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Women's Issues-Equal Pay Act [3]

equal pay

*Bruce Elenor
Here is a draft
of the CEA
Equal Pay
Report.
Mary*

PRELIMINARY DRAFT - Not for Public Release or Citation

EXPLAINING TRENDS IN THE GENDER WAGE GAP

June 1998

**A Report by
The Council of Economic Advisers**

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EXPLAINING TRENDS IN THE GENDER WAGE GAP

EXECUTIVE SUMMARY

- Although the gap between women and men's wages has narrowed substantially since the signing of the Equal Pay Act in 1963, there still exists a significant wage gap that cannot be explained by differences between male and female workers in their average characteristics or in the average characteristics of jobs held by male and female workers.
- After three decades of near-constancy, the ratio of women's to men's average pay began to rise in the late 1970s and reached about 70 percent by the early 1990s. After a brief pause in the mid 1990s, the gender pay ratio is rising again, surpassing 75 percent in 1997.
- The gender gap has narrowed much faster among younger women and among married women with children. The data that permits disaggregation by demographic groups shows the overall gender pay ratio rising from 57 percent in 1969 to 71 percent in 1996 (the last year for which these data are available.) Among women under 40, the gender pay ratio rose from 58 percent in 1969 to 74 percent in 1996. Among married women with children, the gender pay ratio (relative to all men) rose from 53 percent in 1969 to 68 percent in 1996.
- The most recent detailed longitudinal study found that in the late 1980s about one-third of the gender pay gap is explained by differences in the skills and experience that women bring to the labor market and another third is due to differences in the jobs that men and women occupy. Accounting for these differences raises the female/male pay ratio in the late 1980s from about 72 percent to about 88 percent, leaving around 12 percent as an "unexplained difference."
- Over the last two decades, increases in women's accumulated labor market experience and their movement into higher-paying occupations played a major role in increasing women's wages relative to men's. In addition, the decrease in the pay gap that remains "unexplained" after controlling for measured differences between men and women was a large contributor to the narrowing the pay gap. Changes in family status, in industry structure, in unionization, and in the returns to "skill" also affected the gender pay gap.
- It is difficult to determine precisely how much of the difference in female/male pay is due to discrimination and how much is due to differences in choices or preferences between women and men. One indirect and rough measure of the extent of discrimination remaining in the labor market is the "unexplained" difference in pay. Some studies have tried to measure discrimination directly, by looking at pay differences among men and women in highly similar jobs, or by comparing pay to specific measures of productivity. These research studies consistently find evidence of ongoing discrimination in the labor market and support the conclusion that women still face differential treatment on the job.

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EXPLAINING TRENDS IN THE GENDER WAGE GAP

I. INTRODUCTION

Thirty five years ago, President Kennedy signed the Equal Pay Act into law, making it illegal to pay men and women different wages for the same work. Although the gap in average pay between men and women has decreased since then, the "gender gap" in pay persists. Decreases in labor market discrimination towards women may be partly responsible for these improvements, but continued discrimination may also contribute to the remaining earnings gap.

Differences have long existed in the average pay of men and women in the labor market. These wage differences are the result of many forces, including differences in the characteristics that men and women bring to their jobs, differences in the characteristics of the jobs in which men and women work, and differential and discriminatory treatment of women by employers and co-workers.

All of these factors interact in complex ways. For example, if women have less experience than men, they may choose occupations where extensive experience is less necessary. If women consistently choose different occupations than men, stereotypes about women's abilities may be reinforced and discriminatory behavior by employers may be perpetuated. If employers make it difficult for women to enter certain occupations, women's incentives to invest in training for those occupations will be reduced. Hence, as we will see, it is difficult to determine precisely how much of the difference in female/male pay is due to discrimination and how much is due to differential choices and preferences by female workers.

Women and men differ, both in terms of the jobs they select and in their responsibilities for children (which affect work at home and in the market). Over time, women's skills have become more similar to men's. The occupations and industries in which men and women work have also become more similar. But there are still large differences between men and women in personal and job characteristics that influence their relative wages. Even when all of these differences have been taken into account, however, a significant gender wage gap remains. As we discuss below, this suggests that there is continuing discrimination against women in the labor market.

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II. TRENDS IN THE GENDER WAGE GAP

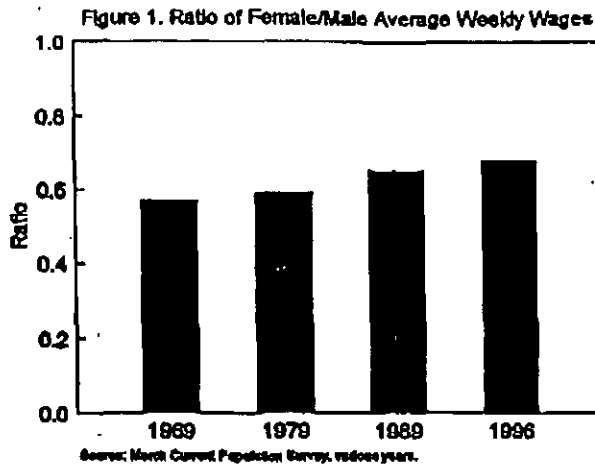
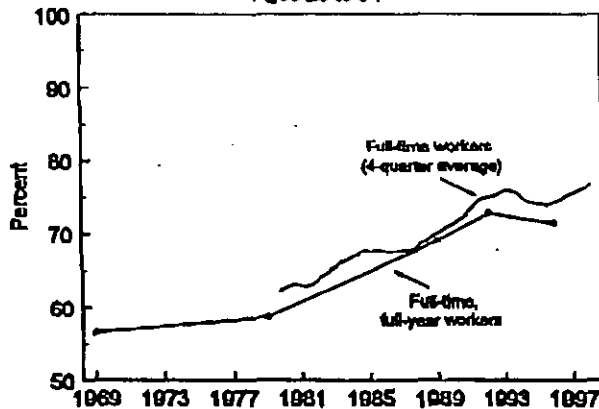


Figure 2. Median Weekly Earnings of Females Relative to Males Ages 25 to 54



Trends in the overall gap

After three decades of near-constancy at about 60 percent¹, the ratio of women's to men's average pay began to rise in the late 1970s, and reached about 70 percent by the mid-1990s.

The narrowing of the gender pay gap took place mainly in the 1980s, with some continued narrowing in the 1990s (see figure 1).² In the last two years, the gender pay ratio has resumed its ascent, reaching more than 75 percent in the first quarter of 1998 (see top line of Figure 2).³ Although the size of the gender pay gap varies across countries, all advanced economies for which data exist have seen a narrowing of the

¹Goldin, Claudia. 1990. *Understanding the Gender Gap*. Oxford, England: Oxford University Press.

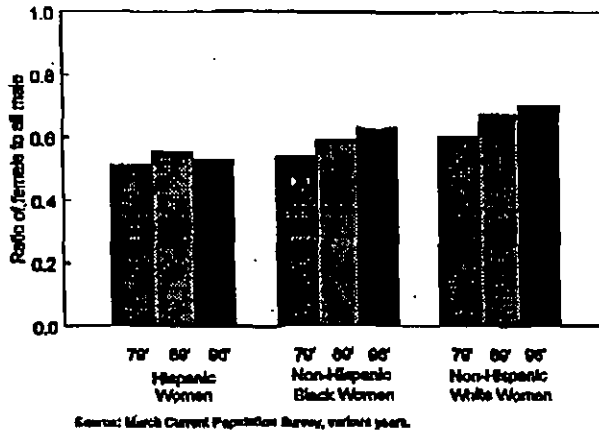
²Data in figures 1, 3, 4, and 5 refer to full-time year-round workers aged 25 to 64. They are published by the Bureau of the Census.

³The data shown in the top line of the figure are ratios of median weekly wages for full time workers aged 25 to 54, published quarterly by the Bureau of Labor Statistics since 1979. The bottom line shows the ratios of median weekly wages of full-time, year-round workers aged 25 to 54, calculated from the March Current Population Survey data files.

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gap in recent years.⁴

Figure 3. Ratio of Female/Male Average Weekly Wages by Race and Ethnicity

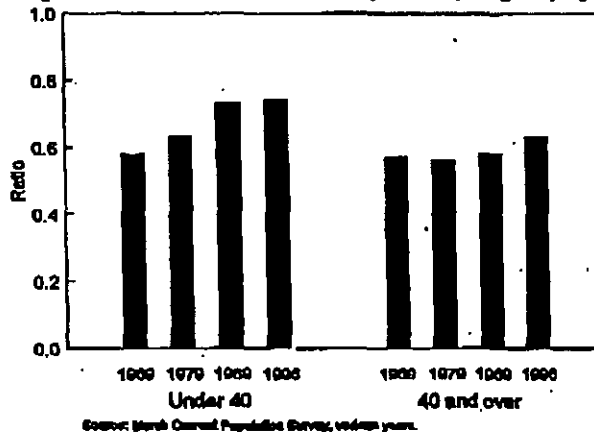


Trends in the gender gap by demographic characteristic

Relative to all men, wage gains have been faster for non-Hispanic black and non-Hispanic white women than for Hispanic women (see figure 3). Women of all ages and education levels experienced gains in pay relative to their male counterparts. The gender gap varies little across education groups, but is substantially smaller for younger women (see figure 4). This

was not always the case. In 1969, the gender gap was similar for those under and over age 40.

Figure 4. Ratio of Female/Male Average Weekly Wages by Age



But the gap narrowed much faster for younger women. The larger gap among older women may be a generational effect, indicating that the current younger cohort of women has made choices more similar to those of men and/or is not facing as much discrimination as the cohort before them. Alternately, the gap for older women could reflect growing differences in accumulated work experience as women age or a "glass ceiling" effect by which women achieve smaller pay gains over time. Indeed, the bipartisan Federal Glass Ceiling Commission found that "in the private sector, equally qualified and similarly situated citizens are being

denied equal access to advancement into senior-level management on the basis of race, gender, or ethnicity."⁵

Traditionally, married women and those with children have had lower wages than single, childless women. However, gains in average pay have been greatest for married women with children (see

⁴Waldfoegel, Jane. 1998 "Understanding the 'Family Gap' in Pay for Women With Children." *Journal of Economic Perspectives* 12(1):137-56.

⁵Executive summary: The Glass Ceiling Fact Finding Report. "Good for Business: Making Full Use of the Nation's Human Capital," 1995. *get full cite*

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Figure 5. Ratio of Female/Male Average Weekly Wages by Family Status

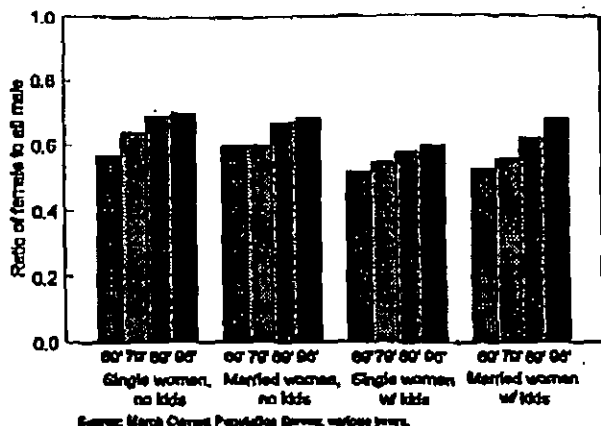


figure 5). It is worth noting that this is also the group of women among whom labor force participation has increased the most since 1970. Although their pay relative to men has climbed, single mothers continue to have the lowest average rate of pay, largely because this group has lower average skills than married mothers or childless women.

Gender gaps in fringe benefits

Non-wage benefits currently make up about one third of total compensation. The male-female difference in wages is also visible in fringe

benefits. As with wages, some of this difference is related to differences between men and women in human capital and job characteristics, and some remains unexplained. Among younger workers, the gender gap in total compensation appears to be smaller than the gap in wages.⁶ Much of the female-male gap in pension coverage can be accounted for by differences in their other characteristics, and is much smaller among younger workers. In addition, among those who have pensions, the gender gap in benefit levels is largely explained by gender differences in lifetime earnings. Therefore lower wages, and hence lower lifetime earnings, can result in lower pension benefits upon retirement. For some women, the lack of coverage or lower benefit levels may not be a problem since they receive benefits through a spouse. For other women, lack of adequate health or pension benefits on their job may be a serious problem. More research is needed to understand the impact of lower fringe benefit coverage among female employees.

III. EXPLAINING THE TRENDS IN THE GENDER GAP

In this section, we examine changes in the relative characteristics of female versus male workers and in the jobs in which they work, and relate these changes to the decline in the gender gap. The next section considers the role of discrimination.

The decline in the gender gap came about both because gender differences in measured characteristics narrowed, and because the “unexplained” difference in pay also fell. Among the measured characteristics, the two most important factors contributing to a narrowing of the gender wage gap between 1970 and 1995 have been improvements in women’s relative labor market experience and improvements in their relative occupational status. Changes in unionism also benefitted women relative to men, but played a smaller role. Although substantial, shifts in employment across industries had relatively little effect on the gender pay gap. Increases in the

⁶Solberg, Eric and Teresa Laughlin, 1995. “The Gender Pay Gap, Fringe Benefits, and Occupational Crowding.” *Industrial and Labor Relations Review*. Vol 48:4, pp.692-708.

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returns to skill and increasing wage differences across occupations and industries-- particularly in the 1980s -- dampened women's relative wage gains since women were disproportionately represented among the less-skilled.

The Role of Human Capital

Human capital, which includes education and labor market experience, is often viewed as the most important determinant of wages. An additional year of schooling is estimated to increase wages by 5-15 percent.⁷ An additional 25 years of work experience increases wages an estimated 80 percent.⁸

Differences in labor market experience between men and women are far greater than differences in their educational attainment. But as women have moved into the labor force in large numbers over the past 40 years, their average labor force experience has also increased. Large relative improvements in women's labor market experience have been found to account for a large share of the recent decline in the gender gap. Increases in women's relative experience levels by themselves would have reduced the pay gap by about 3.5 percentage points over the 1980s. Still, gender differences in experience remain an important source of the gender gap. For example, in 1988, work experience differences explained about one-third of the pay gap between men and women.⁹

The Role of Family Status and Children

The relationship between family status and pay is different for men and women. While married men and those with children typically earn more in the labor market than unmarried men, for women the relationship is reversed. Children are associated with lower wages for women and not for men, in large part because children tend to reduce women's work experience and time with their employer. Indeed, there is evidence that maternity leave coverage, such as that guaranteed under the Family and Medical Leave Act, may raise the pay of women with children relative to those without.¹⁰

⁷Council of Economic Advisers, 1996. "Promoting Economic Growth: Background Briefing Paper."

⁸Freeman, Richard and Lawrence Katz. 1994. "Rising Wage Inequality: The United States vs. Other Advanced Countries." In Richard Freeman, ed. *Working Under Different Rules*. New York: Russell Sage Foundation.

⁹Blau, Francine and Lawrence Kahn, 1997. "Swimming Upstream: Trends in the Gender Wage Differential in the 1980s." *Journal of Labor Economics* 15(1, Part 1): 1-42.

¹⁰Waldfogel, *op cit*.

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The pay premium for married men, most of whom have children, appears to have shrunk during the 1970s and 1980s.¹¹ For women, the evidence is less clear. There is evidence that the negative effect of children on younger women's wages increased over the 1980s.¹²

The Role of Occupation

Men and women tend to work in different occupations. And wages differ substantially according to the gender composition of the occupation. In particular, men and women who work in predominantly female occupations earn less than comparable workers in other occupations.¹³ Thus, a substantial share of the gender gap is accounted for by differences in the occupations in which men and women work.

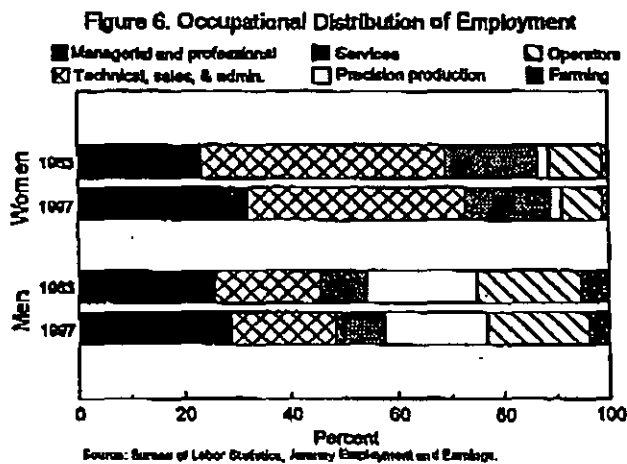


Figure 6 indicates how men and women's occupational status has changed over the past two decades. Over time, women have increasingly moved into traditionally male occupations. For example, between 1983 and 1997, the proportion of employed women who work in managerial and professional occupations increased from 23 to 32 percent, while the proportion of men in these occupations rose only from 26 to 29 percent.¹⁴ But women are still much more likely to work in service and clerical jobs than men, while men remain more likely to be in blue collar (craft, operator, and labor) jobs.

As noted, occupational segregation by gender began to decline noticeably in the 1970s. Changes in gender segregation by occupation may be due to integration of formerly male or female occupations, or to increases in the total employment share of occupations that have traditionally

¹¹Blackburn, McKinley and Sanders Korenman. 1994. "The Declining Marital Status Earnings Differential." *Journal of Population Economics* 7:247-70.

¹²Waldfoegel, *op. cit.*

¹³Blau, Francine. 1998. "Trends in the Well-Being of American Women, 1970-1995." *Journal of Economic Literature* 36: 112-65.

¹⁴Data begin in 1983 due to a major change in the occupational classification system implemented in that year.

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been more integrated. Movement of women into traditionally male occupations was the predominate cause of the decrease in occupational segregation in the 1970s and 1980s. In the 1980s, growth of overall employment in more integrated occupations was somewhat more important than it had been in the 1970s.¹⁵ Occupational “upgrading” alone in the 1980s would have reduced the gender gap by about three percentage points.¹⁶

The Role of Industry

Differences in wages across industries are substantial and persistent. For example, wages for similar workers are 37 percent higher than average in the petroleum industry, but about 17 percent lower than average in retail trade.¹⁷ Recent shifts in employment across industries have benefitted women relative to men. Notably, the decline in blue-collar manufacturing jobs (where women are under-represented) has increased women’s relative pay.¹⁸ However, the overall effects of industry shifts on the gender gap have been relatively small.

The Role of Unions

Union membership is estimated to boost wages of union members relative to non-union members by 10 to 20 percent.¹⁹ Men have traditionally been more likely to be union members than women, which has helped increase the gender pay gap. The fraction of the workforce covered by union collective bargaining agreements has declined markedly over the past 40 years, and this decline has raised women’s relative pay as fewer and fewer men receive union wages. In addition, the share of unionized workers who are female increased as unions declined less (or even grew) in certain public sector and service-related occupations which have a higher share of female workers.²⁰ But, overall, the decline of unions has had a relatively small role in the declining gender gap.

The Role of Changing Returns to Skill

¹⁵Blau, *op. cit.*

¹⁶Blau and Kahn, *op. cit.*

¹⁷Krueger, Alan and Lawrence Summers. 1988. “Efficiency Wages and the Inter-Industry Wage Structure.” *Econometrica* 56(2): 259-93.

