-DATE: April 8, 1998

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April 3, 1998; FRIDAY; ALL EDITIONS

SECTION: NEWS; Pg. A18

LENGTH: 287 words

HEADLINE: **GORE** LOBBIES FOR BILL TO SPEED PAY EQUALITY

SOURCE: Wire services

BYLINE: SARAH WYATT, The Associated Press

DATELINE: WASHINGTON

BODY:

The Clinton administration supports legislation that aims to close the gap between what women and men earn, Vice President Al **Gore** said Thursday.

Today is National **Equal Pay** Day, when a typical woman's pay for the year, coupled with her 1997 earnings, equal what the average man made in 1997 alone. Women on average are paid 74 cents for every dollar men receive, up from 59 cents in 1970, according to the Census Bureau. The gap is closing at a rate of about a half a penny a year.

The disparity is even bigger for minority women. Black women get 65 cents and Hispanic women 57 cents for every dollar received by white men.

In recognition of National **Equal Pay** Day, President Clinton released a proclamation urging employers to "review their wage practices and to ensure that all their employees, including women, are paid equitably for their work."

Gore said Thursday that there is no simple reason for this discrepancy and that women's work no longer can go undervalued.

"We insist that women receive full and fair reward for their work and that the nature of that work reflect a full and fair recognition of women's accomplishments," **Gore** said. "For me, it's a simple matter of wanting my daughters to have the same opportunities in life that my son will have."

Gore urged passage of the Paycheck Fairness Act, which would toughen the **Equal Pay** Act by allowing compensatory and punitive damages and easing the way for cases to proceed as class actions.



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The bill's author, Rep. Rosa DeLauro, D-Conn., stressed that pay inequality affects not only women but also their families. Two out of five working women provide the sole economic support in the home.

GRAPHIC: GRAPHIC - AP - GENDER WAGE GAP (text not available)

LANGUAGE: English

LOAD-DATE: April 3, 1998



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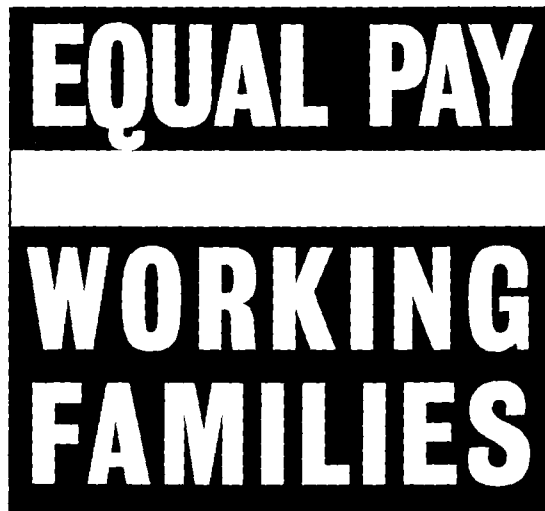
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**NATIONAL AND STATE DATA
ON THE PAY GAP AND ITS COSTS**

**A Joint Research Project of the
AFL-CIO and the
Institute for Women's Policy Research**

Rebuttal to George Will's article in *Newsweek*, March 29, 1999 p. 84.

While it would be going too far to say that the entire gender pay gap is due to employer discrimination, George Will surely goes too far in the other direction when he dismisses discrimination as a "negligible cause" of the income disparities between men and women, which he says are "largely the result of rational personal choices by women." According to Will, "Earnings differentials often reflect different professional paths that are cheerfully chosen because of different preferences, motivations, and expectations."

Will is correct that women's wages and educational attainment have been rising in recent years, but there is still a sizeable gender wage gap that cannot be explained by observable characteristics. Among all full-time wage and salary workers age 16 or older in 1998, the median woman earned \$456 per week, 76.3% as much as the median man. In 1979 she had earned only 62.5% as much as he had. The best analysis we have of the gender gap in pay (based on 1988 data, unfortunately) controls for differences in actual years of work experience as well as in education, occupation, industry, and unionization. These variables already incorporate many of a woman's "preferences, motivations, and expectations"; yet they accounted for only 61% of the gender pay gap in 1988. Applied to 1998 data, that leaves a gap of 9.3% still unexplained.

We do not know how much of this remaining gender gap is due to unobserved characteristics that are legitimately related to pay, such as specialty within an occupational category (e.g., social work vs engineering within the professions), and how much is due to discrimination. But even within *narrow* occupations, women of the same experience and education earn less than men.

Will argues that women happily choose to take low-paid jobs because they prefer to devote themselves to child rearing. If this is the general case, why are women acquiring "almost 40% of the MBAs, ...[and] more than 40% of law and medical degrees"? Will ignores an alternative explanation that is more consistent with these facts -- that after getting their degrees and starting their careers, women experience gender-based barriers to acquiring the training, mentoring, connections, and other resources that they need to rise in their chosen occupations. They may also encounter discrimination (often the result of unconscious bias) in promotions. In the face of these barriers, they find the expected return on an investment in "60-hour weeks on the fast track" too low and uncertain to be worthwhile. For married couples, it may then make sense for the husband to remain on the "fast track" and the wife to shift to the "mommy track." But this is not their original preference; rather, it is the result of "rational choice" in the face of gender discrimination.

Moreover, the impacts of family and children on women's careers and earnings are not unalterable consequences of biology, as Will seems to believe. Rather, they are due to current social arrangements and workplace practices that make it difficult to combine career and family, but that could be changed -- and indeed, are changing. Fathers spending more time in household and child-rearing tasks, employers providing family leave, and government efforts to increase the availability of affordable, convenient, and flexible child care are steps in the right direction.

MIT has just issued "A Study on the Status of Women Faculty in Science at MIT" that reveals some ways gender bias can operate in the professional workplace. The report documents a pattern in the MIT School of Science of "sometimes subtle -- but substantive and demoralizing -- [gender] discrimination in areas from hiring, awards, promotions and inclusion on important committees to allocation of valuable resources like laboratory space and research money." The report defines discrimination as consisting of "a pattern of powerful but unrecognized assumptions and attitudes that work systematically against women faculty even in the light of obvious good will." According to the dean of the School of Science, "I believe that in no case was this discrimination conscious or deliberate. Indeed, it was usually totally unconscious and unknowing. Nevertheless, the effects were real."

Particularly revealing is the MIT report's finding that "junior female faculty tended to feel well taken care of and untouched by discrimination; it was only as they became senior faculty that they felt themselves increasingly marginalized and overlooked by male-dominated networks." Such subtleties are overlooked by Will when he uses the near-equality of earnings of men and childless women at ages 27 to 33 as evidence that gender discrimination is not a problem in the labor market.

THE WHITE HOUSE
WASHINGTON

Nicole,

Here is the report I told
you about.

Highlights:

1) America's families lose
\$200 billion per year
because of the wage
gap

2) Each family loses
\$4000 annually

Many

EQUAL PAY

WORKING FAMILIES

**NATIONAL AND STATE DATA
ON THE PAY GAP AND ITS COSTS**

**A Joint Research Project of the
AFL-CIO and the
Institute for Women's Policy Research**

EQUAL PAY FOR WORKING FAMILIES

NATIONAL AND STATE DATA ON THE PAY GAP AND ITS COSTS

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Executive Summary

Equal pay is a bread-and-butter issue for working families. More than two-thirds of all mothers in the United States work for pay. Two-earner families are today's norm among married couples, and a growing number of single women provide most or all of their families' support. Altogether, almost two-thirds of all working women and slightly more than half of married women responding to the AFL-CIO's 1997 *Ask A Working Woman* survey said they provide half or more of their families' incomes.

Little wonder, then, that 94 percent of working women in the *Ask A Working Woman* survey—almost every one—described equal pay as “very important;” that two of every five cited pay as the “biggest” problem women face at work; and that one-third of all women and half of African American women said that, despite its importance, they do not have equal pay in their jobs.

To better understand the wage gap for women and people of color in the United States and to better measure the price that wage inequality exacts from families and individual workers, the AFL-CIO and the Institute for Women's Policy Research (IWPR) jointly undertook a national study, including state-by-state breakouts, to analyze recent data from the Census Bureau and the Bureau of Labor Statistics.

The study confirms many recent analyses, finding that women who work full-time are paid only 74 cents for every dollar men earn—or \$148 less each week. Women of color who work full-time are paid only 64 cents for every dollar men overall earn—or \$210 less each week. Going further, the study uses more refined

techniques to explore the dimensions, and the full cost, of unequal pay.

Working Families Pay a Steep Price for Unequal Pay

America's working families lose a staggering \$200 billion of income annually to the wage gap—an average loss of more than \$4,000 each for working women's families every year because of unequal pay, even after accounting for differences in education, age, location and the number of hours worked.

