

Comparable worth: how do we know it will work?

The debate over comparable worth obscures the lack of consensus on the definition and goals of such a policy, and of data for informed decisionmaking

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The title of this article poses a question to which there is a very short answer. We don't. We are completely unable to predict the outcomes of an effective comparable worth policy, whether mandated by law or adopted by private decisionmakers. Our ignorance stems from the lack of data with which to build a viable economic model. The issue is, of course, too new for historical evidence or even case studies to provide much help.

The dearth of useful data is due primarily to the fact that comparable worth itself comprises several different issues. Most of these issues have, in fact, emerged from analyzing statistics gathered for other purposes. But comparable worth has frequently been proposed as a solution without clearly defining the problem, partly because of insufficient data, and partly because of insufficient analysis of existing data.

The following discussion will elaborate on these statements. It concludes that efforts to design data collecting systems or even to tabulate and amass those data that already exist lag behind efforts to litigate and legislate comparable worth. It is highly likely, therefore, that comparable worth as a policy will be adopted or rejected on the basis of factors other than reasoned analysis.

Defining comparable worth

The term "comparable worth" is difficult to define. Whatever it is, the concept emerged after the passage of the

Civil Rights Act of 1964. Title VII of the act makes it an unlawful employment practice for any employer to discriminate on the basis of race, color, religion, sex, or national origin. Title VII specifically mentions hiring and discharge, compensation and conditions of employment, and the limiting of opportunities for employment.

Nowhere in the 1964 act, or in the legislative history preceding its passage, or in its predecessor, the Equal Pay Act of 1963, was the term comparable worth mentioned or its essence discussed in other ways. So the concept did not originate with Title VII, whether or not it can be justified by that legislation. Rather, the notion of comparable worth emerges from a specific interpretation of statistical estimates. These estimates show a significant and continuing disparity between men's wages and women's wages, and between the wages of blacks and whites. The data describe an existing condition, which the use of comparable worth seeks to remedy. It must be noted at once that most discussions move from simple descriptive statistics to comparable worth as the remedy with little attempt at analyzing the data, assessing their applicability, or rigorously defining the problem.

Examples of the difficulties in defining comparable worth and its aims abound in the press. When the issue arose during the 1984 Presidential campaign, one political writer identified the concept as "a means of raising the income of working women."¹ More recently, however, another commentator defined comparable worth as a "practice . . . designed to increase the pay of workers in female-dominated fields such as nursing to a level of men in a field requiring comparable labor."²

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These two quotations share one characteristic: they both report comparable worth as a solution to a problem. But they identify different problems. One view, widely held, sees comparable worth as a remedy for low incomes and growing poverty among women. Another suggests that comparable worth is the remedy for the earnings differential between male jobs and female jobs. Proponents of both rely on statistics to describe the problem.

The case for comparable worth as a remedy for poverty among women is a very general or macroeconomic statement referring to women in aggregate. Thus, those who seek to remedy such poverty quote data on earnings of women compared to men and, most frequently, the familiar figure that full-time year-round workers who are female earn about 60 percent as much as their male counterparts. They then explicitly or implicitly translate these earnings figures into income.³

The preponderance of low incomes among women can be found in many different sets of statistics. To advocate comparable worth as a means of raising these incomes, however, often rests on the premise that discrimination against women exists in the workplace. The same assertion is required in the other line of advocacy, which sees comparable worth as a remedy not so much for poverty as for differences in wages.

This second notion of comparable worth has frequently been called "pay equity" and proposes to do away with obvious and sometime noteworthy differentials in wages between occupations. Again, statistical evidence can be quoted at length. However, unlike the estimates cited in support of comparable worth as a general remedy for poverty among women, these data refer to one market and, hence, constitute the microeconomic approach.

The use of data on interoccupational wage disparity can be illustrated by testimony before a 1984 Congressional hearing that contrasted monthly salaries for city or State government workers in various job classifications—for example, a senior carpenter at \$1,080 and a senior legal secretary at \$665, or a senior accounting clerk at \$836 in pay and a streetsweeper at \$758.⁴ Jobs paying higher wages were found to be held almost exclusively by men, with women dominating the lower-wage jobs. Again, the proposed remedy (without any very careful delineation of the problem) was to implement comparable worth in determining wages.

