The Pay Gap Is Way Too Entrenched To Be Solved By Women Alone

By Maggie Koerth-Baker

Filed under <u>Gender</u>

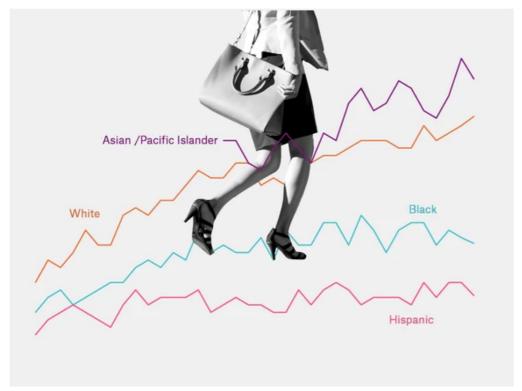


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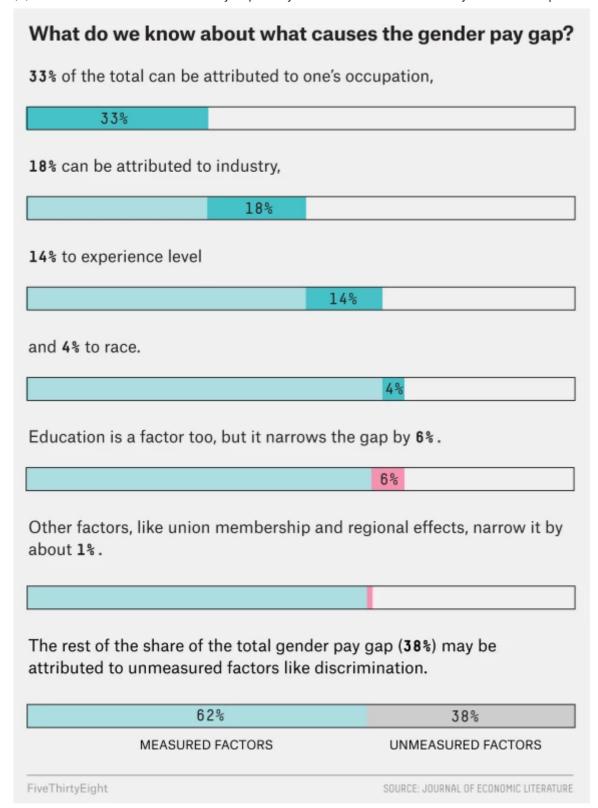
Happy Equal Pay Day! (Or, as I like to call it, Women's New Year.) Today is the day that marks roughly how far into 2018 women had to work to earn a salary equal to what men got the year before. We'd throw a parade and street fair, but we weretoo busy working to organize one.

This pay gap has been shrinking for more than three decades, but as of 2017, women still earn just 82 percent of what their male counterparts take home, according to calculations by the Pew Research Center. Since 1980, women have dramatically reshaped the workforce by earning college degrees and taking on paid labor at higher rates, but the pay gap persists despite these changes in part because women and men are still frequently split up into different types of jobs and industries. And jobs that are frequently done by women consistently pay less.

Research conducted by Francine Blau, a professor of economics at Cornell, suggests that this division between which jobs and industries men and women

tend to work in — called sex segregation — is now the single biggest factor explaining the pay gap between men and women.

Blau and her co-author, Lawrence Kahn, have published a series of studies on gender differences in pay, updating their results every few years. The most recent version, from 2016, found that, in 1980, the impacts of sex segregation explained about 20 percent of the overall pay gap. But by 2010, even though the wage gap itself had shrunk substantially, the proportion attributable to sex segregation actually increased — to 51 percent.² So, for example, female financial advisers make 41 percent less than men with the same title — that's pay inequality — but only 33 percent of all financial advisers are women to begin with, and that's sex segregation. The researchers' calculations suggest that most of the overall wage gap can be explained by that second factor.



What's more, when women become more represented in a job, the pay for that job tends to go down. A 2009 study looking at the relationship between sex segregation and pay over time found that a 10 percent increase in the proportion of women working in an occupation was associated with that job's hourly wages dropping by between 0.5 and 5 percent over 10 years. Of the 10 highest-paid professions in America, just four are done by workforces in which at least 40 percent of employees are female. Meanwhile of the 10 lowest-paid professions, all but two count women as at least 40 percent of their employees.

