



RAISING WOMEN'S PAY

An Agenda for Equity

WOMEN EMPLOYED INSTITUTE

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WOMEN EMPLOYED INSTITUTE

Women Employed, founded in 1973, is a membership organization of women at all employment levels committed to expanding opportunities for women and girls through service, education and advocacy. With its affiliate, the Women Employed Institute, the organization is the nation's foremost grassroots advocate for effective equal opportunity programs, a leading promoter of state and local workforce development and welfare reform policies leading to self-sufficiency, an innovator in developing programs to alleviate female poverty, and a source of assistance for thousands of women seeking better opportunities.

Raising Women's Pay: An Agenda for Equity was prepared by Women Employed's Equal Employment Committee and staff members Donna Cavato, Melissa Josephs, Nancy Kreiter, Anne Ladky and Nina McGuffin.

We gratefully acknowledge the support of the Ford Foundation for our work to improve enforcement of equal opportunity laws and promote fair workplace practices.

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RAISING WOMEN'S PAY CAMPAIGN

Women are deeply concerned about the issue of pay discrimination. Survey after survey indicates that unequal pay ranks at the top of women's concerns about their work. To resolve the problem, women support stronger enforcement of equal pay laws; they also want information about salary rates as well as opportunities to develop their negotiating skills. But they aren't sure what else will help to reduce pay discrimination. The general public believes that time will take care of pay differentials, despite the fact that women's increased levels of education and experience have not closed the pay gap with men.

Women Employed has compiled this report to inform policymakers and the public about concrete solutions to the problem of unequal pay. It is also an invitation—to corporate leaders, public policymakers, working women and their families who depend on them—to join together in a comprehensive effort to eliminate pay discrimination.

Raising Women's Pay: An Agenda for Equity is one component of Women Employed's Raising Women's Pay Campaign, which is comprised of public education, organizing, and advocacy strategies aimed at bringing new energy and attention to the unfinished business of ensuring equitable pay for women. The goals of the campaign are to:

- ◆ strengthen equal pay laws and improve enforcement;
- ◆ increase women's participation in higher-paying male-dominated occupations through affirmative action and greater access to education and training;
- ◆ improve corporate compensation practices by increasing voluntary pay reviews and reducing glass ceiling barriers;
- ◆ reduce the tax burden on low-wage workers,
- ◆ raise and index the minimum wage;
- ◆ promote unionization as a strategy for raising women's pay and ensuring equity; and
- ◆ encourage employers to fairly pro-rate pay and benefits for part-time and temporary workers.

Our immediate priorities are to ensure the implementation of new initiatives that will require employers to provide salary data as part of their equal opportunity reporting practices, promote voluntary corporate practices to reduce pay disparities based on gender, increase awareness of higher-paying jobs among women and girls, promote greater access to education and training leading to those jobs, and provide individual women with information and strategies they can use to improve their pay.

Our *Raising Women's Pay Campaign* is grounded in the experience Women Employed has gained over nearly three decades of advocacy for fair pay. We have worked with thousands of individual women experiencing pay discrimination, offering them information and support, and helping them develop their own strategies for change. Most recently, in response to requests from our members, we published the *Guide to Salary and Wage Information on the Internet*, and sponsored workshops led by skilled negotiators. We have developed methodologies for analyzing compensation systems and practices that have been used in successful legal and administrative challenges to unequal pay. We have worked with employers and unions to conduct job evaluation studies, analyze compensation systems, and make recommendations to promote equity. At the federal level, we are the leading advocate for effective enforcement of equal pay requirements affecting women from the entry level to the glass ceiling. We have educated the public and policymakers through research and publications examining occupational segregation and the wage gap. All of these efforts have contributed to the progress women have made in improving their pay and opportunities.

We want to acknowledge the work of Women Employed's Equal Employment Committee, which compiled this report based on research, discussions with experts, and dialogue with women at all employment levels. The recommendations focus on systemic changes that they felt would make the greatest impact in raising women's pay. We appreciate both the contribu-

tions of committee members and the experts they consulted. We also want to acknowledge the many organizations that came together in Chicago on Equal Pay Day 1999 to bring renewed public attention to the problem of pay discrimination and pledged to work together to eliminate it.

We know that time alone will not solve the problem of unequal pay for women. Too many women and their families are paying a high price for our tolerance of practices resulting

from outmoded and discriminatory attitudes. We can and must do more to address this problem. We extend an invitation to all our readers to join us in making a new commitment to economic justice for women.

Suzy Bangs, Chair,
Equal Employment Committee

Sarah Bornstein, Chair,
Women Employed

TABLE OF CONTENTS

Raising Women's Pay: An Agenda for Equity

INTRODUCTION	2
THE PROBLEM Unequal Pay for Equal Work	6
STRATEGIES FOR CHANGE	
Employment Practices: Encourage employers to create policies that lead to fair pay	
Administrative Practices and Legislation: Improve enforcement of regulations and laws requiring equal pay	
THE PROBLEM Occupational Segregation: The Majority of Working Women are Clustered in Low-Paying Jobs	10
STRATEGIES FOR CHANGE	
Employment Practices: Adopt proven methods and practices that aim to ensure better representation of women	
Administrative Practices and Legislation: Support policies that provide women with the opportunity for education, training, and career development	
THE PROBLEM Glass Ceiling: Persistent Barriers to Pay Equity and Mobility	12
STRATEGIES FOR CHANGE	
Employment Practices: Create effective policies and programs to successfully recruit and promote women and people of color	
Administrative Practices and Legislation: Strengthen enforcement of anti-discrimination laws and affirmative action regulations	
THE PROBLEM Millions of Families are Poor Despite Full-Time Work	14
STRATEGIES FOR CHANGE	
Employment Practices: Assess the adequacy of current wage rates	
Administrative Practices and Legislation: Support laws that increase wages and benefits for low-income working adults	
THE PROBLEM Many Temporary and Part-Time Workers Lack Fair Pay and Access to Benefits	17
STRATEGIES FOR CHANGE	
Employment Practices: Promote best practices by employers and unions	
Administrative Practices and Legislation: Establish laws that prohibit wage and benefit discrimination against temporary and part-time workers	
CONCLUSION	19
FOOTNOTES	20
GLOSSARY	21

INTRODUCTION

Seventy percent of women earn less than \$35,000 per year, compared to less than fifty percent of men.³ Almost eleven million women workers earn less than \$15,000 per year.⁴

Despite the many improvements in women's economic status and opportunities over the past thirty years, pay discrimination is still a fact of life for far too many women. With a record 64 million women in the workforce, pay discrimination affects the majority of American families.

Pay discrimination is firmly rooted in our history. Differentials based on gender were an accepted fixture of public policy and private sector practice, justified by the notion that men were the breadwinners and women worked only for "pin money." Even when women replaced men in wartime industrial jobs, they earned just half of what their male counterparts did. In the late 1940's, to prevent employers from undercutting men's wages by hiring women and paying them less, unions began to win equal pay

clauses in collective bargaining agreements. However, paying women lower wages than men for the same work was not outlawed by the federal government until the passage of the Equal Pay Act in 1963. Although women have benefited from reforms brought about by the Equal Pay Act and by Title VII of the Civil Rights Act of 1964, which outlaws sex discrimination in employment, pay discrimination persists.