- If married women were paid the same as comparable men, their family incomes would rise by nearly 6 percent, and their families' poverty rates would fall from 2.1 percent to 0.8 percent.
- If single working mothers earned as much as comparable men, their family incomes would increase by nearly 17 percent, and their poverty rates would be cut in half, from 25.3 percent to 12.6 percent.
- If single women earned as much as comparable men, their incomes would rise by 13.4 percent, and their poverty rates would be reduced from 6.3 percent to 1 percent.
- Working families in Ohio, Michigan, Vermont, Indiana, Illinois, Montana, Wisconsin and Alabama pay the heaviest price for unequal pay to working women, losing an average of roughly \$5,000 in family income each year.
- Family income losses due to unequal pay for women range from \$326 million in Alaska to \$21.8 billion in California.

The Size of the Pay Gap Varies by State

While the wage gap is much smaller than the national average in some states, the numbers do not automatically signal improved economic status for women. The primary reason for women's relatively improved status in many states is that the wages of minority men are so low. This is particularly true for the District of Columbia, Arizona, California, New York, North Carolina, Texas and Virginia.

- Women who work full-time are paid the least, compared with men, in Indiana, Louisiana, Michigan, Montana, North Dakota, Wisconsin and Wyoming, where women earn less than 70 percent of men's weekly earnings.
- Women of color fare especially poorly in Louisiana, Montana, Nebraska, Oregon, Rhode Island, Utah, Wisconsin and Wyoming, earning less than 60 percent of what men earn.
- Even where women fare best compared with men—in Arizona, California, Florida, Hawaii, Massachusetts, New York and Rhode Island—women earn little more than 80 percent as much as men.
- Women earn the most in comparison to men—97 percent—in Washington, D.C., but the primary reason women appear to fare so well is the very low wages of minority men.

- For women of color, the gender pay gap is smallest in the District of Columbia, Hawaii, Florida, New York and Tennessee, where they earn more than 70 percent of what men overall in those states earn.

Unequal Pay Hurts Men, Too

As the percentage of women in an occupation rises, wages tend to fall. Workers who do what traditionally has been viewed as "women's work"—clerical workers, cashiers, librarians, child care workers and others in jobs in which 70 percent or more of the workers are women—typically earn less than workers in jobs that are predominately male or are integrated by gender.

- Both women and men pay a steep price for unequal pay when they do "women's work": The 25.6 million women who work in these jobs lose an average of \$3,446 each per year; the 4 million men who work in predominately female occupations lose an average of \$6,259 each per year—for a whopping \$114 billion loss for men and women in predominately female jobs.
- At the state level, women who work in female-dominated jobs could increase their salaries from \$2,112 per year in Missouri to a high of \$4,707 in Delaware if they had equal pay. Annual wage gains for women in these jobs would exceed \$3,000 on average in 36 states. In 34 states, wages would increase by at least \$2,500 for women of color in female-dominated jobs.

- For men in female-dominated jobs, state average increases would range from \$3,533 annually in the District of Columbia to \$8,958 in Delaware if pay inequality was eliminated. Minority men would see increases ranging from \$1,918 in Colorado to \$7,996 in Alaska.
- Minority men who belong to unions bring home 44 percent more—\$177—each week than nonunion men of color.
- Unions also help close the wage gaps based on gender and minority status for their members. Women represented by unions earn almost 84 percent as much as union men, while unionized workers of color make about 81 percent as much as unionized white workers.

Unions Mean Big Pay Gains, Smaller Pay Gaps

Union representation is a proven and powerful tool for raising workers' wages, particularly for those most subject to labor market discrimination: women and minorities.

- The typical female union member earns 38 percent more per week—\$157—than a woman who does not belong to a union.
- Unionized women of color earn almost 39 percent more—\$135—than nonunion women of color. In fact, minority union women earn \$45 a week more than nonunion white women.

In the 35 years since the equal employment laws passed, women and people of color have made significant strides into the mainstream of the American workplace. But lingering unequal pay robs women and their families of economic security, doubling poverty rates for today's workers and threatening reduced retirement income and greater poverty tomorrow.

There are three clear routes to ensuring that women receive equal pay: vigorous enforcement of current equal pay laws, passage of stronger and better equal pay laws and greater protections for workers' right to organize together into unions.

Introduction

In the 1960s, Congress passed two landmark laws designed to remove discrimination from employment relations. The first, the Equal Pay Act of 1963, outlawed the long-established and standard business practice of paying women less than men even when they were doing exactly the same work. Its mandate was straightforward: equal pay for equal work. The next year, Congress enacted the Civil Rights Act of 1964, which included, among other things, a comprehensive fair employment section (Title VII) that banned discrimination against women and minorities in all terms and conditions of employment (hiring, promotions, terminations and the like), including pay. Read together, the Equal Pay Act and Title VII establish the principle that employers may not pay women and people of color less for the work they do because of their race, gender or ethnicity. Simply put, employers may not deny women and minorities equal pay because of sex or race discrimination.

In the 35 years since the equal employment laws passed, women and people of color have made significant strides into the mainstream of the American workplace. Nevertheless, despite undeniable gains, pay bias and other discriminatory practices continue to impede progress, all too often placing glass ceilings in the way of workers moving up and relegating too many others to second-class workplace status on the sticky floor. Consider, for example:

- In January 1999, the Department of Labor announced that Texaco had agreed to give 186 women more than \$3 million in back wages and pay adjustments to settle findings that the company consistently had paid women in professional and executive positions less than their male counterparts.
- In 1998, major corporations, including US Airways, the pharmaceutical division of Bayer Corp., publishing giant R.R. Donnelly, Pepsi-Cola, desktop computer manufacturer Gateway 2000, insurer Highmark, Inc. (formerly Blue Cross/Blue Shield of Western Pennsylvania), Allison Engine Company of Indianapolis and CoreStates Financial Institution, agreed to payments totaling about \$3.5 million altogether to resolve Labor Department findings of pay bias and other discrimination against women and minorities.
- In 1997, two major national chains—Home Depot and Publix Supermarkets—agreed to pay out more than \$80 million each to settle lawsuits charging them with sex discrimination, including discrimination in pay, against thousands of women workers.
- In recent months, Boeing, Pennzoil Company and United Parcel Service have agreed to employment discrimination settlements totaling more than \$30 million altogether and potentially benefiting thousands of African American workers and former employees.
- According to the 1998 *Catalyst Census of Women Corporate Officers and Top Earners*, less than 3 percent (or only 63 of 2,320 individuals) of the top-earning corporate officers in Fortune 500 companies are women, and their earnings (salaries and bonuses) are only two-thirds those of top-earning men.

¹Quan, Samantha. "A Profile of the Working Poor, 1996." U.S. Department of Labor: Bureau of Labor Statistics. Report No. 918. December 1997.

²Wage ratio and corresponding wage gap calculations compare average (mean) wages of one group with those of another or wages of the typical worker (the worker at the median) in each group. The median worker is the worker in the middle of the earnings range; there are just as many workers earning more than the median worker as are earning less. Median earnings (or earnings of the median worker) are often considered more accurate than mean earnings because the mean (or average) is often skewed upward by a few very high earners at the top of the earnings range. Wage gaps or ratios are usually calculated for full-time workers, all of whom by definition work 35 hours or more each week. The gender wage gap is even greater when total earnings for women and men are compared, because women average fewer hours than men.

³Of course, even differences in human capital may be affected by discrimination in the labor market or elsewhere, as well as by conditions, such as poverty, that disproportionately affect women and people of color. Discriminatory exclusion of women and people of color from training

- African American and Hispanic workers are more than twice as likely as white workers to be "working poor"—that is, to be employed but, nevertheless, to live in poverty. Minority women workers, who confront the dual problems of gender and race bias, have especially high poverty rates: One in seven African American and Hispanic women workers lives below the poverty line compared with one in 20 white working women and men.¹

Not surprisingly—considering these examples—wage gaps persist between women and men and between minority and nonminority workers as enduring reminders of gender and racial inequality in the workplace.

What Do Wage Gaps Tell Us?

"Wage gaps" are commonly cited measures of earnings inequality between different groups of workers. A "wage gap" is derived from a "wage ratio," the figure expressing the percentage of one group's earnings (for example, women or minorities) compared with another group's (men or nonminorities). As used in this study, "gender wage gaps" are percentage or actual dollar differences between the earnings of men and women, and "minority wage gaps" are differences between earnings of people of color and white workers.²

Since earnings are the main source of income for most American families, wage gaps are important indicators of differences in economic status among groups of working families. Economists disagree, however, about the extent to which wage gaps reflect

labor market discrimination or other considerations such as "human capital" differences among workers (that is, differences in education, training and experience). Higher earnings for white men, for example, do not necessarily reflect discrimination against women and minorities if white men, on average, have more human capital.³ Analyses attempting to tease out the reasons for wage differences between women and men typically separate the gender wage gap into a portion explained by human capital differences and a portion that remains unexplained even after taking such differences into account. Recent studies indicate that between one-quarter and one-half of the gender wage gap remains unexplained, and some economists attribute some or all of this unexplained portion to discrimination.⁴

Economists also differ as to whether and how to consider additional factors in explaining wage gaps. For example, pay differences associated with work in specific occupations and industries may simply reflect legitimate consumer and worker preferences or supply and demand for goods and services; or they may suggest something far more sinister—discriminatory barriers locking workers in some jobs and out of others, or bias in setting wages for jobs with heavy concentrations of women and minority workers. Marriage and the presence of children typically affect women's and men's wages differently: Is that because employers tend to discriminate *against* child-bearing women (and in favor of fathers)? Because women prefer to spend more time caring for children, hence accumulating less human capital? Or because the nation lacks infrastructure,

such as universally accessible and affordable child care, to make meeting both work and family needs easier?