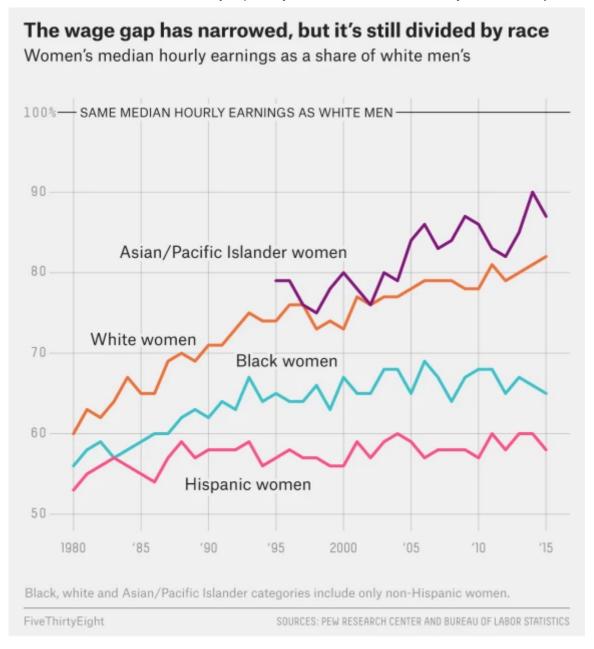
Women do the jobs that pay the least

Percentage of female employees in the 10 highest- and lowest-paid occupations in America by median weekly pay for full-time workers, 2017

OCCUPATION	WEEKLY PAY	PCT. FEMALE
Chief executives	\$2,296	28%
Architectural and engineering managers	1,999	9
Pharmacists	1,923	58
Physicians and surgeons	1,918	40
Lawyers	1,901	37
Aerospace engineers	1,892	9
Computer and info. systems managers	1,843	29
Nurse practitioners	1,841	92
Veterinarians	1,840	63
Electrical and electronics engineers	1,803	12
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Cooks	466	39
Counter attend., cafeteria, food concession and café	460	62
Dining room and cafeteria attend., bartender helpers	458	46
Laundry and drycleaning workers	450	68
Maids, housekeeping, cleaners	450	88
Cashiers	438	73
Food prep. workers	425	59
Food prep. and serving workers, incl. fast food	407	60
Hosts, hostesses, restaurant, lounge, café	401	86
Dishwashers	401	20
Based on a ranking of occupations for which the Bureau of Labor Statistics provides data.		
SOURCES: BUREAU OF LABOR STATISTICS, PEW RESEARCH CENTER		

Forty years ago, other factors explained a larger percentage of the pay gap. Women were significantly less like to have a college education than men, for example, and they participated in the workforce at far lower rates. Today, Blau said, more women than men earn college degrees. And as women's education levels and workforce participation rate increased, the overall pay gap decreased.

But these big-picture changes obscured how much more some women benefited than others. Race now plays a larger role in explaining the pay gap than it did 40 years ago, according to Blau's research, partly because white and Asian women were much more likely to be the ones getting all those college degrees. So while white and Asian women's wages have moved much closer to parity with white men's, black and Hispanic women haven't seen nearly as much of a reduction in their pay gaps.



Sex segregation in the workplace is slowly decreasing

YEAR	SEX SEGREGATION INDEX*
2009	51
2000	52
1990	54
1980	58

*The segregation index gives the share of women (or men) who would have to change jobs in order for the occupational distribution of women and men to be the same, with a value of 0 indicating no segregation and a value of 100 indicating complete segregation.

SOURCE: NATIONAL BUREAU OF ECONOMIC RESEARCH

But although sex segregation has decreased and more women have moved into historically male professions, such as medicine and law, the persistent way that jobs tend to break down along gender lines still has consequences for women of all races. That's because the fact that certain industries are dominated by men or women — and that the men's jobs pay more — has never *just* been about what qualifications an individual did or didn't have, or how tough the job was to do.

For example, back in the 1970s and early '80s, Minnesota did an analysis of how much men and women who worked for the state were paid. Instead of comparing pay between people who did the same jobs — what a female and male snow plow driver were paid — the analysis was one of the first in the country to analyze how people were paid when they did *comparable* jobs which was determined by whether the jobs entailed a similar balance in four factors: skill levels, problem-solving abilities, accountability and pleasant working conditions. So even though a groundskeeper and an administrative secretary do very different tasks, they might have comparable jobs in part because the secretary needs more problem-solving skills, but the groundskeeper faces more unpleasant working conditions. This system allowed researchers to measure the pay gap more fairly by accounting for sex segregation among jobs, and they found that heavily female jobs were paid less than heavily male jobs, even if they were comparable. "You had librarians being paid less than the guy shoveling streets in the winter," said Aviva Breen, who was the director for the state's task force on women's economic issues during that time.