Pay discrimination is not just a women's problem—it is a problem for families. Nearly two-thirds of working women report that they provide about half or more of their family's income.¹ Nearly one in five U.S. families is headed by a single woman.²

And the effects of low pay stretch into the future, as lower lifetime earnings reduce social security and access to pension plans. Only 32 percent of current female retirees receive a pension, compared to 55 percent of men; and the median pension benefit received by new female retirees is less than half that of men.⁵

The wages of minority women working full-time are just 63.7 percent of the wages of all full-time working men.⁹ Minority women earn almost eighty percent of what white women earn.¹⁰ African American and white women achieved near parity in wages by the mid 1970's, but since then the race-based wage gap between them has widened.¹¹

Why Do Women Earn Less than Men?

Is it Education and Experience?

In the debate about the causes of pay disparities between women and men generally, some contend that differences in "labor market capital" are to blame; that is women bring less education and experience to the labor market and therefore receive lower pay. In fact, women have dramatically increased their educational attainment over the past thirty-five years and now surpass the number of men attaining bachelor's and advanced degrees.¹² However, college-educated women earned \$13,788 less than college-

TABLE 1 Women Earn Less than Men Despite Equivalent Education

Median Annual Income of Full-time Workers 25 Years and Over by Educational Attainment and Gender

Level of Education	Women's Median Earnings	Men's Median Earnings	Difference in Dollars
Elementary			
Less than 9th grade	\$14,467	\$19,380	\$4,913
High School			
9th to 12th grade (no diploma)	\$16,487	\$23,958	\$7,476
Graduate (including GED)	\$22,780	\$31,477	\$8,697
College			
Some college, no degree	\$27,420	\$36,934	\$9,514
Associate degree	\$29,924	\$40,274	\$10,350
Bachelor's degree	\$36,559	\$51,405	\$14,846
Master's degree	\$45,283	\$62,244	\$16,961
Doctorate degree	\$57,796	\$75,078	\$17,282

Source: "Money Income in the United States: 1998," Current Population Reports, Consumer Income, U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census.

TABLE 2 Women Earn Less in Every Occupational Category

Median Annual Income of Full-time Workers Age 15 Years and Over
by Occupational Category and Gender

Occupational Category	Women's Median Earnings	Men's Median Earnings	Percentage of Women's Earnings to Men's
Executives, administrators, managers	\$34,755	\$51,351	67.7%
Professional specialty	\$36,261	\$51,654	70.2%
Technical and related support	\$27,849	\$40,546	68.7%
Sales	\$23,197	\$37,248	62.3%
Administrative support, incl. Clerical	\$23,835	\$31,153	76.5%
Precision production, craft repair	\$23,907	\$31,631	75.6%
Machine operators, assemblers, inspectors	\$19,015	\$27,890	68.2%
Handlers, equipment cleaners, laborers	\$16,550	\$21,871	75.7%
Service workers	\$15,647	\$22,515	69.5%

Source: "Money Income in the United States: 1998," Current Population Reports, Consumer Income, U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census

educated white men.¹³ Even among recent college graduates, women earn 15.7 percent less than men.¹⁴ College-educated African American women earn \$185 less than white male high school graduates.¹⁵ Even at similar levels of educational attainment, women earn less than men. See *Table 1*.

Women's increased participation in the labor force has also erased experiential differences. In 1975, 37.5 million women were working, compared to 63 million women in 1997.¹⁶ However, women gain only about 30 cents per hour for five additional years of work experience, while white men gained an additional \$1.20 per hour for the same number of years of work experience.¹⁷ Increased occupational representation of women over a decade (1980–1990) did not consistently result in appreciable narrowing of the wage gap.¹⁸ Managers and sales supervisors

were the only traditionally male occupations that experienced large gains in female employment, and these occupations have among the widest wage gaps.¹⁹

Is it Time Off for Childrearing?

The other frequently cited explanation for the male-female pay gap is that women take time out of the labor force to raise children, thus losing opportunities for better pay and advancement. The amount of time that women spend out of the labor force while their children are young has actually declined significantly over the last thirty years. Today, in 64 percent of married couples, both parents are working.²⁰ Sixty-one percent of women with children under the age of two are working, and 78 percent of all mothers with school-age children work.²¹

Today, women working full-time year-round earn 73 cents on average for every dollar earned by men.⁶ This gap has narrowed substantially over the past twenty years (it was 63 cents in 1979) as a result of both improvements in women's earnings and periods of declining wages for men.⁷ Although women have undeniably made progress during this period, falling real wages for men explain about 65 percent of the closing of the gender wage gap between 1979 and 1989; correspondingly, only 35 percent was due to improvements in women's wages.⁸ So, commonly cited "wage gap" figures overestimate the progress women have made in achieving greater parity with men, despite their growing representation in higher-paying jobs.

The press continues to report substantial settlements in cases where women demonstrated that they were being paid less in the same job categories than men at such companies as Home Depot, Publix Supermarkets, State Farm Insurance and United Parcel Service. Kodak voluntarily reviewed its pay practices and paid \$10 million to 2,000 underpaid women and minority factory workers. Other examples of settlements that cover sex and race claims include Boeing's \$4.5 million in back pay and raises for 4,400 women and 1,000 minority workers nationwide, and CoreStates Financial Corp.'s settlement requiring the company to award back pay and make salary adjustments for women and minorities.

TABLE 3

Median Weekly Earnings (MWE) of Women and Men in Traditional and Non-Traditional Jobs for Women

Traditional Jobs for Women	% Female	MWE	Non-Traditional Jobs for Women	% Female	MWE
Child Care Worker	97%	\$204	Carpenters	1.2%	\$490
Waitress	78%	\$300	Motor vehicle operator supervisors	24.4%	\$595
Bookkeeper	93%	\$428	Electronic technician	17%	\$642
Secretary	98%	\$431	Police and Detectives	16.3%	\$646

Source: *Employment and Earnings 1999*, U.S. Department of Labor, Bureau of Labor Statistics

The Real Causes of Pay Disparities between Women and Men

The problem of low pay for women has two main causes: unequal pay for the same work or work that is substantially similar in skill and responsibility levels, and low pay for jobs traditionally held by women.

Unequal Pay

Despite gains in education and employment experience, women continue to earn less than men doing the same work in nearly every occupational category—from entry-level clerical positions to management. *See Table 2.* The most clear-cut form of pay discrimination—unequal pay for the same work—is a major contributor to pay disparities, despite advances won through enforcement of equal pay laws and regulations.

As women have moved up the career ladder in certain industries, more subtle and systemic examples of this problem have been exposed. In lawsuits against brokerage houses for example, women have documented pay discrimination stemming from assignment of more lucrative

work and sales territories to male brokers, denial of promotions, supervisors who discriminate against pregnant women based on a sexist notion of the work they can perform, and performance rewards targeted toward men that include ties, cuff links and company-sponsored trips to strip clubs.

Occupational Segregation and Low Pay

Despite the significant progress women have made entering previously male-dominated fields such as law, medicine, and business, the majority of women workers continue to work in low-paying female-dominated jobs. More than forty percent of women working full-time are employed in the traditionally female clerical or service occupations.²² This pattern is based on long-held notions of what jobs are “appropriate” for women. Such attitudes affect the practices of schools, training programs, and employers, limiting women’s views of their occupational choices and creating barriers to women’s entry into higher-paying traditionally male fields. “Women’s” jobs are likely to pay less than male-dominated jobs, even when greater skill, responsibility or more education is required for

he female-dominated occupations.