Is discrimination the culprit?

The discrimination charge also rests on statistical evidence. First, occupational data from the Bureau of the Census, the Bureau of Labor Statistics, and other public and private sources have been tabulated to show the percentages of males and females in various jobs, which can then be classified as male-dominated (or male-intensive), female-dominated, or neutral.

Exactly what percentage of jobholders in an occupation

must be of the same sex for it to be sex-typed is not often discussed, and yet this is a good example of the kind of analysis that needs to be undertaken. Because women make up about half the labor force, one could argue that the only "neutral" occupations are those with between 45 percent and 55 percent female jobholders. But because women make up less than half the full-time labor force, this definition can be disputed. Other rules for sex-typing of jobs can easily be devised; the point is that insufficient research has been done to establish general agreement on this rather simple point. It is also true that substantial movement of women between men's and women's jobs occurs.⁵

Notwithstanding, comparable worth advocates and opponents alike refer to "men's jobs" and women's jobs." Of course, these terms have also been used for years by anthropologists, historians, and other observers of various cultures and of the division of labor between the sexes. What is at issue is an attempt to use statistics to turn this condition into a problem and to advocate comparable worth measures as a solution.

Following the sex-typing of jobs, the pay disparity argument turns to the data on wages and earnings in each occupation. Most arrays find women's jobs at the low end of the pay scale with men's jobs at the upper end, and some remarkably persuasive inverse correlations between the proportion of jobholders who are female and the level of earnings have been calculated.

There are then two ways by which to conclude that discrimination exists. One is to assume that women are being confined to the lower-wage jobs. The other is to hold that women tend to enter certain occupations, and that those jobs pay less because they are "female jobs." Both arguments can be found in the literature, although they have different implications with respect to the remedy of comparable worth, defined in this case as pay equity.⁶

If discrimination exists because women are crowded into low-paying jobs, then the immediate remedy would appear to be removal of the barriers to their employment in high-paying occupations; presumably, this remedy was made available by Title VII. The argument for the new remedy of comparable worth rests on the charge that Title VII has not worked, and that not enough progress in job integration has occurred since the 1964 Civil Rights Act was passed. Thus, something stronger than merely making discrimination illegal is needed, something like an adjustment of wages.

If, on the other hand, the discrimination exists because all jobs held predominately by women (for whatever reason) are paid less than all jobs held predominately by men because women's work is valued less, then removing obstacles to employment would not have any effect. Indeed, evidence exists that, as formerly male jobs (stenographers at the turn of the century and bank tellers during the postwar years) have become almost exclusively female, relative pay levels for those occupations have fallen. It follows, according to this line of reasoning, that it will do no good to admit women

to men's jobs, that what is needed is to raise the prevailing low levels of pay for female jobs. Hence, the need for comparable worth.

The search for the "just price"

This argument comes close to implying that work has an intrinsic or innate value, quite apart from the monetary wage it commands in the labor market. Such a notion is neither statistically demonstrable nor part of any economic theory, representing instead a philosophical and particularly ethical approach to the question of production and income. Sometimes it is made explicit: "People who are in lifesaving, life-molding people jobs such as nursing and teaching are repeatedly told through their paychecks that their work is less important than occupations which deal with machines or dollars."⁷ A radical interpretation states, "If the discussion of what makes work worthy is extended to the grass roots, we may well determine that all jobs are equally worthy. We may decide that workers in unskilled, routinized jobs may be doing the hardest work of all, for such work saps and denies their very humanity."⁸ As more than one critic has pointed out, such reasoning is reminiscent of the medieval notion of a "just price."

Once the term "equity" is introduced, whether by ethicists deciding what is deserving, or by philosophers determining what basic, inherent value exists in work, or by legislators or lobbyists pushing for specific reform, the term "fair" comes into wide use. It has respectable antecedents: the country has a Fair Labor Standards Act, public utilities are regulated to allow a fair return on their investors' capital, and most tax reform proposals aim to make the system more fair. Nonetheless, the word "fair" makes both statisticians and economists uneasy, because no one knows how to define it.