¹⁸Blau and Kahn, *op. cit.*

¹⁹Freeman, Richard and James Medoff. 1984. *What Do Unions Do?* New York: Basic Books.

²⁰Blau and Kahn, *op. cit.* See also Even, William and David Macpherson. 1993. “The Decline of Private Sector Unionism and the Gender Wage Gap.” *Journal of Human Resources* 28(2):279-96.

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Trends in the above factors have boosted women's wages relative to men's. However, one major trend has worked to widen the gender gap: increases in the pay premium associated with higher "skills" (i.e., higher levels of education and labor market experience, and increased pay differences across industries and occupations).²¹ Increases in the returns to skills have served to widen the gender gap because female workers continue to have less labor market experience, on average, than male workers. The rising returns to skills slowed women's progress during the 1980s, and alone would have *increased* the gender pay gap by about three to four percentage points.²²

The Role of Policy

A number of policy developments in the 1960s targeted gender discrimination in the labor market. The Equal Pay Act of 1963 proscribes gender-based pay discrimination among employees within the same firm who do the same or substantially same jobs. Title VII of the 1964 Civil Rights Act (and subsequent amendments) proscribes employment discrimination on account of sex in a broader set of categories, including hiring, promotion, and other conditions of employment. Executive Order 11246 (issued in 1964 and amended in 1967 to include gender) requires affirmative action in employment among Federal contractors.

Few studies have examined the effects of these policies on the gender pay gap. One difficulty in making such an assessment is that these policy changes took place at a time of enormous change in gender roles and expectations. Isolating the effects of a single policy change from these broader social and economic changes is difficult. One study estimated the effects of affirmative action on hiring by comparing hiring in firms that are Federal contractors to those that are not (and therefore not subject to affirmative action provisions).²³ Employment of women increased somewhat faster in contractor firms.

IV. DISCRIMINATION**What is gender discrimination in the labor force?**

Gender discrimination may take a variety of forms, from practices that reduce the chances that a woman is hired, to differences in pay for men and women who work side by side doing the same tasks equally well. There are a variety of theories about exactly how and why women face discrimination in the labor market. An employer may dislike female employees or underestimate

²¹Blau, *op. cit.*

²²Blau and Kahn, *op. cit.*

²³Leonard, Jonathan. 1984. "The impact of Affirmative Action on Employment," *Journal of Labor Economics*, October, 2, 439-463.

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their abilities; customers may dislike female employees or underestimate their abilities; or male co-workers may resist working with women. These attitudes may not be directed toward all women workers, but may only focus on women in higher status occupations. For instance, male employees may not object to having women work for them, but may object when women are their superiors. In addition, employers may engage in what is called "statistical discrimination," meaning that they assume an individual woman has the average characteristics of all women. For example, because women on average have higher turnover rates than men, an employer may assume that a given female job candidate is more likely to leave the firm than a similar male candidate. Statistical discrimination, like other forms of discrimination, is illegal. An employer is required to base hiring or pay decisions on specific information about an individual, not on presumptions based on gender alone.

The unexplained portion of the gender gap

Although the gender gap has narrowed since the late 1970s, at 25 percent it is still substantial (see figure 2). And as late as the 1980s, the date of the most recent detailed longitudinal study, a gender pay differential of about 12 percent remained unexplained even after adjustments for gender differences in education, labor market experience, broad occupational and industrial distributions, and union status. This unexplained differential declined by half over the 1980s. This alone would have reduced the gender gap by about 10 percentage points.²⁴

The unexplained portion of the pay gap is often interpreted as the result of discrimination. In this view, once differences between men and women in the relevant determinants of wages are taken into account, any remaining difference in pay must be due to discrimination. But this explanation may be too simplistic. To the extent that discrimination affects women's educational, job and family choices, the "unexplained differential" will understate the true effect of discrimination. And, to the extent that we cannot adequately measure all the determinants of wages on our data sets, there may be significant "unmeasured" labor market skills that differ between men and women. For instance, if women's labor market experience is less likely to be continuous (for example, due to childbearing), then just controlling for years of work may not fully control for the differential effects of experience on male and female wages.²⁵ In this case, the "unexplained differential" will overstate the true effect of discrimination because it includes the effect of relevant unmeasured factors that influence the relative productivity of male and female employees.

The decline in the unexplained portion of the pay gap over the 1980s could either be due to a relative improvement in women's unmeasured labor market skills or a decline in discrimination. Both explanations are plausible. Women's unmeasured skills may have improved relative to

²⁴Blau and Kahn, *op. cit.*

²⁵O'Neill, June and Solomon Polachek, 1993. "Why the Gender Gap in Wages Narrowed in the 1980s," *Journal of Labor Economics* Jan, 11(1) pt 1 pp.205-28.

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men's over the 1980s. (For instance, women have entered elite private universities-- typically closed to women before the mid-1970s -- at an increasing rate in recent decades, perhaps increasing the quality of their schooling.) But reductions in discrimination may also have played a role in reducing the "unexplained" difference between men's and women's wages. For example, as women increased their commitment to the labor force and improved their job skills, statistical discrimination against them may have diminished. In addition, reduced discrimination could also contribute to the decline in the *explained* portion of the pay gap if earlier anti-discrimination efforts encouraged women to invest more in labor market skills and move into traditionally male occupations.

Studies of gender pay discrimination

Gender pay discrimination is said to occur when male and female workers receive different pay for "substantially equal" work.²⁶ A small but growing area of research attempts to collect direct evidence on gender pay discrimination in the labor market in two ways. While none of these studies alone is definitive, taken together they present compelling evidence of the continued existence of gender discrimination in the labor market.

First, a handful of studies have examined whether female workers earn less than comparable male workers within the same establishments and narrow occupations. Although evidence is mixed, some studies find substantial pay differences between men and women working in the same narrow occupations and establishments. One recent and thorough study of this kind takes advantage of a unique data set that matches workers in the 1990 Census to information on the establishments in which they work, collected in the US Census Bureau Standard Statistical Establishment List. Unlike previous studies of this type, the data include workers from all sectors of the economy. The study decomposes the gender gap into a part that is the result of the concentration of women in particular occupations, industries, establishments, and "jobs" (an occupation within an establishment), and a portion due to differences in pay between men and women working in industries, occupations, establishment and jobs with a similar percentage of female workers. The authors find that a substantial portion--at least one quarter--of the pay gap is the result of differences in pay between men and women working in similar jobs and

²⁶The Equal Pay Act says no covered employer should discriminate "between employees on the basis of sex by paying wages to employees in such an establishment at a rate less than the rate at which he pays wages to employees of the opposite sex in such establishments for equal work on jobs the performance of which requires equal skill, effort, and responsibility..." Title 29, Code of Federal Regulations, Part 1620; cited in Bayard, Kimberly, Judith Hellerstein, David Neumark, and Kenneth Troske "New Evidence on Sex Segregation and Sex Differences in Wages from Matched Employee-Employer Data." Paper prepared for the US Bureau of the Census' International Symposium on Linked Employer-Employee Data, Washington DC, April, See also M.E. Gold. 1993. An Introduction to the Law of Employment Discrimination, ILR Bulletin 68; Ithaca, NY: ILR Press) cited in Bayard *et al.*

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establishments.²⁷

Second, an even smaller set of studies attempts to measure productivity of female and male workers directly to determine whether gender pay differences can be directly linked to productivity differences. This approach is rarely implemented because it requires information on wages and a reliable (and non-gender-biased) measure of productivity such as physical output per hour or sales. The few studies of this sort suggest that pay differences between comparable women and men are too large to be explained by productivity differences. For example, one recent study of a large linked employer-employee data set concluded that "at the margin" women were 85 to 96 percent as productive as men, but were paid only 65 to 70 percent as much as men.²⁸

Finally, studies of discrimination in hiring offer additional, albeit indirect evidence related to the gender pay gap. For example, the introduction of "screens" to conceal the identity of candidates from juries in auditions for a symphony orchestra markedly increased female musicians' chances of success in such competitions and raised the odds of being hired.²⁹ Audit studies--in which male and female candidates submit essentially identical resumes to employers--reveal lower interview and hiring rates among women. For example, female applicants were less likely than their matched male counterparts to be interviewed or hired as wait-staff in high-price restaurants (this was not true in low-price restaurants).³⁰ Since earnings tend to be higher in high-price restaurants, this difference in hiring could contribute to gender differences in pay.

V. CONCLUSION

There is both good news and bad news with regard to gender pay differences. The bad news is that there remains a significant differential between women and men's pay. On average, women earn about 75 percent of what men earn. Even after controlling for differences in skills and job characteristics, women still earn less than men. While there are a variety of interpretations of this

²⁷ Bayard *et al.*, *op cit*

²⁸ Hellerstein, Judith, David Neumark, and Kenneth Troske. 1996. Wages, Productivity and Worker Characteristics. National Bureau of Economic Research Working Paper 5626. June.

²⁹ Goldin, Claudia and Cecilia Rouse. 1997. Orchestrating Impartiality: The Impact of "Blind" Auditions on Female Musicians. National Bureau of Economic Research Working Paper No. 5903. January.

³⁰ Neumark, David, Roy Bank and Kyle Van Nort. 1996. Sex Discrimination in Restaurant Hiring: An Audit Study. *Quarterly Journal of Economics*, August.

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remaining "unexplained" differential, its persistence is consistent with a view that gender wage discrimination continues to be present in the labor market. This interpretation is buttressed by other more direct studies of pay discrimination, which also show continuing male/female differences in pay that are not explained by productivity or job differences.

The good news is that these differences have decreased in recent decades. This is true not only for the "raw" gap in average female/male pay, which has decreased from about 40 percent to about 25 percent over the past two decades, but it is also true for the "unexplained" difference in female/male pay once factors that affect pay are controlled for. The "unexplained" differential has been shrinking, along with the overall pay gap. This suggests both that women's skills and job choices are becoming more similar to those of men, and that discrimination may be lessening as well.

Women's issues -
equal pay
THE WHITE HOUSE
WASHINGTON

Elena,

Here is a copy of a Department of Labor report for possible announcement at the Equal Pay event. The CEA report, which the President will announce, analyzes the present wage gap. This report provides more of a historical perspective.

We've faxed you a copy of the CEA report.

Mary

EQUAL PAY: A Thirty-Five Year Perspective



“Women Make America Work”

U.S. Secretary of Labor, Alexis M. Herman



U.S. Department of Labor
Women's Bureau

Equal Pay: A Thirty-Five Year Perspective

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Letter from the Secretary

Thirty-five years ago, President John F. Kennedy signed historic, landmark legislation to guarantee equal pay for women and men who held the same job. The Equal Pay Act changed the legal landscape for working women and laid a firm foundation for the beginning of their unprecedented movement into the paid labor force.

At the signing ceremony for the Equal Pay Act on June 10, 1963, special recognition was given to women's leaders, Members of Congress, and government officials, such as Business and Professional Women President Dr. Minnie Miles, National Council of Negro Women President Dr. Dorothy Height, Congresswomen Edith Green and Edna Kelly and Assistant Secretary of Labor Esther Peterson, who were lauded for their leadership and vision.

These leaders understood that the Equal Pay Act was necessary -- not just for the many women who were already holding down jobs essential to their well-being and that of their families -- but for the next generation of women seeking to expand their horizons beyond the familiar sphere of family and community volunteer work. They were visionaries who understood the dignity of work and the moral imperative of equal pay. They blazed a trail for a new generation of women. Women who would come of age in a world where social customs, workplace trends, and occupations, would be vastly different from those in 1963.

The Equal Pay Act is as relevant today as it was on the day it was signed. The law provides a critical foundation for women seeking greater opportunities in the workplace and a paycheck free from stereotypes about the value of women's work.

The women who share their 35th birthday with the Equal Pay Act need and depend on the law as much as their mothers did in 1963. Although they have benefited from a generation of phenomenal progress for working women, there is still a wage gap -- full time working women between the ages of 25 and 35 earn only 83 percent of the weekly earnings of men their age.

This generation of women has invested greatly in education, returned quickly to the labor force after child birth, held more full time jobs and sought more nontraditional jobs than any in our nation's history. Their mere presence in the labor force has transformed our work culture, spurred new industries, and infused the nation's labor force with a ready supply of educated and skilled workers. It is difficult to imagine our nation's economy without them.

The Equal Pay Act has lived up to the promise articulated by the great Esther Peterson when she said, "Most of our major legislation to meet human needs had to run the painful gauntlet of bitter resistance and attack. Yet in retrospect, we can see that these laws will serve the cause of freedom. Without them our nation would not be so strong or respected."

During an 18 year long effort to enact the legislation into law, the Equal Pay Act weathered intense criticism that the test of time has proven unfounded. The law is a basic foundation for women's economic empowerment that has served as a path for our progress and a model for

other nations.

In the early 1960s, there were many who resisted the Equal Pay Act, and there are many today who question the motivation of those who seek to expand this law. In fact, the arguments against our progress today are frighteningly similar to those raised in the past.

There are three fundamental reasons why equal pay is in America's best interests.

First, this is a family issue. Today, nearly three out of four women with children work. In many cases, women are the sole breadwinners. When women aren't paid equally, the whole family pays. Second, it's good business sense. Women make America work. They comprise nearly half of our workforce. Equal pay is essential to attracting good workers and keeping America competitive in this global economy. Finally, this is a kitchen table economic issue. Working women pay the same for goods and services – and should be paid the same for their work in producing goods and services.

This report presents a look at where we have come from, where we are today and where we need to go tomorrow to build on our commitment to equal pay and to continue to reap its benefits. We can make no greater investment in our future than valuing and rewarding all of our workers equally, regardless of our gender, race or other nonmaterial differences. Our challenge is to keep working for equal pay until every American can say they work for equal pay.

Alexis M. Herman
Secretary of Labor

An Introduction From the Women's Bureau Director

It is my pleasure to present *Equal Pay: A Thirty-Five Year Perspective* for the thirty-fifth anniversary of the Equal Pay Act. This report is a historical analysis of the economic trends affecting women workers from the years leading up to Equal Pay Act passage through the present. It is divided into three time periods to highlight important developments: Part I. The Early Impact of the Equal Pay Act: 1960-1975; Part II. Making Their Place in the Work Force: 1975-1985; and Part III. Moving Forward -- Making a Difference: 1985-1997. Within each time frame, the report provides data on women's labor force participation, leading occupations and educational attainment. When available, it also includes data on wages, issues particular to women of color and other important trends.

In some cases, in order to frame an important issue or trend, the report presents statistics outside of the section in which readers would expect them. The conclusion, Part IV. Issues to Watch in the New Century, sums up these patterns and discusses trends to watch for in the future.

The report makes clear that the Equal Pay Act laid the foundation for massive changes not only in women's pay but in patterns of work and the nature of work itself. Working women were affected by these changes and they, themselves, were the agents of change.

When President Kennedy signed the Equal Pay Act, 35 years ago, the wage gap stood at 59 percent. Women earned 59 cents, on average, for every dollar earned by men. Job advertisements in newspapers nationwide listed separate openings -- with separate pay scales -- for women and men doing the exact same jobs. And women were explicitly discouraged from applying for many jobs, which fell only under the category "Help Wanted -- Male."

Today, women earn 74 cents for every dollar men earn, on average. The gender-segregated newspaper ads, with their separate pay scales for men and women, are long gone. Equal Pay Act enforcement has ensured that employers understand the law, and working women understand their rights.

The Women's Bureau is proud of the role of former Director *Esther Peterson* and the Women's Bureau Directors before her who fought tirelessly for this major milestone. We will continue to serve as a voice for working women and a partner with business, government and labor to further women's economic opportunity and security. This should be a goal for all of us. As First Lady *Hillary Rodham Clinton* said at the Fourth World Conference on Women in Beijing, China, "When women flourish, communities flourish and businesses flourish."

Ida L. Castro
Acting Director

Part I The Early Impact of the Equal Pay Act: 1960-1975

Passage of the Equal Pay Act Establishes A Critical Threshold for Working Women

For two years before the Equal Pay Act passed Congress, Assistant Secretary of Labor and Director of the Women's Bureau, Esther Peterson, traveled throughout the nation sharing poignant and passionate stories of women she had met throughout the nation who desperately needed this legislation. "I see the unequal pay problem not only nationally and economically, but I see it as reflected in the lives of women workers I have met throughout the country. I have seen its sharp and painful thrust in factories in which women and men stand side by side doing the same work but receiving different pay."¹

The Equal Pay Act set a basic labor standard that reversed the historical practice of paying women less than men for their work. Under the new law, employers could no longer pay women lower wages than men for doing essentially the same job, unless they could show that the wage differential was clearly based on seniority, merit, the quality or quantity of work or another factor other than sex.

Passage of the Equal Pay Act firmly supported women's economic rights, and improved earnings of those women who worked with men in a range of occupations. It was later expanded to cover employees in executive, administrative, professional and outside sales jobs.

In 1963, stereotypes about the appropriate role for women – particularly married women with children – made it extraordinarily difficult for women to obtain the types of jobs that men held. Women were discouraged from seeking education and training for fields such as medicine, law and business and restricted from apprenticeships for skilled trades. In 1963, the average full time working woman earned only 59 percent of the wages of the average working man. (See Figure 1. Supporting data in Appendix B: Table 1.)

Increases in Women’s Labor Force Participation and Education

After the law was passed, women’s labor force participation rate (the combined percentage of women holding jobs and those looking for work) continued to increase while growing numbers of women sought to continue their education. Women’s labor force participation rate rose from 37.7 percent in 1960 to 46.3 percent in 1975. (See Appendix A: Table 1.) The number of women in the labor force increased from 23.2 million in 1960 to 37.5 million in 1975 – a 61.3 percent increase.² (See Figure 3a. Supporting data in Appendix B: Table 3a.)

