Pay Inequity: It’s Real

The Realities Behind Unequal Pay & Strategies for Achieving Equality

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Office on the Status of Women
About me

Iowa Department of Human Rights

Division of Community Advocacy & Services (CAS)
- Office of Native American Affairs
- Office of Latino Affairs

Division of Criminal & Juvenile Justice Planning (CJJP)
- Office of the Status of African Americans
- Office of Deaf Services
- Office of Asian & Pacific Islander Affairs
- Office of Persons with Disabilities
- Iowa Commission on the Status of Women
- Friends of the Iowa Commission on the Status of Women

Division of Community Action Agencies (CAA)
The Realities Behind Unequal Pay: A Personal Story

- **Me**: married, both full-time students working several jobs to pay the rent and bills
- **Man**: didn’t have kids, unmarried, worked one job to get by
  - 20 hours/week:
    - Me: $7.00/hour
    - Man: $9.00/hour
- Supervisor explanation = “$2.00 is not much of a difference”; “not a big deal”; “has to support himself”
Bills, bills, bills...

- Rent: $600/month
- Average utility bill: $60/month
- Food: $50/month
- Total: $710/month

Could I have paid my bills?
Could he have paid my bills?

The math:
- Me: $7.00/hour = $140/week = $560/month
- Man: $9.00/hour = $180/week = $720/month
- $160 difference
What if I had a child and worked full-time?

- Statewide average annual cost for child care provided for an infant in a center was $5,845.
  - $5,845/52 weeks = $112.40/week = $449.60/month

- Bills:
  - Childcare: $449.60
  - Rent: $600
  - Average utility bill: $60/month
  - Food: $50/month
  - **Total: $1,159.60**

- Man: $9.00/hour = $360/week = $1,440/month ($280.40 left)
- Me: $7.00/hour = $280/week = $1,120/month (**-$39.60 in hole**)
NO BIG DEAL
#1: It’s illegal

- Iowa Civil Rights Act, Iowa Code Section 216.6A
  - 2. a. It shall be an unfair or discriminatory practice for any employer or agent of any employer to discriminate against any employee because of the age, race, creed, color, sex, sexual orientation, gender identity, national origin, religion, or disability of such employee by paying wages to such employee at a rate less than the rate paid to other employees who are employed within the same establishment for equal work on jobs, the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions. An employer or agent of an employer who is paying wages to an employee at a rate less than the rate paid to other employees in violation of this section shall not remedy the violation by reducing the wage rate of any employee.
  
  - b. For purposes of this subsection, an unfair or discriminatory practice occurs when a discriminatory pay decision or other practice is adopted, when an individual becomes subject to a discriminatory pay decision or other practice, or when an individual is affected by application of a discriminatory pay decision or other practice, including each time wages, benefits, or other compensation is paid, resulting in whole or in part from such a decision or other practice.
According to Iowa Code 216.6A

- **What is legal?**
  - Payment of wages is pursuant to
    - seniority
    - merit
    - a system that measures earnings by quantity/quality of production
    - difference based on any other factor other than age, race, creed, color, sex, sexual orientation, gender identity, national origin, religion, or disability
  - Only applies to employers with 4 or more employees
At the Federal level

- **Equal Pay Act**
  - All employers must pay equal wages to women and men for performing substantially equal work

- **Title VII of the Civil Rights Act of 1964**
  - Prohibits employers with at least 15 workers from discriminating on basis of race, color, religion, sex or national origin in all terms and conditions of employment (includes pay)

- **Lilly Ledbetter Fair Pay Act of 2009**
  - Further clarifies that pay discrimination is actionable under Title VII

- **National Labor Relations Act**
  - Protects rights of private sector employees to join together to improve working conditions and wages
#2: I’m not alone...

- Iowa: 77% of what men make
- Median wages in Iowa:
  - Men: $47,202
  - Women: $36,522
  - Gap: $10,680

Based on U.S. Census Bureau’s current population survey (workers 15 and older)

The results are in for Iowa:

<table>
<thead>
<tr>
<th>Women overall</th>
<th>African-American Women</th>
<th>Latina Women</th>
<th>Center for American Progress Women’s Economic Grade</th>
<th>Minimum Wage Earners Who are Women</th>
<th>Wage Gap Ranking Among States</th>
</tr>
</thead>
<tbody>
<tr>
<td>77 cents</td>
<td>61 cents</td>
<td>58 cents</td>
<td>D+</td>
<td>About 60%</td>
<td>29th</td>
</tr>
</tbody>
</table>

Data compares women working full-time to men working full-time based on median earnings in the past 12 months as reported by the U.S. Census.