Recognizing these differences among economists, this study employs three separate and increasingly refined approaches to measure and report on wage gaps: Section I describes results of the simplest and most straightforward analysis, a comparison of median weekly earnings of men and women and of minorities and nonminorities; Section II reports on an assessment that considers several factors, including workers' ages and education levels, to determine the effect that paying women as much as comparable men would have on women's earnings and their families' incomes and poverty rates; and Section III presents findings from an even more finely

honed test that controls for multiple individual and job characteristics to measure the wage penalty workers—men as well as women—suffer when they work in “female-dominated” jobs (those in which at least 70 percent of the workers are women). Section IV reviews the considerable advantage unionized workers enjoy, both in the form of higher wages and smaller wage gaps.

This research project was undertaken jointly by the AFL-CIO and the Institute for Women's Policy Research to better understand the wage gap in the United States, as well as each of the 50 states and the District of Columbia, and to better measure the costs of wage inequality for families and individuals.

programs, for example, will limit their acquisition of human capital and affect their ability to earn higher wages. In general, the opportunities and obstacles that individuals face (or believe they face) and forces such as culture, tradition, discrimination and poverty condition most choices—how much schooling to get, what fields to study, whether and when to have children. As a consequence, even though human capital is often thought to result from individuals' “choices” or “preferences,” it is important to remember that not every “choice” is freely made, nor every “preference” truly preferred.

⁴Altonji, Joseph G., and Rebecca M. Blank. “Race and Gender in the Labor Market.” Prepublication manuscript. Institute for Policy Research and Department of Economics, Northwestern University. June 1998; Blau, Francine D., and Lawrence M. Kahn. “Swimming Upstream: Trends in the Gender Wage Differential in the 1980s.” *Journal of Labor Economics*. Vol. 15:1, part 1, pp. 1-42. 1997; MacPherson, David A., and Barry T. Hirsch. “Wages and Gender Composition: Why Do Women's Jobs Pay Less?” *Journal of Labor Economics*. Vol. 13:3, pp. 426-71. Economists also attribute at least some of the unexplained portion to unobserved differences in productivity or other factors that are, nonetheless, legitimate considerations.

Large Wage Gaps Persist for Women and Minority Workers

This section evaluates the overall wage gap and the wage ratio between women and men of all races and between minorities and whites, as reflected by differences in *median weekly earnings of full-time workers* in each group.⁵ The analysis groups Hispanics, who may be

of any race, with racial minorities, which include African Americans, Asian Americans, Pacific Islanders, Native Americans, Aleut Eskimos and others. Tables 1 and 2 detail the relevant earnings for each group.⁶ As shown in these tables, gender-based earnings differences and corresponding gender

TABLE 1. THE GENDER WAGE GAP

Median Weekly Earnings by Gender and Minority Status for Full-Time Workers, 1997

	WOMEN	MEN	GENDER WAGE GAP	FEMALE/MALE WAGE RATIO
All Races ^a	\$431	\$579	\$148	74.4%
Whites (Non-Hispanic) ^b	\$462	\$631	\$169	73.2%
Minorities ^{*b}	\$369	\$415	\$ 46	88.9%

^a Minority workers include those who are African American, Asian American, Pacific Islander, Native American, Aleut Eskimo or other race and Hispanics who may be of any race.

Source: ^aU.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1998, Table 39; ^bInstitute for Women's Policy Research calculations based on the Current Population Survey, Outgoing Rotation Group File, 1997.

⁵Wage gaps also can be expressed as differences in hourly earnings, in which case part-time workers would also be included in computing gender and minority differences. Federal data sources generally do not provide hourly earnings data, though hourly figures can be calculated either from data on hours worked per week and weekly earnings or from hours worked per year and annual earnings. This report uses both weekly and annual earnings data.

TABLE 2. THE MINORITY WAGE GAP

Median Weekly Earnings by Minority Status for Full-Time Workers, 1997

	MINORITIES*	WHITES (NON-HISPANICS)	MINORITY WAGE GAP	MINORITY/WHITE WAGE RATIO
Both Sexes	\$400	\$554	\$154	72.2%
Women	\$369	\$462	\$ 93	79.9%
Men	\$415	\$631	\$216	65.8%

^a Minority workers include those who are African American, Asian American, Pacific Islander, Native American, Aleut Eskimo or other race and Hispanics who may be of any race.

Source: Institute for Women's Policy Research calculations based on the Current Population Survey, Outgoing Rotation Group File, 1997.

⁶These calculations use two sources. Where possible, they rely on 1997 year-end Current Population Survey data reported in the Department of Labor's January 1998 edition of *Employment and Earnings*. For figures not officially reported in *Employment and Earnings*, IWPR calculations from the raw Outgoing Rotation Group files of the 1997 Current Population Survey (CPS) are used.

wage gaps are large for all women compared with all men and especially large for minority women compared with all men.

- Overall, women earn just \$431 per week compared with men's \$579 weekly earnings, for a wage gap of \$148. White women do better than women overall, earning \$462 per week—but since white men's weekly earnings of \$631 are also greater than those for men overall, the \$169 wage gap between white women and white men is larger than for all women and all men.
- Minority women have lower earnings—just \$369 a week—but because minority men's \$415 weekly earnings are also lower than men's overall, the \$46 distance between minority women and men is the smallest gender gap. The low wages of both minority women and men and their smaller gender gap reflect systematic disadvantages that minorities face in and out of the workplace. When compared with all men rather than only with minority men, the wage gap for minority women—\$210—is almost five times greater.
- For all race groups, full-time women workers earn just 74.4 percent of what men earn on a weekly basis. White women earn 73.2 percent of what white men earn, while minority women earn 88.9 percent of what minority men earn. However, minority women earn just 63.7 percent of what all men earn.
- The ratio of women's wages to men's is lower, and hence the wage gap is greater than corresponding national rates, in half of the states. Overall gender gaps are worst in Indiana, Louisiana, Michigan, Montana, North Dakota, Wisconsin and Wyoming, where women's median weekly wages are less than 70 percent

those of men. At the other end of the spectrum, women fare best in Arizona, California, Florida, Hawaii, Massachusetts, New York, Rhode Island and the District of Columbia, where they earn at least 80 percent as much as men.

- More favorable gender wage gaps at the state level, however, do not automatically signal improved economic status for women. To the contrary, in the District of Columbia and six states where the gender wage gap is less than the national rate—Arizona, California, New York, North Carolina, Texas and Virginia—a primary reason for women's relatively improved status is that the wages of minority men are so low. (See the National Summary Table for state-by-state breakdowns.)

Wage gaps between men and women have declined steadily in recent decades, though progress has slowed in the 1990s, and gender-based wage differentials in the United States remain large relative to those in many other industrialized countries. Today's 26 percent gender wage gap is 11 percentage points lower than it was in 1979, when women earned only 63 cents for every dollar men earned, and the gender wage gap was 37 percent.⁷ Several factors contribute to the rise in women's wages, including increased educational attainment (today, women's college graduation rates are actually higher than men's, although they lagged behind for several decades), greater labor force attachment and work experience (more women are working, and women are working more), fairer treatment in the labor market (in large part because of laws such as Title VII) and movement into traditional men's jobs (for example, telecommunications specialists, mail carriers and professions such as lawyers and doctors).

⁷The wage gap is actually the difference between 100 percent (what the wage ratio would be if there were equality between women and men) and the wage ratio. The current wage gap is about 26 percent.

Nevertheless, the narrowing of the gender wage gap since 1979 connotes less progress than might appear. Over the past two decades, most of the reduction in the gender wage gap was because *men's real wages were falling*—not because women's were rising.⁸ An earlier IWPR study estimated that the growth in women's wages explained only about two-fifths of the decrease in the wage gap between 1979 and 1997; three-fifths of the narrowing of the gap resulted from the decline in men's real wages.⁹ Falling men's wages accounted for roughly half of the decline in the gender wage gap between 1979 and 1989 and for a stunning four-fifths of the decline between 1989 and 1997. Had men's real wages not fallen—in other words, had they remained at their 1979 inflation-adjusted level—women's earnings today would be only about 66 percent of men's, representing a remarkably small overall decline in the gender wage gap.