The expansion of the female labor force in the 1960s and 1970s largely reflected the entry of married women into the labor force, especially those with children. In 1960, only a quarter of

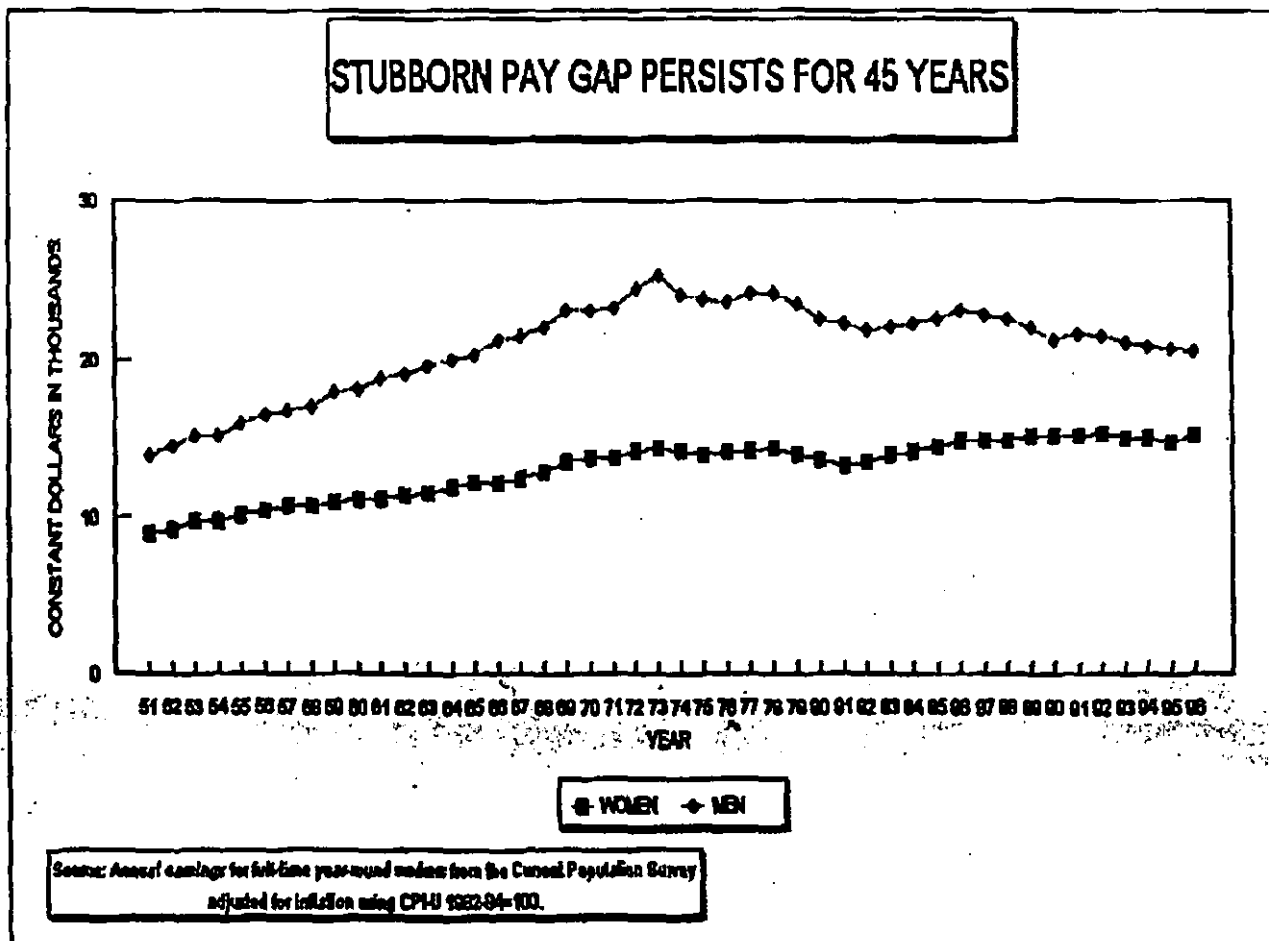


Figure 1

married women with children worked or were looking for work. By 1975, 44.9 percent of married mothers were in the labor force. (See Appendix A: Table 1.)

The numbers of women graduating from college or graduate school grew as well. In 1960, 35.3 percent of all bachelor's and first professional degrees were awarded to women. By 1975, 45.3 percent of all bachelor's degrees went to women. (See Appendix A: Table 2.)

Women Remain Employed in Traditional Women's Occupations

Between 1960 and 1972, the top ten occupations held by women were in areas employing few male workers. (See Table 1.) In 1965, nearly two-thirds of women were employed in clerical, service or sales positions. Thirteen percent of women held professional and technical jobs, yet even these were likely to be traditional women's jobs, such as teachers or nurses.³

While women's participation in the paid labor force increased steadily from 1960 to 1975, the mix of occupations that women were employed in did not change significantly. By 1975, private household worker was no longer the number one occupation of women, but it was still among the top four jobs, trailing secretaries, retail trade sales clerks and bookkeepers on the top jobs list. Elementary school teachers ranked as the fifth most likely job for women, slipping below bookkeepers.

In 1975, the only two occupations to fall from the top ten jobs occupations list were sewers/stitchers and cooks. They were replaced by two other predominantly female jobs, waiters and nursing aides/orderlies/ attendants. The decline of sewers/stitchers and the increase of waiters and nursing aides/orderlies/ attendants were reflectors of the emergence of the service sector and the decline of the manufacturing sector. (See Table 1.)

Women who did work in the nontraditional occupations -- those employing fewer than 25 percent women -- mainly worked on farms, as janitors or in retail sales. (See Table 2.)

TABLE L. 10 LEADING OCCUPATIONS FOR WOMEN, 1960-1980

	<u>1960</u>	<u>1972</u>	<u>1975</u>	<u>1980</u>
Private household workers	1	3	4	8
Secretaries	2	1	1	1
Retail trade, sales clerks	3	2	2	3
Elementary school teachers	4	5	5	7
Bookkeepers	5	4	3	2
Waiters	6	6	6	5
Nurses, professional (RNs)	7	10	9	6
Sewers and stitchers, manufacturing	8	8	—	—
Typists	9	7	8	9
Cashiers	10	9	7	4
Nursing aides, orderlies, and attendants			10	10

Source: Department of Commerce, Bureau of the Census, *U.S. Census Population: 1960, Vol. 1 and Statistical Abstract of the United States: 1963*, Table 305—Detailed Occupation of Employed Persons, by Sex: 1960, pp.232-236 and U.S. Department of Labor, Bureau of Labor Statistics, *Labor Force Statistics Derived from the Current Population Survey: A Databook, Volume 1*, Table B-20—Employed Persons by Detailed Occupation, Sex, and Race, 1972-81, pp. 655-667.

TABLE 2. LEADING NONTRADITIONAL OCCUPATIONS FOR WOMEN, 1960-1980

Numbers in Thousands

Occupation	1960	1972	1975	1980
Farmers, managers, and tenant farmer	1	7	8	5
Farm laborers, wage workers	2	3	5	6
Accountants and auditors	3	1	1	
Janitors and sextons	4	4	3	2
Buyers and department heads, stores	5			
Stock clerks and storekeepers	6	6		
Salesmen&sales clerks, manufacturing	7			
Real estate agents and brokers	8			
Managers, food and dairy stores	9			
Postal clerks	10			
Nonfarm laborers -- stock handlers		5	4	3
Transport equipment operatives		4	2	1
Bank officials and financial managers		8	6	
Buyers and purchasing agents		9		
Engineering and science technicians		10	7	4
Computer specialist			9	8
Shipping and receiving clerks			10	
Protective service				7
Physicians, dentists, and related practitioners				9
Sales workers, except clerks, retail trade				10

Source: *Statistical Abstract of the United States: 1961*, Table 305. Detailed Occupation of Employed Persons, by Sex: 1960, pp. 232-236. U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960*, Vol 1; [persons 14 years and over]. *Labor Force Statistics Derived from the Current Population Survey: A Data Book, Volume 1*; [persons 16 years and over]. Table B-20. -- Employed persons by detailed occupation, sex, and race, 1972-81, pp. 655-667; and Table C23. -- Median weekly earnings of full-time wage and salary workers by [Major] occupation, sex, and race, May, selected years, 1967-78, pp. 732-733, U.S. Department of Labor, Bureau of Labor Statistics, Bulletin 2096, September 1982.

Women of Color in the Labor Force

Until the mid-1970s, when labor force participation rates for white women started increasing rapidly, black women had much higher participation rates than white women. In 1964, a higher proportion of non-white than white women were in the labor force, most strikingly among the 25 to 34 year age group, among which 53 percent of non-white women, but only 35 percent of white women held jobs. Data for wages by race and gender were not red during this time.⁴

Title VII of the Civil Rights Act of 1964, which prohibited discrimination in employment on the basis of race and gender, was generally acknowledged to be more significant in furthering employment opportunities for women of color. Under Title VII, employers were prohibited from discriminating in hiring, promotion and wages.

Enforcement and Expansion of the Equal Pay Act

In the early 1970s there were a number of court cases and administrative actions that increased the effectiveness of the Equal Pay Act. A case that was decided in 1970, *Schultz v. Wheaton Glass Co.*, 421 F.2d 259 (3rd Cir. 1970), affirmed that the Equal Pay Act was "intended as a broad charter of women's rights in the economic field," and that it sought to "overcome the age-old belief in women's inferiority and to eliminate the depressing effect on living standards of reduced wages for female workers and the economic and social consequences which flow from it."

This case clarified for the first time that jobs need only be "substantially equal" not "identical" to fall under the protection of the Equal Pay Act. This equal work standard strengthened the law by ensuring that employers could not simply change the job titles for women and men performing basically the same jobs to justify a pay differential.

Four years later, the court further clarified that employers could not justify lower pay for women through a defense that the "going market rate" for women's labor was lower than men's, or that employing women at different times of the day than men for the same jobs entitled the employer to pay lower wages to women. In *Corning Glass Works v. Brennan*, 417 US 188 (1974), the Supreme court held a wage differential arising "simply because men would not work at the low rates paid women" was illegal under the Equal Pay Act. (See Table 3.)

TABLE 3. IMPORTANT FEDERAL COURT CASES RELATED TO THE EQUAL PAY ACT OF 1963

Court Cases	Issue	Significance
<p><i>Schultz v. Wheaton Glass Co.</i>, 421 F.2d 259 (3rd Cir. 1970), cert. denied 398 U.S. 905.</p>	<p>Whether a defendant bears the burden of proving an alleged "factor other than sex" defense when the plaintiff has established a prima facie case under the Equal Pay Act.</p>	<p>The Third Federal Circuit Court held that once a plaintiff has clearly proven a prima facie case under the Equal Pay Act, the burden shifts to the defendant to establish his/her defense. Most notably, this case clarified that jobs need only be "substantially equal" and not "identical" to fall under the analysis and protection of the Act.</p>
<p><i>Corning Glass Works v. Brennan</i>, 417 U.S.188 (1974)</p>	<p>Whether the Corning Glass Company had violated the Equal Pay Act when it paid a higher wage rate to male night shift inspectors than it paid to female inspectors performing the same tasks as the day shift.</p>	<p>The Supreme Court held that the Equal Pay Act had been violated. The Court completely rejected the "Market Rate" defense used by businesses as a "factor other than sex" exception to the Act's applicability. This defense traditionally espoused that males were paid higher wages because they would not work at the rates paid to women.</p>
<p><i>Los Angeles Dept. Of Water & Power v. Manhart</i>, 435 U.S. 702 (1978)</p>	<p>Whether the existence or nonexistence of "discrimination" is to be determined by a comparison of class characteristics or individual characteristics.</p>	<p>The Supreme Court determined that there was pay discrimination. The Court stated that the "...basic policy of the statute requires ... [a] focus on fairness to the individual rather than to...classes."</p>

<i>County of Washington v. Gunther</i> , 452 U.S. 161 (1981)	Whether section 703(h) of Title VII of the Civil Rights Act of 1964 restricts Title VII's prohibition of sex-based wage discrimination to claims of equal pay for equal work.	Although this case did not require a ruling as to whether the Equal Pay Act had been violated, the Supreme Court clarified that issues of wage differentials can be brought under Title VII without having to show the "Equal Pay for Equal Work" standards under the Equal Pay Act.
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Between June 1964 and January 1971, under the Equal Pay Act, the Department of Labor found underpayments amounting to over \$26 million due to nearly 71,000 employees, almost all of them women. The Department filed over 200 lawsuits, about 75 percent of which were decided or settled, most of them favorably.⁵ (See Appendix A: Table 3.) At that time the Equal Pay Act covered most employees who worked in manufacturing, processing, and distributing establishments; in telephone, telegraph, radio, television, and transportation industries; in banks, insurance companies, and advertising agencies; in laundries and dry cleaning establishments; most hospitals and nursing homes; and most schools (both public and private); in the larger hotels motels, restaurants; and other retail and service establishments.⁶

The following year, the law was broadened to cover executive, administrative, professional and outside sales employees by the Education Amendments Act of 1972. In 1974 it extended equal pay protections further to public sector workers in the states and their political subdivisions by the Extension of Equal Pay Act.

The extension of the law brought needed protections to millions of additional women. For instance, in the latter part of 1971, a young woman professor at a small private college inquired at the Wage and Hour Division about a possible equal pay violation. She had recently discovered that the college hired male professors in her department at an annual salary of \$13,000. The woman, who had been with the school for a year, was earning \$8,500. The case presented by this employee was undeniably more clear cut than most situations the Division investigated under the statute. However, at that time, college professors and other professional employees were not protected by the Equal Pay Act.⁷

With the expansion, by 1975, total underpayments to employees under the Act reached more than \$125 million affecting nearly a quarter of a million workers.⁸

In 1975, among full time workers, women's yearly earnings were 58.5 percent of men's earnings. (See Figure 1.)

Part II. Making Their Place In the Work Force : 1975-1985

Rise of Women in the Labor Force Continues, With Slow Movement Into Nontraditional Occupations

During the ten-year period between 1975 and 1985, women's labor force participation and education continued to increase. Also, this period marked the beginning of women's movement into more nontraditional jobs.

The increase in the number of married mothers in the labor force continued to have a dramatic impact upon the overall labor force participation rates of women. Labor force participation rates of women over their life span began to resemble the pattern of men's -- it no longer dipped down in the mid-career years, as it had previously when many women left the paid labor force to care for family. (See Figures 2 and 3. Supporting data in Appendix B: Tables 2 and 3.)

By 1980, private household worker had fallen to number eight on the list of top ten occupations for women, and by the close of 1985 it dropped completely from the list. At the start of the 1980s the four most likely jobs for women were still secretaries, bookkeepers, retail trade sales clerks and cashiers. By 1985 a new occupational category made an appearance on the top ten list -- managers and administrators, not elsewhere classified

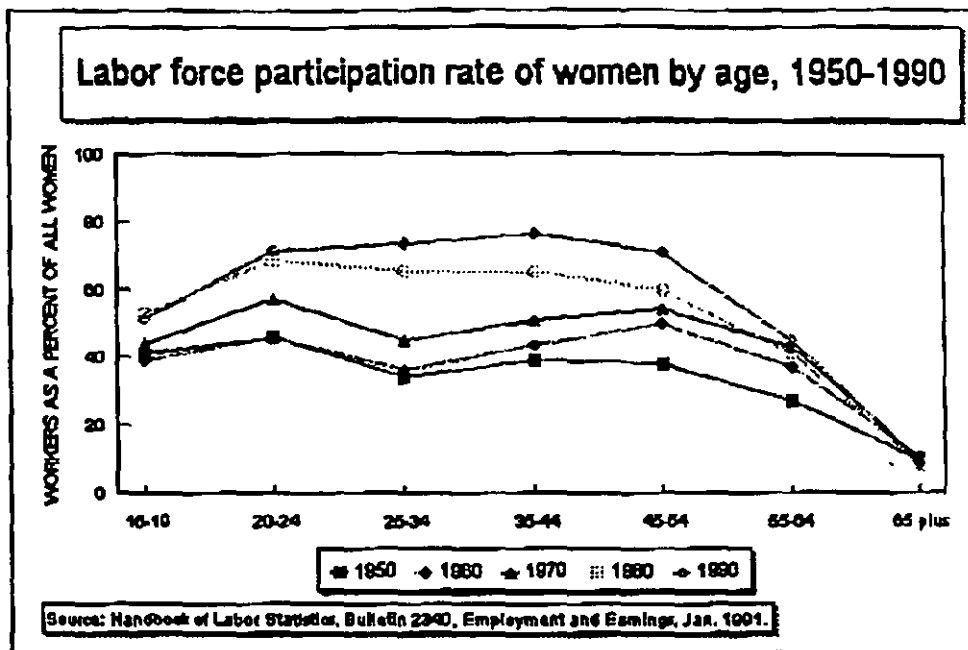


Figure 2

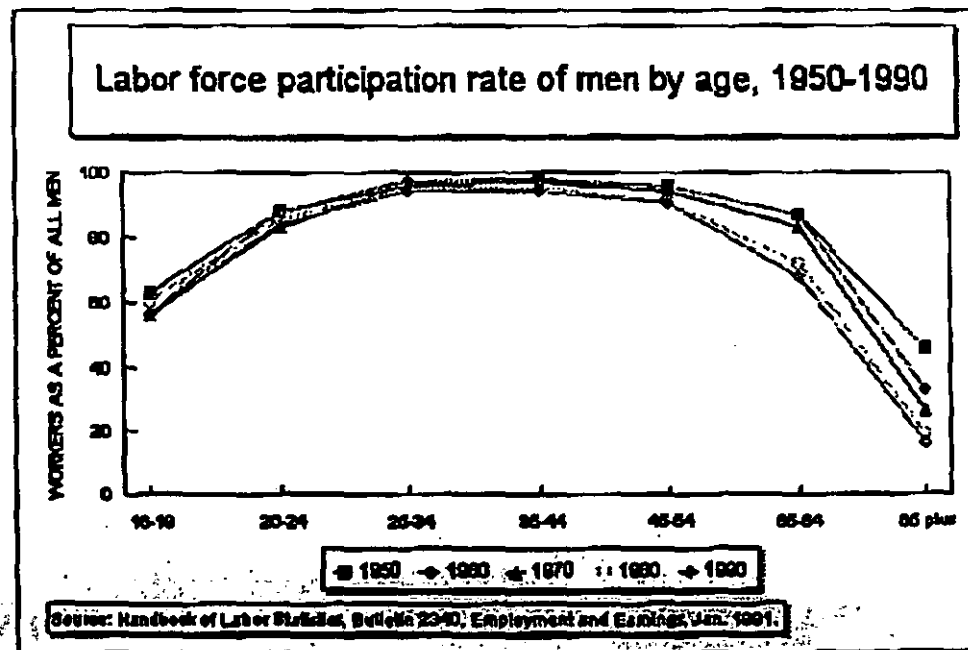


Figure 3

(n.e.c.). This job trailed secretaries as the second most likely occupation for women. (See Table 4.)

**TABLE 4. 10 LEADING OCCUPATIONS FOR WOMEN
WITH MEDIAN WEEKLY EARNINGS OF WOMEN AND MEN, 1985-1997**

Occupations	Median Weekly Earnings			
	Women 1985	Men 1985	Women 1990	Men 1990
Median Weekly Earnings, Total	\$277	\$406	\$348	\$485
Secretaries	1-\$279	-----	1-\$343	-----
Managers and administrators, n.e.c.	2-\$363	\$501	2-\$453	\$769
Bookkeepers, accounting/auditing clerks	2-\$267	\$331	4-\$335	\$391
Cashiers	3-\$172	\$209	3-\$210	\$242
Registered nurses	4-\$431	\$492	5-\$608	\$616
Waiters and waitresses	5-\$159	\$236	9-\$194	\$266
Elementary school teachers	6-\$403	\$468	8-\$513	\$575
Nursing aides, orderlies, and attendants	7-\$199	\$234	7-\$248	\$284
Sales workers, other commodities	8-\$179	\$272	10-\$225	\$314
Sales supervisors and proprietors	9-\$276	\$438	6-\$327	\$509
Typists	10-\$259	-----		

Occupations	Median Weekly Earnings			
	Women 1995	Men 1995	Women 1997	Men 1997
Median Weekly Earnings, Total	\$406	\$557	\$431	\$579
Secretaries	1-\$406	-----	1-\$409	-----
Managers and administrators, n.e.c.	3-\$595	\$912	3-\$658	\$934
Bookkeepers, accounting/auditing clerks	6-\$382	\$445	7-\$418	\$446
Cashiers	2-\$233	\$256	2-\$248	\$269
Registered nurses	4-\$693	\$715	4-\$705	\$778
Waiters and waitresses	9-\$258	\$314	9-\$268	\$328
Elementary school teachers	8-\$627	\$713	8-\$655	\$719
Nursing aides, orderlies, and attendants	7-\$275	\$331	7-\$296	\$341
Sales workers, other commodities	10-\$270	\$317	10-\$280	\$381
Sales supervisors and proprietors	5-\$389	\$591	5-\$438	\$619

Medians are not shown where the base is less than \$0,000. Such cases are indicated by dashes.

n.e.c. = not elsewhere classified.