Sources: Adopted from the “SHE MATTERS: 2015 ISSUES and ACTIONS report.” Iowa Women’s Leadership Project. [https://humanrights.iowa.gov/sites/default/files/media/e-SHE_Matters_2015_Issues_and_Actions%5B1%5D.pdf](https://humanrights.iowa.gov/sites/default/files/media/e-SHE_Matters_2015_Issues_and_Actions%5B1%5D.pdf)

National statistics

Gender disparities remain

Median hourly wages of men and women, 1979-2014

Source: Analysis of Current Population Survey Outgoing Rotation Group microdata

Photo source: U.S. Department of Labor Presentation: “Wage Inequality: Why It Matters and What to Do about It.”
October 5, 2015 ISU Lecture: http://www.lectures.iastate.edu/lecture/36759
Earnings by occupation and sex

2014 women's median weekly earnings of full-time, wage and salary workers

Note: Based on median annual earnings of full-time, wage and salary workers, 16 years old and over.
Women’s to men’s earnings ratio and wage gap by occupation

2014 women’s median weekly earnings of full-time, wage and salary workers, as a percentage of men’s

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Earnings Ratio</th>
<th>Wage Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>82.5</td>
<td>17.5</td>
</tr>
<tr>
<td>Management occupations</td>
<td>77.5</td>
<td>22.5</td>
</tr>
<tr>
<td>Business and financial operations occupations</td>
<td>75.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Computer and mathematical occupations</td>
<td>81.2</td>
<td>18.8</td>
</tr>
<tr>
<td>Architecture and engineering occupations</td>
<td>82.0</td>
<td>18.0</td>
</tr>
<tr>
<td>Life, physical, and social science occupations</td>
<td>85.2</td>
<td>14.8</td>
</tr>
<tr>
<td>Community and social service occupations</td>
<td>88.2</td>
<td>11.8</td>
</tr>
<tr>
<td>Legal occupations</td>
<td>66.7</td>
<td>33.3</td>
</tr>
<tr>
<td>Education, training, and library occupations</td>
<td>78.8</td>
<td>21.4</td>
</tr>
<tr>
<td>Arts, design, entertainment, sports, and media occupations</td>
<td>86.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Healthcare practitioners and technical occupations</td>
<td>78.3</td>
<td>21.7</td>
</tr>
<tr>
<td>Healthcare support occupations</td>
<td>87.9</td>
<td>12.1</td>
</tr>
<tr>
<td>Protective service occupations</td>
<td>69.6</td>
<td>30.4</td>
</tr>
<tr>
<td>Food preparation and serving related occupations</td>
<td>90.5</td>
<td>9.5</td>
</tr>
<tr>
<td>Building and grounds cleaning and maintenance occupations</td>
<td>79.9</td>
<td>20.1</td>
</tr>
<tr>
<td>Personal care and service occupations</td>
<td>75.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Sales and related occupations</td>
<td>67.8</td>
<td>32.2</td>
</tr>
<tr>
<td>Office and administrative support occupations</td>
<td>90.9</td>
<td>9.1</td>
</tr>
<tr>
<td>Farming, fishing, and forestry occupations</td>
<td>82.1</td>
<td>17.9</td>
</tr>
<tr>
<td>Construction and extraction occupations</td>
<td>91.3</td>
<td>8.7</td>
</tr>
<tr>
<td>Installation, maintenance, and repair occupations</td>
<td>88.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Production occupations</td>
<td>70.6</td>
<td>29.4</td>
</tr>
<tr>
<td>Transportation and material moving occupations</td>
<td>76.8</td>
<td>23.2</td>
</tr>
</tbody>
</table>

Note: Based on median annual earnings of full-time, wage and salary workers, 16 years old and over.

Discrimination claims

- U.S. Equal Employment Opportunity Commission (EEOC)
- Wage discrimination claims based on sex:
  - FY2010: 2,073
  - FY2011: 1,985
  - FY2012: 3,779
  - FY2013: 1,963
  - FY2014: 1,880

IMPLICATIONS
Poverty: Is It a Big Deal?