For advocates of comparable worth who argue for pay equity, "fairness" consists of the wages paid to men. That is, if women's jobs are to be paid according to their true value, following the ethical argument, they should be paid as much as men's jobs. If women's wages are depressed because of occupational segregation, following the argument that finds discrimination responsible for sex-typed jobs, then they should be raised to the level of men's wages. Such equalization of wage rates would itself promote more integration of jobs. Finally, following the argument that seeks to remedy feminine poverty, if women are poor because they can only work at low-paying jobs, then they will not be poor if they earn as much as men doing equivalent work. The three arguments for comparable worth so far examined do not anywhere urge a reduction of men's wages, or even splitting the difference.

It is this *de facto* definition of "fair," this equation between equity and raising wages for women, that leads some major actors in the arena to abandon the term comparable worth altogether. So, there is one more interpretation to consider. It is the phrase "sex-based wage discrimination,"

and constitutes the most narrow of all the comparisons between men and women in the workplace. The clearest exponent of this approach is probably Winn Newman, the attorney who has represented the American Federation of State, County and Municipal Employees (AFSCME) in lawsuits and complaints filed with the U.S. Equal Employment Opportunity Commission, and testified before Congressional committees and various State investigating boards. He explains:

Basically, comparable worth is not the issue that should be involved in any of these discussions. Discrimination is the issue. The law, Title VII of the Civil Rights Act, prohibits discrimination in compensation on the basis of sex or race, and we know also that law does not refer to, discuss or even contain the words "comparable worth." Comparable work and pay equity have become popular but not legal terms and indeed (are) now being used as a red herring, if you will, to avoid the issue of sex-based wage discrimination.⁹

This argument is narrow because, first, it refers only to the decisions made by the individual employer. It does not compare the wages of beauticians and barbers via census occupational data, but rather the wages of all men employed by a given enterprise with those of all the women there employed. The issue is not one of determining the innate value or worth of any particular job, whether held by men or women, but of looking at the pattern of wages across all jobs. As often happens, reference is made to the 1981 Supreme Court decision in the case of *County of Washington v. Gunther*, although, unfortunately, that decision was itself taken on extremely narrow grounds. Newman, however, argues that:

The Supreme Court found that if a differential in pay results in whole or in part from sex discrimination, such wage differential is illegal if the skill, effort and responsibility of the different "male" and "female" jobs is equal or if the difference in skills, effort and responsibility does not support the amount of the differential.¹⁰

The various legal actions brought under the heading of sex-based wage determination also rely heavily on statistical evidence. There may be a statistical analysis of wages showing a pattern of women's pay rates being consistently below men's, or a statistically significant inverse correlation between salary and the percentage of employees in a given position who are women. Or there may be resort to job evaluation techniques, which also rely on statistical methods.

A look at the statistics

There have now been distinguished four different meanings of the term "comparable worth," each of which uses statistical data to describe the issue, and each of which proposes the same remedy, namely an increase in the wages of jobs held by women. These are the arguments that female poverty represents discrimination resulting in low earnings; that different occupations pay higher or lower wages ac-

ording to whether they are male-dominated or female-dominated, and that such sex segregation represents discrimination; that jobs dominated by women pay low wages because women's work is not properly valued; or that a particular employer may set wages so as to discriminate against women in all jobs. Each of these issues can be clarified by using more specific statistics, but sufficient data to settle the argument one way or another do not exist.

The first issue is that of female poverty. The number of poor in the United States began to decline in the early 1960's, dropping about 11 million persons between 1959 and 1968. The decrease consisted almost entirely of men; the number of poor families headed by men declined from 6.4 million to 3.3 million.¹¹ Over the same period, the number of married women in the labor force rose by 4.6 million, increasing their labor force participation rate from 30.9 percent to 38.3 percent.¹² Clearly, the larger number of two-earner families meant a smaller number of poor families.

The percentage of families at or below the poverty level supported by women rose during the 1960's, and beginning in 1970, there was a sharp and continuing rise in the number of such families as well. The result is that, as of 1983, the number of poor families supported by women was roughly equal to the number of poor families headed by men, although the poverty rate for the latter was only one-third of that of the former. In that year, 47 percent of all poor families were maintained by women and 62 percent of the needy without families were women.¹³ So there is no argument about the "feminization of poverty"; it clearly has taken place.