The pattern of occupational segregation has persisted even as women’s overall opportunities have expanded. For example, women have substantially increased their mobility in corporations, moving into jobs of greater responsibility and higher pay. However, they often reach a level beyond which women are not promoted—the “glass ceiling.” The glass ceiling is largely a product of stereotypical attitudes about the appropriateness of high-level jobs for women. In addition, women are often channeled into and remain in “staff” functions such as human resources, public relations, and communications, and are less likely to move into “line” positions in operations, manufacturing, sales and marketing, and other areas more related to the bottom line corporate performance. This kind of segregation limits women’s ability to move into top jobs and depresses their pay, since line managers usually earn more than staff managers.

Still, a substantial part of the gender gap in wages is not the result of these occupational patterns. In a large-scale study (637,718 workers at 32,931 companies representing the entire array of industries, occupations and locations in the U.S.), the National Bureau of Economic Research concluded that while a sizable portion of the gender wage gap is attributable to the fact that women are over-represented in the lowest paying jobs in the labor market (occupational segregation) *one-quarter to one-half of the wage gap remains attributable to gender alone.*²³

Given the long history of bias against women in the labor market and educational institutions and entrenched attitudes about women’s roles, we expect that women will be the majority of low-wage workers for the foreseeable future.

TABLE 4

Median Weekly Earnings by Gender in 10 Leading Occupations for Women, 1998

Occupations	Women's Median Weekly Earnings	Men's Median Weekly Earnings
Secretaries	\$430	-----
Managers, real estate	\$518	\$638
Bookkeepers, accounting/auditing clerks	\$426	\$455
Cashiers	\$259	\$302
Registered nurses	\$734	\$774
Waiters and waitresses	\$282	\$343
Elementary school teachers	\$677	\$749
Nursing aides, orderlies, attendants	\$308	\$330
Sales workers, other commodities	\$287	\$388
Sales supervisors and proprietors	\$449	\$649

Medians are not shown where the base is less than 50,000 workers. Such cases are indicated by dashes-----.

n.e.c. = not elsewhere classified.

Source: Employment and Earnings 1999, U.S. Department of Labor, Bureau of Labor Statistics.

Women are also likely to be the majority of the growing number of temporary and contingent workers. So in addition to addressing the problems of unequal pay and occupational segregation, public and private sector action will be needed to deal with the consequences—persistent low pay for women.

This report describes specific aspects of pay inequities women face and makes recommendations for change.

THE PROBLEM

Unequal Pay for Equal Work

The **Equal Pay Act** prohibits discrimination in pay between men and women for similar jobs.

Title VII of the Civil Rights Act prohibits discrimination in employment practices based on sex, race, color, national origin or religion.

Executive Order 11246 prohibits federal contractors from discriminating based on sex, race, color, national origin or religion.

Over the last 25 years, enforcement of the Equal Pay Act (EPA) of 1963, Title VII of the Civil Rights Act of 1964, and Executive Order 11246, as amended, has reduced pay discrimination against women. Despite problems caused by narrow interpretations of these laws, they have clearly made the practice of paying women less than men for the same work far less common.

However, significant work remains to be done to eliminate this problem. The two federal agencies responsible for enforcing equal pay requirements for women and racial minorities are the Equal Employment Opportunity Commission (EEOC) and the Office of Federal Contract Compliance Programs (OFCCP) of the U.S. Department of Labor. The EEOC handles Equal Pay Act and Title VII charges filed by individuals; the OFCCP enforces Executive Order 11246, attacking wage discrimination through its reviews of the equal opportunity practices of employers that are federal contractors.

The effectiveness of both agencies in addressing equal pay claims has been inconsistent over the years because of inadequate funding and a need for regulatory reform.²⁴ In the 1990's, the EEOC was successful in litigating or obtaining settlements in various high-profile cases that challenged such issues as sexual harassment, race discrimination, glass ceiling barriers and pregnancy rights. However, the Commission has almost no record of litigating Equal Pay Act cases.²⁵ The OFCCP has been aggressive in attacking wage inequities it uncovers during compliance reviews. However, the agency's efforts have been hampered by its inability to collect the amount and type of information from employers that it needs to adequately enforce equal pay requirements. Further, the OFCCP can only negotiate for punitive damages (beyond back pay and salary adjustments) if charging parties file as a class; OFCCP is not allowed to negotiate for individual relief when it uncovers evidence of discrimination during its compliance reviews of federal contractors.

The elimination of pay discrimination will

require greater voluntary efforts by employers, and more recognition for their successes in dealing with this challenge, stronger enforcement of existing regulations, new legislation and enforcement policies.

STRATEGIES FOR CHANGE

Employment Practices: Encourage employers to create policies that lead to fair pay

Improving enforcement through the strengthening of existing laws and the passage of new ones are not the only solutions for eradicating pay discrimination in the workplace. Companies should also be encouraged to create policies within their organizations that will lead to fair pay. Recommendations for improving pay practices within organizations include:

◆ **Promote voluntary corporate pay reviews** The companies with the best track records of hiring and promoting women are often the ones with the best pay review practices. In addition, these companies are usually less likely to expend resources litigating discrimination claims. A well-designed pay review uses statistical analysis to uncover all instances of potential discrimination by identifying any individual or groups whose compensation is significantly out of pattern in comparison to others in the same salary grade and geographic location. In a time of record low unemployment, companies that institute voluntary pay reviews will attract and retain employees who value an equitable workplace.

◆ **Identify and promote corporate practices that increase pay and access to benefits as a strategy to reduce turnover, particularly in low-wage jobs** Many low-wage (often female-dominated) jobs such as hotel housekeepers, child care workers, home health aides, etc. experience tremendous turnover due to low wages and limited access to benefits such as healthcare, sick/vacation days, and retirement

plans. In the current tight labor market, employees can choose to work for companies that offer higher wages and benefits, particularly those offering job-based learning and skills development that can lead to higher-wage jobs, ideally within the organization. Increasing wages and access to benefits has been a successful strategy for reducing turnover and improving performance.

◆ **Identify and eliminate pay patterns based on the gender of those traditionally holding particular positions by ensuring comparable pay rates for jobs requiring comparable skills, responsibilities, and qualifications** Some union contracts and compensation review practices incorporate the principle of comparable worth and can be used to identify and correct unequal compensation on comparable jobs. These pay systems are based on analysis of the level of skill, responsibility, and qualifications required for a position. An example is the inequity between pay for parole officers who are mostly men, and social workers who are mostly women. Some unions have been successful in finding and remedying instances of unequal pay through compensation reviews based on comparable worth principles.

◆ **Support incentives for businesses to improve pay practices** Passage of the federal Paycheck Fairness Act would, among other things, establish a National Award for Pay Equity in the Workplace and provide employers with guidelines to evaluate job categories based on objective criteria. This award and other incentives will ensure that U.S. corporations who have fair pay practices are acknowledged for their efforts. In addition, public recognition of equal pay practices provides an incentive for other employers to adopt them.