Like gender-based wage differentials, minority-based wage gaps are substantial. Minority men fare less well than minority women relative to their white counterparts, though this result, in part, reflects white women's low wages compared with those of white men.

- The minority wage gap for both sexes considered together is quite large (\$154) and especially large for minority men compared with white men (\$216). Indeed, the overall minority wage gap of \$154 is larger than the overall gender-based wage gap of \$148.
- Taking women and men together, minorities earn only 72.2 percent of what whites earn for full-time weekly work. Minority women earn 79.9 percent of what white women earn, while minority men earn only 65.8 percent of what

white men earn. At earnings of \$415 per week, minority men also earn \$47 less than white women.

- Minority women's median weekly earnings are greatest in relation to white women's in Alaska (95 percent), Tennessee (94 percent), Indiana (93 percent), Pennsylvania (89 percent) and South Dakota (89 percent). Women of color fare least well in relation to white women in Rhode Island (62 percent), the District of Columbia (65 percent), Texas (67 percent), California (69 percent) and New Mexico (70 percent). Minority men's earnings are highest in relation to white men's in Kentucky (90 percent), Montana (86 percent), Hawaii (84 percent) and Missouri and Ohio (83 percent for each); and lowest in relation to white men's in the District of Columbia (51 percent), California (52 percent), Rhode Island (57 percent) and Arizona, Idaho, Mississippi and Oregon (58 percent for each).

Unlike the gender wage gap, which has shown slight but steady improvement, the pattern of change in minority wage gaps has been uneven and generally negative. The wage gap between African American and white men narrowed until 1978 but then widened during the 1980s and has not moved in a clear direction in the 1990s. African American and white women achieved near-parity in wages by the mid-1970s, but since then the race-based wage gap between them has widened. Differences based on race in the earnings of college-educated workers have grown since 1978 for both women and men.¹⁰ Earnings data for Hispanic men and women also show growing earnings inequality between non-Hispanic whites and Hispanics for both genders.

⁸The concept of "real wages" reflects the actual value of wages once inflation is taken into account. Between 1979 and 1997, men's "real" hourly wages fell from \$14.39 to \$12.19, while women's rose slightly, from \$9.03 to \$9.63. Mishel, Lawrence, Jared Bernstein and John Schmitt. *The State of Working America, 1998-99*. Economic Policy Institute and Cornell University Press, January 1999.

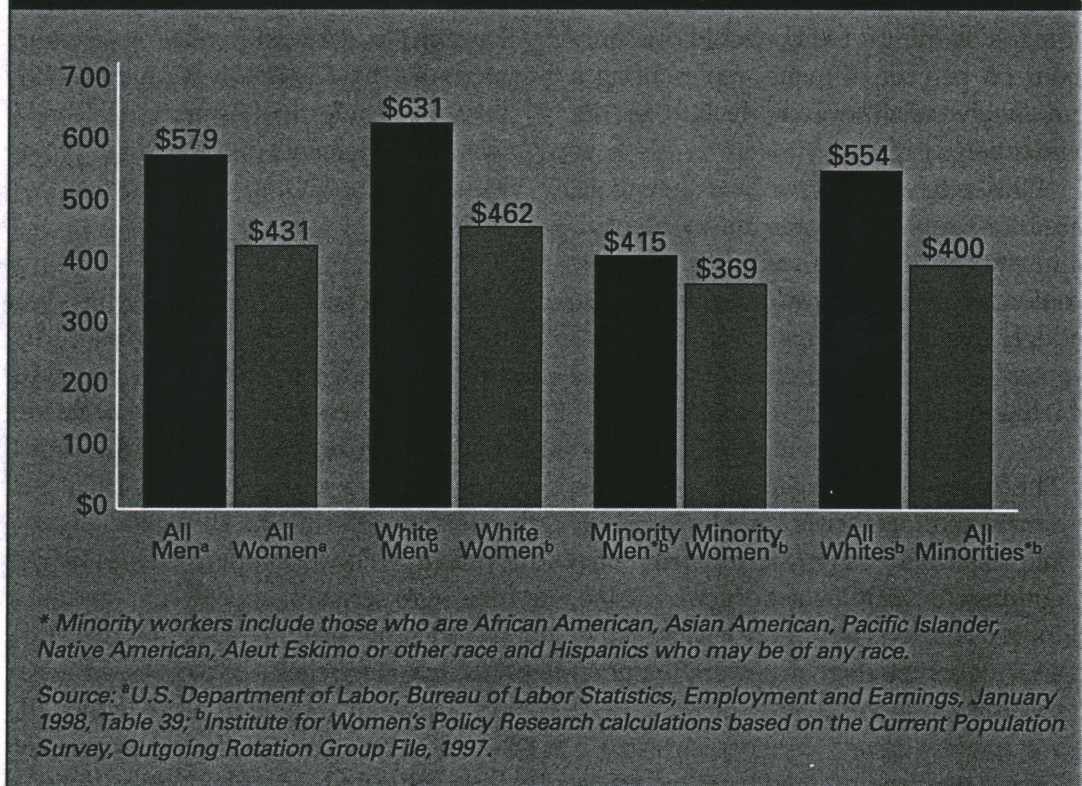
⁹Hartmann, Heidi, and Julie Whittaker. "Stall in Women's Real Wage Growth Slows Progress in Closing the Wage Gap." Briefing paper. Institute for Women's Policy Research, February 1998. See also Mishel, Bernstein and Schmitt at 134.

¹⁰Council of Economic Advisors for the President's Initiative on Race. *Changing America: Indicators of Social and Economic Well-Being by Race and Hispanic Origin*. September 1998.

Figure 1 depicts in graphic form the weekly wages of full-time workers for various demographic groups. Earnings disparities are large, with white men earning the most per week at \$631, while minority women earn the least at \$369. These gross wage differences, of course, in part reflect differences among demographic groups in average qualifications and tendencies to work in certain occupations and industries. But they also are meaningful indicators of inequality attributable, at least in part, to discrimination in the labor market or elsewhere, since wage gaps likely would

dwindle or disappear if everyone had true equal opportunity from birth. Average differences among groups in health, education and time spent on family care would not exist, since it is unlikely that preferences regarding these activities would differ substantially among groups if economic, discriminatory and other barriers fell and the forces of tradition dissolved. Workers from all demographic groups would have access to the same types of job and, having few differences among them (on average), would tend to earn equal wages.

FIGURE 1. MEDIAN WEEKLY EARNINGS FOR FULL-TIME WORKERS, 1997



Unequal Pay for Women Lowers Family Incomes and Increases Poverty

Because existing differences among groups of workers due to legitimate factors such as education and family status contribute to wage gaps, this study also makes use of two additional, more refined measures better able to isolate the effects of labor market discrimination on gender wage gaps. The first, described in this section, controls for certain human capital differences between male and female workers and for selected differences in labor markets. The objective is to estimate how much women and their families lose because women earn less than similarly qualified men or, correspondingly, how much women's earnings and family incomes would rise with equal pay.

Lower earnings for women are of no small consequence to working families. More than two-thirds of all mothers in the United States work for pay. Of these, about three-fourths are married and have access to men's incomes, but their earnings are nevertheless crucial to family support. One-fourth are single and often the sole support of their families. And many women without children, both single and married, work to support themselves and other family members.

Table 3 shows women's annual earnings, hours worked and annual family incomes in three different types of families with women workers: married working women, working single mothers and self-supporting single women. The table reflects gains to family incomes and reductions in poverty levels that would result from boosting women's pay.¹¹ Estimated added income for the average family of each type is calculated from the earnings gains working women would enjoy if they earned as much as men who work the same number of hours, are the same age, have the same educational attainment and urban/rural status and live

¹¹IWPR researchers used annual earnings and employment information reported in the CPS for the years 1995-1997 to estimate women's and men's earnings. Refer to the Data Description section of the Technical Appendix for more detailed information about the data set.

TABLE 3. MEAN ANNUAL EARNINGS, MEAN FAMILY INCOME AND POVERTY RATES IF WORKING WOMEN EARNED THE SAME AS MEN, 1994-1996 AVERAGE, IN 1997 DOLLARS

	SINGLE MOTHERS AGED 18+	OTHER SINGLE WOMEN AGED 25+	MARRIED WOMEN AGED 18+
Population Size	5,400,000	9,200,000	32,800,000
Women's Annual Earnings	\$19,573	\$27,703	\$23,144
Annual Hours Worked	1,775	1,975	1,761
Annual Family Income			
Current	\$26,372	\$30,849	\$69,676
After Pay Adjustment	\$30,831	\$35,000	\$73,881
Increase per Family	+\$4,459	+\$4,151	+\$4,205
Percent Increase	16.9%	13.4%	6.0%
Total Family Income Gains	\$24.1 billion	\$38.2 billion	\$137.9 billion
Poverty Rate			
Current	25.3%	6.3%	2.1%
After Pay Adjustment	12.6%	1.0%	0.8%

Note: Refers to families with employed women.