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings*, January 1986, 1991, 1996, and 1998.

The appearance of managers/administrators among the top four women's occupations reflected a number of new trends, including the increased education and work experience of women and the growing "office economy," which demanded new workers with management, administrative and computer skills in government and the service sectors.⁹

The introduction of electronic typewriters and personal computers also had a tremendous impact on women's jobs during this time frame. In 1975, computers were not common office equipment. By 1985, desktop computers emerged as a popular tool for word processing, data analysis and internal communication. This advance in technology revolutionized clerical, administrative, managerial and professional jobs. The advance of the computer has had particular impact on jobs for women, over one quarter of whom held administrative and clerical positions during this time period. The number of typists jobs started to decline in the mid 1970s, a pattern which continued throughout the 1980s. By 1985, typists had dropped to number ten on the list of top ten jobs of employed women. By 1990,

typists had completely dropped off the top ten list.

Wage Gap Narrows

As the 1980s began, the wage gap, which had been fairly constant for nearly two decades, began to narrow. The wage ratio between men's and women's earnings decreased from 56.6 percent in 1973 to

60.2 percent in 1980 and 64.6 percent by 1985. (See Figure 1.)

In 1973, both men and women had experienced a peak in their real earnings, and both felt the effects of a subsequent recession in their paychecks. While women were able to regain ground and increase their earnings, men's earnings have still not fully reached their 1973 heights. Real earnings for women slowly increased between 1973 and 1985 by almost 2 percent, while real earnings for men declined by 10.7 percent. The changes in the wage ratio during these early years reflect both the slow steady climb of women's earnings and the decline in men's earnings.

While women entered more nontraditional, higher paying occupations, they were still unlikely to earn the same wages as men holding those same jobs. For instance, in 1985, women comprised 29 percent of all workers in the category "managers and administrators n.e.c.," yet their wages were only \$363 per week, 72 percent of the \$501 that men in the same occupation earned. (See Table 4.)

Employment by Race

White, black and Hispanic women all experienced significant employment growth during the decade of the eighties. In 1979, the Department of Labor, Bureau of Labor Statistics began reporting weekly wages for black men and women. It showed that black women, who represented the largest female minority group, earned 7.9 percent less than their female white counterparts, and 25.6 percent less than black men.

Over the next ten years, earnings for white women were greater than for black women, particularly in comparison to black men. In 1985, white women earned just 7.8 percent less than black men, while black women earned 17.3 percent less than black men. This trend continued until 1991, when white women reached parity with black men, while black women were still earning 13.8 percent less than

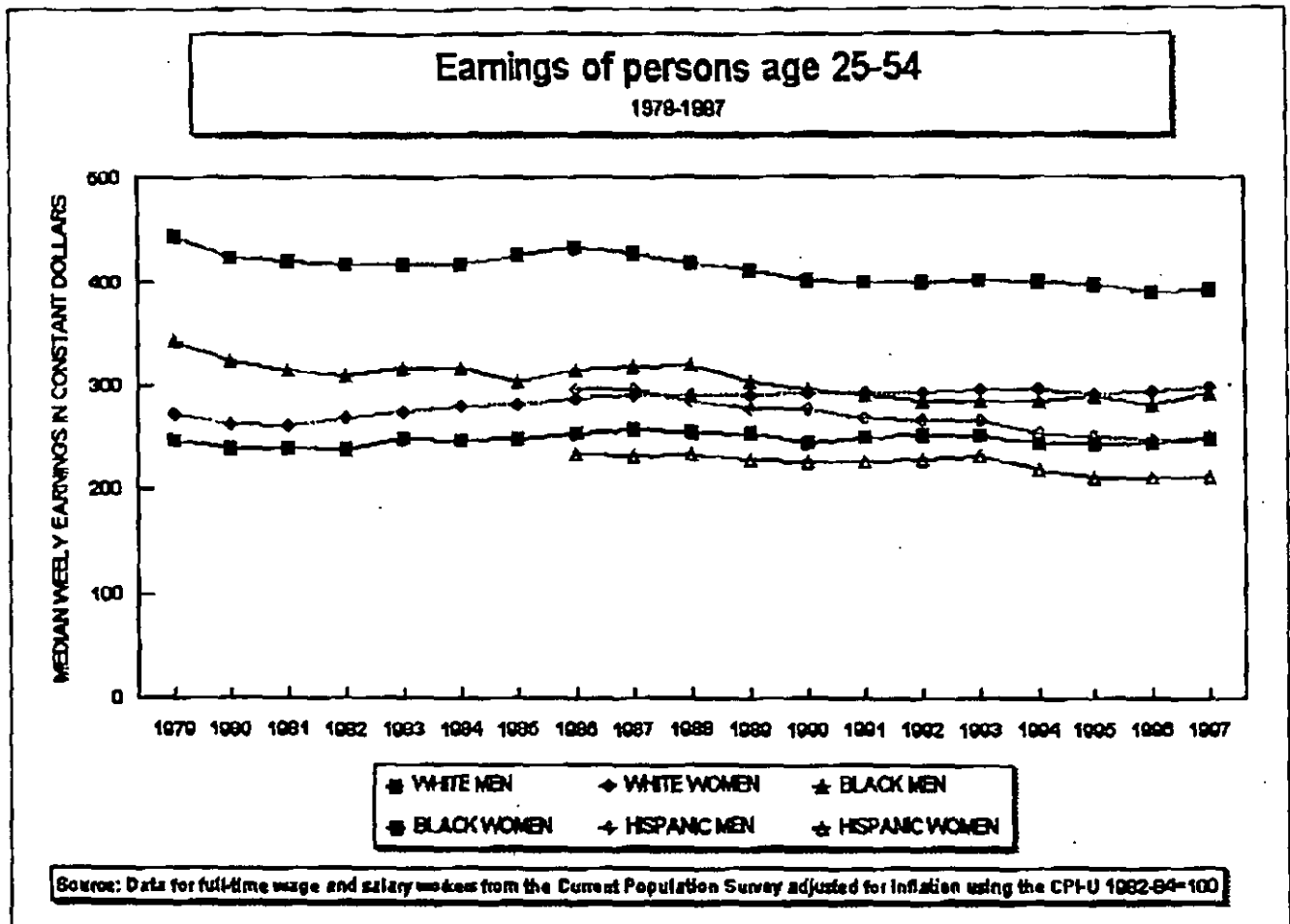


Figure 4

black men. (See Figure 4. Supporting data is in Appendix B: Table 4.)

Growth in Educational Attainment

Another significant trend during this time frame was the growth in women's educational attainment. In 1975, women were earning 45 percent of all bachelor's and master's degrees — by 1985 they were earning fully half of those degrees. Growth was even more dramatic in the attainment of first professional degrees, which doubled between 1975 and 1980, from 12 percent to 25 percent, and continued to soar to 33 percent by 1985. (See Appendix A: Table 2.)

The slow gains in women's earning power was of particular concern to leaders in women's organizations and others who monitored women's economic progress. The Women's Bureau's 1975 Handbook on Women Workers published data showing that women with college degrees still earned less than the average man with only a high school diploma, suggesting that the occupations women held were still not compensated for the skills and education that women brought to their work. For

instance, in 1979, men with just a high school education earned 8.4 percent more than women with five or more years of college education. Compared to men with similar levels of college education, the women earned 54.9 percent as much.¹⁰

Enforcement Issues

In 1979, a number of important administrative and strategic efforts were launched to strengthen enforcement of the Equal Pay Act and improve women's pay. First, on July 1, 1979, all functions related to enforcing or administering the Equal Pay Act were transferred from the U.S. Department of Labor and the Civil Service Commission to the U.S. Equal Employment Opportunity Commission (EEOC) pursuant to Reorganization Plan No. 1 of 1978. Between July and September 1979, the EEOC resolved 350 Equal Pay complaints.¹¹ (See Appendix A: Equal Pay Chronology)

Second, in 1981, the Supreme Court clarified in *County of Washington v. Gunther*, 452 U.S. 621 (1981), that Title VII of the Civil Rights Act was not limited by the equal work standard found in the Equal Pay Act. However, this decision did not lay out any new standards by which wage discrimination cases should be analyzed under Title VII. The Court left that discussion to lower courts as individual cases came before them. Many of these cases were lost when plaintiffs, bringing suit under Title VII of the Civil Rights Act could not provide evidence of intentional wage discrimination against women who held similar skills and responsibilities as men, but worked in different occupations. (See Table 3.)

After 1981, Equal Pay Act (EPA) cases were often combined with Title VII suits. A number of cases filed under the EPA were against public employers whom the Commission alleged paid their female employees less than male employees performing substantially equal work. Many of the EPA cases filed against employers in the private sector involved service-related or retailing jobs, such as public health nurses, physician assistants, customer service representatives, and managerial positions.¹²

Part III. Moving Forward – Making a Difference: 1985-1997

Since the Equal Pay Act was passed, women have ensconced themselves firmly in the labor market. Between 1985 and the present, the equal pay issue has continued to resonate as greater numbers of women find themselves working side by side in the same jobs as men, yet earning less pay. A number of new issues related to pay have emerged also. In the late 1980s, a new term, the “glass ceiling” was coined to express women’s frustration with their inability to break through to the top paying jobs in corporate America. Another significant issue to gain widespread awareness has been the difficulty in balancing work and family. More married mothers than ever before are working, and their earnings have become a significant factor in family well being. Finally, as computer technology has continued to evolve, home-based businesses and telecommuting have grown and women’s business ownership has continued its dramatic rise. In 1994, the U.S. Department of Labor Women’s Bureau released the *Working Women Count! Survey*, which showed that improving pay and benefits was one of working women’s three main priorities for change, alongside balancing work and family and gaining respect and opportunity on the job.¹³

Labor Force Participation of Women

In 1985, women’s overall labor force participation reached 54.5 percent, while the percentage of married women with children grew to 60.8 percent. A solid majority of married mothers were working, and their labor force participation rates continued to rise each year, reaching nearly three-quarters by the end of 1997.

Wage Gap Hits An All Time Low, As Women’s Earnings Slowly Rise and Men’s Wages Drop

Between 1985 and 1990, the wage gap continued to narrow. By 1990, the wage ratio hit the 72 percent mark – women who worked full time, year round earned 72 cents for each dollar a man earned, based on annual earnings. Yet during the next six years the annual earnings ratio began to follow the “one step up – two steps back” pattern of preceding years, and slipped back and forth between 70 and 72 percent until 1996, when it reached the current high of 73.8 percent. Weekly wages for women experienced a similar pattern – they hit a high ratio of 77.1 percent in 1993, yet slipped down to 74.4 percent by the end of 1997. (See Figure 1.)

In its September 1997 report, *Money Income in the United States: 1996*, the Census Bureau cautioned specifically that the drop in the wage gap was not necessarily cause for celebration. “Recent increases in the female-to-male earnings ratio have been due more to declines in the earnings of men than to increases in the earnings of women,” it said. The report further explained that women’s real earnings have remained stagnant since 1990, while men’s real earnings have dropped by 3.3 percent.¹⁴

Women’s rising level of education and experience in the labor market, and their growing share of better-paying managerial and professional jobs have been critical in increasing women’s real earnings during the 1980s and maintaining their level during the 1990s. Yet even within these good-paying jobs, women’s average earnings have not reached those of men.¹⁵

1997 Bureau of Labor Statistics weekly wage data show that women earned less than men in 99 percent of all occupations for which data is available. For example, women in the prestigious executive, administrative and managerial occupations earned wages that were 69.7 percent of men's pay, while women in the professional specialty occupations averaged 75.0 percent of men's weekly wages.¹⁶ Even among medicine and health managers, 76.8 percent of whom were women, women earned 74 percent of what men earned.¹⁷

Enforcement at EEOC and OFCCP

From Fiscal Year 1985 through Fiscal Year 1997, EEOC filed 65 lawsuits, resolved 136 lawsuits, and recovered over \$11 million under the Equal Pay Act. From Fiscal Year 1988 through Fiscal Year 1997, EEOC filed 98 lawsuits, resolved 115 lawsuits concurrently under the Equal Pay Act and Title VII of the Civil Rights Act.

While EEOC continued to hold enforcement authority for the Equal Pay Act, in the early 1990's the Department of Labor Office of Federal Contract Compliance Programs (OFCCP) began meeting with much success in resolving instances of wage discrimination among federal contractors through the Affirmative Action Executive Order 11246. The Executive Order prohibited employment discrimination by federal contractors and required that contractors make good faith efforts to ensure a non-discriminatory workplace. It also authorized OFCCP to ensure compliance with equal employment opportunity laws through routine compliance reviews. Women have benefitted greatly as a result — since OFCCP implemented a specific focus on corporate management practices in 1993, there have been sixteen compensation settlements, awarding women and minority workers over \$5 million to correct discriminatory wage practices.

Education Levels Soar, Pushing Overall Earnings for Women Up

Education levels for women at the undergraduate and master's degree level began to match those of men in 1981 and 1982. By 1990, women took home more than half of bachelor's and masters degrees and nearly 40 percent of all first professional degrees. This trend has held constant during the 1990s. Earnings for college-educated women finally began to surpass those of men who had not attended college. Yet for women of color, the gains were not as great as for white women. 1996 Census data show that earnings for white college-educated women were seven percent higher than for men who held high school diplomas and G.E.D.s; Hispanic college women earned only 5 percent more and African American college women earned less than one percent more than high school-educated men.¹⁸ (See Figure 5. Supporting data in Appendix B: Table 5.)

Young Women Still Fighting the Wage Gap

Many economists have predicted that as women's education, experience and occupations come to match those of men, their pay will follow. Researchers have focused intently on the education patterns and labor force experiences of the youngest women to gauge their future impact on working women.

In *Baccalaureate and Beyond*, the Department of Education surveyed college graduates from 1992 and 1993 and found an average wage gap of 15.7 percent between men and women. The report also documented differences in the fields of study chosen between women and men, with women more likely to prepare for and enter lower-paying occupations, such as teaching and clerical/administrative positions. However, such choices were hardly universal. The study found that more women majored in business than in any other specialty.¹⁹

A recent article in the Department of Labor's *Monthly Labor Review* explored the effects of major fields of study and occupational choices on women's and men's earnings for 130 major fields. It compared earnings for women and men by college major, occupation and age, and found that while

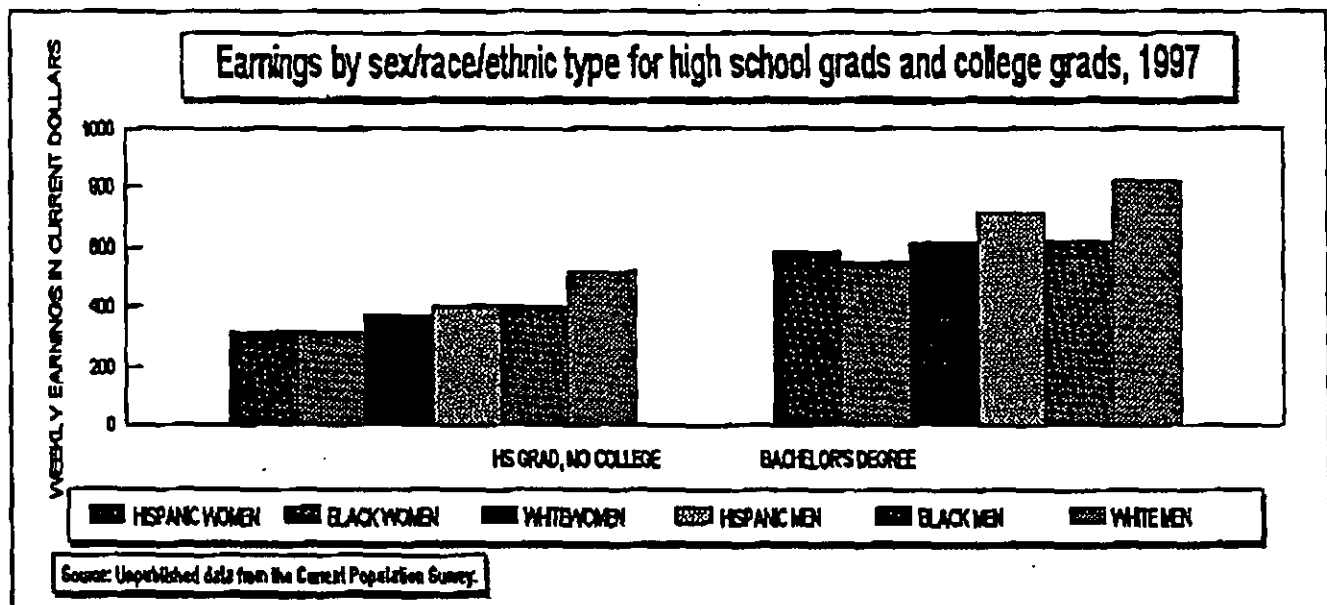


Figure 5

earnings differences were smaller for those with similar characteristics, they did not disappear completely. Women earned 100 percent or more of men's earnings in 8.5 percent of the major fields, representing only 2 percent of women's employment. In about half of the fields, accounting for almost half (48 percent) of employment, women's earnings were at least 87 percent of men's earnings. In the remaining 51 major fields, or 39 percent, accounting for the remaining half of employed women, earnings were less than 87 percent of men's pay.

Among women in the 25 to 34 year age group, the fields that led to the best earnings ratios within occupations were: accounting, chemistry, computer and information sciences, engineering, mathematics and pharmacy.

Of further interest, the study estimated how much of the wage gap would disappear if men and women

were equally likely to study the same subjects and enter the same occupations at roughly the same age. It noted that the actual 73 percent ratio between college educated women's and men's earnings would increase by nine percentage points to 82 percent, if men and women held the same degrees, chose the same occupations and were the same age.²⁰

Some observers of the wage gap have made much of women's lifestyle and occupational choices as an explanation for the current wage gap. Referring to remarks made by economist June O'Neill in a 1994 Wall Street Journal article, they find that "among people ages twenty-seven to thirty-three who have never had a child, women's earnings are close to 98 percent of men's."²¹

Gains for young, highly-educated and motivated women without children have been impressive indeed. However, as economist Katha Pollitt has pointed out, "young men and women have always had earnings more comparable than those of their elders: Starting salaries are generally low, and do not accurately reflect the advantages that accrue, or fail to accrue, over time as men advance and women stay in place, or as women in mostly female kinds of jobs reach the end of characteristically short career paths."²²

Working Families Depend on Earnings of Women

It is also important to recognize that most working women in the United States do have children at some point during their prime working years. In 1997, 40 percent of all working women had children under age 18 at home. New mothers are returning to the workforce sooner after having children and are more likely to continue working for pay than they are to become homemakers and care for their own children exclusively. In 1996, 54.3 percent of women were back on the job by their baby's first birthday, while 63.3 percent of moms with two year old children held paying jobs.²³

During the late 1980s and 1990s, the proportion of families maintained by women increased greatly. In 1997, 18 percent of all families were maintained by women.²⁴ In these families, women's earnings made up 75 percent of total family income.²⁵

In addition, the number of families with two working parents increased by nearly half a million between 1995 and 1996 alone, while the number of "traditional" families with a husband employed as breadwinner and wife engaged as homemaker remained unchanged. Both parents were employed in 63.9 percent of married-couple families with children 18 and younger, while 28.2 percent of these families had an employed father and a homemaker mother.²⁶

Women contribute substantially to family earnings. In 1996 working wives contributed an average of 36.5 percent of family earnings. White wives contributed 35.8 percent, Black wives contributed 43.7 percent and Hispanic wives contributed 37.5 percent. (See Figure 6. Supporting data in Appendix B: Table 6.)