Administrative Practices and Legislation: Improve enforcement of regulations and laws requiring equal pay

There are several reasons to be optimistic about creating positive change through improvements

in enforcement. First, the Clinton administration has recognized that equal pay is a pivotal issue for women. This has led to a large increase in the federal budget for enforcement of workplace anti-discrimination laws. The President has proposed a \$27 million pay initiative to end wage discrimination (\$10 million to the EEOC for training and \$17 million to the Department of Labor for nontraditional jobs outreach to women.) Second, the chair of the EEOC, Ida Castro, has committed resources and leadership to address wage discrimination. Third, the OFCCP is now requiring contractors to submit annual employment data, including wage data, to the OFCCP in an Equal Opportunity (EO) Survey, whether or not the agency intends to schedule a compliance review. This new approach will encourage contractors to conduct self-audits and undertake pro-active measures to ensure nondiscrimination and pay equity in their workplaces. It will also allow the agency to target compliance reviews more effectively.

Equal pay laws are only as effective as the agencies that enforce them. The enforcement work of the EEOC and the OFCCP should be improved through increased funding, strengthened regulations, and streamlined charge handling procedures and investigative techniques. Specific recommendations for strengthening the enforcement of equal pay laws include:

◆ **Increase funding for the two major enforcement agencies** The EEOC has significant work to do in transforming itself into an effective enforcement agency that handles charges quickly and pursues strategic cases that will create systemic change. The Commission's record has improved during the Clinton administration due to a redesign of the charge handling process, revisions in past policy directives, and a new focus on mediation.²⁶ Congress approved \$37 million in new spending for FY1999, a significant increase over previous years of fiscal neglect. This new funding has allowed the EEOC to build on these innovative processes, but more work remains to be done. Funding levels should be increased so that the

EEOC can make litigation of Equal Pay Act violations a priority, with a specific focus on systemic litigation.

The OFCCP, under Department of Labor Deputy Assistant Secretary Shirley Wilcher, has achieved significant regulatory reform. These reforms have led to tighter record-keeping requirements and greater latitude in reviewing contractors' compliance with affirmative action requirements. However, the OFCCP conducts fewer than 4,000 audits per year out of a universe of 100,000 establishments because the agency's resources are inadequate. Increased funding will strengthen enforcement of equal pay laws by allowing the OFCCP to monitor a larger pool of federal contractors.

◆ **Focus efforts on equal pay claims and systemic discrimination** Litigation of Equal Pay Act cases should be a top priority for the EEOC. Enforcement efforts at both the EEOC and the OFCCP should focus on systemic wage discrimination, ensuring that non-job-related criteria are not allowed to justify pay disparities between men and women.

◆ **Increase the coordination between EEOC and OFCCP to include damages as one of OFCCP's approved remedies in compliance reviews** In 1999, proposed changes to a 1981 Memorandum of Understanding (MOU) were approved, allowing OFCCP to act as EEOC's agent to process and resolve complaints affecting women and minorities, since EEOC also enforces claims covering these protected classes. This allows OFCCP to negotiate for relief beyond back pay and salary adjustment to include compensatory and punitive damages allowed under Title VII of the Civil Rights Act of 1964. However, the MOU only allows OFCCP to negotiate for damages as EEOC's agent when discrimination charges are filed as a class action. Therefore, OFCCP needs the authority to act as EEOC's agent when OFCCP uncovers evidence of discrimination during its compliance reviews of federal contractors. Giving OFCCP and EEOC

the same authority is a more efficient use of resources because it decreases the duplication of effort between the two agencies.

◆ **Require all federal contractors to submit wage data annually** Because OFCCP is able to audit only a fraction of federal contractors (4,000 of 100,000) each year, better record-keeping and submission of data by contractors can significantly improve the use of enforcement resources and promote voluntary compliance. The new EO Survey, which requires employers to submit annual employment data, including wage data, will allow the OFCCP to target pay discrimination, as well as occupational segregation and other discriminatory practices, without having to conduct an on-site review. The EO Survey will allow the OFCCP to spend resources on investigating those most likely to be in violation of equal pay requirements, rather than relying on a random sample of federal contractors. The EO Survey should be sent to federal contractors annually.

◆ **Pass the Paycheck Fairness Act** The proposed federal Paycheck Fairness Act (PFA) would amend the Equal Pay Act to provide compensatory and punitive damages to women who are not paid equal wages for equal work. In addition, the PFA would provide other effective tools for addressing pay discrimination by:²⁷

- ◆ authorizing class action equal pay suits;
- ◆ prohibiting employers from penalizing employees who share salary information with their coworkers;
- ◆ requiring the EEOC to train its employees to analyze wage discrimination;
- ◆ requiring the Department of Labor (DOL) to undertake research in the area of sex-based pay disparities;
- ◆ requiring the DOL to develop voluntary guidelines to enable employers to evaluate job categories based on objective criteria.

◆ **Pass the Fair Pay Act** The proposed federal Fair Pay Act amends the Fair Labor Standards Act to prohibit discrimination in

wages paid to employees in comparable jobs within a workplace, based on a worker's sex, race or national origin. The Fair Pay Act would:²⁸

- ◆ prohibit companies from reducing wages to achieve pay equity;
- ◆ require employers to preserve records on wage-setting practices and breakdowns by sex, race and national origin of employees within positions, and file annual reports with the EEOC;
- ◆ mandate the confidentiality of individual names;
- ◆ provide retaliation protections for employees inquiring about or assisting in investigations related to the Act;
- ◆ direct the EEOC to provide technical assistance to employers and report to Congress on the Act's implementation.

THE PROBLEM

Occupational Segregation: The Majority of Working Women are Clustered in Low-Paying Jobs

Women are Concentrated in Low-Paying Jobs

Women make up 79.1 percent of clerical workers and 65.4 percent of retail workers.²⁹ These are often unstable jobs with low pay, limited access to benefits such as paid sick/vacation time and health insurance, and little opportunity for advancement.

In contrast, women comprise only 17.7 percent of managerial and technical positions combined. These are often the jobs with higher pay, more career mobility, and access to benefits and compensation incentives ranging from health insurance and retirement plans to signing bonuses and stock options.

Despite the growing number of women in the labor force and the substantial progress women have made since the early 1970's, the majority of working women continue to be segregated in low-paying, female-dominated jobs. The clustering of women in traditionally female jobs is often referred to as *occupational segregation*. Occupational segregation contributes to a sizable portion of the wage gap (the difference between the average annual full-time earnings of women compared to men), and significantly contributes to the number of working families in poverty.

The concentration of women in low-paying jobs is a major barrier to economic self-sufficiency. Unless occupational segregation is addressed, women will continue to earn less than men and earn less money to support their families. The focus must be on ending the concentration of women in the lowest-paying jobs in the economy and eliminating barriers to women's mobility into higher-paying jobs.

STRATEGIES FOR CHANGE

Employment Practices: Adopt proven methods and practices that ensure better representation of women

◆ Identify and promote successful corporate and union practices that identify job categories where women are underrepresented and develop programs to increase their representation in these areas

Good corporate and union review practices can identify specific job categories where women are over- or under-represented. The next step is to develop practical strategies, (i.e., on-the-job training, mentoring, acquisition of new assignments), that will increase the representation of women in previously under-represented areas.

◆ Support career awareness and career exploration programs for girls

Programs that increase girls' career awareness and allow them to explore careers in high-wage fields

should be supported. Such efforts can include *mentoring*, which is a proven strategy for helping girls learn about career options from women in higher-wage nontraditional occupations; *work site visits*, which allow first-hand observation of a workplace; and *school-to-work programs* that are based in local schools and increase student knowledge of potential career options.