Source: Institute for Women's Policy Research calculations based on the Current Population Survey March Demographic Supplements, 1995-1997, for calendar years 1994-1996; all in 1997 dollars.

in the same region of the country.¹² As shown in the table, raising women's pay would have a dramatic impact on their families:

- Paying the 32.8 million married women the same as comparable men would boost their earnings by about one-fifth and raise family incomes for married couples by 6 percent. This translates into an average of \$4,205 more income per year for each married-couple family, or a total of \$137.9 billion nationwide. Poverty rates for married working women's families would fall by more than half, from 2.1 percent to 0.8 percent.
- If the 5.4 million working single mothers earned as much as comparable men, their annual family incomes would increase \$4,459 on average, or nearly 17 percent. Total income gains for this group of families would be \$24.1 billion, and the very high poverty rates for working single mothers would fall by half, from 25.3 percent to 12.6 percent.

- The 9.2 million working single women who live alone,¹³ including divorced, widowed, separated and never-married women, would earn a total of \$38.2 billion more if they were paid the same as comparable men. These single working women each would earn an average of \$4,151 more per year. Single working women also would experience a significant drop in poverty—in fact, the steepest drop—from 6.3 percent to 1.0 percent.
- Working women in every state would receive wage hikes if they earned as much as comparable men in their states. The potential wage hikes range from a low of \$2,815, on average, in Alaska to a high of \$5,160 in Ohio. Family income would grow, on average, by about \$326 million in Alaska up to roughly \$21.8 billion in California. Family income in half of the states would grow by more than \$2.5 billion. Poverty rates would fall dramatically in all states, and poverty rates for families headed by single mothers would drop to less than 10 percent in 14 states.

¹²For a more detailed discussion of the methodology used for this analysis, please see the Technical Appendix.

¹³The analysis of earnings gains is limited to single women older than 25 who live alone in order to include only those who are likely to be supporting themselves on their own and whose family income is relatively easy to identify. Many younger single women and single women living in other family configurations also are earning less because of discrimination, but the impact on their family earnings would be more difficult to identify. See the Technical Appendix for additional details.

Men and Women in Female-Dominated Jobs Suffer Wage Penalties

One phenomenon contributing to the gender wage gap is the tendency of wages to fall as the percentage of women in an occupation rises. In particular, workers in “female-dominated” or “predominately female” jobs—jobs such as clerical workers, cashiers, librarians and child care workers, for example, in which 70 percent or more of the workers are women¹⁴—typically earn less than workers in jobs that are predominately male or that are integrated by gender.¹⁵ This section

reports on findings of an analysis designed to capture the “pay inequity” effect of working in female-dominated jobs—that is, the wage penalty women *and* men incur for working in predominately female jobs.

To develop an estimate of the earnings costs for workers in female-dominated jobs, the analysis compares earnings of workers in these occupations with those of comparable workers who are not in predominately female jobs.¹⁶ In other words, workers (women and men) in female-

¹⁴Defining a female-dominated occupation as one in which women make up 70 percent or more of the workers is standard practice in this field. The 70 percent figure represents women’s share of the labor force plus 25 percent. A male-dominated occupation is generally held to be one in which 80 percent or more of the workers are men, since 80 percent represents men’s share of the labor force (55 percent) plus 25 percent.

¹⁵Treiman, Donald J., and Heidi I. Hartmann (eds.). *Women, Work and Wages: Equal Pay for Jobs of Equal Value*. National Research Council: Committee on Occupational Classification and Analysis, Assembly of Behavioral and Social Sciences. Washington, D.C.: National Academy Press, 1981.

¹⁶Occupations that are not female-dominated are those in which fewer than 70 percent of the workers are women. These include integrated occupations in which female and male workers are present in relatively equal proportions, as well as occupations that are disproportionately male.

TABLE 4. MEAN ANNUAL EARNINGS OF WOMEN AND MEN AGED 18 AND OLDER IN FEMALE-DOMINATED OCCUPATIONS*

If Pay Equity Prevailed, 1994-1996 Average, 1997 Dollars

	WOMEN			MEN		
	WHITE (NON-HISPANIC)	MINORITY	*ALL RACES	WHITE (NON-HISPANIC)	MINORITY*	ALL RACES
Population Size	18,690,000	6,910,000	25,600,000	2,667,000	1,346,000	4,013,000
Mean Annual Earnings						
Current	\$19,482	\$18,363	\$19,211	\$26,926	\$20,632	\$25,028
After Pay Adjustment	\$22,938	\$21,775	\$22,657	\$33,826	\$25,410	\$31,287
Increase per Worker	+\$3,456	+\$3,412	+\$3,446	+\$6,900	+\$4,778	+\$6,259
Average Annual Hours	1,670	1,730	1,685	1,845	1,834	1,841
Labor Force-Wide Pay Increase	\$65 billion	\$24 billion	\$89 billion	\$18 billion	\$6 billion	\$25 billion

*Female-dominated occupations are those in which 70 percent or more of the incumbents are women.

*Minority workers include those who are African American, Asian American, Pacific Islander, Native American, Aleut Eskimo or other race and Hispanics who may be of any race.

Source: Institute for Women’s Policy Research calculations based on the Current Population Survey March Demographic Supplements, 1995-1997, for calendar years 1994-1996; all in 1997 dollars.

¹⁷Please see the Technical Appendix for more detailed information about the methodology used for the statistical model. Since no data on the content of jobs (the skill, effort and responsibility required by workers who hold them nor the working conditions in which they work) are available in the CPS, "jobs of equal value" to the female-dominated jobs being studied are approximated by investigating what these same workers would earn in jobs that are not female-dominated.

¹⁸This strategy also has the effect of reducing some of the weaknesses in the data available. For example, the gender differences in the value of age as a proxy for work experience matter less if women are being compared to women and men are being compared to men. Other models were tested, but all resulted in the same magnitude and relative findings among women and men.

¹⁹Minority men would especially benefit from pay equity adjustments, since they are more likely to work in female-dominated occupations than white men are; minority men are 34 percent of the male workers in female-dominated jobs compared with 26 percent of male workers overall.

dominated jobs are compared with workers in nonfemale-dominated jobs who are otherwise of the same gender, age, race, educational level, marital and parental status, urban/rural status, who live in the same region of the country and who work the same number of hours per year in a firm of the same size in the same industry.¹⁷ This strategy, comparing women in female-dominated jobs with women in all other occupations and men in female-dominated occupations with men in all other occupations, has the effect of isolating pay differentials due to job class from all other gender-based discrimination. As a result, this approach may actually understate the extent to which pay equity would boost wages for women workers in female-dominated jobs.¹⁸ Yet even so, as reported in Table 4, the analysis finds very large earnings losses due to the lower pay associated with working in female-dominated jobs:

- Nearly 26 million women of all races who work in female-dominated occupations would earn about 18 percent more per year if they earned as much as comparable women in nonfemale-dominated jobs. For the number of hours these women worked, each would have earned an average of \$3,446 more per year, translating into \$89 billion in income gains for women in predominately female jobs throughout the United States.
- Among the nearly 7 million minority women working in female-dominated jobs, earnings would rise 18.6 percent, for average individual increases of \$3,412 per year. Altogether, pay equity adjustments based on job class would yield a total of \$24 billion in annual earnings for minority women.
- Likewise, the 18.7 million white women working in female-dominated occupations

would receive 17.7 percent more in earnings per year, or an average of \$3,456 each, for total earnings gains of \$65 billion per year.

- At the state level, increases for women of all races would range from a low of \$2,112 per year in Missouri to a high of \$4,707 in Delaware. Annual wage gains for women in predominately female jobs would exceed \$3,000, on average, in 36 of the states. In 34 states, wages would increase by at least \$2,500 for women of color in female-dominated jobs.

Men working in female-dominated occupations also would earn more if they did not suffer inequities based on job class. However, only 8.5 percent of men work in female-dominated occupations compared with more than 55 percent of women. Men in female-dominated jobs earn about 20 percent more per hour than women in these same jobs. Because they work more hours and have higher rates of pay than women in both the female-dominated occupations and nonfemale-dominated jobs, pay equity adjustments for men in female-dominated jobs would actually produce even larger individual gains than for women. Each of the 4 million men of all races working in predominately female occupations would receive an average of \$6,259 more per year. This represents \$25 billion in additional income for male workers throughout the United States. The 1.3 million minority men who work in female-dominated occupations would receive an average of \$4,778 more per year, bringing their annual earnings up from \$20,632 to \$25,410.¹⁹ For all men in female-dominated jobs, state-level increases would range from \$3,533 annually in the District of Columbia to \$8,958 in Delaware; and for minority men, from \$1,918 in Colorado to \$7,996 in Alaska.