There is a strong connection between the earnings of working mothers and the economic well-being of their families, according to a recent *Monthly Labor Review* article. Wives' earnings reduced the

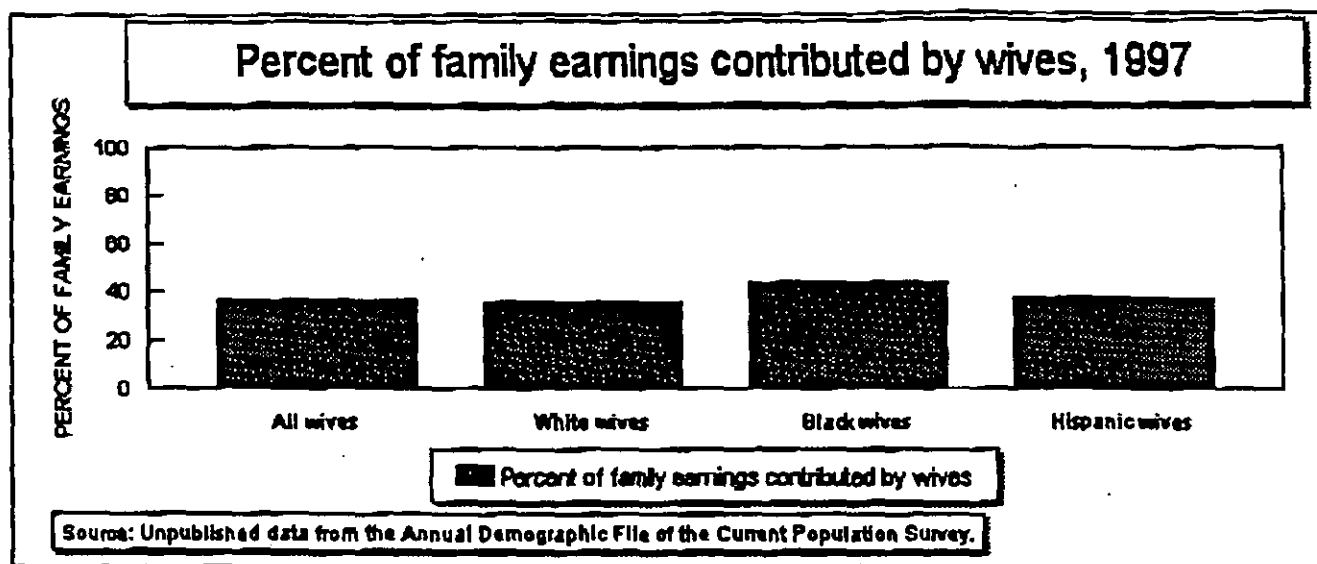


Figure 6

poverty rate by more than half for U.S. born and immigrant Mexican families, by more than three-fifths for Cubans and Blacks, and by three-fourths for white families.²⁷

Women Gain More Managerial/Professional Occupations, Yet Clerical and Teaching Fields Still Among Most Likely Occupations

The most significant changes in the order of top ten occupations for women between 1985 and 1990 involved the rise in sales supervisors and proprietors, and the dropping of typists from the list. Secretaries still topped the list, followed by managers/administrators, with bookkeepers, cashiers and nurses close behind. Waiters, elementary school teachers, nursing aides/orderlies/attendants and sales workers were still on the latter half of the list. By 1995, bookkeepers fell from its slot in the top four jobs, losing ground to cashiers, sales supervisors and proprietors. (See Table 4.)

Although elementary school teacher was not among the top five jobs for women, it should be noted that teachers (not including post-secondary teachers, those teaching in colleges and universities generally) numbered 3.6 million in 1997. This was the largest category of women workers in 1997, larger than the 3.0 million secretaries. Teachers have accounted for a consistently large group of women workers, but because statisticians divide teaching into the sub-categories of elementary, high school, kindergarten/pre-kindergarten, and special education teachers, the significance of the overall number of women teachers is hidden.

Nontraditional Occupations for Women Evolve

At the same time that women began increasing their presence in managerial and administrative occupations, they were also making their imprint on skilled technical and machinist positions. Women have joined the ranks of bank officials and financial managers, transport equipment operatives,

engineering and science technicians and computer specialists. These occupations have shaped the post-industrial period and been the first indicators of a new age of information and technology. Women's educational gains, particularly at the graduate level, have led to such increases in professional fields that women now account for more than 25 percent of all lawyers and physicians — thus these once male bastions are no longer “nontraditional” jobs for women. Moreover, it is still true that weekly earnings of women working full-time in the nontraditional occupations, such as precision production and high technology fields, earn substantially higher wages than in traditional women's jobs, although somewhat less than their male counterparts. (See Tables 5 and 6.)

TABLE 5. LEADING NONTRADITIONAL OCCUPATIONS FOR WOMEN: 1985-1997

Numbers in Thousands

Occupation	1985	1990	1995	1997
Sales representatives, commodities, except retail trade	1	1	3	3
Freight, stock, and materials handlers	2	2	1	1
Protective service	3	3	2	2
Farm workers	4	6	---	---
Laborer, except construction	5	4	4	4
Farmers, managers, and tenant farmer	6	7	¹	5
Engineering and related technologists, and technicians	7	8	10	10
Precision production, supervisors	8	5	5	6
Mechanics and repairers	9	9	6	9
Motor vehicles operators	10	10	9	8
Physicians	---	---	7	---
Engineers	---	---	8	---

Source: *Labor Force Statistics Derived from the Current Population Survey, 1948-87*, [persons 16 years and over]. Abstracted from: Table B-11. *Employed civilians by detailed occupations, sex, race, and Hispanic origin, 1983-87*, pp. 673-692 and Table B-31. Median weekly earnings of full-time wage and salary workers by detailed occupation and sex, 1983-87, pp. 748-767, U.S. Department of Labor, Bureau of Labor Statistics, Bulletin 2307, August 1988. *Employment and Earnings*, Table A-11. Employed persons by detailed occupation, sex, race, and Hispanic origin and Table A-39. Median weekly earnings of full-time wage and salary workers by detailed occupation, U.S. Department of Labor, Bureau of Labor Statistics (monthly publication), January issues 1991, 1996, and 1998, annual averages data for 1990, 1995, and 1997.

¹ Occupation no longer meets the definition of nontraditional because more than 25 percent of all workers in this group are women.

TABLE 6. MEDIAN WEEKLY EARNINGS OF WOMEN FULL-TIME WORKERS IN NONTRADITIONAL OCCUPATIONS: 1985-1997

Occupation	1985	1990	1995	1997
Sales representatives, commodities, except retail trade	\$364	\$501	\$568	\$582
Freight, stock, and materials handlers	205	227	281	289
Protective service	278	405	438	451
Farm workers	178	202	217	247
Laborer, except construction	207	258	285	307
Farmers, managers, and tenant farmer	²	---	---	---
Engineering and related technologists, and technicians	344	398	519	529
Precision production, supervisors	303	363	428	435
Mechanics and repairers	392	459	550	489
Motor vehicles operators	246	305	345	399
Physicians	---	---	806	---
Engineers	---	---	806	---

Source: *Labor Force Statistics Derived from the Current Population Survey, 1948-87*, [persons 16 years and over]. Abstracted from: Table B-11. *Employed civilians by detailed occupations, sex, race, and Hispanic origin, 1983-87*, pp. 673-692 and Table B-31. Median weekly earnings of full-time wage and salary workers by detailed occupation and sex, 1983-87, pp. 748-767, U.S. Department of Labor, Bureau of Labor Statistics, Bulletin 2307, August 1988. *Employment and Earnings*, Table A-11. Employed persons by detailed occupation, sex, race, and Hispanic origin and Table A-39. Median weekly earnings of full-time wage and salary workers by detailed occupation, U.S. Department of Labor, Bureau of Labor Statistics (monthly publication), January issues 1991, 1996, and 1998, annual averages data for 1990, 1995, and 1997.

Glass Ceiling Commission Documents Barriers, Recommends Changes for Working Women and Minorities

Although women entered the managerial and professional occupations in record numbers during the late 1980s and 1990s, surveys of corporate leadership and senior government positions found that very few women were reaching the upper levels of management in corporations and public service.

This was especially true for black women. Historically, black women have worked longer in paid employment and have greater work experience than white women. In 1987, they accounted for a record 50 percent of total black employment and have represented the larger segment of black employment ever since. Black women were more likely than white women to work, but generally earned less and held lower status jobs.²⁸

² Data not shown where base is less than 50,000. Earnings data refer to full-time wage and salary; occupational data refer to all employed in the occupation.

In the late 1980s, Senator Bob Dole sponsored legislation to create a bipartisan Glass Ceiling Commission to study the barriers to advancement in the workplace for women and minorities, issue reports on its findings and share recommendations. In 1991, President George Bush appointed members to the Glass Ceiling Commission.

In 1995, the Commission issued two reports. The first, "Good for Business: Making Full Use of the Nation's Human Capital," found that women and minorities had made some inroads into entry level managerial and professional jobs, but faced significant barriers to movement up the rungs of the corporate ladder. The Commission found that 97 percent of the senior managers of Fortune 1000 and Fortune 500 companies were white, and 95 to 97 percent were male. In the Fortune 2000 industrial and service companies, only 5 percent of senior managers were women. In addition, the Commission indicated that when women or minorities did achieve the top jobs, they were not able to collect the same paycheck. Its report included an analysis of the unique barriers faced by African American women, Asian women, Hispanic women and Native American women, as well as the problems for African American men, Asian men, Hispanic men and Native American men.²⁹

The second report, "A Solid Investment: Making Full Use of the Nation's Human Capital," offered eight recommendations for business and four for government to help break through the glass ceiling and improve opportunities for all women and minorities. In addition, it listed societal initiatives to help change the attitudes that reinforce the glass ceiling. Many of these recommendations have been woven into Department of Labor strategies to ensure a secure workforce.³⁰

Women-Owned Businesses Flourish

Finally, another important trend that emerged during this period was the phenomenal growth in

women-owned businesses. Women owned fewer than one million firms in 1977. By 1992, they owned nearly 6.4 million businesses. Today, that number has increased to eight million (including C Corps) -- one third of all firms.

Women-owned businesses contribute more than \$2.3 trillion annually in revenues to the economy, more than the gross domestic product of most countries, and employ one out of every five U.S. workers -- a total of 18.5 million employees.³¹ (See Figures 7, 8 and 9. Supporting data in Appendix B: Tables 7, 8 and 9.)

In the last few years, some women's leaders have commented that the continuing existence of the glass ceiling has fueled the skyrocketing growth in women-owned businesses.

A February 1998 study by the National Foundation for Women Business Owners found that 29 percent of women business owners with corporate experience said that "glass ceiling issues" were significant in motivating them to start their own companies.³²

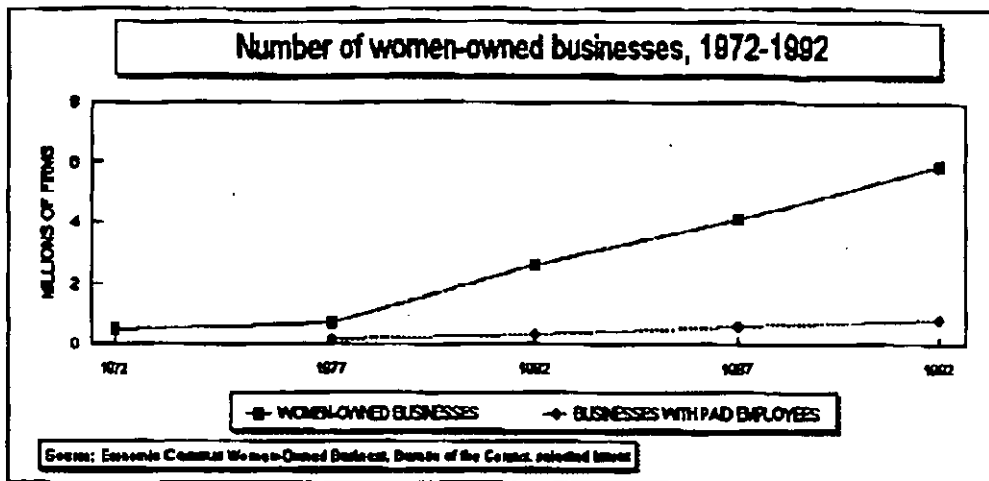


Figure 7

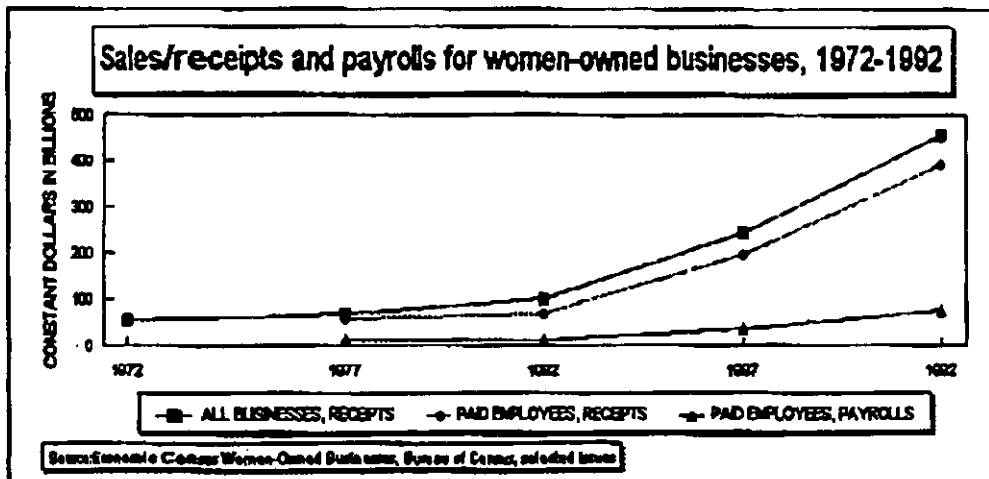


Figure 8

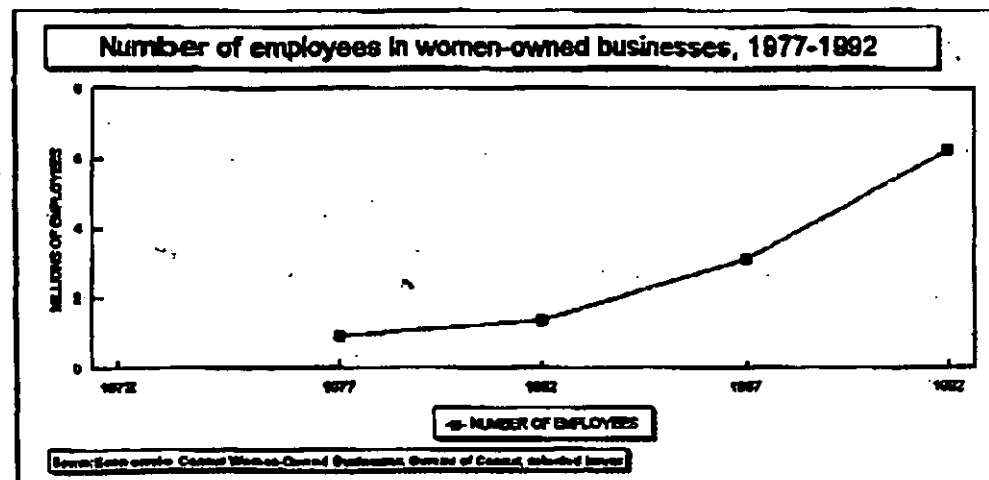


Figure 9

Writer and women's rights activist Gloria Steinem has noted that the growth in self-employment and microenterprise among women is similar to the entrepreneurial patterns of other minority groups, particularly immigrants to the United States, who have experienced language barriers, stereotypes and discrimination which limited access to jobs and hindered earning potential. "There is no one to block your ambition when you own your own business -- and women, like other minority groups before them, are finding entrepreneurship to be a significant vehicle to economic empowerment. This is one of the untold, yet most vibrant developments in the women's movement," she said in a meeting of women's leaders with government officials following the Fourth World Conference in Beijing, China.

Some have criticized the promotion of self employment, particularly microenterprise and other home-based business as viable avenues to boost women's earning power because of their high financial risk, long hours and few health or pension benefits. Yet Ms. Steinem points out that in some communities, such as rural North Carolina, self-employed women are averaging a \$9.00 per hour wage, much higher than the average hourly wage for workers in that community.

Home-Based Businesses and Telecommuting

In fact, the interest of women in home-based employment during the 1990s has been a significant factor in the dramatic reversal of the previous 20 year trend toward declining at-home workers. Home-based business employment declined from 4.7 million in 1960 to 2.7 million in 1970 and 2.2 million in 1980 before rising to 3.4 million in 1990. Commenting on the major factors contributing to the growth of at-home workers, the Daily Labor Report noted that women were a proportionately larger group of the at-home group of workers (52 percent) than they were in the "work away from home" group (45 percent.) In addition, the report predicted that "[g]iven the advancements in personal computers and Internet technology since these data were collected in the 1990 census, we expect more significant increases in the proportion working at home by Census 2000."³³

Even more dramatic estimates of at-home workers have already been reported by groups that study telecommuting. A Telecommute America survey found that in 1997 approximately 11 million workers performed some part of their jobs via a computer that was connected to an outside employer.³⁴

It is unclear what impact the home-based business and telecommuting trends will have on women's pay. Some have expressed fear that the lack of "face-time" in an office setting diminishes women's opportunities for promotions that lead to higher pay. Others have pointed to the blurring distinction between workplace and home and worry that employers will begin expecting more hours on the clock, yet will not make corresponding increases in pay.

Balancing Work and Family

The interest of many women and men in working from their homes is directly related to the stress that working parents feel trying to balance the need to earn an income that supports a family while still being available to meet the physical and emotional needs of their children, parents and community

responsibilities. The 1990s have been marked by the growth in companies implementing formal policies to help workers meet their families' needs, the passage of the Family and Medical Leave Act, and the number of conferences and reports urging more action on the part of government officials and business leaders. Support for such benefits as child care, elder care, flextime and flexiplace has grown significantly while demand for greater attention to these issues continues to affect the bottom-line business success of employers.

While work and family benefits are generally not calculated as wages, the value of these benefits can help working women maintain their jobs, and their wages, that might otherwise be lost due to pressing needs of families. For instance, a paid family and medical leave policy has an obvious impact on the income of a working woman who takes such a leave. Unpaid leave protects wages as well, by making it possible for workers to take time off to care for a family member or their own health needs, while keeping the job and its accompanying wages on hold. This makes the transition back to work much smoother and ensures overall continuity of wages and an employment history or career path. Flexiplace and flextime programs often similar advantages to workers, helping them to maintain jobs which they may not otherwise be able to keep when family needs require greater flexibility. Some employers also offer assistance in purchasing dependent care services, which is a significant monetary benefit for some working women and men.