Administrative Practices and Legislation: Support policies that provide women with opportunities for education, training, and career development

◆ Support legislation that would expand access to education and training opportunities leading to economic self-sufficiency

Education and training is a proven strategy for broadening career options and increasing wages for women. A woman with a bachelor's degree earns 57 percent more than a woman with a high school education (\$32,481 v. \$20,714).³⁰ Women Employed's agenda, *Increasing Women's Employment Opportunities through Education and Training*, urges a statewide effort in Illinois to expand educational and training opportunities for women and girls. For additional information contact Women Employed.

◆ Disseminate information about career options and education and training programs leading to occupations paying family-supporting wages, including nontraditional fields for women, through public agencies such as welfare offices and one-stop career centers

To ensure that women, particularly those who are poor, have access to a wide range of employment options, career development and job training services need to be retooled to focus on high-wage jobs or entry-level jobs with career ladders rather than low-paying, entry-level positions with little or no opportunity for advancement. This may require outreach and education efforts to make women aware of occupations that pay family-supporting wages. The goal of publicly funded job training and workforce development systems

ould be to help participants become self-sufficient.

In 1999, Illinois passed *Know Your Opportunities*, a law requiring that welfare recipients be told about all of their education, training, and employment options at various stages of the welfare process so they can make informed decisions about their individual career paths. Information about this law should be disseminated to recipients so that they are aware of their opportunities and oversight should occur to ensure that recipients are informed about their options.

◆ **Support efforts to protect and expand affirmative action and equal opportunity requirements at the state and federal levels**

Affirmative action has been one of the most effective tools in improving women's economic opportunities. Affirmative action does not mean preferential treatment, quotas, or the hiring of unqualified people—in fact, these activities are specifically prohibited by affirmative action regulations.³¹ Rather, it is a tool that affords a fair and equal opportunity to compete for qualified individuals who might otherwise be excluded because of prejudice. Once individuals get the

opportunity, they must prove their own merit for jobs and promotions. The OFCCP should direct enforcement efforts toward high-paying jobs, e.g., technical jobs, in which women are severely under-represented.

◆ **Support the *Educating America's Girls Act*, that aims to prepare girls for the future by promoting exposure to technology for girls**

The *Educating America's Girls Act* of 1999 (Girls Act) bill would improve education for girls by reducing gender bias in technology.³² As technology and computers are increasingly being used in elementary school classrooms, and in everyday life, girls are often at a disadvantage as they are less likely to have had the same kind of exposure to technology as boys. In higher grades, girls are less likely to take advanced classes—girls comprise only 17 percent of Advanced Placement test takers—and are more likely to take data entry classes.³³ The Girls Act would require schools to train teachers to address the different learning needs of girls in technology. Promoting different exposures to technology can help girls become familiar with broader applications of computers and technology.

New Educational Options for Welfare Recipients

In January of 1999, outgoing Governor of Illinois Jim Edgar acted on a recommendation of the Governor's Commission on the Status of Women and directed the Illinois Department of Human Services (IDHS) to allow welfare recipients to attend post-secondary education programs without requiring that they also work and "stopping the clock" on their lifetime limit on receipt of welfare assistance. Without this option, many working welfare recipients would be limited to low-paying, low-skilled jobs with little opportunity to achieve self-sufficiency.

THE PROBLEM

Glass Ceiling: Persistent Barriers to Pay Equity and Mobility

Despite the progress women have made in the last 30 years in education and tenure on the job, statistics show that few women have reached the top in private and public sector organizations.

- ◆ Women run only three Fortune 500 companies (Avon, Golden West Financial, Hewlett Packard).
- ◆ Nine of 100 U.S. Senators are women.

The situation for women of color is even worse. Women of color make up 23 percent of women in the workforce, yet their representation among women who hold managerial and administrative positions is 14 percent.³⁴

The glass ceiling is comprised of artificial barriers based on organizational or attitudinal biases that prevent qualified women and people of color from advancing upward into management-level positions. These barriers operate at many levels within organizations. In some companies the glass ceiling blocks only the path to the top positions. In others, the ceiling is evident at lower levels. Whatever their level, glass ceilings are comprised of day-to-day practices, management and employee attitudes, and internal systems that operate to the career disadvantage of women and people of color.

Internal Structural Barriers

- ◆ Recruitment methods that fill upper-level posts from within and do not cultivate a diverse pool of applicants;
- ◆ Managers, usually white males, who groom successors who look like themselves;
- ◆ Concentrating women and people of color in staff rather than line positions with accountability but little power;
- ◆ Lack of corporate ownership for equal employment opportunity;
- ◆ Excluding women and people of color from the “inner sanctum” of senior management, which may cause middle managers to lose the desire to advance in an organization.

Attitudinal Barriers

- ◆ Conscious and unconscious stereotyping and bias related to a person’s gender and/or color;
- ◆ An unwillingness to work with people who are “different;”
- ◆ Imposing different standards of performance for women who are balancing career and family demands than those for men.

Enforcement Barriers

Federal enforcement agencies must do more to monitor and enforce laws and regulations aimed at reducing glass ceiling barriers. Improved collection of data and reviews targeted at glass ceiling barriers will lead to improvements.

STRATEGIES FOR CHANGE

Employment Practices: Create effective policies and programs to successfully recruit and promote women and people of color

◆ Create collaborations between corporate, government, and community-based organizations to explore strategies for advancing women and people of color

As with the other equal pay challenges discussed in this report, eliminating the glass ceiling will take collaborative efforts. One example of collaboration is Chicago Area Partnerships (CAPS), a group encompassing community, government and corporate representatives who have come together to create a forum to discuss and provide leadership on workplace issues in which they have a shared interest. As CAPS members have learned, the most successful collaborations are marked by the willingness of all participants to take risks and be creative in shaping a collective purpose.

◆ Highlight corporate practices that work

Many of the organizational and attitudinal barriers that make up the glass ceiling cannot be addressed through legal remedies. Employers

ould make the advancement of women and people of color a business goal with tangible objectives. According to a report by CAPS, the following corporate practices are effective ways of eliminating the glass ceiling:³⁵

- ◆ Make EEO an integrated management practice, not just a human resource function;
 - ◆ Create accountability by linking diversity initiatives to business goals;
 - ◆ Communicate the corporate position on glass ceiling to all stakeholders;
 - ◆ Involve employees in EEO goals;
 - ◆ Develop and implement a recruitment strategy with specific affirmative action goals;
 - ◆ Create policies that affirm the organization's commitment to diversity;
 - ◆ Create programs that allow employees to balance work and life responsibilities.
- ◆ **Monitor new employment trends and policies** Without careful monitoring by employers, the recent increase in flexible work arrangements, such as job sharing, telecommuting, and part-time work, may inadvertently create new barriers for women and people of color. Employers should analyze the types of jobs that are eligible for flexible work arrangements to ensure that they include positions that enhance skill levels and offer potential for upward mobility. Employers should pay part-time staff wages and provide benefits proportionate to the wages and benefits of full-time staff.