The first useful clarification of this issue distinguishes income (poverty-level or otherwise) from earnings, and notes the existence of other types of income received, particularly transfer payments. First, families with two earners became more common between 1959 and 1983: During the 1960's, when poverty declined by about one-third, the number of one-earner poor families headed by men was cut by more than one-half.¹⁴ By 1983, only 10 million families contained only one worker and 2.3 million of these were poor. Almost half (47 percent) were families maintained by women.¹⁵

Even in families supported by only one worker, income is often not equal to earnings, because property income and various types of pensions, income assistance, or other transfer payments also exist.¹⁶ One type of transfer, means-tested government cash and noncash benefits, was received by 11 percent of all families that had one worker or more with no one unemployed in the first quarter of 1984; among families supported by working women in which no one was unemployed, 44 percent received such aid in addition to their wages.¹⁷ But, clearly, the absence of a spouse plays a primary role in determining poverty. For women who maintain families, the scantiness, both in frequency and amount, of child support payments has now been documented by periodic studies which show, among other things, that in about

13 percent of such cases poor families would not be poor if absent fathers made the child support payments awarded or agreed to.¹⁸ Obviously, such support payments amount to only a fraction of what the family would receive were there another earner present.

Quite aside from the prospect of having two earners, the presence of another adult (preferably a spouse) can enhance the earnings capacity of the sole support of the family. When child care can be shared, more job opportunities become available, and workers can spend more hours on the job. Earnings reflect not only wage rates but hours worked, and the poverty of single mothers arises partially from a scarcity of hours available for work.¹⁹ The time constraints affect not only employment potential but also availability for education or training that would allow advancement in the labor market. Finally, government income maintenance programs themselves impose constraints on the earnings of women supporting families, including criteria designating an earnings threshold when more than one type of public assistance is received, which add to the discrepancy between earnings and income.

In short, the existing cross-sectional data suggest that it is the state of being single with a family to support that results in poverty as much as any other factor, such as earning low wages. This conclusion has been reinforced by longitudinal data showing that a marital breakup reduces income for the women and children involved by about 10 percent annually, with no similar impact on the men.

In light of the highly complex reasons for poverty among women, those who advocate comparable worth as a means of improving the welfare of the poor offer a simplistic, and probably misguided, solution. It is not clear that raising wages would help either the working or nonworking poor, for whom the constraints on employment would be unaffected. Perhaps more importantly, the advocates of comparable worth as a means of reducing poverty among women implicitly shift a parental responsibility away from men to women. The case for equity surely requires that both parents support children, rather than that children be lifted out of poverty by changing their mothers' wage rates. A more equitable remedy for female poverty than comparable worth would be effective action in collecting financial support from absent fathers.

The second argument in favor of comparable worth, that there is an occupation-based pay differential between men and women, can also be clarified by wider use of existing statistical data, particularly more specific details on both wages and occupations. The average earnings estimates commonly used to derive female-male earnings differences are very general statistics. They are influenced by, and yet tend to mask, the diverse micro level observations that make them up. Thus, because there has been a steady increase in the percentage of women in the labor force, the earnings average for all women is depressed by data for the high proportion of new workers earning entry-level wages. Sim-

ilarly, the wages of older women clearly reflect their much more limited opportunities at the time they entered the labor market. The aggregated estimates can be refined for analysis in many ways: using weekly rather than annual earnings, using weekly earnings adjusted for hours worked per week, using people of the same age, adjusting for experience as well as age, and, finally, using data for different occupations rather than combining all the people who work for a living into one of two groups depending on their sex. Studies have shown that each of these refinements reduces the estimated gap between what men and women earn.

Primarily, however, as Commissioner of Labor Statistics Janet L. Norwood has pointed out, "Women in general earn less than men today and much of the difference is because the jobs that women hold are generally paid at lower rates than the jobs held by men."²⁰ That finding, of course, forms the basis for the two arguments for pay equity: one, that women are crowded into female occupations and hence receive lower pay, and the other, that what women do, whatever their occupation, is valued less than the work of men. Here again, however, the term "occupation" can be described in both broad and narrow terms.