PART IV. ISSUES TO WATCH IN THE NEW CENTURY

Advances in Technology, Expansion of the Service Economy and Increased Opportunities for Highly-Educated Workers

The last three decades have been marked by significant economic changes. High-wage manufacturing occupations, which accounted for nearly a third of all jobs in 1964, now make up only 15 percent of all jobs. The service producing industries, including government, education and retail trade, comprised two-thirds of all jobs in 1964 and four-fifths of jobs today.³⁵ Advances in technology have transformed the occupations available, the manner in which goods are produced and the basic living conditions of U.S. workers. These developments, combined with recent economic forces such as corporate downsizing and an economy soaring from record stock market gains, have led to a stratification in the workforce — a demand for highly-educated and skilled workers at one end of the spectrum and fewer good-paying opportunities for those without education and professional skills at the other.

Women Meet Demand For Skilled and Educated Workers, But Wage Gap Persists

The effects of such change on women workers have been complex. Women represent a growing share of the educated workforce and their skills have served the economy's need for more workers in health services, retail trade, education and government. This has led to the overall increase in women's earnings.

Most of the fastest growing occupations are concentrated in one or more of the rapidly growing industries of computer and data processing services; health services; and management and public relations shown in Table 7. Since 1985, women continue to hold about 28 percent of the computer system analyst/engineer and scientist jobs. In the fast growing health care occupations, women continue to hold three-quarters of all therapist jobs — respiratory, occupational, physical, and speech — and have increased their share of physician's assistant jobs from 38 percent in 1985 to 63 percent in 1997.

Looking at the projections for the top ten fastest growing occupations from 1996 to 2006 in Table 7, women currently comprise the larger share of most of these occupations. Women have increased their employment in the growing occupations, yet their median weekly earnings still lag behind similarly employed men. For instance, men who worked as computer system analyst/engineers earned \$952 per week, while women earned \$850 in 1997. As therapists, where women outnumber men three to one, they still earned less than men — women's weekly earnings were \$686 compared with \$733 per week for men.³⁶

**Table 7. Fastest Growing Occupations, 1996-2006
(numbers in thousands)**

<u>Occupation</u>	<u>Employment</u>		<u>Change</u>	
	<u>1996</u>	<u>2006</u>	<u>No.</u>	<u>Percent</u>
Database administrators, computer support specialists, and all other computer scientists	212	461	249	118
Computer engineers	216	451	235	109
Systems analysts	506	1,025	520	103
Personal and home care aides	202	374	171	85
Physical and corrective therapy assistants and aides	84	151	66	79
Home health aides	495	873	378	76
Medical assistants	225	391	166	74
Desktop publishing specialists	30	53	22	74
Physical therapists	115	196	81	71
Occupational therapy assistants and aides	16	26	11	69

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*, November 1997.

**Table 8. Industries with Fastest Employment Growth, 1996-2006
(numbers in thousands)**

<u>Industry Description</u>	<u>Employment</u>		<u>Change</u>	
	<u>1996</u>	<u>2006</u>	<u>No.</u>	<u>Percent</u>
Computer and data processing services	1,207.9	2,509.1	1,301.2	107.7
Health services, n.e.c. ¹	1,171.9	1,968.3	796.4	68.0
Management and public relations	873.2	1400.0	526.8	60.3
Miscellaneous transportation services	204.3	327.4	123.1	60.2
Residential care	672.1	1,069.8	397.7	59.2
Personnel supply services	2,646.0	4,039.3	1,393.3	52.7
Water and sanitation	230.9	349.1	118.2	51.2
Individual and miscellaneous social services	846.3	1,265.9	419.6	49.6
Offices of health practitioners	2,751.4	4,045.9	1,294.5	47.0
Amusement and recreation services, n.e.c. ¹	1,108.6	1,565.3	456.7	41.2

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¹ n.e.c. = not elsewhere classified.

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*, November 1997.

Continuing Inequity Squeezes U.S. Families

Continuing inequities in pay hurt not only women, but families as well. Trends such as corporate downsizing and the loss of high-wage jobs for high school-educated men have put much economic pressure on families. Families have come to depend on the earnings of working women to maintain middle class living standards. In the 1960s, the majority of families with young children were supported by one earner, usually the husband. The Women's Bureau's testimony in support of the Equal Pay Act asserted that women who were in the workforce in 1960 were there for economic reasons.³⁷ Today, women are still working for economic reasons -- the earnings of working wives in married couple families provided 32.6 percent of family income in 1996.³⁸ The majority of married couple families send two earners to the workplace, and there are higher numbers of single parent families.

Increase in Dual Earner/Single Parent Families Fuels Demand for Workers in the "Business of Caring"

While our working patterns and daily tasks on the job have changed, our social patterns and daily tasks off the job have been slower to evolve. Married women with children have shifted into the paid labor force, yet families still need the tasks that women have routinely performed in the home as labors of love. The "business" of caring for children, or sick and elderly family members and managing the needs of a household are often performed by women after a full day of paid work. Husbands do more "chores" than they used to, yet time use surveys show that the division of labor within the home is still not even.

Women's presence in the labor force has given rise to a demand for paid workers to take on the tasks of dependent care and home management. Many families have turned to professional dependent care workers, cleaning services, take out meals and other services to alleviate their stress and meet their many responsibilities to their families. This demand has led to the growth of businesses providing these services, and current projections show that the number of workers in these fields will expand further.

Equal Pay Good For Women, Families and the Economy

The Equal Pay Act laid the foundation for women to move into the workforce with dignity and to demand the rightful reward for their efforts. Since its passage, working women have made tremendous strides. There is still more ground to cover before the wage gap between men's and women's wages is eliminated -- and this should be a goal for all of us.

As we move into the new century, we must wage a multi-faceted effort for equity. We must strengthen and enforce vigorously our laws against wage discrimination. We must shatter the glass ceiling so women can compete fairly for well-paying jobs in business, government and other arenas.

Finally, we need to recognize that work is as much a source of dignity as it is a source of income. Occupations which are projected to grow significantly, such as cashier, receptionists/information clerks, and home health aides, are traditional women's jobs where 75 percent or more of the workers are women. They are typically among the lowest paying positions. However, they, too, contribute to society and the workers who perform them deserve our appreciation and respect.

In the past thirty five years, women have joined the labor force in record numbers. Today, they account for nearly half of all workers and represent a significant segment of the educated and skilled workforce. Women have driven new ways of working and changed the way we think about the relationship between work and family. They have made our nation the world power it is. Our commitment to equal pay has been, and continues to be, not only the right moral action to take, but good for our nation's families and our nation's economy.

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12. These suits included: *EEOC v. State of Delaware* (D.Del. 1983); *EEOC v. Madison School District*, (S.D.Ill 1983); *EEOC v. Memphis Mental Health Institute* (W.D.Ill. 1983); *EEOC v. Missouri Department of Corrections*, (E.D Mo. 1983); *EEOC v. Von Hoffman Press, Inc. And Graphic Arts International Union Local III-B*, (W.D Mo. 1983); and *EEOC v. Fremont Christian School*, (N.D.Cal. 1983).
13. U.S. Department of Labor, Women's Bureau, *Working Women Count! A Report to the Nation*, 1994.
14. U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, *Money Income in the United States: 1996*, p.ix, *Current Population Reports*, Consumer

Income, p. 60-197.

15. "Stall in Women's Real Wage Growth Slows Progress in Closing the Wage Gap," Institute for Women's Policy Research, February 1998.

16. U.S. Department of Labor, Bureau of Labor Statistics, Table 5. Median weekly earnings of wage and salary workers who usually work full time by detailed occupation and sex," 1997 *Annual Averages*.

17. See *Lemons. v. City and County of Denver* (620 F.2d 228 (10th CIR. 1980) for an example of the difficulty that women in some of these administrative/managerial occupations face in using current law to raise allegations of wage discrimination. Since the jobs are not "substantially equal" they are outside the Equal Pay Act's protections, and since it is difficult to prove that employers are intentionally discriminating against women in pay, Title VII of the Civil Rights Act is not always effective.

18. U.S. Census Bureau, Table 15. Educational Attainment -- Total Money Earnings in 1996 of Persons 25 Years Old and Over, by Age, Race, Hispanic Origin, Sex, and Work Experience in 1996, Median Earnings for Year-Round, Full-Time Workers.

19. U.S. Department of Education, Office of Educational Research and Improvement, National Center for Education Statistics, "Baccalaureate and Beyond Longitudinal Study: A Descriptive Summary of 1992-93 Bachelor's Degree Recipients 1 Year Later, With an Essay on Time to Degree," *Statistical Analysis Report*, August, 1996.

20. U.S. Department of Labor, Bureau of Labor Statistics, Daniel E. Hecker, "Earnings of college graduates: women compared with men," *Monthly Labor Review*, March 1998.

21. Diana Furchtgott-Roth and Christine Stolba, *Women's Figures*, Independent Women's Forum and American Enterprise Institute, 1996.

22. Katha Pollitt, "Go Figure," *The Nation*, April 14, 1997.

23. U.S. Department of Labor, Bureau of Labor Statistics, Table 6. Employment Characteristics of Families in 1996.

24. U.S. Department of Labor, Bureau of Labor Statistics, Table 2. Employment Characteristics of Families in 1997.

25. U.S. Department of Labor, Bureau of Labor Statistics, Work and Family Statistics, Annual Demographic File, *Current Population Survey*, Unpublished data from Table 26, 1997.

26. U.S. Department of Labor, Bureau of Labor Statistics, Tables 2 and 4. Employment Characteristics of Families in 1996.

27. U.S. Department of Labor, Bureau of Labor Statistics, "The effect of working wives on the incidence of poverty," *Monthly Labor Review*, March 1998.
28. U.S. Department of Labor, Women's Bureau, *1983 Handbook on Working Women*.
29. *Good for Business: Making Full Use of the Nation's Human Capital*, Federal Glass Ceiling Commission, Washington, DC, March 1995.
30. *A Solid Investment: Making Full Use of the Nation's Human Capital*, Federal Glass Ceiling Commission, Washington, DC, November 1995.
31. U.S. Small Business Administration, "Statistics on Women Business Ownership," November 1996.
32. Robert Schwab, "Women executives warn of female brain drain. Conference in May takes aim at Glass Ceiling," *Denver Post*, March 17, 1998.
33. "Employment Increase in At-Home Workers Reverses Earlier Trend Census Says," *Daily Labor Report*, May 7, 1998.
34. *Ibid*
35. U.S. Department of Labor, Women's Bureau, "Women's Jobs: 1964-1996: More than 30 Years of Progress."
36. U.S. Department of Labor, Bureau of Labor Statistics, Table 5. Median Weekly Earnings for Wage and Salary Workers Who Usually Work Full Time by Detailed (3-Digit Census Code) Occupation and Sex, 1997.
37. Statement of Esther Peterson, Assistant Secretary of Labor, to the Subcommittee on Labor of the Senate Committee on Labor and Public Welfare on S. 2494, the Equal Pay Act of 1962, August 1, 1962.
38. U.S. Department of Labor, Bureau of Labor Statistics, Work and Family Statistics, Annual Demographic File, *Current Population Survey*, Unpublished data from Table 24, 1997.

Appendix A

EQUAL PAY CHRONOLOGY

- November 24, 1942 The National War Labor Board issued General Order No. 16, which authorized employers voluntarily to make "adjustments which equalize wage or salary rates paid to females with the rates paid to males for comparable quality and quantity of work on the same or similar operations."
- June 10, 1963 President Kennedy signed the Equal Pay Act, which covered some 27.5 million men and women. It requires that, regardless of gender, employees doing work requiring equal skill, effort and responsibility and which is being performed under similar working conditions, be paid equal wages.
- June 11, 1964 The Equal Pay Act takes effect.
- June 19, 1963 President John F. Kennedy calls for passage of Civil Rights legislation
- July 2, 1964 Passage of the Civil Rights Act of 1964. Title VII of this Act, as amended, prohibits employers from engaging in employment actions adverse to their employees on the basis of race, color, national origin, sex or religion.
- July 2, 1965 Effective date of the Civil Rights Act of 1964.
- October 13, 1967 President Lyndon Baines Johnson extended affirmative action protection to women by signing Executive Order 11375, which amended Executive Order 11246 to prohibit employment discrimination on the basis of race, creed, color, national origin or sex, by federal contractors.
- 1970 In Schultz v. Wheaton Glass Company, the U.S. Court of Appeals for the Third Circuit ruled that jobs need only be "substantially equal" to be compared under the Equal Pay Act's provisions.
- 1971 From the effective date of the Equal Pay Act in June 1964 up to the end of January 1971, a total of back wages (i.e. under-payments representing illegal wage differentials) amounting to over \$26 million were found by Wage and Hour compliance officers to be due to nearly 71,000 employees, almost all of them women. Over 200 court cases had been filed under the Equal Pay Act by the Department of Labor's legal staff. About 75 percent of these were decided or settled, most of them favorably.
- 1972 The protection of the Equal Pay Act was extended to executive, administrative, professional and outside sales employees by section 906(b)(1) of the Education Amendments of 1972, effective July 1, 1972.
- June 3, 1974 The U.S. Supreme Court handed down its decision in Coming Glass

- Works v. Brennan, rejecting the traditional "market rate" business defense.
- 1975 Since the Equal Pay Act became effective June 11, 1964, \$125,947,290 was found due to 220,333 workers.
- July 1, 1979 All functions related to enforcing or administering the Equal Pay Act were transferred from the U.S. Department of Labor and the Civil Service Commission to the U.S. Equal Employment Opportunity Commission (EEOC) pursuant to Reorganization Plan No. 1 of 1978. Between July and September 1979, the Commission resolved 350 Equal Pay complaints.
- 1981 In County of Washington v. Gunther, the U.S. Supreme Court ruled that Title VII is not limited by the equal work standard found in the Equal Pay Act.
- 1985 A \$5 million consent decree resolved an EEOC Suit against Allstate Insurance Company for an alleged equal pay violation that affected 3,200 persons.
- 1991 Monetary benefits secured through litigation involving the Equal Pay Act totaled \$99,000. The EEOC and State Fair Employment Practice Agencies received 1,968 charges of wage discrimination based on gender.
- February 5, 1993 President Clinton signed into law the Family and Medical Leave Act, which protects the jobs and wages of working women and men by guaranteeing the right of up to 12 weeks of unpaid leave per year when it is urgently needed at home to care for a newborn child, or an ill family member.
- September, 1993 The Department of Labor's Office of Federal Contract Compliance Programs reaches a \$603,943 settlement with Fairfax Hospital, VA in the first of its corporate management reviews. Fairfax agreed to pay \$425,586 in back pay to 52 women employed in the top six grades of the hospital's personnel structure. In addition, 44 of the women who are still employed by Fairfax received \$178,357 in salary increases.
- April 1998 OFCCP reaches the largest ever settlement in its corporate management review program, with CoreStates Financial Institution, in Philadelphia, PA. The federal contractor agreed to pay \$1.5 million dollars to women and minorities to address past practices of pay discrimination. The agreement with OFCCP called for the contractor to pay \$1,150,434 in back pay, and \$334,115 in salary adjustments to 76 women and 66 minorities. OFCCP concluded that CoreStates did not apply its compensation policies and procedures uniformly, thus, leading to a pattern of discriminatory treatment. This settlement brings the total awards won under the corporate management review program to over \$3.7 million.

TABLE 1. LABOR FORCE PARTICIPATION RATE OF WOMEN, 1960-1997

	1960	1965	1970	1975	1980	1985	1990	1995	1997
Labor force participation rate of women, 16 years and over	37.7	39.3	43.3	46.3	51.5	54.5	57.5	58.9	59.8
Percentage of married women in the labor force	30.5*	34.7	40.8	44.4	50.1	54.2	58.2	61.1	62.1
Percentage of married women with children in the labor force	27.6*	32.2	39.7	44.9	54.1	60.8	66.3	70.2	71.1

*For 1960, civilian non-institutional persons 14 years and over. Thereafter, 16 years and over.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics, 1989, Employment and Earnings, January 1998 and unpublished tables.

TABLE 2. WOMEN AND EDUCATIONAL ATTAINMENT, 1960-1997

	1960	1965	1970	1975	1980	1985	1990	1995	1997
Percentage of Bachelor Degrees Awarded to Women (includes first professional degrees)	35.3	42.8	43.1	45.3	49.0	50.5	53.2	52.6	55.4*
Percentage of Masters Degrees Awarded to Women	31.6	32.9	39.7	44.8	49.2	50.1	52.6	55.1	52.7*
Percentage of 1st Professional Degrees Awarded to Women	n.a.	3.6	5.3	12.4	24.8	32.8	38.1	40.8	39.3*

SOURCE: U.S. Department of Education, National Center for Education Statistics, *Earned Degrees Conferred; Projections of Education Statistics to 2007; Higher Education General Information Survey (HEGIS), "Degrees and Other Formal Awards Conferred" surveys; and Integrated Postsecondary Education Data System (IPEDS), "Completions" surveys, April 1997.*

TABLE 3. UNDERPAYMENTS FOUND BY THE U.S. DEPARTMENT OF LABOR UNDER THE EQUAL PAY ACT, NUMBER OF EMPLOYEES UNDERPAID AND INCOME RESTORED, FISCAL YEARS 1965-1978

Fiscal Year	Underpayments	Number of Employees Underpaid	Income Restored	
			Employees	Amount
1965	\$ 156,202	960		
1966	2,097,600	6,633		
1967	3,252,319	5,931		
1968	2,488,405	6,622		
1969	4,585,344	16,100		
1970	6,119,265	17,719		
1971	14,842,994	29,992		
1972	14,030,889	29,022		
1973	18,005,582	29,619	17,331*	\$4,626,251*
1974	20,600,000	32,792	16,768	6,841,443
1975	26,484,860	31,843	17,889	7,474,163
1976	17,900,000	24,610	16,728	7,881,502
1977	15,500,000	19,382		6,700,000
1978	16,000,000 (nearly)	18,376	14,929	8,700,000

*Does not include \$6,300,000 paid under the Equal Pay Act by American Telephone & Telegraph to 6,100 of it's employees.

TABLE 4. EMPLOYED WOMEN: 1960-1997

	1960	1965	1970	1975	1980	1985	1990	1995	1997
Women as a percentage of total employed	33.3	34.8	37.7	39.6	42.4	44.1	45.4	46.1	46.2
Women as a percentage of all full-time workers (16 years and over)	n.a.	n.a.	32.8	34.4	37.4	39.2	40.1	41.1	41.6
Women as a percentage of all part-time workers (16 years and over)	n.a.	n.a.	65.1	76.7	67.3	67.6	66.2	68.0	68.0

TABLE 5. FULL-TIME/PART-TIME JOB STATUS OF WORKING WOMEN, 1960-1997

	1960	1965	1970	1975	1980	1985	1990	1995	1997
Percentage of employed women with full-time jobs (20 years and older)	n.a.	n.a.	76.6	75.6	76.4	76.1	77.4	75.3	76.3
Percentage of employed women with part-time jobs (20 years and older)	n.a.	n.a.	23.4	24.4	23.6	23.9	22.6	24.7	23.7

Source: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics, 1989, Employment and Earnings, January 1998 and unpublished tables.