Women and Poverty in Iowa

- 121,055 households in Iowa are headed by women; 39.4% live in poverty compared to:
  - 22.6% of male-headed families w/ children
  - 5.4% of married, couple-headed families w/ children
- Women and children make up 87% of our poor
- Areas of state where at least 1 out of every 10 females is below the federal poverty line
- Minimum wage: more than 6 in 10 workers are women

Sources:
SHE MATTERS: 2015 ISSUES and ACTIONS report
“Women in Iowa: 2015.” State Data Center of Iowa and the Office on the Status of Women, March 2015. (Based off of the 2013 American Community Survey)
2014 Poverty Rates for Women in Iowa

Percent of listed population in poverty by group

- African American: 33.4%
- Latina: 20.8%
- Asian American: 19.6%
- Native American: 41.5%
- 65 and older: 9.1%
- Children: 15.3%

Source: “Women and Poverty: State by State.” National Women’s Law Center. (Based off of the 2014 American Community Survey)
Collectively, women in Iowa lose more than **$4.6 billion** annually due to the wage gap. If eliminated, a working woman would have enough for approximately:

- 83 more weeks of food
- 9 more months of mortgage & utilities payments
- 15 more months of rent
- 2,899 additional gallons of gas

Source: “SHE MATTERS: 2015 ISSUES and ACTIONS report.” Iowa Women’s Leadership Project. [https://humanrights.iowa.gov/sites/default/files/media/e-SHE_Matters_2015_Issues_and_Actions%5B1%5D.pdf](https://humanrights.iowa.gov/sites/default/files/media/e-SHE_Matters_2015_Issues_and_Actions%5B1%5D.pdf)
STRATEGIES FOR SUCCESS
Strategies for Building Awareness

- Target schools
  - Start targeting middle schools and high schools
  - Engage millennials in the discussion
  - Try to recruit younger women to AAUW

- Tell your stories
  - Do you have personal experiences? Tell them.
    - Social media
    - Websites
    - Blogs
    - Email/newsletters
    - Books
  - Bring men into the discussion – what are their experiences?
Strategies for Building Awareness

- Campaign
  - Letter writing (i.e., op-eds, to legislators, etc.)
  - Social media (i.e., #EqualPayNow, #equalpayforequalwork, #worthanextra23cents)
- Video contest showing statistics/effects of wage inequality
- Recognize the good actors
  - Award for “women or family-friendly” employers
  - Award for male champions of equality
Strategies for Action

- For individuals and organizations:
  - Encourage employers to make pay and promotion policies transparent
  - Salary negotiation & advocacy training (i.e. $tart $mart)
  - Benchmarking instruction
  - Develop toolkit for employers re: best practices
  - Know your rights
Strategies for Action

- For employers:
  - Make consistent & transparent:
    - compensation policies
    - paths to promotion
  - Become “fluent” in the laws and best practices
  - Employer self-assessment tool (U.S. Dept. of Labor and the National Committee for Pay Equity)
  - Refer to Salary.com to benchmark compensation
  - Include women in the discussion
Strategies for Action

- **For schools:**
  - Wage negotiation seminars on campus
  - Host speakers on wage inequality (i.e. ISU lectures program – Heidi Shierholz, PhD)
  - Increased promotion of high paying degrees to women
  - Increase the # of female faculty in STEM fields

- **Legislation/policy:**
  - Ensure that investigative/enforcement agencies are funded
  - Support laws to increase the wages of the general workforce
  - Support laws for work supports (i.e. flexible workplace, paid leave, affordable childcare)
JOIN THE OFFICE ON THE STATUS OF WOMEN & AAUM OF GRAND VIEW FOR 4 DAYS OF SEMINARS AND SPEAKERS TO HELP YOU:

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MONDAY, APRIL 11 GRAND VIEW UNIVERSITY, TBD, TIME TBD
Women's Bureau/panel

TUESDAY, APRIL 12 GRAND VIEW UNIVERSITY, TBD, TIME TBD
$art $mart

WEDNESDAY, APRIL 13 GRAND VIEW UNIVERSITY, TBD, TIME TBD
Financial Literacy workshop

THURSDAY, APRIL 14 CAMP DODGE, TBD, TIME: 8:30-9 P.M.
Networking panel, & practice networking reception

HOSTED BY: AAUW

GU STUDENT LEADERSHIP
Questions?

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