Women across the country are still working under the unequal conditions identified in the '80s by that Minnesota study — jobs that are largely done by women still frequently pay less than jobs that are largely done by men. "One of the most jarring statistics is that we pay men more to watch cars than we pay women to watch children," said Kevin Miller, senior researcher with the American Association of University Women. "There's no social reason why we'd pay more for our cars than our children, but men are doing one job and women are doing the other."

This gap points to one of the persistent, but unmeasurable, underlying factors that likely affects women's pay. Not only are women less likely to get jobs in higher-paying fields as a result of factors like the pressure of societal expectations and employers' conscious and unconscious discrimination against women (based on their sex, their race, or both), but work that women do is, on the whole, valued less than work that men do. Any efforts to reduce the pay gap further are going to have to grapple with this dynamic — either by trying to change it or by trying to work around it.

But experts don't all agree on the best way to do that. For instance, Martha Burk, a psychologist and national consultant on women's pay equity, told me that private employers often aren't tracking how jobs within the company are segregated by sex and what women are paid compared to men. She advocated for solutions that would require companies to be more aware of and open about those differences. The city of Albuquerque, New Mexico, for instance, requires contractors to provide data on sex segregation and pay gaps within their workforce as part of the bidding process, she told me. Burk has worked as a consultant on these requirements and said that multiple companies' owners

have told her they were shocked by the levels of inequality revealed in that analysis and have changed their hiring and management practices because of it.

Meanwhile, Heidi Hartmann, president of the Institute for Women's Policy Research, argued for policies that would require equal pay for comparable work, which could help reduce pay gaps without necessarily addressing sex segregation. That's the approach Minnesota took — after it analyzed its public-sector jobs in the '80s, the state passed a law requiring that comparable jobs get the same pay. As a result, the pay gap among people in Minnesota's county-level government jobs is narrower than the national average. In one county, the pay gap was essentially eliminated entirely.

And Claudia Goldin, an economics professor at Harvard, has argued that sex segregation and pay gaps have more to do with personal decisions — that women are more likely to seek out and take jobs that offer them more flexibility to care for children and other family members. The solutions, she told me, should revolve around encouraging changes in the way companies value different kinds of work, so that as the number of hours someone works go up, their pay goes up at roughly the same rate, rather than at a faster rate. In other words, if someone is working 30 hours a week at a company, they should be making about 75 percent as much as their coworker who works 40 hours a week. In reality, a person working full time often earns significantly more than their part-time counterpart, which means the part-timer is effectively making a lower hourly rate in addition to losing money by working fewer hours. That can leave people who need flexible schedules in a bind, forced to take what amounts to two pay cuts.

Goldin pointed to the pharmaceutical profession as an example of an industry that has moved away from penalizing part-time work. In the past 50 years, pharmacies have become more tolerant of irregular and part-time work, and they've increased their proportion of female workers to from 10 percent in 1970 to almost 60 percent in 2010, according to Goldin's research. Despite the influx of female and part-time workers, which might tend to lower wages, working as a pharmacist is the third-highest-paid occupation in the U.S., according to the Bureau of Labor Statistics. And Goldin's calculations suggest the pay gap among pharmacists is less than 10 percent.³

What connects these disparate solutions for the remaining pay gap is that they all require private companies to change their cultures and management systems, either voluntarily or through legislation. That shifts the emphasis and responsibility for fixing the pay gap, Burk said, from individual women to their employers.

That's a harder sell, both politically and practically, and it could partially explain why the pay gap has been closing significantly more slowly since the turn of the century. Women already made a lot of progress on some of the individually controllable factors that contributed to the pay gap when they got more education and went to work in larger numbers. And while those changes led to more equitable pay, they didn't come close to erasing the pay gap completely, nor did they dismantle the systems that lead employers and society to value the work women do differently from the work men do. Those systems are harder to change and less likely to respond to the kind of bottom-up efforts we've seen so far — and so is the gap in pay these systems leave in their wake.

Additional reporting by Christine Laskowski.