Appendix B

Table 1. Stubborn Pay Gap Persists for 45 Years

Median annual earnings in current and real dollars
for year-round full-time workers by sex, 1951-96

Year	Earnings (current dollars)		CPI-U	Earnings (real dollars)		Women/ men (percent)	
	Women	Men		Women	Men		
1951	2,305	3,605		26.0	8,865	13,865	63.9
1952	2,448	3,829		26.5	9,238	14,449	63.9
1953	2,585	4,043		26.7	9,682	15,142	63.9
1954	2,598	4,064		26.9	9,658	15,108	63.9
1955	2,719	4,252		26.8	10,146	15,866	63.9
1956	2,827	4,466		27.2	10,393	16,419	63.3
1957	3,008	4,713		28.1	10,705	16,772	63.8
1958	3,102	4,927		28.9	10,734	17,048	63.0
1959	3,193	5,209		29.1	10,973	17,900	61.3
1960	3,257	5,368		29.6	11,003	18,135	60.7
1961	3,315	5,595		29.9	11,087	18,712	59.2
1962	3,412	5,754		30.2	11,298	19,053	59.3
1963	3,525	5,980		30.6	11,520	19,542	58.9
1964	3,669	6,203		31.0	11,835	20,010	59.1
1965	3,828	6,388		31.5	12,152	20,279	59.9
1966	3,946	6,856		32.4	12,179	21,160	57.6
1967	4,150	7,182		33.4	12,425	21,503	57.8
1968	4,457	7,664		34.8	12,807	22,023	58.2
1969	4,977	8,455		36.7	13,561	23,038	58.9
1970	5,323	8,966		38.8	13,719	23,108	59.4
1971	5,593	9,399		40.5	13,810	23,207	59.5
1972	5,903	10,202		41.8	14,122	24,407	57.9
1973	6,335	11,186		44.4	14,268	25,194	56.6
1974	6,970	11,863		49.3	14,138	24,063	58.8
1975	7,504	12,758		53.8	13,948	23,714	58.8
1976	8,099	13,455		56.9	14,234	23,647	60.2
1977	8,618	14,626		60.6	14,221	24,135	58.9
1978	9,350	15,730		65.2	14,340	24,126	59.4
1979	10,151	17,014		72.6	13,982	23,435	59.7
1980	11,197	18,612		82.4	13,589	22,587	60.2
1981	12,001	20,260		90.9	13,202	22,288	59.2
1982	13,014	21,077		96.5	13,486	21,841	61.7
1983	13,915	21,881		99.6	13,971	21,969	63.6
1984	14,780	23,218		103.9	14,225	22,346	63.7
1985	15,624	24,195		107.6	14,520	22,486	64.6

1986	16,232	25,256	109.6	14,810	23,044	64.3
1987	16,911	25,946	113.6	14,886	22,840	65.2
1988	17,606	26,656	118.3	14,883	22,533	66.0
1989	18,769	27,331	124.0	15,136	22,041	68.7
1990	19,822	27,678	130.7	15,166	21,177	71.6
1991	20,553	29,421	136.2	15,090	21,601	69.9
1992	21,375	30,197	140.3	15,235	21,523	70.8
1993	21,747	30,407	144.5	15,050	21,043	71.5
1994	22,205	30,854	148.2	14,983	20,819	72.0
1995	22,497	31,496	152.4	14,762	20,667	71.4
1996	23,710	32,144	156.9	15,112	20,487	73.8

Source: U.S. Bureau of the Census, Current Population

Reports, Series p-60, selected issues

U.S. Bureau of Labor Statistics, Consumer Price Index

for all urban consumers (1982-84=100)

<http://www.census.gov/income/histinc/p13.html>

Table 2. Labor Force Participation Rate of Women by Age, 1950-1990

Age	1950	1960	1970	1980	1990
16-19	41.0	39.3	44.0	52.9	51.8
20-24	46.0	46.1	57.7	68.9	71.6
25-34	34.0	36.0	45.0	65.5	73.6
35-44	39.0	43.4	51.1	65.5	76.5
45-54	37.9	49.9	54.4	59.9	71.2
55-64	27.0	37.2	43.0	41.3	45.3
65 plus	9.7	10.8	9.7	8.1	8.7

Source: Handbook of Labor Statistics, Bulletin 2340, Table 5 (1950-1980);
Employment and Earnings, January 1991, Table 3 (1990).

Table 3. Labor Force Participation Rate of Men by Age, 1950-1990

Age	1950	1960	1970	1980	1990
16-19	63.2	56.1	56.1	60.5	55.7
20-24	87.9	88.1	83.3	85.9	84.3
25-34	96.0	97.5	96.4	95.2	94.2
35-44	97.6	97.7	96.9	95.5	94.4
45-54	95.8	95.7	94.3	91.2	90.7
55-64	86.9	86.8	83.0	72.1	67.7
65 plus	45.8	33.1	26.8	19.0	16.4

Source: Handbook of Labor Statistics, Bulletin 2340, Table 5 (1950-1980);
Employment and Earnings, January 1991, Table 3 (1990).

Table 3a. Civilian Labor Force of Women, 1960-1997
(Numbers in thousands)

Year	Civilian Labor Force
1960	23,268
1965	26,200
1970	31,543
1975	37,475
1980	45,487
1985	51,050
1990	56,289
1995	60,944
1997	63,036

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

Table 4. Earnings of Persons Age 25-54

Median usual weekly earnings of full-time wage and salary workers, by sex, age, race and Hispanic origin, 1979-96 annual averages in real dollars

AGE 25 to 54 YEARS	1979	1980	1981	1982	1983	1984	1985
HISPANIC WOMEN							
BLACK WOMEN	247	239	239	238	248	247	249
WHITE WOMEN	273	263	262	269	274	279	282
HISPANIC MEN							
BLACK MEN	343	324	316	310	316	318	303
WHITE MEN	444	424	419	417	416	417	425
	1986	1987	1988	1989	1990	1991	1992
HISPANIC WOMEN	234	232	233	228	227	227	228
BLACK WOMEN	255	258	257	254	246	250	253
WHITE WOMEN	287	290	291	291	292	292	294
HISPANIC MEN	296	296	285	279	279	269	268
BLACK MEN	315	320	321	305	296	291	286
WHITE MEN	433	428	418	411	402	399	399
	1993	1994	1995	1996	1997		
HISPANIC WOMEN	233	219	212	211	212		
BLACK WOMEN	253	246	245	244	249		
WHITE WOMEN	297	296	293	294	299		
HISPANIC MEN	266	255	253	248	250		
BLACK MEN	285	285	291	281	292		
WHITE MEN	401	400	397	391	393		

Source: Unpublished data from the Current Population Survey.

Table 5. Earnings by Sex/Race/Ethnic Type for High School Grads and College Grads, 1997

	HS grad, no college	Bachelor's Degree
HISPANIC WOMEN	316	583
BLACK WOMEN	317	546
WHITE WOMEN	370	611
HISPANIC MEN	403	711
BLACK MEN	398	618
WHITE MEN	517	826

Source: Unpublished data from the Current Population Survey.

Table 6. Percent of Family Earnings Contributed by Wives, 1997

	Wives contribution in percent
All wives	36.5
White wives	35.8
Black wives	43.7
Hispanic wives	37.5

Source: Unpublished data from the Annual Demographic File of the Current Population Survey.

Table 7. Number of Women-Owned Businesses, 1972-1992

	1972	1977	1982	1987	1992
All firms	486,009	701,957	2,612,621	4,114,787	5,888,883
Firms with emp.		167,733	311,662	618,198	817,773

Source: Economic Census Women-Owned Businesses, selected issues.

Table 8. Sales/Receipts and Payrolls for Women-Owned Businesses, 1972-1992

	1972	1977	1982	1987	1992
All receipts	\$56,186,483	\$68,491,294	\$101,856,490	\$244,839,892	\$457,936,103
Firms with emp.		\$58,069,888	\$67,717,564	\$197,188,572	\$392,320,111
Payroll		\$10,138,472	\$11,561,025	\$35,989,994	\$74,687,447

Source: Economic Census Women-Owned Businesses, selected issues.

Table 9. Number of Employees in Women-Owned Businesses, 1977-1992

	1972	1977	1982	1987	1992
Employees		894,591	1,354,588	3,102,685	6,252,029

Source: Economic Census Women-Owned Businesses, selected issues.

women's issues -
equal pay



Audrey T. Haynes

04/14/98 11:59:48 AM

Record Type: Record

To: Ann F. Lewis/WHO/EOP, Maria Echaveste/WHO/EOP, Elena Kagan/OPD/EOP, Sally Katzen/OPD/EOP
cc: Robin Leeds/WHO/EOP, Thomas L. Freedman/OPD/EOP, Mary L. Smith/OPD/EOP, Jonathan Orszag/OPD/EOP
Subject: Equal Pay

I have some new information on Equal Pay:

1. Time Magazine and LATimes are doing articles on Equal Pay and seem to be asking Susan Bianchi and others, "How do you feel about equal pay vs. sexual harassment?????" "Where does this fit on your agenda?"

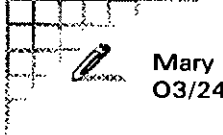
So,.....

Also, June 10th is the 35th anniversary of signing the Equal pay Act even though it did not take effect for 1 year . This was 'pre' civil rights bill.

Other interesting dates include: (around) May 8th is the day african american women finally earn the same as men in 97'; and sometime in mid July is the same date for hispanic women.

May 1 is "worthy wage day" and I've heard the AFL is working on a combined child care/equal pay event. I'll try to confirm this today.

Women's issues -
equal pay



Mary L. Smith
03/24/98 03:22:10 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Laura Emmett/WHO/EOP, Jess A. Gupta/OPD/EOP, Francine P. Obermiller/CEA/EOP

Subject: Updated Pay Equity Memo



PAYE0324.9 Attached is an updated memo on the policy initiatives for a pay equity event. Please look it over and return any comments by **COB today** so that we can meet with the women's groups to evaluate their reactions to our proposal. Thanks, Mary

Message Sent To:

Sally Katzen/OPD/EOP
Elena Kagan/OPD/EOP
Jonathan Orszag/OPD/EOP
Thomas L. Freedman/OPD/EOP
Cecilia E. Rouse/OPD/EOP
Barbara Chow/OMB/EOP
Susan M. Carr/OMB/EOP
Debra J. Bond/OMB/EOP
Audrey T. Haynes/WHO/EOP
Larry R. Matlack/OMB/EOP
Donald R. Arbuckle/OMB/EOP
Susan M. Liss/OVP @ OVP
Michael Deich/OMB/EOP
Rebecca M. Blank/CEA/EOP
Amy N. Finkelstein/CEA/EOP

March 24, 1998

DRAFT MEMORANDUM FOR THE DPC/ NEC

FROM: DPC/NEC STAFF

SUBJECT: Equal Pay Initiative

This memorandum outlines the "Equal Pay" initiative the Vice President could announce on April 3rd. Many organizations around the country hold events on April 3rd, which is "Equal Pay Day," the day designated as the date on which women's earnings, added to their previous year's earnings, are said to equal what men earn in one calendar year. This event would be the message event of the day, and it is expected that representatives from the Department of Labor, OPM, and other departments will attend the event with the Vice President.

There are numerous studies attempting to determine the degree of wage differences between men and women. A recent brief review of existing studies in the area by the Council of Economic Advisors concludes that while wage differentials have narrowed steadily since the late 1970s, there is still a significant wage differential, even after controlling for education, experience, and occupation. The raw differential in terms of female and male wage ratios is 72.4. Taking into account education and experience, the differential becomes 80.5. The wage differential further narrows to 88.2, controlling for occupation, industry, and union status. A more popular figure, cited for instance by the Department of Labor, states women earn on average only 75 cents for each dollar a man earns.

On April 3rd, the Vice President could announce: (1) the Administration's endorsement of Senator Daschle's pay equity bill with some changes; (2) an annual study on pay discrepancies to highlight this important problem; and (3) other executive branch initiatives in the areas of enforcement, technical assistance, and outreach.

I. Endorsement of Daschle Bill

The most prominent (and mainstream) bill in Congress regarding fair pay is Senator Daschle's. Congresswoman DeLauro has introduced the companion bill to Senator Daschle's in the House. Rep. Gephardt is looking to support an equal pay initiative and is likely to introduce whatever bill we support. There is agreement with almost all of the provisions in the Daschle bill. However, there are two issues that raise some concern. We set forth below the provisions in the Daschle bill, along with a discussion of the issues that warrant further discussion. You

should know that Senator Harkin also has a bill on equal pay, but there is little support for his approach because it incorporates “comparable worth” which would be difficult, if not impossible, to administer.

A. Provisions in Daschle’s bill that the Administration supports:

- Non-retaliation Provision. The Daschle bill includes a Non-retaliation provision that amends the Equal Pay Act (EPA) to prohibit employers from penalizing employees for sharing information about their salaries with coworkers. Lack of ability to share such information makes it more difficult for women to evaluate whether there is evidence of wage discrimination.
- Class Actions. The bill amends the procedures for filing class actions under the EPA to conform with the general procedural rules for filing federal class actions in other areas of the law.
- Training, Research, Education, and Outreach. The Daschle bill provides for training, research, education, and outreach. The bill requires the EEOC to provide training for its employees, subject to the availability of funding, on matters involving discrimination in the payment of wages. The bill also enhances programs already in place at the Department of Labor, requiring DOL to undertake research in the area of sex-based pay disparities; disseminate that information to members of the interested public; provide information on means of eradicating such disparities; assist State and local information and educational programs; recognize and promote the achievements of employers that have made strides to eliminate pay disparities; and convene a national summit to discuss and highlight the issue of sex-based pay disparities.
- Pay Equity Award. The bill establishes “The National Award for Pay Equity in the Workplace,” to be administered by the Women’s Bureau of the Department of Labor, to recognize and promote the achievements of employers that have made strides to eliminate pay disparities.

B. Provisions in Daschle’s bill that raise some concerns:

1. Enhanced Enforcement.

Daschle’s bill would amend the EPA to allow for compensatory and punitive damages. Currently, the EPA only allows for liquidated damages and back-pay awards. Liquidated damages typically are awarded in an amount equal to back pay. And typical recoveries are double back-pay awards.

An individual can file suit for wage discrimination under Title VII as well as the EPA.

Title VII allows for compensatory and punitive damages, in addition to back pay, as a result of the Civil Rights Act of 1991. Under Title VII, however, these damages are capped -- to no more than between \$50,000 and \$300,000, depending on the size of the employer -- not the severity of the offense (e.g., for firms with between 15 and 100 employees, combined damages are capped at \$50,000).

Victims of racial or ethnic discrimination in employment can also sue for wage discrimination under Section 1981, which allows unlimited damages. This leaves victims of discrimination based on sex, religion or disability limited in the relief they can receive.

The Daschle bill adds unlimited compensatory and punitive damages to the Equal Pay Act. This provides more than is currently authorized under Title VII, but achieves parity with racial and ethnic discrimination awards under Section 1981.

A number of advocates believe that increasing the damages available under the EPA would encourage the private bar to bring more suits under the statute, encourage employers to devote more attention to their pay practices, and encourage victims to come forward. Adding unrestricted damages to equal pay cases would not necessarily lead to a huge proliferation of frivolous actions or excessive awards. An examination of cases under Section 1981 found that between 1980 and 1990 plaintiffs won 121 cases -- eleven per year. There were no compensatory and punitive damages in 52 of the cases; in 42, damages awarded were less than \$50,000. Total damages exceeded \$200,000 in only two cases during the eleven-year period. Note: this study was limited to reported decisions, and did not include cases settled before trial.

The women's groups have long advocated lifting the caps in Title VII and view any limits on damages in the EPA as an abandonment of their position for equal relief and as an affront to women rights generally. In fact, if the Administration did not support uncapped damages in the Daschle bill, the women's groups would feel betrayed, preferring no bill at all. In addition, they have indicated that they would publicly attack the Administration on this issue.

The Departments of Labor, Treasury, Justice, and the Commissioner of the EEOC all support endorsing adding uncapped compensatory and punitive damages to the EPA, with the exception that the Department of Justice believes that punitive damages should not be available against the Federal Government. The NEC, DPC, Women's Office, CEA, and OMB agree. Commerce remains concerned.

2. Data Collection

Daschle's bill also provides for the collection of pay information by the EEOC. Daschle's bill is somewhat vague on exactly how the wage data would be collected. In particular, it does not specify that the data needs to be collected on the EEO-1 form, which is the form used by the EEOC to collect employment data. Because of the concerns set forth below, we believe we need to work with Daschle's staff to remove this section of the bill.

Data collection could improve pay equity in two ways. The first is by increasing public awareness of pay inequities and enabling women to evaluate whether they have been victims of wage discrimination; the second is by enhancing enforcement of anti-discrimination laws.

The EEOC currently collects annual data regarding the demographic breakdown of the workforces of private employers with 100 or more employees and of federal contractors with 50 or more employees on the EEO-1 form. The EEOC does not currently collect salary data with respect to private employers.

The EEO-1 form has remained virtually unchanged for the past 30 years, despite its review every 3 years for OMB paperwork clearance (most recently in 1997). Since the 1960s, the occupation and racial categories have become outdated; what was once confusing is now potentially misleading. As a result, many in the business community perceive the EEO-1 form as a waste of time and money. (OMB estimates suggest that it takes each firm 10 hours to fill out the form; adding wage data would likely increase the compliance costs dramatically -- possibly by several hundred-fold -- although creating a supplement to the form or limiting it to a subset of the reporting universe could mitigate some of these costs.)

Nonetheless, the EEOC believes that collecting wage data on the EEO-1 form would greatly improve its ability to target and prioritize discrimination cases. It also would assist the Department of Labor (DOL) in targeting its enforcement efforts and monitoring affirmative action programs. Because DOL thought that the EEO form would not be amended to include wage information, it has been working on a proposed rule to gather such data from federal contractors through an OFCCP form. That work has been in process for almost three years; we now understand that it may be ready to be sent to OMB during this fiscal year.

There is consensus that any attempts to add wage data to the EEO-1 form will draw immediate fire from the Republicans and the business community. Indeed, any announcement of a process to determine the best way to gather this data would likely provoke a rider and risk the increase in funds requested for the EEOC in our FY99 budget. (The budget requests \$279 million for the EEOC -- \$37 million or 15 percent more than enacted in the 1998 budget. More than one-third of the proposed increase, \$13 million, goes to expansion of the agency's Alternate Dispute Resolution [ADR] program.)

Since the EEO-1 form is up for revision in the year 2000, as part of the Paperwork Reduction Act, the consensus among the working group is that we should work to remove the data collection provision from the Daschle bill and should work quietly to evaluate the options for addressing the existing problems with the form (e.g., the outdated occupational and racial categories, and the lack of wage data).

II. Data Collection - Annual Report By Department of Labor

In order to increase public awareness of pay inequities, the Vice President could announce an annual report on the pay gap by sex produced by the Department of Labor. This annual report would be based on data that already exist, but are very difficult for most people to utilize. Publishing the information on pay inequities in an easy-to-access report would make it easier for interested parties to raise the national prominence of this problem. And because attitudes and awareness are keys to reducing wage disparities, highlighting the issue every year would likely have a powerful effect on public consciousness and be an effective way to achieve increased gender pay equity. This announcement will not be politically charged since it would not impose additional burdens on business. This option would not enhance enforcement efforts and would not involve significant costs.