SECTION IV.

Union Membership Means Big Pay Gains, Smaller Pay Gaps

As the preceding sections reflect, equal pay would boost workers' pay and working families' incomes. Union representation is another proven and powerful tool for raising workers' wages, particularly for those most subject to labor market discrimination: women and minorities. Unions spell higher pay and more equitable wages for women and workers of color for several reasons:

- Unions routinely bargain for wage increases and related benefits for workers they represent.
- Unions have played a central role in fighting for equal opportunity and combating discrimination. A number of public- and private-sector unions have led the campaign to bring pay equity to the workplace, combining organizing, bargaining, lobbying and lawsuits to win pay equity adjustments totaling hundreds of millions of dollars.
- Unions bring wage setting into the open, making it more difficult for employers to discriminate and helping ensure a stronger voice for all workers.

- Unionization also tends to compress wage differentials between jobs at the top and the bottom of pay scales, further mitigating the effects of race- or sex-based bias.

Table 5 reports median weekly earnings for workers represented by unions²⁰ and nonunion workers by gender and minority status. For every group represented, median weekly earnings are substantially higher for union workers than for their nonunion counterparts:

- Union women earn \$157 more per week than nonunion women (\$568, compared with \$411).

²⁰Union workers are defined as those who are members of a union or whose job is covered by a union or employee association collective bargaining agreement.

TABLE 5. THE UNION WAGE ADVANTAGE

Median Weekly Earnings for Union and Nonunion Workers by Gender and Minority Status for Full-Time Workers, 1997

	UNION	NONUNION	UNION WAGE ADVANTAGE	UNION/NON-UNION WAGE RATIO	UNION PERCENT INCREASE
Women ^a	\$568	\$411	\$157	138.2%	38.2%
White (Non-Hispanic) ^b	\$596	\$440	\$156	135.5%	35.5%
Minority ^{*b}	\$485	\$350	\$135	138.6%	38.6%
Men ^a	\$679	\$539	\$140	126.0%	26.0%
White (Non-Hispanic) ^b	\$715	\$600	\$115	119.2%	19.2%
Minority ^{*b}	\$577	\$400	\$177	144.3%	44.3%

* Minority workers include those who are African American, Asian American, Pacific Islander, Native American, Aleut Eskimo or other race and Hispanics who may be of any race.

Source: ^aU.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1998, Table 41; ^bInstitute for Women's Policy Research calculations based on the Current Population Survey, Outgoing Rotation Group File, 1997.

- Likewise, minority women represented by unions earn \$135 more than minority women who are not in unions (\$485 compared with \$350). Indeed, minority union women out-earn nonunion white women (\$485 compared with \$440).
- The union wage advantage is largest for minority men, at \$177, and smallest for white men, at \$115.

Table 5 also shows the percentage increase in the weekly wages for each group, comparing union workers with nonunion workers. These percentage increases are largest for minority workers, larger for women than for men overall and smallest but still substantial for white men.

Minority women who are represented by unions earn 38.6 percent more than minority women who are not represented by unions. Likewise, minority union men earn 44.3 percent more than those who are not in unions. White women also benefit substantially from union representation, earning 35.5 percent more than those who are not represented by a union. The gain for white men, 19.2 percent, is less, but still a substantial increase.

Union workers enjoy a wage advantage over nonunion workers in every state. Union women receive a wage premium of 30 percent or more relative to nonunion women in 34 states, and the union wage advantage for women is at least 20 percent in all but four states. Because of sample

TABLE 6. THE GENDER GAP FOR UNION AND NONUNION WORKERS

Median Weekly Earnings for Women and Men by Union Status for Full-Time Workers, 1997

	WOMEN	MEN	GENDER WAGE GAP	FEMALE/MALE WAGE RATIO
All Races				
Nonunion	\$411	\$539	\$128	76.3%
Union	\$568	\$679	\$111	83.7%

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, January 1998, Table 41.

constraints, union wage advantages can be computed for women of color in only 27 states (including the District of Columbia); the union wage advantage for minority women is 25 percent or more in 19 of these. Minority men represented by unions enjoy a union wage advantage of 35 percent or more in 25 of the 31 states for which computations are possible. Among men of all races, men represented by unions have a union wage advantage of 35 percent or more in eight states.

Wage gaps are also smaller among workers represented by unions than among their nonunion counterparts. As Table 6 shows, among workers represented by unions, women's wages relative to men's are more than 7 percentage points higher than among nonunion women and men (a

female/male wage ratio of 83.7 percent among union members compared with 76.3 percent among nonunion workers). In other words, the gender-based wage gap is *one-third smaller* among union workers than among nonunion workers. Table 7 shows that the minority wage gap is also smaller among union workers than their nonunion counterparts and especially so among men. The minority/white wage ratio for women is about 2 percentage points larger among union workers than among nonunion workers. Among men, the minority/white wage ratio is 14 percentage points larger. In other words, the minority/white wage gap for men is about two-fifths smaller among union workers relative to nonunion employees.

TABLE 7. THE MINORITY WAGE GAP FOR UNION/ NONUNION WORKERS

Median Weekly Earnings for Minorities and Whites by Gender and Union Status for Full-Time Workers, 1997

	MINORITIES*	WHITES	MINORITY WAGE GAP	MINORITY/WHITE WAGE RATIO
Women				
Nonunion	\$350	\$440	\$ 90	79.5%
Union	\$485	\$596	\$111	81.4%
Men				
Nonunion	\$400	\$600	\$200	66.7%
Union	\$577	\$715	\$138	80.7%

* Minority workers include those who are African American, Asian American, Pacific Islander, Native American, Aleut Eskimo or other race and Hispanics who may be of any race.

Source: Institute for Women's Policy Research calculations based on the Current Population Survey, Outgoing Rotation Group File, 1997.

Conclusion

Persistent wage gaps for working women and people of color and the earnings inequality these gaps connote translate into lower pay, less family income and more poverty for working families. The solution, long overdue, is equal pay for women and minority workers.

As the analyses reported above show, paying working women the wages of comparable men would increase family incomes substantially and cut family poverty rates markedly—at least by half for all family types in the study. Moreover, paying women *and* men in female-dominated jobs wages equal to those of comparable workers in other jobs would significantly boost these workers' incomes.

Unions are crucial weapons in the equal pay fight. Unions play an especially important role for workers most affected by

race- and gender-based wage discrimination—women and minorities—as well as for men who work in female-dominated jobs. Wages are higher for union-represented workers, and the gender- and minority-based wage gaps are smaller. Hence, strengthening labor laws and boosting support for workers' rights to organize and bargain would raise wages for women and people of color, helping to reduce inequality.

Equally important, steps to ensure greater compliance with existing equal pay and employment discrimination requirements, coupled with passage and enforcement of new and tougher laws, also would boost wages for women and minorities significantly. In short, tough enforcement of strong equal pay laws would go a long way toward erasing inequality and closing wage gaps that imperil economic security for millions of working families.

National Summary Table

MEDIAN WEEKLY EARNINGS			SHARE OF WEEKLY EARNINGS OF ALL MEN		EARNING AS MUCH AS COMPARABLE MEN WOULD			
STATE	ALL MEN	ALL WOMEN	PERCENT ALL WOMEN	PERCENT MINORITY WOMEN	RAISE WOMEN'S ANNUAL WAGES ON AVERAGE	REDUCE POVERTY IN SINGLE-MOTHER HOUSEHOLDS		RAISE TOTAL FAMILY EARNINGS IN EACH STATE (IN MILLIONS)
						FROM	TO	
U.S.	\$579	\$431	74.4%	63.7%	\$4,229	25.3%	12.6%	\$200,592
Alabama	493	362	73.4%	60.9%	\$4,829	33.0	16.3	\$3,718
Alaska	762	557	73.1%	69.8%	\$2,815	9.7	3.5	\$326
Arizona	487	399	81.9%	65.7%	\$4,437	37.9	24.7	\$3,256
Arkansas	439	329	74.9%	63.3%	\$3,602	35.8	17.5	\$1,585
California	589	497	84.4%	67.9%	\$4,129	19.2	9.2	\$21,829
Colorado	617	460	74.6%	64.8%	\$4,650	24.7	11.1	\$3,480
Connecticut	692	513	74.1%	61.1%	\$3,316	22.2	11.8	\$2,090
Delaware	598	443	74.1%	65.9%	\$4,415	19.7	8.4	\$616
Dist. of Col.	584	567	97.1%	82.4%	\$3,933	25.8	14.2	\$349
Florida	492	407	82.7%	70.3%	\$4,490	23.6	11.5	\$11,201
Georgia	567	427	75.3%	65.3%	\$3,665	24.4	12.5	\$5,121
Hawaii	562	463	82.4%	79.9%	\$4,692	21.1	4.1	\$969
Idaho	509	382	75.0%	66.8%	\$4,313	34.4	15.7	\$949
Illinois	639	460	72.0%	62.6%	\$4,913	25.4	9.9	\$10,306
Indiana	590	389	65.9%	62.7%	\$5,011	21.0	12.7	\$5,563
Iowa	538	398	74.0%	64.3%	\$3,647	16.7	11.5	\$2,127
Kansas	553	410	74.1%	60.8%	\$3,973	31.5	17.8	\$1,982
Kentucky	539	386	71.6%	61.2%	\$3,565	31.8	16.8	\$2,489
Louisiana	509	339	66.6%	55.0%	\$3,814	34.2	19.1	\$2,626
Maine	521	397	76.2%	N/A	\$4,616	23.3	16.0	\$1,128
Maryland	676	503	74.4%	63.9%	\$4,398	22.4	6.1	\$4,410
Mass.	640	512	80.0%	62.8%	\$4,097	20.3	8.6	\$4,851
Michigan	654	457	69.9%	61.2%	\$5,130	31.1	12.9	\$9,016

