Economic Indicators on Working Women and Wages

August 14, 2014, EEOC EXCEL Conference
Kelly Jenkins-Pultz, Women's Bureau

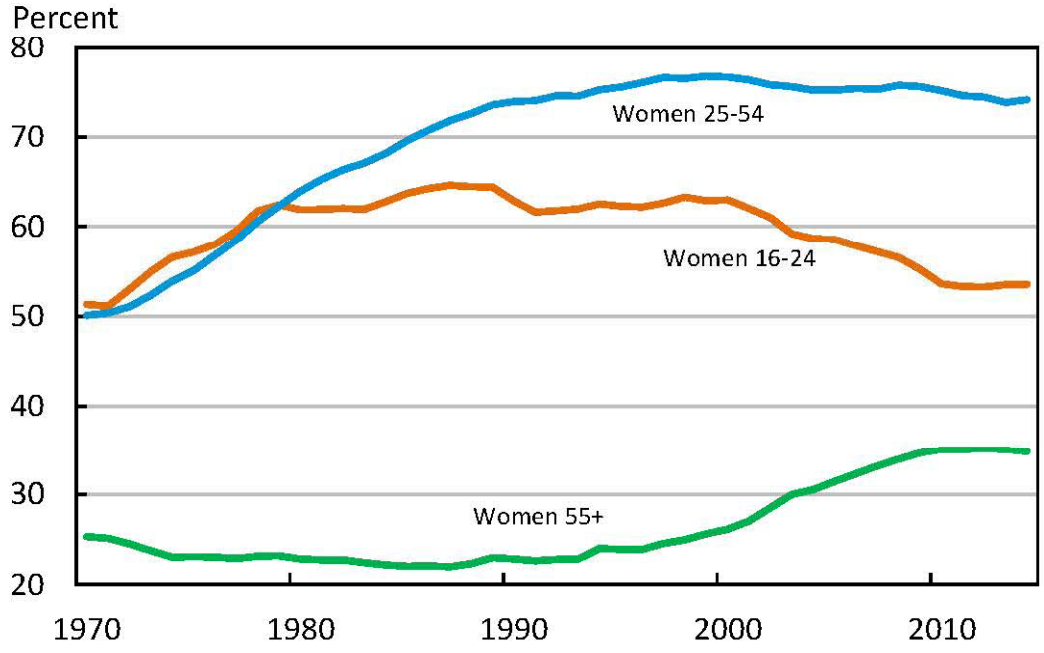
The Women's Bureau was Established by Congress in 1920

Four Main Initiatives

- Equal Pay
- Higher Paying Jobs for Women
- Workplace Flexibility

About 75% of Women Ages 25-54 Participate in the Workforce, Up From 50% Forty Years Ago