II. Other Executive Branch Announcements

A. Private-Sector Enforcement

Enforcement of anti-discrimination laws by the EEOC and OFCCP have traditionally played an important role in easing discrimination in our labor market. Therefore, a key component to our equal pay initiative is to improve enforcement by both agencies.

- 1. A Memorandum Of Understanding (MOU) between EEOC and DOL to Cross Train.** The EEOC and the Department of Labor could enter into an agreement to train each other's staff to be sensitive to potential violations of the statutes they enforce, including the Equal Pay Act. The agencies would refer information concerning potential violations of the agency's statutes to the applicable EEOC or Labor Department office for appropriate action.
- 2. A MOU Between EEOC and DOL to Collect Damages.** OFCCP would be designated to serve as the EEOC's agent for purposes of collecting damages that are not otherwise collectible under OFCCP's authority under its executive order. OFCCP then could obtain full relief for intentional discrimination. This change would not require any legislative action. There are no costs anticipated for this option.

B. Private-Sector Technical Assistance

There are several areas in which the federal government could provide technical assistance to make private employers aware of wage disparities.

- 1. Federal Contractor Best Practices.** Currently, federal contractors must conduct self-audits as part of their federal contract obligations. OFCCP has begun to publicize successful programs through its best practices honor roll. The agency plans to place these Best Practices suggestions on its web site.
- 2. 10-Step Voluntary Self-Audit for Businesses and Employees.** The Department of Labor would develop and make available a 10-step package that would give

companies guidelines to determine whether they offer equal pay, hiring, and promotional opportunities. The Department would also develop a similar checklist for employees. DOL would put these self-audits on the Internet. This would require no additional funding.

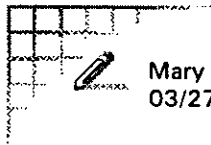
3. **Awards.** The Department of Labor has an Exemplary Voluntary Efforts (EVE) and Secretary's Opportunity 2000 Awards program that recognizes best corporate practices. This year's event will be held on September 17. This existing vehicle could be used to highlight the best practices in furthering pay equity. There is also an award proposed in the Daschle bill.

C. **Federal Government As A Role Model**

For any equal pay initiative to be credible, we must make the Federal government the role model for other employers. To this end, we would propose the following four initiatives to put the Federal government in the lead on this issue and address discrimination within the Federal government:

1. **10-Step Voluntary Self-Audit for Agencies.** The federal agencies will agree to take the 10-step self-audit that the Department of Labor would develop and use the results from the self-audit to monitor their efforts on equal pay.
2. **Best Practices.** OPM could work with the other Federal departments and agencies to develop best practices, from both the public and private sectors, for recruiting and retaining women.
3. **Guide to Recruitment and Retention of Women.** OPM is producing a new Guide on Recruitment and Retention of Women in the federal government that would contain information to make agency managers aware of career opportunities for women and to provide guidance on recruitment and career development for women. This could be prepared by April 3rd.
4. **Outreach.** OPM, in conjunction with other agencies, could expand outreach efforts, including working with professional groups, participating in women's conferences, and visiting college campuses so that talented women may be recruited for jobs in the Federal government.

Women's issues -
equal pay



Mary L. Smith
03/27/98 04:57:55 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Sally Katzen/OPD/EOP, Jonathan Orszag/OPD/EOP, Cecilia E. Rouse/OPD/EOP
cc: Jess A. Gupta/OPD/EOP, Laura Emmett/WHO/EOP
Subject: Re: Changes to Daschle Bill on Equal Pay

Here is some funding language suggested by OMB.

----- Forwarded by Mary L. Smith/OPD/EOP on 03/27/98 05:01 PM -----



Debra J. Bond

03/27/98 04:55:05 PM

Record Type: Record

To: Mary L. Smith/OPD/EOP
cc: Susan M. Carr/OMB/EOP, Larry R. Matlack/OMB/EOP, Lori Schack/OMB/EOP
Subject: Re: Changes to Daschle Bill on Equal Pay

Per your request. Below is our recommendation for the funding provision in the Daschle bill. In addition, when the legislation was circulated through the OMB legislative process, DOJ stated that the Publicity section of the Award appears to be unconstitutional. Melissa Benton (57887) has information on this issue. Call if you have any questions (5-7751).

Sec. 8 Increase Resources for Enforcement and Education.

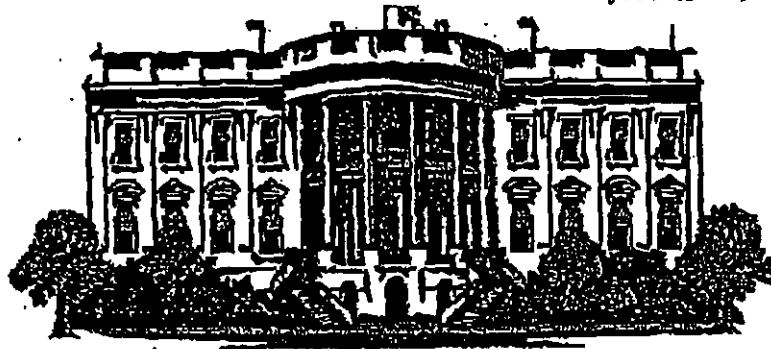
Suggest striking (a), (b), and (c) and inserting:

"There are authorized to be appropriated such sums as may be necessary for EEOC and DOL to carry out the provisions of this Act."

Rationale: Providing specific funding amounts has unintended consequences. From the Administration's view, the President's budget provides sufficient funds to carry out the agencies' statutory and EO responsibilities. Including the President's increase in the Daschle bill suggests that the increase to EEOC, for example, is tied to the substance of this bill, which is not the case. In addition, providing the increase in a separate bill implies that the Administration needs a legislative action from Congress in order to propose increases to agency funding. Title XI of the CRA of 1964 provides permanent authorization for appropriation for EEOC. Lastly, even though funds are authorized, it does not guarantee that it will be appropriated.

The increases required to implement the provisions in this bill are already covered by the President's 1999 budget. For example, EEOC's responsibilities under the Equal Pay Act are not changing as a result of this bill. Therefore its 99 budget should cover the amount needed to enforce the equal pay act. In addition, the funding for the award is unnecessary given OFCCP/DOL has been doing this for years. The funding needed for the award is therefore built into its base funding.

So we recommend using broad language that provides the Administration flexibility in agency funding decisions and does not give the Congress an incentive to lower the amount. We want to have the budget battle in the appropriations bills.



THE WHITE HOUSE

Domestic Policy Council

DATE: ~~4/1/98~~ 4/1/98

FACSIMILE FOR: ELENA

PHONE: () - FAX: () - 62878

FACSIMILE FROM: MARY SMITH

PHONE: () - FAX: () -

NUMBER OF PAGES (INCLUDING COVER): 8

- FOR YOUR REVIEW
- PER MY E-MAIL OR VOICE-MAIL MESSAGE TO YOU
- PER YOUR REQUEST

COMMENTS: FYI: THIS IS THE FINAL SELF-AUDIT FOR PRIVATE BUSINESSES (ON THE INTERNET)

FAX TRANSMISSION

U.S. DEPARTMENT OF LABOR/WOMEN'S BUREAU

200 CONSTITUTION AVENUE, NW

WASHINGTON, D.C. 20210

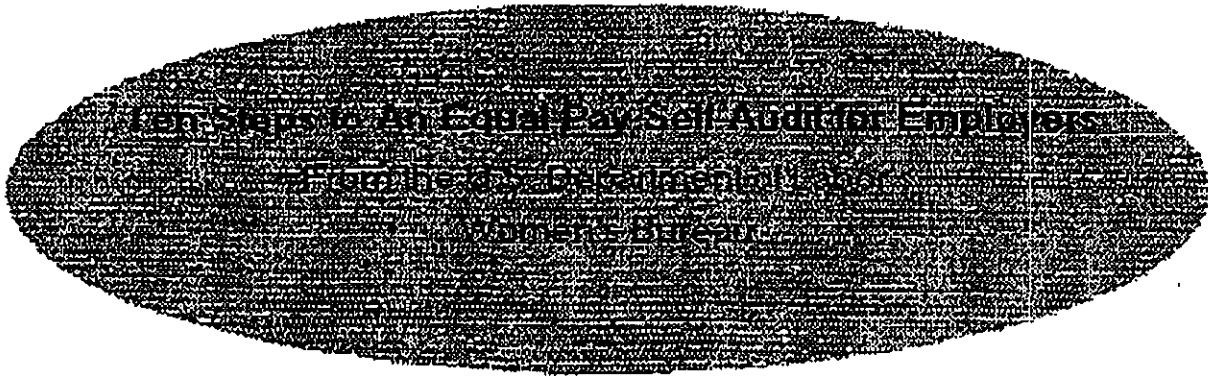
202-219-8611

FAX: 202-219-5529

To: Mary Smith **Date:** April 1, 1998
Fax #: 202-456-7431 **Pages:** 7, including this cover sheet.
From: Patricia Hidalgo / *Kelly Jenkins-Pultz*
Subject: Final Check List and Employer Self-Audit

COMMENTS:

Anything underlined links to futher information and other web sites.



Women continue to tell the U.S. Department of Labor that pay is one of their biggest workplace concerns. They tell us they need better pay and they need fair pay. A look at earnings data indicates a continuing wage gap between women and men. Although the wage gap has narrowed over the years, in 1997, working women still earned only 74 percent of men's weekly earnings on average. The average woman would have to work from January of 1997 to April 3 of 1998 to earn what the average man earned in 1997 alone. For women of color, the gap is even greater compared to white men.

Businesses have a great stake in equal pay issues as well. The wage gap and the glass ceiling reflect the undervaluation of an important sector of the workforce. Global competitiveness places greater demands on business. It means that as a nation, we must band together to ensure recruitment and retention of the best talent available. In our competitive economy, we do not have a person to spare.

President Clinton is calling on all Americans to recognize and reward the full value of the skills and contributions of women and people of color. Secretary of Labor Alexis M. Herman has responded to the President's call to action by expanding the Fair Pay Clearinghouse in the Women's Bureau and making additional resources available that highlight model pay practices and help employers ensure equal pay. The following ten-step guide was developed -- with input from a variety of stakeholders -- to assist employers in analyzing their own wage-setting policies and establishing consistent and fair pay practices for all.

Employers vary greatly by industry, gross sales and number of employees, yet very few are exempt from the laws that require equal pay and equal employment opportunity. We are providing the following information which we believe will be helpful to you in developing a general framework for policies that will ensure equal pay, regardless of an individual employer's characteristics. Small businesses may decide they do not need the formalized processes that are often essential for employers of larger workforces, yet may still find it useful to apply all or some of these concepts in assessing compensation programs for their employees. The results of this self-audit will not be collected by the Federal Government or used for compliance purposes, and equal pay policies that may be developed from the audit will not ensure compliance with Federal civil rights laws.

I. Conduct a Recruitment Self-Audit

- Does your hiring process seek diversity in the qualified applicant pool for positions?

2. Evaluate Your Compensation System for Internal Equity

- Do you have a method to determine salaries and benefits?
- Do you write position descriptions, seek employee input and develop consensus for position descriptions? In unionized workplaces, do you involve union leaders?
- Do you have a consistent job evaluation system? Are jobs scored or assigned grades? Are positions where women and minorities work scored or graded according to the same standards as jobs where men or non-minorities work?
- Could a method be used for ensuring consistent pay for people with substantially similar levels of experience and education who hold jobs calling for substantially similar degrees of skill, effort, responsibility and working conditions, even though job titles may be different?

3. Evaluate Your Compensation System for Industry Competitiveness

- Do you have a method to determine the market rate for any given job? Do you ensure that market rates are applied consistently? (i.e., Can you be confident that men are not being compensated *at or above* market rates while women are compensation *at or below* market rates? Can you be confident that non-minority workers are not compensated *at or above* market rates while minority workers' compensation *is at or below* the market rates?)
- Would your company benefit from a fresh approach that updates position descriptions; assesses skill, effort, responsibility and working conditions of various jobs; assigns grades or scores; and ensures consistent application of market rates and external competitiveness?

4. Conduct a New Job Evaluation System if Needed

- Do you have up-to-date position descriptions for all occupations?
- Do you establish criteria for assigning values to skills, effort, responsibility and working conditions of jobs? Do you challenge basic assumptions about the value of skills before assigning points or grades? (i.e., — Do you consider how caring for sick people, small muscle dexterity in typing, and other such skills may have been undervalued in jobs that have been traditionally held by women?)
- Do you ensure agreement among worker representatives and management in criteria to evaluate jobs?
- Do you assign scores or grades to jobs and allow worker input?
- Do you compare your system with market rates and other external competitiveness factors? Do you consider whether the market has undercompensated certain occupations or professions before making adjustments?
- Do you assign consistent compensation to jobs within similar grades or scores, and do you use market rates and other external competitiveness factors consistently?

5. Examine Your Compensation System and Compare Job Grades/Scores

- How does pay compare for positions with similar grades or scores within your company? On average, are women and minorities paid similarly to men and non-minorities within the same grade or job score? What are the reasons for any disparities in pay between jobs with similar grades or scores? Can corrections be made to ensure consistency in assigning grades or scores?

Equal Pay Self-Audit for Employers

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- How long do men, women and minorities stay within job grades or scores before moving up? Do men or non-minority workers move up faster? What are the reasons that some workers move up faster? Can you take action to ensure that all workers have equal opportunity for advancement?

6. Review Data for Personnel Entering Your Company

- At what grades or positions do men, women and minorities typically enter your company? Within those grades and positions, are salaries consistent, or do men, women and minorities enter at different pay levels?
- How does negotiation affect entry-level salaries? Are men able to negotiate higher starting salaries than women or minorities?
- How do new hires compare in salary to those already working in the company in the same grades or positions? Do men, women and minorities entering the company get paid higher or lower than those who already hold the same positions or grades? Are there differences by gender or race?
- Are changes needed to ensure that new hires are treated consistently and incorporated into existing compensation systems on a compatible basis?

7. Assess Opportunity for Employees to Win Commissions and Bonuses

- Are men, women and minorities assigned projects or clients with high commission potential on a consistent basis?
- Are men, women and minorities with similar levels of performance awarded bonuses on a consistent basis? Do they receive bonuses of similar monetary values?

8. Assess How Raises are Awarded

- Is there a consistent method of evaluating performance for all workers? Do men, women and minorities receive consistent raises based on similar performance standards? (i.e., are all workers with outstanding evaluations awarded the same percentage increases? If not, what are the reasons for the difference?)
- Are men, women and minorities with similar levels of performance awarded bonuses on a consistent basis? Do they receive bonuses of similar monetary values?

9. Evaluate Employee Training, Development and Promotion Opportunities

- How are workers selected for participation in training opportunities or special projects that lead to advancement? Are there differences by race or gender? If so, what can be done to widen the pool to reflect equal opportunity?

10. Implement Changes Where Needed, Maintain Equity and Share Your Success

- Have you made changes to ensure consistency in evaluation of jobs, assignment of grades or scores, advancement within the system, performance evaluation, compensation levels, raises, bonuses, commissions and training? Have you evaluated your compensation system periodically to ensure that it meets equal employment opportunity goals?

Equal Pay Self-Audit for Employers

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- Do you maintain openness about compensation with your workforce? Do you regularly post job openings and salary ranges within the workplace? Do you allow employees to discuss compensation issues on their own time?
- Are you reaping the rewards of a productive, loyal workforce, and using your success as a competitive tool to attract the best and brightest workers?

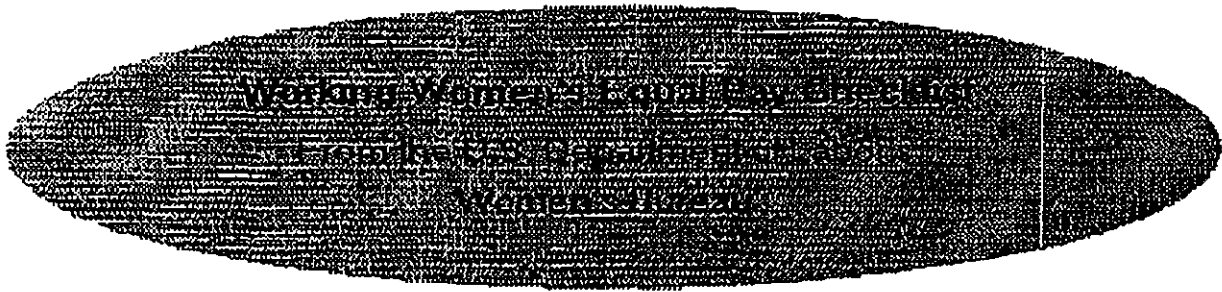
Now it's time to grade yourself, how did you score on the audit?

Were these issues you had considered before, or did you immediately think of an equal pay program already in place? Were there many questions you had not considered before? You may find the answers to these questions to be informative and useful to begin work on implementing some of these policies.

The Women's Bureau is interested in highlighting innovative and successful practices that benefit working women. If you would like more information on this program please contact the Women's Bureau at the following address:

**Ida L. Castro
Acting Director
The Women's Bureau
U.S. Department of Labor
200 Constitution Avenue, NW
Room S 3002
Washington, DC 20210
(202) 219-6611**

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Working women are entitled to equal employment opportunity on the job, including the right to equal pay for equal work and to earn a paycheck that is free from unlawful bias. Yet working women continue to tell the U.S. Department of Labor that pay is one of their biggest workplace concerns. They tell us that they are not fairly compensated for their work.

President Clinton has called on employers, government officials, community educators and workers to recognize and reward the full value of the skills and contributions of women and people of color. Secretary of Labor Alexis Herman has directed the Women's Bureau to develop this Equal Pay Checklist as a guide to issues that affect pay. We hope this career development tool will provide a useful framework for women interested in furthering their opportunities and improving their earning power.

When was the last time you...

1. Thought about what you do on the job, the skills you use, your contributions, and the value you bring to your employer?
2. Compared your skills and responsibilities to those of others in your workplace and industry?
3. Consulted trade journals, career publications, or Department of Labor wage information to get a sense of salary ranges for someone of your qualifications within your industry, or in similar jobs in other industries?
4. Had a performance review and used it as an opportunity to discuss your responsibilities and the *value of your skills* to the company?
5. Asked for a raise if you feel you are being underpaid based on your duties and responsibilities?
6. Gathered information from supervisors and colleagues about the kinds of skills and training needed to move into better paying jobs in your company?
7. Networked with other people outside your company to broaden your knowledge of your occupation and trends in your industry including information about salaries, essential skills and training opportunities?
8. Sought training, special projects or other skills building opportunities that could lead to a better paying job?
9. Pursued opportunities at your current place of employment or with other firms?

10. Shared ideas and concerns about compensation issues with other employees in your workplace?

As a complement to this checklist, the Women's Bureau has also developed *Ten Steps to an Equal Pay Self Audit for Employers*.

This checklist is designed as a general tool to provoke thought and open dialogue. Women who feel that their legal rights to equal pay are not being met should contact the Equal Employment Opportunity Commission.



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