In the 1980 Standard Occupational Classification of the Census, 13 major occupational groups contain 503 categories. About 60 percent are male-intensive, that is, with 20 percent or fewer jobs held by women. Using this classification scheme, a decrease in segregation occurred between 1970 and 1980: more people were employed in "neutral" occupations and fewer men and women were employed in occupations dominated by their sex.²¹ Each of these occupational categories, however, remains very broad. For example, more than half a million people are employed as assemblers, as manufacturing inspectors, as packers and wrappers, or as sewers and stitchers. Obviously, each of these categories includes jobs varying widely in skill requirements, industry location, and rates of pay.²²

Other data exist, however, to give an even finer breakdown of occupations, and the results show the earnings gap to be much smaller within narrowly defined categories than in the 2- or 3-digit groupings most commonly used. Thus, the female-male pay ratio for clerical and kindred workers, on the basis of average weekly earnings, was 68 percent in 1982. But the ratio of female to male pay on a monthly salary basis in 1981 ranged from 84 percent to 94 percent for four grades of accounting clerks.²³ When data are gathered from the same establishment, the averages calculated for each occupation turn out to be very widely dispersed. Furthermore, the gap between men and women does not always appear, and in some cases the female-male ratio exceeds 100.²⁴

This kind of research also confirms the extent to which women work in fewer occupations, largely dominated by their own sex, than do men. As finer and finer occupational classifications are explored, subsets of male-dominated or female-dominated jobs appear. Thus, within the legal

profession a smaller percentage of women enter criminal law than civil practice, and in the economics profession women are underrepresented in the areas of macro theory and international economics. Other examples exist elsewhere: psychiatry and pediatrics for women physicians, but urology and surgery for men; teaching rather than research for most female scientists of any specialty; and for female statisticians, applied statistics more than research or management.²⁵

Finally, when jobholders are classified by rank within a narrowly defined occupation, the earnings gap narrows appreciably, with the ratio rising to 100 frequently and with instances of women being paid more than men in the same occupation and rank. However, the percentage of women at high ranks generally is small, suggesting that if occupational segregation disappears with more detailed definitions of occupation, segregation by status or rank may remain. The phenomenon has been noted generally in business. Only one female chief executive officer currently is found among the Fortune 500 group of firms, and one researcher was forced to expand the universe for a study of women executives to the Fortune 1000 list after the smaller group of firms yielded too few cases. People in academia also know about this phenomenon: fewer than 100 women in the country hold the rank of professor of economics, although several thousand instructors, lecturers, and assistant professors of economics are female. This may be viewed as another type of discrimination, in which women have been excluded from positions of authority, or it may be regarded simply as the natural outcome of recent entry of women into hitherto exclusively male fields, where it takes time to rise to the top.

Although this kind of statistical analysis has been widely available for some years, with various studies providing evidence about the extreme complexity in any description of the male-female earnings gap, no neat and persuasive summary has appeared that explains away, *in toto*, the possibility of discrimination against women through either occupational segregation or denial of opportunities or promotion. On the contrary, the outcome for serious students has been a search for more and better data. The advocates of comparable worth, on the other hand, rarely refer to any of these studies, and when they do, tend to dismiss them as partial or imperfect (which of course they are) and as having no relevance for the movement to raise women's wages to the level of men's pay.

A case-by-case approach needed?

Nonetheless, the argument for pay equity to remedy discrimination clearly requires more data to clear up all the details. Why do the percentages of men and women in sex-typed occupations vary by region? Waiters and bartenders, bus drivers, and real estate agents illustrate this question; data to answer it are not available. Presumably, comparable worth determinations would have to differ by region, and

perhaps locality, if the "maleness" or "femaleness" of a given job varies across the country.

The inevitable conclusion is that any remedy has to be applied on a case-by-case basis, and that the facts of each case may, and probably will, differ for all the reasons so far discussed and many not mentioned. It is for this reason that the last definition of comparable worth, which eschews the phrase altogether, insists that the issue is sex-based wage discrimination. The data clearly show that the male-female earnings gap differs widely across employers when jobs are defined as precisely as possible, and therefore the pattern of wages for each employer must be analyzed. Not surprisingly, most of the action is taking place within city, county, and State governments, and through union-management negotiations.