Female Labor Force Participation by Age Group, 1970-2014

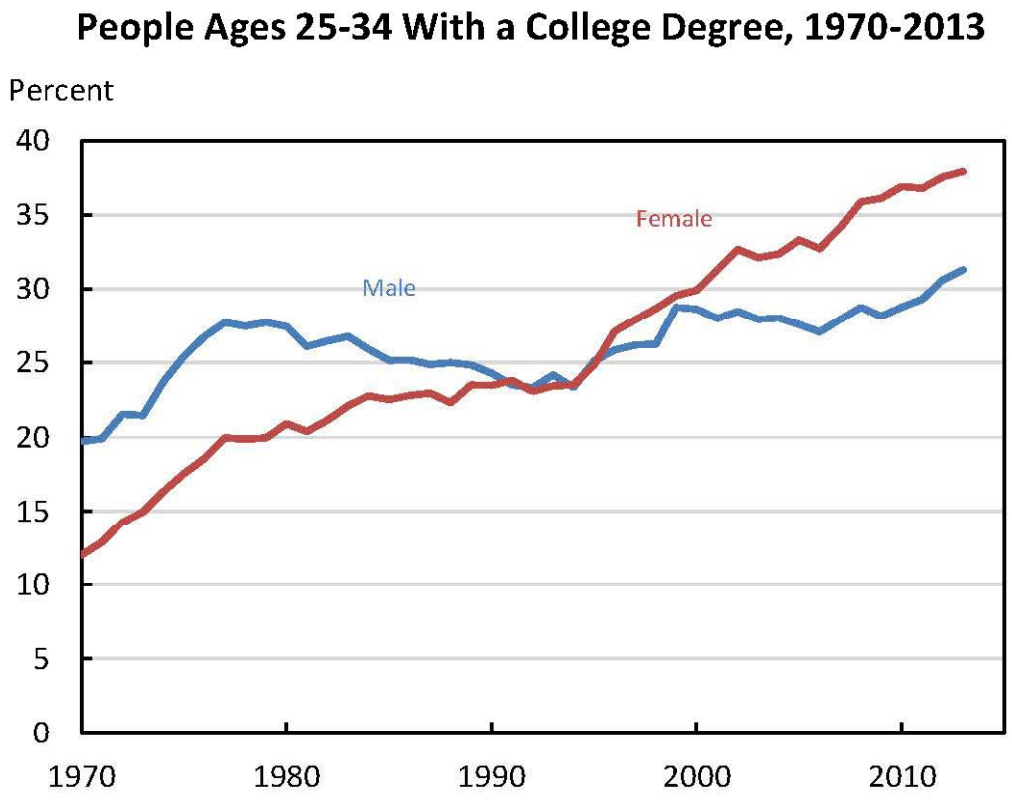


Source: Bureau of Labor Statistics.

Women's labor force participation grew quickly for those born from the 1920s to the 1960s, however it has plateaued for more recent cohorts.

- *About 75% of women ages 25-54 are currently working, compared with 50% in 1970.*
- *Young women's workforce participation has fallen in recent decades. One reason is that young women are attending college and graduate school more than in the past.*
- *Older women have increased their participation over the past 15 years.*

College Completion Rates Have Risen Among Men and Women; Women Now Complete College at Higher Rates Than Men

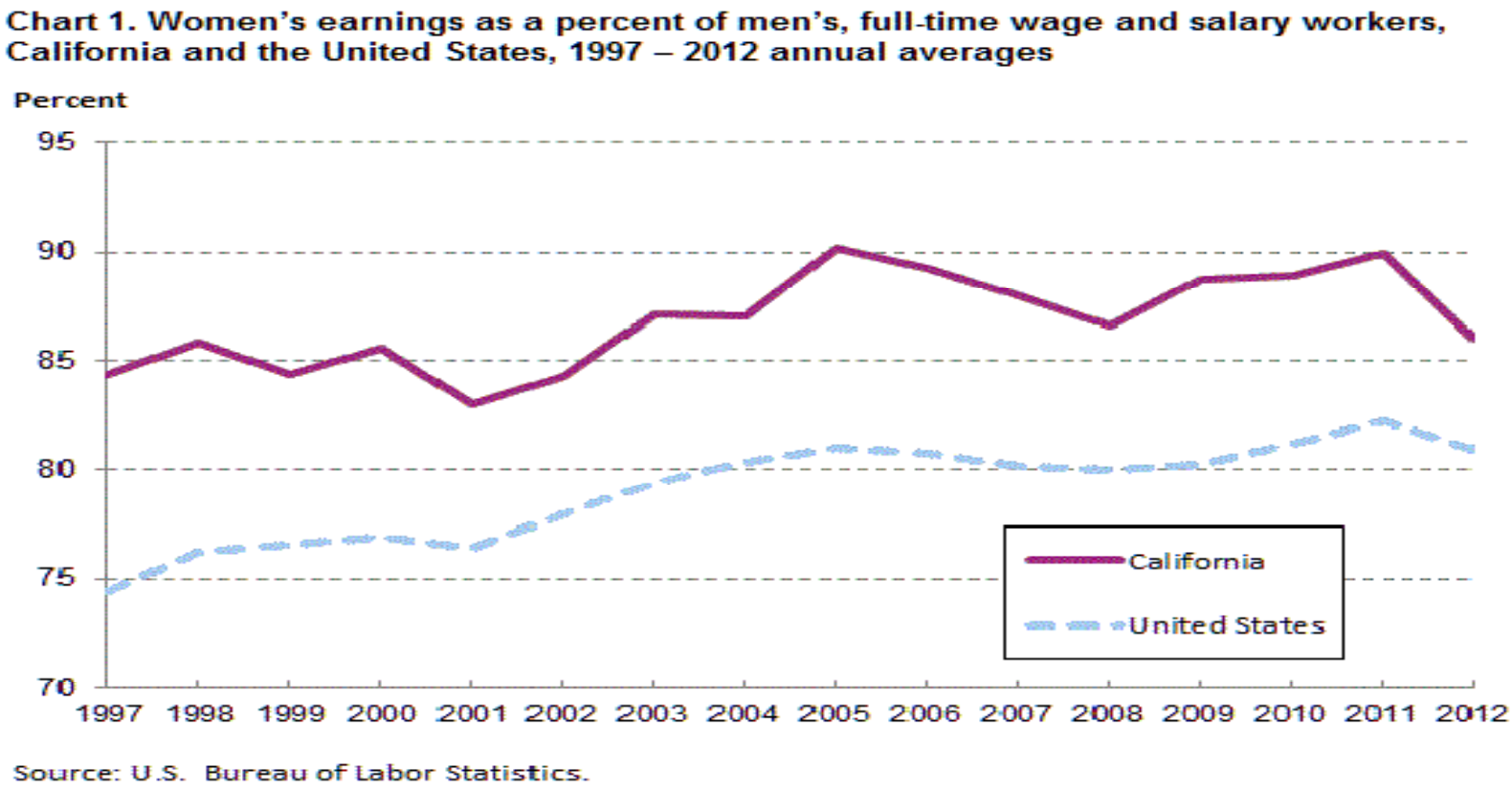


Source: Bureau of Labor Statistics.