	PAY EQUITY FOR FEMALE-DOMINATED JOBS WOULD RAISE ANNUAL WAGES, ON AVERAGE:				UNION WAGE ADVANTAGE			
	ALL WOMEN	MINORITY WOMEN	ALL MEN	MINORITY MEN	ALL WOMEN	MINORITY WOMEN	ALL MEN	MINORITY MEN
	\$3,446	\$3,412	\$6,259	\$4,778	138.2%	138.6%	126.0%	144.3%
	\$3,177	\$2,459	\$5,323	\$5,139	148.9%	149.0%	137.5%	137.0%
	\$3,320	\$1,872	\$8,318	\$7,996	136.8%	135.1%	135.9%	163.5%
	\$3,169	\$3,309	\$5,655	\$4,033	123.0%	N/A	132.6%	153.8%
	\$2,830	\$2,358	\$7,426	N/A	143.4%	N/A	115.4%	N/A
	\$4,280	\$4,125	\$6,519	\$5,462	139.4%	160.3%	136.9%	159.7%
	\$3,260	\$2,915	\$6,188	\$1,918	128.2%	153.1%	125.7%	136.4%
	\$2,839	\$2,751	\$5,349	\$6,456	139.8%	150.0%	112.6%	145.9%
	\$4,707	\$6,796	\$8,958	N/A	130.6%	120.0%	128.7%	166.7%
	\$3,637	\$3,299	\$3,533	\$3,329	112.2%	122.5%	112.3%	140.8%
	\$4,135	\$2,899	\$5,815	\$3,936	144.3%	141.5%	135.4%	150.0%
	\$3,850	\$3,891	\$4,616	\$4,171	145.4%	138.9%	116.4%	133.5%
	\$3,888	\$4,059	\$5,748	\$6,477	122.8%	128.0%	135.9%	144.2%
	\$2,734	\$1,771	\$7,229	N/A	153.9%	N/A	129.6%	N/A
	\$3,459	\$3,472	\$6,454	\$4,841	117.6%	120.0%	114.6%	151.8%
	\$3,116	\$2,771	\$6,705	N/A	147.3%	N/A	120.2%	153.0%
	\$2,318	N/A	\$5,940	N/A	129.5%	N/A	118.3%	N/A
	\$3,242	\$2,417	\$5,731	\$4,057	146.7%	N/A	130.3%	N/A
	\$2,716	\$2,673	\$4,116	N/A	128.0%	N/A	126.4%	N/A
	\$2,707	\$2,820	\$6,459	\$4,103	125.1%	127.4%	121.2%	160.0%
	\$2,957	N/A	\$7,695	N/A	140.8%	N/A	141.3%	N/A
	\$3,743	\$2,993	\$7,790	\$6,450	146.3%	160.5%	*	120.0%
	\$3,536	\$4,132	\$6,950	\$3,521	121.6%	104.0%	106.0%	125.0%
	\$3,113	\$3,382	\$6,420	\$3,644	137.4%	146.6%	125.2%	146.7%

*No significant difference.

MEDIAN WEEKLY EARNINGS			SHARE OF WEEKLY EARNINGS OF ALL MEN		EARNING AS MUCH AS COMPARABLE MEN WOULD			
STATE	ALL MEN	ALL WOMEN	PERCENT ALL WOMEN	PERCENT MINORITY WOMEN	RAISE WOMEN'S ANNUAL WAGES ON AVERAGE	REDUCE POVERTY IN SINGLE-MOTHER HOUSEHOLDS		RAISE TOTAL FAMILY EARNINGS IN EACH STATE (IN MILLIONS)
						FROM	TO	
Minnesota	634	477	75.2%	65.9%	\$3,332	23.0	7.9	\$3,203
Mississippi	464	343	73.9%	64.7%	\$4,690	37.9	15.6	\$2,092
Missouri	568	419	73.8%	64.3%	\$2,977	21.8	10.9	\$3,148
Montana	497	344	69.2%	57.9%	\$4,955	31.5	16.5	\$834
Nebraska	533	386	72.4%	58.5%	\$4,436	30.1	19.1	\$1,465
Nevada	555	410	73.9%	62.0%	\$3,726	9.9	5.4	\$1,157
New Hamp.	603	459	76.1%	60.5%	\$4,803	12.5	6.4	\$1,167
New Jersey	667	503	75.4%	60.0%	\$3,770	18.6	6.5	\$5,277
New Mexico	508	391	77.0%	63.6%	\$4,760	28.0	16.1	\$1,353
New York	603	485	80.4%	70.1%	\$4,080	21.2	10.5	\$11,792
N. Carolina	507	394	77.7%	68.2%	\$3,618	35.3	22.3	\$5,063
N. Dakota	509	347	68.2%	N/A	\$4,217	27.5	16.1	\$546
Ohio	595	427	71.8%	64.7%	\$5,160	23.1	11.0	\$10,279
Oklahoma	493	362	73.4%	64.9%	\$4,481	28.9	17.3	\$2,599
Oregon	553	416	75.2%	57.9%	\$3,886	30.0	16.3	\$2,259
Penn.	609	437	71.8%	65.7%	\$4,623	19.4	9.1	\$9,559
Rhode Island	575	465	80.9%	51.5%	\$3,917	19.7	10.4	\$707
S. Carolina	499	379	76.0%	64.1%	\$3,998	35.2	16.4	\$2,713
S. Dakota	479	358	74.7%	66.8%	\$3,849	30.3	14.6	\$571
Tennessee	512	374	73.0%	70.3%	\$4,234	26.1	14.5	\$4,169
Texas	512	402	78.5%	62.5%	\$3,789	31.3	18.4	\$12,528
Utah	552	408	73.9%	58.0%	\$4,051	21.5	9.3	\$1,456
Vermont	531	419	78.9%	N/A	\$5,051	30.2	16.2	\$642
Virginia	586	461	78.7%	64.8%	\$4,212	22.6	12.5	\$5,218
Washington	643	491	76.4%	67.2%	\$3,821	25.7	6.7	\$3,950
W. Virginia	516	370	71.7%	N/A	\$4,033	34.1	16.3	\$1,122
Wisconsin	613	420	68.5%	55.8%	\$4,938	24.2	11.2	\$5,324
Wyoming	579	364	62.9%	51.8%	\$4,497	29.6	19.2	\$408