Sociologists and institutional economists have identified the various ways in which a workplace, or an employing enterprise, has a culture of its own which determines the internal operations of the firm to a considerable degree. Clearly, some companies have been more responsive than others to affirmative action, or to demands for greater safety both in the plant and in the community. So, the goal of eliminating sex-based wage discrimination will have more appeal to some than to others, and the action taken will reflect the internal socio-political environment.

Should the study of a specific organization reveal a "pattern of disparities in wages between male and female jobs,"²⁶ the remedy called for is not a blanket raising of women's wages to equal those of men, but rather an evaluation of the requirements for, and duties of, all positions in the organization. Just as the issue has narrowed progressively through this discussion from one of comparable worth to one of sex-based wage discrimination, so the remedy called for is also much narrower. In such cases, what can be said about the likelihood of success? In short, will the job evaluation and wage adjustment remedy work for a single employer bent on removing wage discrimination?

The labor market is not perfect

The final issue to be considered in this dissection of the meaning of comparable worth has to do with the argument offered by opponents. This states that, even if a job evaluation scheme finds two jobs identical in terms of skill, effort, responsibilities, and working conditions, so that equal wages should be paid, it may be impossible to recruit sufficient labor in a particular local market without offering a pay premium for one job. (This implies, of course, that those searching for jobs would not regard the two jobs as equal even if they have been so designated by the evaluation scheme.)

Opponents go on to argue that, if the market prevails over wages determined by job evaluations, the market also will prevail over any attempt to raise women's wages to those of men. The various expositions nearly always refer to hypothetical cases at the macro level: a rise in unemployment,

unemployment rates, and a decline of labor force participation among women are shown, by a familiar demand/supply model, to result from "interference" with market forces. Too, there have been some references to the rise in female unemployment in Australia after the 1972 decision to implement equal pay for females, although a more extensive investigation of foreign experience casts doubt on such simplistic reasoning.²⁷

As all economists recognize, "the market" as a wage-setting device fairly bristles with imperfections. Information and mobility are limited, a single employer or a powerful union may successfully interfere with either demand or supply, and custom may or may not have a strong influence. Even so, critics of the job evaluation remedy see the external market as all-powerful, ignoring any peculiarities of administrative wage-setting. This far-fetched notion disregards the existence of the internal labor market of any organization with two or more employees. The internal wage-setting mechanisms of firms, government agencies, not-for-profit institutions, or any other employer are so shrouded in mystery that no appeal to "market force" makes any sense. One of the first (and best) analysts of so-called internal labor markets is Francine Blau, whose empirical work built on the work of John Dunlop and others in the early 1970's.²⁸ Since her work appeared in 1978, other research has illuminated the idiosyncratic pay practices of a wide assortment of employers and industries. Nonetheless, all this work has not prevented continued invocation of "the labor market" as an impersonal but overriding force which ultimately determines wages, despite the behavior of individual employers.

Any argument relating market forces to wage-setting policies must also recognize situations in which interference with supply and demand has been not only permitted but widely supported by the public and by labor market participants. Minimum prices exist in product markets, as do minimum wages in labor markets. Many labor markets allow higher wages to be paid for seniority without regard to supply and demand, and seniority rules also frequently govern layoffs and other conditions of employment. Veterans' preference interferes with demand and supply, as when past military service is considered in determining eligibility for Government jobs.

A somewhat different example exists in certain academic institutions, where faculty are paid on a scale that differs by rank but is equal across fields. In such a case, the assistant professor of chemistry draws the same salary as an assistant professor of medieval history with equivalent educational attainment and experience, although the outside market would reward these two workers quite differently. Similarly, statisticians, economists, and computer scientists can generally earn more in private industry or government than on faculties, but their academic salaries do not always reflect this differential. Such pay policies in academia can be included along with seniority, veterans' preferences, and minimum

wages as practices that flout the market forces to recognize a nonmarket determination of the value of work.