Administrative Practices and Legislation: Strengthen enforcement of anti-discrimination laws and affirmative action regulations

- ◆ **Strengthen anti-discrimination laws**
Some women have challenged the glass ceiling using the protections of anti-discrimination laws.³⁶ If the enforcement of anti-discrimination laws were strengthened, more corporations would proactively work to remove barriers to promotion for women and people of color. Following are specific recommendations for strengthening existing laws.
- ◆ **Support the enforcement of affirmative action requirements** *See Recommendation on page 11.*
- ◆ **Expand corporate management reviews by the OFCCP** Recent regulatory reform, which established a system of multi-tiered or focused reviews, has given the OFCCP greater latitude in reviewing federal contractors' compliance with affirmative action requirements. Specifically, OFCCP has integrated glass ceiling reviews into the contract compliance review process. Enforcement improvements have encouraged contractors to take pro-active steps such as succession planning, cross-functional assignments, and linking compensation and bonus pay to EEO goals to address glass ceiling issues. The OFCCP should expand the number of glass ceiling reviews it conducts.

THE PROBLEM

Millions of Families are Poor Despite Full-Time Work

At the current federal minimum wage of \$5.15 per hour, a full-time worker earns \$10,900 a year—\$2,900 below the federal poverty level for a family of three (\$13,880).

Who are the minimum wage workers?

74% are adults
60% are females
50% work full time

Statistics from Campaign for a Fair Minimum Wage, “The Minimum Wage: It ain’t what it used to be”

Lack of work is not the problem for many women—the problem is that they cannot earn enough in low-wage jobs to support their families even though they are working full time. This is the reality for working poor adults who have never been able to earn adequate wages and women making the transition from welfare to work. The financial and societal costs of low-wage work (effects of poverty from inadequate housing, food, access to healthcare, etc) seriously jeopardize the well-being of millions of working adults and their families. While many low-wage workers have low educational and skill levels, improving “human capital” through education and training does not address the inherent problems of low-wage work.

Poverty v. Economic Self-Sufficiency

It is virtually impossible for an adult and two children to live on the \$10,900 annual income from a minimum wage job. How much money does a family need to make ends meet? The federal poverty standard identifies a poverty level, but gives no indication where economic self-sufficiency begins. Even families earning above the federal poverty line often cannot pay for the most basic needs, such as decent housing and adequate food.

There is a new measure available that captures the true costs of living and working: *The Self-Sufficiency Standard for Illinois*.³⁷ The Standard calculates conservative, yet realistic income levels that working adults need to cover basic costs; it is calculated by size and makeup of the family and by location in Illinois. Compared to the federal measure, the Standard is more accurate in capturing the actual costs. For example, the federal measure does not include the costs of working (i.e., transportation, child care, taxes), and does not include differences in housing costs by location (i.e., rural v. urban). To obtain a copy of *The Self-Sufficiency Standard for Illinois* contact Women Employed.

STRATEGIES FOR CHANGE

New policies are needed to assist families who live in poverty despite working full time. In order to create meaningful paths out of poverty, the following recommendations need to be adopted, coupled with a commitment to expanding access to education and training for low-wage workers.

Employment Practices: Assess the adequacy of current wage rates

◆ Promote wider adoption of voluntary corporate wage and benefit studies

Voluntary corporate wage studies can be a useful tool for employers to assess the adequacy or inadequacy of current wage rates. For example, such studies can provide critical information regarding an employee’s ability to access transportation to get to and from work, to secure adequate child care, and to meet the basic costs of living and working. Increasing wages and access to benefits may reduce high turnover rates, particularly in low-wage jobs such as housekeeping and food service.

Administrative Practices and Legislation: Support laws that increase wages and benefits for low-income working adults

◆ Support legislation to increase and index the federal minimum wage

- ◆ The purchasing power of the current minimum wage of \$5.15 has decreased significantly over the past three decades. Adjusted for inflation, today’s minimum wage worker earns 31 percent less than a minimum wage worker in 1968.³⁸ Increasing the minimum wage is a vital element of increasing the incomes of low-wage workers. The theory that modest increases in the minimum wage lead to job losses has been repeatedly tested and found lacking in evidence to support this claim.³⁹ An increase in the minimum wage

(the 1999 proposal was to increase the minimum wage to \$6.15 an hour) would benefit 10 percent of the national workforce and over half a million workers in Illinois.⁴⁰

◆ Even with a modest increase in the federal minimum wage, working families will continue to struggle to make ends meet. One strategy to further boost the low-wages of working adults is to index the federal minimum wage, tying increases to the rate of inflation. The minimum wage will then be adjusted each year to keep pace with rising costs of living.

◆ **Support establishing a higher state minimum wage** State or local municipalities and counties can adopt a minimum wage higher than the federal minimum. Nine other states and the District of Columbia have adopted higher minimum wage rates, including Alaska, California, Connecticut, Delaware, Hawaii, Massachusetts, Oregon, Vermont and Washington. Since costs of living vary significantly from state to state, Illinois could ensure a minimum wage that is based on the real costs of living and working in the state.

◆ **Support amendments to Unemployment Insurance to provide unemployment benefits to new parents and expand eligibility requirements to entitle new parents to benefits if they leave employment because of lack of paid leave** Many working parents are unable to afford unpaid leaves. Although the Family and Medical Leave Act (FMLA) provides job protected leaves, they are unpaid. States should utilize their option to use surplus unemployment insurance (UI) funds to ensure that working parents receive some form of wage replacement when taking parental leave. In addition, states can qualify new parents for UI eligibility if they leave their jobs because of lack of paid leave; some states already do this for other “compelling” family reasons such as lack of child care

or family relocation. This is particularly important for women, who are less likely to receive UI benefits when they are unemployed under current eligibility requirements.

◆ **Support legislation to protect workers’ access to information on unions and right to unionize** The ability to access information on unions and protecting the right to unionize must be guaranteed through legislation. Unionization is one of the best and most effective ways to raise wages and is an effective strategy for increasing wages in female-dominated jobs and low-wage jobs in general. Unions are particularly beneficial for women and people of color who often experience wage discrimination and are the majority of low-wage workers. For full-time working women of all races, union members earn 38 percent more—an average of \$157 each week—than non-union women.⁴¹ Union representation also helps to close the minority and gender wage gap. Minority women in unions earn 21 percent more than non-union minority men and white women in unions earn about the same as non-union white men.⁴²

◆ **Pass legislation in Illinois to create a refundable state earned income tax credit (EITC)** EITCs are a proven method for rewarding work and reducing the tax burden on families who are poor despite working. State EITCs build on the success of federal tax credits, which have existed for decades and are successful anti-poverty policies. Illinois recently passed a state EITC that will apply to tax year 2000. It will be five percent of the federal EITC and will average \$50 per taxpayer. It is a non-refundable state tax credit which means that the credit cannot exceed the amount of state tax owed. Illinois should expand the state credit to 20 percent of the federal credit and make it refundable. Research shows that sixty percent of the increase in annual employment of single mothers between 1984 and 1996 is strongly correlated with EITC expansion.⁴³

◆ **Support the development of tax credits, such as dependent care credit (eldercare/childcare) and renter's credit, that specifically target low-income working families**

Currently, many low-income families cannot take advantage of federal and state tax credits, such as the federal child care and education tax credits, and the newly passed tuition tax credit in Illinois, because their earnings are too low to be eligible. Illinois should develop targeted tax policies to benefit low-income working families. For example, the state of Massachusetts is currently considering a *Self-Sufficiency Tax Package* that contains several proposed tax relief remedies for working poor families, including a renter's and child care deduction, and creation of a state earned income tax credit.