	PAY EQUITY FOR FEMALE-DOMINATED JOBS WOULD RAISE ANNUAL WAGES, ON AVERAGE:				UNION WAGE ADVANTAGE			
	ALL WOMEN	MINORITY WOMEN	ALL MEN	MINORITY MEN	ALL WOMEN	MINORITY WOMEN	ALL MEN	MINORITY MEN
	\$2,161	\$1,685	\$4,050	N/A	126.1%	N/A	115.3%	N/A
	\$3,625	\$4,179	\$6,671	\$4,643	137.2%	142.9%	127.8%	150.0%
	\$2,112	\$3,351	\$5,190	N/A	139.0%	0.0%	125.1%	150.0%
	\$2,595	\$3,380	\$5,794	N/A	162.5%	N/A	130.9%	N/A
	\$3,564	\$3,528	\$5,376	N/A	139.0%	N/A	128.0%	N/A
	\$2,522	\$2,565	\$4,920	\$4,133	120.3%	N/A	124.5%	133.3%
	\$4,252	N/A	\$5,397	N/A	130.7%	N/A	121.3%	N/A
	\$2,754	\$3,387	\$5,539	\$4,403	119.8%	105.0%	101.0%	N/A
	\$3,557	\$3,368	\$7,414	\$6,281	135.7%	146.2%	122.0%	144.3%
	\$3,506	\$3,930	\$6,457	\$5,590	113.9%	118.5%	115.1%	137.5%
	\$3,366	\$3,384	\$5,788	\$3,205	122.8%	135.9%	123.4%	166.7%
	\$3,157	\$2,205	\$4,360	N/A	151.5%	N/A	134.3%	N/A
	\$3,169	\$3,421	\$7,408	\$3,671	128.5%	137.1%	115.8%	139.1%
	\$3,094	\$3,210	\$5,757	\$5,401	152.3%	142.4%	127.5%	172.2%
	\$3,844	\$2,421	\$6,764	N/A	136.2%	N/A	134.6%	183.0%
	\$4,284	\$3,488	\$6,988	\$4,603	139.7%	118.7%	107.7%	101.9%
	\$3,195	\$1,535	\$6,954	\$4,683	132.6%	N/A	115.4%	N/A
	\$3,827	\$4,169	\$6,178	N/A	126.4%	N/A	136.0%	N/A
	\$2,892	\$745	\$3,608	N/A	166.8%	N/A	115.3%	N/A
	\$2,415	\$2,492	\$6,063	\$2,806	147.0%	115.6%	119.0%	107.1%
	\$3,109	\$2,741	\$5,921	\$4,016	146.1%	138.1%	123.0%	138.4%
	\$3,376	\$2,334	\$5,921	N/A	137.5%	N/A	133.3%	N/A
	\$4,468	N/A	\$7,518	N/A	153.8%	N/A	124.5%	N/A
	\$3,530	\$3,826	\$8,207	\$5,292	136.7%	137.0%	116.8%	136.4%
	\$4,247	\$2,669	\$6,553	N/A	127.4%	N/A	128.2%	N/A
	\$3,884	N/A	\$4,767	N/A	145.7%	N/A	136.0%	N/A
	\$3,615	\$2,814	\$7,967	N/A	138.8%	130.7%	116.6%	176.5%
	\$2,326	\$3,459	\$5,305	N/A	158.0%	N/A	132.9%	N/A

Technical Appendix

Data Description

The data used in the analysis are taken from the Current Population Survey (CPS), a nationally representative data set that provides current estimates of the economic status and employment activities of the population of the United States. The CPS is a monthly survey of about 60,000 households conducted by the Bureau of the Census for the Bureau of Labor Statistics. Respondents are interviewed for four consecutive months in one year and reinterviewed for another four months at the same time the following year. The CPS is an ongoing survey that provides the most extensive and reliable information about the U.S. labor market.

The Outgoing Rotation Group file consists of respondents who are in their last interview month in both interview years. The Outgoing Rotation Group respondents are asked more detailed earnings and employment questions than are asked in the monthly core survey. Since one-quarter of the sample of approximately 60,000 households is rotated out each month, a full 12 months of data are needed to produce reliable state-level estimates. In 1997, this sample consisted of approximately 230,000 households. The Outgoing Rotation Group file is chosen for the calculation of the gender wage gap, minority wage gap and union wage advantage since detailed questions about the union status of workers are asked only in these months.

The March Supplement of the Current Population Survey, also known as the Annual Demographic File, provides additional information about annual earnings and income data that are not available from the monthly core survey. Three years of the March CPS Supplements for the years

1995-1997 are combined to construct a sample size of approximately 175,000 households, a sample large enough to provide state-level estimates. This is the primary data set used in this study for the analysis of earnings losses due to lack of equal pay and earnings gains if equal pay existed. All employment and earnings data gathered in March refer to the previous calendar year. The means reported are, therefore, estimates over the combined three-year period and refer to the experience of respondents in years 1994-1996. All dollar values of income and earnings variables are converted to 1997 real dollars using the Consumer Price Index. The sample is weighted by the March supplement weight standardized for each year. To obtain population weights to make the data set representative of one annual national sample, we take the inverse of the normalized weights and divide by the average of the sample sizes of the three survey years.

The Wage Gap Analysis

The Outgoing Rotation Group file of the 1997 CPS is used to calculate the gender wage gap, the minority wage gap and the union wage advantage. The wage gaps are calculated using the median weekly wages of full-time workers. Full-time workers are defined as those who usually work 35 hours or more per week. Union status is defined as those who are members of a union or whose job is covered by a union or employee association collective bargaining agreement. The wage gap, as reported, is a gross wage gap that is not corrected for differences between women's and men's educational attainment, work experience or hours of work (while all work more than 35 hours per week, some work more than others).

Family Earnings Gains

The analysis of family earnings gains is based on a model that predicts women's earnings as if they were not subject to wage inequality. In this model, we control for many of the factors that contribute to wage differences and account for a portion of the wage gap and then correct women's earnings as if the unexplained portion of the wage gap in this analysis did not exist.

An ordinary least squares (OLS) model is employed that controls for the differences between men and women in age, education, annual hours of work, metropolitan residence and region of the country. The dependent variable is the natural log of annual earnings. The variables for age and age squared are included as proxies for work experience, since specific information about work experience is not available in the CPS. This is a more realistic assumption for men than for women because at any given age men typically have spent more years in the workforce and fewer years out of the workforce. Use of this experience variable (for lack of a better one in this data set) tends to overstate women's experience and overstate their earnings losses relative to comparable men (they may be less comparable than the data indicate). On the other hand, including variables such as education and hours of work, which may themselves be affected by labor market discrimination against women (causing them to invest less in human capital and work less than they otherwise would), tends to understate their true earnings losses relative to men.

In this model, men's earnings are predicted based on a sample of men aged 18 or older with positive earnings and positive hours of work during the year. Since a key component of the analysis is the contribution of women's earnings to family income and the resulting changes in family poverty rates if women's earnings were not subject

to discrimination, the sample of men is restricted to those who earn at or below the 90th percentile of men's annual earnings, or \$65,412 in 1997 dollars. This selection assures that the predicted earnings for those at middle and lower income levels are not upwardly biased by the few high earners in the sample. Poverty rates are calculated using the preliminary poverty thresholds for 1997 adjusted for family size provided by the U.S. Bureau of the Census.

Women's earnings are predicted using the coefficients from the men's earnings equation (this method assumes that women retain their own human capital but are rewarded at the same rates men would be) and calculated only for the actual hours that women worked during the year. The average earnings estimates include only those predicted to have positive earnings adjustments. Those with reduced predicted earnings are assigned their actual earnings during the year.

The model is used to estimate women's earnings in the absence of gender-based wage inequality. The control variables for marital status and the presence of children younger than 18 are explicitly excluded since these characteristics are often linked to gender-based discrimination. For instance, higher earnings are predicted for men who are married, but the opposite is true for women. Likewise, the presence of children often predicts lower earnings for women but does not have a significant effect for men.

Married women and single mothers include all those aged 18 and older. Single women (never married, divorced, separated and widowed) are limited to those 25 and older who live alone; these women are clearly dependent on their own earnings and for them it is easy to calculate household income. Many other single women, who live in a variety of household formations, also suffer from wage discrimination, but it is more difficult to determine the

relevant household income for complex households, whose members may or may not pool income with each other.

Discrimination Based on Job Class

To isolate the effect of gender composition of occupations on earnings, we estimate ordinary least squares (OLS) earnings equations following the methodology of Figart and Lapidus (1995).²¹ In an effort to isolate the effects of pay inequity only (pay differences due to the gender typing of jobs), this model includes additional variables that capture other sources of wage differences between women and men. The samples for both women and men include all those 18 and older with positive earnings and hours of work during the year. An occupation is defined as female-dominated if 70 percent or more of the workers in the occupation are women. A total of 500 different occupations are included in the analysis. Separate equations are estimated for women and men to measure reliably the effect on earnings from working in a female-dominated occupation. Using estimates from the regression model, the earnings of women in female-dominated occupations are predicted as if they were to receive the same earnings as women who are not in female-dominated occupations. Likewise, the earnings of men in female-dominated occupations are predicted as if

they were to earn the same as men who are not in female-dominated occupations.

The dependent variable in the model is the natural log of annual earnings. The independent variables include educational attainment, race, marital status, the presence of a child younger than 18, residence in a metropolitan area, region of the country, firm size, industry, yearly hours of work and percentage of workers in the occupation who are female. The variables for age and age squared are included as proxies for work experience because a specific experience variable is not available in the CPS.

In calculating the pay adjustments due to workers in female-dominated occupations, it is assumed that no worker would incur a loss as a result of the implementation of equal pay for work of equal value. If the model predicts reduced earnings, the actual earnings of the person are assigned. This method provides a reliable estimate for the average movement in earnings for the entire group of workers in female-dominated occupations.

National Summary Table

The state data reporting the raise in annual wages that women would receive if they earned the same as comparable men is a weighted average of what women in the three family types we studied would gain. The family types are married working women, working single mothers and self-supporting single women.

²¹Figart, Deborah M., and June Lapidus. "A Gender Analysis of U.S. Labor Market Policies for the Working Poor." *Feminist Economics*. Vol. 1:3, pp.60-81. Fall 1995.