What else do these examples of "market distortion" have in common? First, their success relies heavily on strong political support, especially from employees themselves. Seniority may have originated so as to reward superior skill or experience, or to retain a critical core of workers in case of a business slowdown, but current data do not prove any strong correlation between such worker characteristics and seniority.²⁹ Even so, seniority can be supported by all because new employees can look forward to the day when they, too, will enjoy its special privileges. Likewise, veterans' employment preference endures because the public at large appears to agree that wartime service merits special treatment in the labor market. The same type of value judgment probably allows a common salary scale at institutions of higher learning, with at least the tendency to recognize different fields of scholarship as of equal worth or value. These exceptions to the determination of wages by supply and demand represent exactly the kind of appeal to a philosophy of ethics proffered in the case of comparable worth. There, the argument is that a teacher's contribution to society is worth more than a school custodian's work, just as the work of a soldier or of a senior employee is worth more than that of others, even if they do the same job.

To dismiss cases of administrative wage-setting as mere market imperfections overlooks their lessons for those involved in the debate over comparable worth. What such cases suggest is the need to investigate the conditions that generate social or political support for a nonmarket solution to labor supply and demand. If labor and management agree, in an individual bargaining area, that jobs should be evaluated and wages set accordingly, then the internal labor market or job classification scheme will clearly take precedence over any external market forces. In such cases, even if some wages must be adjusted to reflect local or temporary shortages, this influence of the market will not negate the internal equity which has been achieved. If a State government or other public agency revises its job classification scheme to set nondiscriminatory wages, and both employees and legislators are strong supporters, the likelihood of success is very high. Because hard data to

oppose job evaluation are unavailable and analysis based on hypothetical markets is rarely persuasive, it is no wonder that comparable worth legislation is being considered in more than 30 of the 50 States.

Laws requiring such job evaluation schemes and wage adjustments throughout the private sector have not yet generated such support. Most workers realize that wide variations in pay for the same occupation exist across employers. For this and other reasons, it is not clear that sex-based wage discrimination accounts for all wage differentials.

However, it is important to note that there has been support expressed for comparable worth even within the private business community. For example, the editorial board of one of the Nation's major business magazines this year warned readers that "[c]omparable worth is an extension of women's demands for equal pay for equal work, an idea that is both reasonable and fair as a way of correcting the undeniable, historic wage discrimination against working women Business companies should scrutinize their pay systems to weed out even the appearance of discrimination."³⁰ And, in the same vein, the director of industrial relations for a prominent U.S. manufacturer recently indicated his support for a Federal law mandating job evaluation. While admitting to some trepidation at the prospect of legislation affecting private industry, he concluded that "[t]he concerns [about implementing it] are valid but we can't go on keeping an inequity alive."³¹

WHAT THE DEBATE OVER COMPARABLE WORTH in all its versions has done—with or without supporting statistical evidence—is dramatize existing differences between men and women in the labor market. Men's wage rates are higher, the pay in male-dominated jobs exceeds that for female-intensive jobs, women are more concentrated in women's jobs than are men in men's jobs, and earnings differ even after all possible corrections for ability, experience, time worked, age, education, and anything else that can be controlled for. The proponents of comparable worth have succeeded in shifting all these issues out of the research journals and into the press. This being so, the overall public support for some remedial action will undoubtedly grow. □

—FOOTNOTES—

¹Walter Goodman, "Equal Pay for 'Comparable Worth' Growing as Job-Discrimination Issue," *The New York Times*, Sept. 4, 1984, p. B9.

²Laurence Collins, "Comparable-Worth Proposal Tangles Massachusetts Budget," *The Boston Globe*, May 21, 1985, p. 36.

³Congresswomen Patsy Mink, Keynote address at the National Strategy Conference of the National Institute for Women of Color, Oct. 19, 1984, as quoted in National Committee on Pay Equity, *Pay Equity News Notes*, December 1984; and Florine Koole, in *Federal Pay Equity Act of 1984*, Part 1, Hearings before the Subcommittee on Compensation and Employee Benefits of the Committee on Post Office and Civil Service, House of Representatives, 98th Cong. (Washington, 1984), p. 106.

⁴Hay Associates, as quoted in *Federal Pay Equity Act of 1984*, p. 73.

⁵Mary Corcoran, Greg J. Duncan, and Michael Panza, "Work Experience, Job Segregation, and Wages," in Greg J. Duncan and James N. Morgan, eds., *Five Thousand American Families* (Ann Arbor, University of Michigan, Institute for Social Research, 1983).