◆ **Identify opportunities to change income eligibility criteria from the federal poverty measure to self-sufficiency levels**

Federal poverty levels are often used to determine income eligibility for services such as job training, pre-employment and career counseling, and programs such as Individual Development Accounts (IDAs) which provide savings incentives to low-income people who are trying to accumulate assets for purchases or expenses such as buying a home, automobile, or paying for school tuition. Because the federal poverty thresholds are so low, many poor adults cannot access needed services and programs that could help them escape poverty. The use of a more realistic standard to determine income eligibility levels, such as the self-sufficiency levels, would give access to more low-income people needing such programs. To obtain a copy of *The Self-Sufficiency Standard for Illinois* contact Women Employed.

THE PROBLEM

Many Temporary and Part-Time Workers Lack Fair Pay and Access to Benefits

Temporary employment has grown by 10 percent since 1995 and is one of the nation's fastest growing job categories (more than three times faster than growth in traditional employment). Women make up 55 percent of the temporary labor force, compared to 47 percent of the traditional labor force.⁴⁴ While temporary job growth has created more employment opportunities, temporary employees often lack access to equitable pay and the benefits (e.g., healthcare, paid vacation and sick time, and retirement plans) their full-time, permanent counterparts receive. This is particularly inequitable in view of the fact that a quarter of all temporary positions last six months or more.⁴⁵

Pay equity and access to benefits is also a significant issue facing part-time employees. Part-time workers, defined as working a total of less than 35 hours per week, make up 18.5 percent of the workforce and on average, earn 60 percent of the wages paid to their full-time counterparts.

Only 15 percent of part-time employees are offered access to health insurance and only 12 percent have access to a pension. Most striking, of all part-time employees, nearly 5 million say they would like or need to be in full-time positions. When benefits are included as a component of compensation, temporary employees make 30 to 40 percent less than full-time, permanent workers; and only 26 percent are eligible for their employers' health insurance coverage, compared to 75 percent of full-time workers.⁴⁶ In many instances, temporary work arrangements can be beneficial to both the employer and the employee: employers can address fluctuating demands in labor without increasing head-count costs, and employees can have flexibility in work assignments and schedules. However, only 1 in 3 temporary help agency workers preferred their arrangement and nearly 60 percent of all temps said they would prefer a traditional job.⁴⁷ Many temporary workers (41 percent) would prefer a full-time job, and the majority indicated that they took

the temporary assignment for non-voluntary economic reasons, often because it was the only type of work they could find.⁴⁸

STRATEGIES FOR CHANGE

Employment Practices: Promote best practices by employers and unions

◆ **Identify and publicize corporate and union policies and practices that offer competitive pay and access to benefits for temporary employees and part-time workers** Fair pay and access to benefits is good for both the employee and employer. For the employer, such practices can reduce turnover and aid in recruitment. For example, companies such as Starbucks and Randstad (a national staffing company), and many union jobs provide benefits such as health insurance, retirement plans, and stock option purchase plans to temporary and part-time employees.

Administrative Practices and Legislation: Establish laws that prohibit wage and benefit discrimination against temporary and part-time workers

◆ **Support legislation that would establish wage parity practices (equivalent rate of pay for part-time and full-time workers performing the same job tasks)** Legislation is needed to prohibit companies from discriminating against employees based on their employment status. Compensation should be based on the responsibilities of the job, rather than on an employee's employment status, i.e., temporary, part-time, full-time, permanent. Recently, two large companies were sued over unfair pay practices affecting part-time employees who were paid significantly less per hour than their full-time counterparts performing the same job. Both companies were ordered to change their compensation practices.

An example of the problem was recently documented by the media: a two-tiered pay structure that applies for the same job performed by part-time workers and full-time workers at a major airline and postal delivery service. Hourly wage differentials between part-timers and full-timers performing the same job tasks went from \$10.50 per hour for part-timers to as much as \$19.50 per hour for full-time workers.

The phrase "permatemps" has been coined to describe the temporary worker who has worked for a long period of time at the same company, and is clearly not "temporary." A recent example: a full-time (40-hour-per-week) receptionist who had been working a temporary assignment for a large-scale company for nearly six years. However, as a "temporary employee," the worker and her family were ineligible for coverage through the company's health insurance plan, and were ineligible for other benefits provided to full-time, permanent employees, such as retirement benefits and paid sick, personal, and vacation days.

◆ **Support legislation that would make temporary employees eligible for the same benefits that full-time permanent employees are offered, i.e., health insurance, paid sick and vacation time, retirement plans, employee stock purchase options, etc.**

The reality is that many temporary workers are working for an extended length of time (six months or more) at the same job. Currently,

temporary workers are rarely eligible to receive benefits despite steady, full-time work. Only 26 percent of these workers have access to employer health insurance. New proposed legislation at the federal level would ensure that temporary workers with six or more months on the job or the equivalent of 1000 hours will have the same access to benefits as permanent employees.

CONCLUSION

Almost forty years after passage of the Equal Pay Act, women are still being paid less than men for the same work. Further, barriers are still in place, based on attitudinal or organizational biases, that prevent qualified women from advancing into management-level positions. Women are still under-represented in most higher-paying male-dominated occupations. The many women working at minimum wage face the challenge of supporting themselves and their families on less than what it actually takes to live and work. While only some of these situations are illegal, all of them are unfair to women and their families. *Raising Women's Pay: An Agenda for Equity* was written as a call to action—that discriminatory and unfair pay and employment practices must end and that concrete action must be taken to achieve fair and equitable pay.

The five categories of recommendations for achieving pay equity and improving women's pay have focused on what employers, policy-makers, organizations and individuals can do. Strategies for raising women's pay that can be utilized by all of these constituencies include the following:

- ◆ Take action on legislation that you support (such as enacting a state Earned Income Tax Credit) or oppose (such as attempts to abolish affirmative action.) Call, write or meet with your legislator; they want to hear from their constituents.
- ◆ Write and submit op-ed pieces, letters to the editor, and articles for organizational newsletters to educate and mobilize others on these issues.

- ◆ Become a member of an organization working on these issues, such as Women Employed, or partner with other groups to raise awareness about raising women's wages.
- ◆ Educate the public on the inadequacy of the minimum wage, the significant number of women and their families trying to support themselves on this wage, and what level of income it actually takes to sustain a family.
- ◆ Identify opportunities where income eligibility standards could use self-sufficiency levels rather than federal poverty measures, for programs such as job training or pre-employment training, to increase the ability of low-income job seekers and workers to access real opportunities leading out of poverty.

The problem of inequitable pay for women is a systemic problem requiring systemic solutions. It will take collective action to enforce and strengthen public policy, improve private sector policy, raise public awareness, and provide support to individual women. Working together, organizations, public officials, corporate leaders, and concerned individuals can make the promise of equal pay for women a reality.