⁶Greg J. Duncan, *Years of Poverty, Years of Plenty* (Ann Arbor, University of Michigan Press, 1984).

⁷Mary Hatwood Futrell, in *Federal Pay Equity Act of 1984*, p. 42.

⁸Teresa Amott and Julie Matthai, "Comparable Worth, Incomparable Pay," *Radical America*, vol. 18, no. 5, 1984, p. 26.

⁹Winn Newman, in *Federal Pay Equity Act of 1984*, Hearings before the Manpower and Housing Subcommittee of the Committee on Govern-

ment Operations, House of Representatives, 98th Cong. (Washington, 1984), p. 23.

¹⁰Newman, *Federal Pay Equity Act of 1984*.

¹¹*Poverty in the United States 1959 to 1968, Current Population Reports*, Series P-60, No. 68 (Bureau of the Census, 1969), p. 3.

¹²*Employment and Training Report of the President, 1981* (U.S. Department of Labor), p. 184.

¹³*Characteristics of the Population Below the Poverty-Level, 1983, Current Population Reports*, Series P-60, No. 147 (Bureau of the Census, 1985), pp. 1-6.

¹⁴*Poverty in the United States*, p. 3.

¹⁵*Characteristics of the Population*, pp. 1-6.

¹⁶Carolyn Shaw Bell, "Should Every Job Support a Family?" *The Public Interest*, Summer 1975.

¹⁷*Economic Characteristics of Households in the United States: First Quarter 1984, Current Population Reports*, Series P-70, No. 3 (Bureau of the Census, 1985), p. 23.

¹⁸*Child Support and Alimony: 1981, Current Population Reports*, Series P-23, No. 140 (Bureau of the Census, 1985), p. 26.

¹⁹Clair Vickery, "The Time-Poor: A New Look at Poverty," *Journal of Human Resources*, January 1977, pp. 27-49.

²⁰Janet Norwood, *The Female-Male Earnings Gap: A Review of Employment and Earnings Issues*, Report 673 (Bureau of Labor Statistics, 1982).

²¹Nancy F. Rytina and Suzanne M. Bianchi, "Occupational reclassification and changes in distribution by gender," *Monthly Labor Review*, March 1984, p. 14.

²²Earl F. Mellor, "Investigating the differences in weekly earnings of women and men," *Monthly Labor Review*, June 1984, pp. 17-28.

²³Mellor, "Investigating the differences."

²⁴Mark S. Sieling, "Staffing patterns prominent in female-male earnings gap," *Monthly Labor Review*, June 1984, p. 30.

²⁵National Science Foundation, *The 1982 Postcensal Survey of Scientists and Engineers* (Washington, U.S. Government Printing Office), tables B-15, B-24.

²⁶Newman, *Federal Pay Equity Act of 1984*.

²⁷An excellent discussion of experience with equal pay provisions in 14 countries, including Australia, can be found in Janice Bellace, "A Foreign Perspective" in E. Robert Livernash, ed., *Comparable Worth: Issues and Alternatives* (Washington, 1984). Professor Bellace points out that, first, experience with equal pay activity in most countries is not yet sufficient to draw many conclusions and, second, most countries other than the United States have job evaluation schemes already incorporated into many wage-setting arenas.

²⁸Francine Blau, *Equal Pay in the Office* (Lexington, MA, Lexington Press, 1978).

²⁹James L. Medoff and Katherine G. Abrams, *The Role of Seniority at U.S. Workplaces: A Report on Some New Evidence*, Research Discussion Paper 809 (Cambridge, MA, Harvard Institute of Economic Research, January 1981).

³⁰"Don't Duck Comparable Worth," *Business Week*, Jan. 28, 1985, p. 140.

³¹William Asher, quoted in Walter Goodman, "Equal Pay for 'Comparable Worth' Growing as Job-Discrimination Issue," *The New York Times*, Sept. 4, 1985, p. B9.

A note on communications

The *Monthly Labor Review* welcomes communications that supplement, challenge, or expand on research published in its pages. To be considered for publication, communications should be factual and analytical, not polemical in tone. Communications should be addressed to the Editor-in-Chief, *Monthly Labor Review*, Bureau of Labor Statistics, U.S. Department of Labor, Washington, D.C. 20212.