FOOTNOTES

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- ² WEI "Working Women Fact Sheet" compiled by WEI from government statistics (January, 2000).
- ³ *Id.*
- ⁴ *Id.*
- ⁵ Retiree Benefits Supplement to the September, 1994 U.S. Current Population Survey
- ⁶ "Working Women Fact Sheet," *supra*.
- ⁷ "Equal Pay for Working Families: National and State Data on the Pay Gap and its Cost," A Joint Research Project of the AFL-CIO and the Institute for Women's Policy Research, pages 10, 11 (1999)
- ⁸ *Id.*
- ⁹ *Id.*
- ¹⁰ *Id.*
- ¹¹ *Id.*
- ¹² U.S. Department of Labor, Women's Bureau, "Equal Pay: A Thirty-Five Year Perspective," page 54, (1998).
- ¹³ "Face the Facts about Wage Discrimination and Equal Pay," National Committee on Pay Equity.
- ¹⁴ *Id.*
- ¹⁵ *Id.*
- ¹⁶ "Equal Pay: A Thirty-Five Year Perspective," *supra* at page 58.
- ¹⁷ "Face the Facts about Wage Discrimination and Equal Pay," *supra*.
- ¹⁸ Women Employed Institute and Office for Social Policy Research Northern Illinois University, "Two Sides of the Coin: A Study of the Wage Gap Between Men and Women in the Chicago Metropolitan Area," page 18 (1994).
- ¹⁹ *Id.*
- ²⁰ "Working Women Fact Sheet," *supra*.
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- ²⁵ Women Employed Institute, "Reinventing the Equal Employment Opportunity Commission: Barriers to Enforcement," page 13 (1997).
- ²⁶ *Id.* at page 2.
- ²⁷ S74
- ²⁸ S702
- ²⁹ U.S. Department of Labor, Bureau of Labor Statistics, "Employment and Earnings," January, 1999, page 178.
- ³⁰ Current Population Survey, "Educational Attainment in the US," March 1998 update, page 20, Table 9.
- ³¹ Code of Federal Regulations, Title 41, Sections 60-2.12(e), 2.15, 2.30.
- ³² S1264/HR 2505
- ³³ American Association of University Women, "Gender Gaps: Where Schools Still Fail Our Children (1998).
- ³⁴ Catalyst, "Women of Color in Corporate Management: Opportunities and Barriers" (1999).
- ³⁵ Chicago Area Partnerships, "Pathways & Progress: Corporate Best Practices to Shatter the Glass Ceiling," (published by Women Employed, Chicago, IL) (1996).
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- ³⁸ Ginsburg, Woodrow L., "The Minimum Wage: It ain't what it used to be," Campaign for a Fair Minimum Wage, page 3 (1998).
- ³⁹ Bernstein, Jared, "The Next Step: The new minimum wage proposal and the old opposition," Economic Policy Institute, Issue Brief #130, (April 27, 1999)
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- ⁴¹ Institute for Women's Policy Research, "Equal Pay for Working Families: A National Overview," (1999).
- ⁴² *Id.*
- ⁴³ Meyer, Bruce D. and Rosenbaum, Dan T. "Welfare, the Earned Income Tax Credit, and the Labor Supply of Single Mothers," NBER Working Paper No. 7363 (September 1999).
- ⁴⁴ Cohany, Sharon R., "Workers in Alternative Employment Arrangements: A Second Look," in *Monthly Labor Review*, page 13 (November, 1998).
- ⁴⁵ *Id.* at page 15.
- ⁴⁶ *Id.* at page 17.
- ⁴⁷ *Id.* at pages 14, 15.
- ⁴⁸ *Id.* at pages 13, 14.

Affirmative Action: A tool used by employers and schools that affords qualified individuals who might otherwise be excluded because of prejudice a fair and equal opportunity to compete.

Earned Income Tax Credit (EITC): EITCs return income taxes to low- to moderate-income working families. The federal EITC, in place since the 1970s, has been an effective poverty-fighting tool that enables the working poor to keep more of their earned income. Beginning in tax year 2000, Illinois becomes the thirteenth state to establish its own EITC to supplement the federal credit. Illinois' EITC is a non-refundable state tax credit that is five percent of the federal credit.

Educating America's Girls Act of 1999 (S1264/HR 2505): A proposed federal bill that would improve education for girls by reducing gender bias in technology.

Equal Pay Act of 1963: The Equal Pay Act prohibits sex-based discrimination in pay between men and women for similar jobs.

Equal Pay Day: Equal Pay Day symbolizes the point in the following year in which a woman must work to reach the wages paid to a man in the previous calendar year. Because a woman's yearly earnings are on average 74% of a man's, she has to work more to "catch up" to his earnings.

Executive Order 11246: Executive Order 11246 prohibits federal contractors from discriminating based on sex, race, color, national origin or religion.

Fair Labor Standards Act: The federal Fair Labor Standards Act establishes minimums for fair pay and hours, including the 40-hour workweek and overtime rules. The FLSA is enforced by the Department of Labor's Wage and Hour Division.

Fair Pay Act (S702): A proposed federal bill that would amend the Fair Labor Standards Act to prohibit discrimination in wages paid to employees within a workplace in comparable jobs based solely on the worker's sex, race or national origin.

Family and Medical Leave (FMLA): FMLA is a federal law passed in 1993 that requires employers with 50 or more employees to provide up to 12 weeks of unpaid but job-protected leave per year for childbirth or adoption, or the serious health condition of the employee or an immediate family member.

Individual Development Accounts (IDAs): IDAs are dedicated savings accounts, similar in structure to Individual Retirement Accounts (IRAs), that can be used for purchasing a first home, education or job training expenses, or capitalizing a small business. IDAs are managed by community organizations and are held at local financial institutions.

Glass Ceiling: The glass ceiling is the level at which it is difficult or impossible for women or people of color to advance within a given corporate structure.

Know Your Opportunities: An Illinois law that requires the Illinois Department of Human Services to inform welfare recipients about all of their education, training, and employment opportunities.

Non-Traditional Occupations: Jobs in which less than 25 percent of workers are female.

Occupational Segregation: A term that refers to the segregation of workers by gender within particular occupations. For example, women continue to work in occupations such as social workers, child and health care providers while men tend to work in occu-

pations such as engineers, police officers and airplane pilots.

Pay Equity: Pay equity is a system to eliminate sex and race discrimination in an employer's wage-setting system using neutral criteria. This counteracts the undervaluing of jobs historically held by women and people of color.

Paycheck Fairness Act (S74): A proposed federal bill that would expand damages available under the Equal Pay Act and prohibit retaliation against employees who share wage information with co-workers.

School-to-Work Program: School programs that prepare students for the world of work through career exploration and career counseling.

Self-Sufficiency Standard for Illinois: The Self-Sufficiency (SS) Standard is an alternative measure to the federal poverty level used to document the costs of living that families must meet to move out of poverty. The SS Standard is calculated based on family size and type and by geographic area. The SS Standard, which was developed by Dr. Diana Pearce for Wider Opportunities for Women

(WOW), is part of WOW's State Organizing Project for Family Economic Self-Sufficiency and has been developed for 11 other states.

Temporary Workers: Temporary workers are paid by a temporary help agency, whether or not their job is actually temporary.

Title VII of the Civil Rights Act of 1964:

Title VII bans discrimination in all aspects of employment on the basis of sex, race, color, religion, national origin and ancestry. Aspects of employment include recruitment, job advertisement, hiring, training, job assignment, promotion, transfer, use of company space, layoff, firing, wages, disciplinary action, all fringe benefits, and other terms, privileges and conditions.

Wage Gap: The wage gap refers to the difference between the average, annual full-time earnings of men as compared to those of women.