Women's college going has caught up with men's and surpassed it in recent decades. Women are both more likely to go to college and more likely to graduate from college when they go.

- *In 2013, 25-34 year old women were 21 percent more likely than men to be college graduates.*

Wage Gap has Narrowed Overtime
Women Still Earn 82% of Men's Weekly Earnings



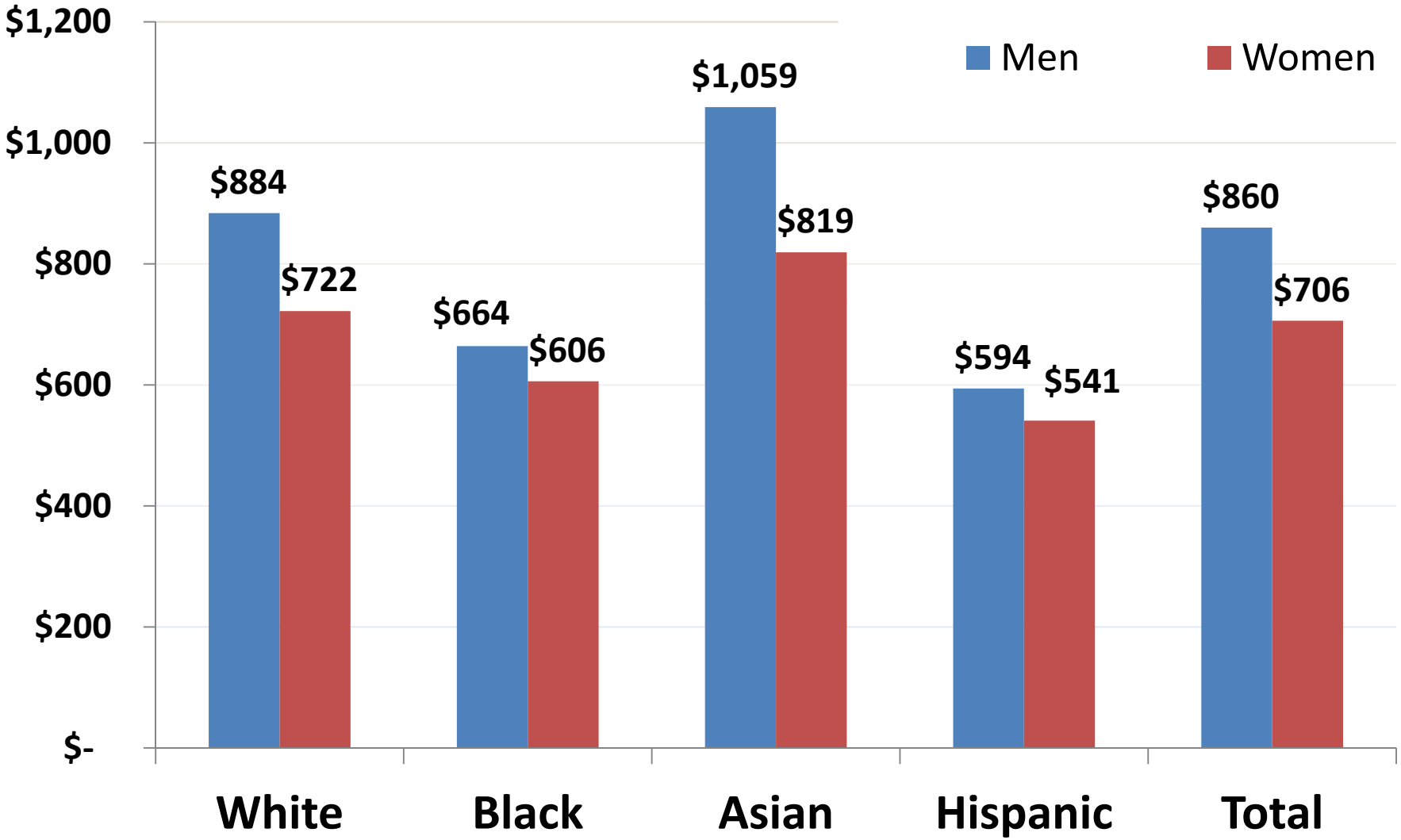
Women's Earnings as a percent of Men's, 1979-2012 Annual Averages

SOURCE: U.S. Bureau of Labor Statistics

Many Factors Contribute to the Wage Gap

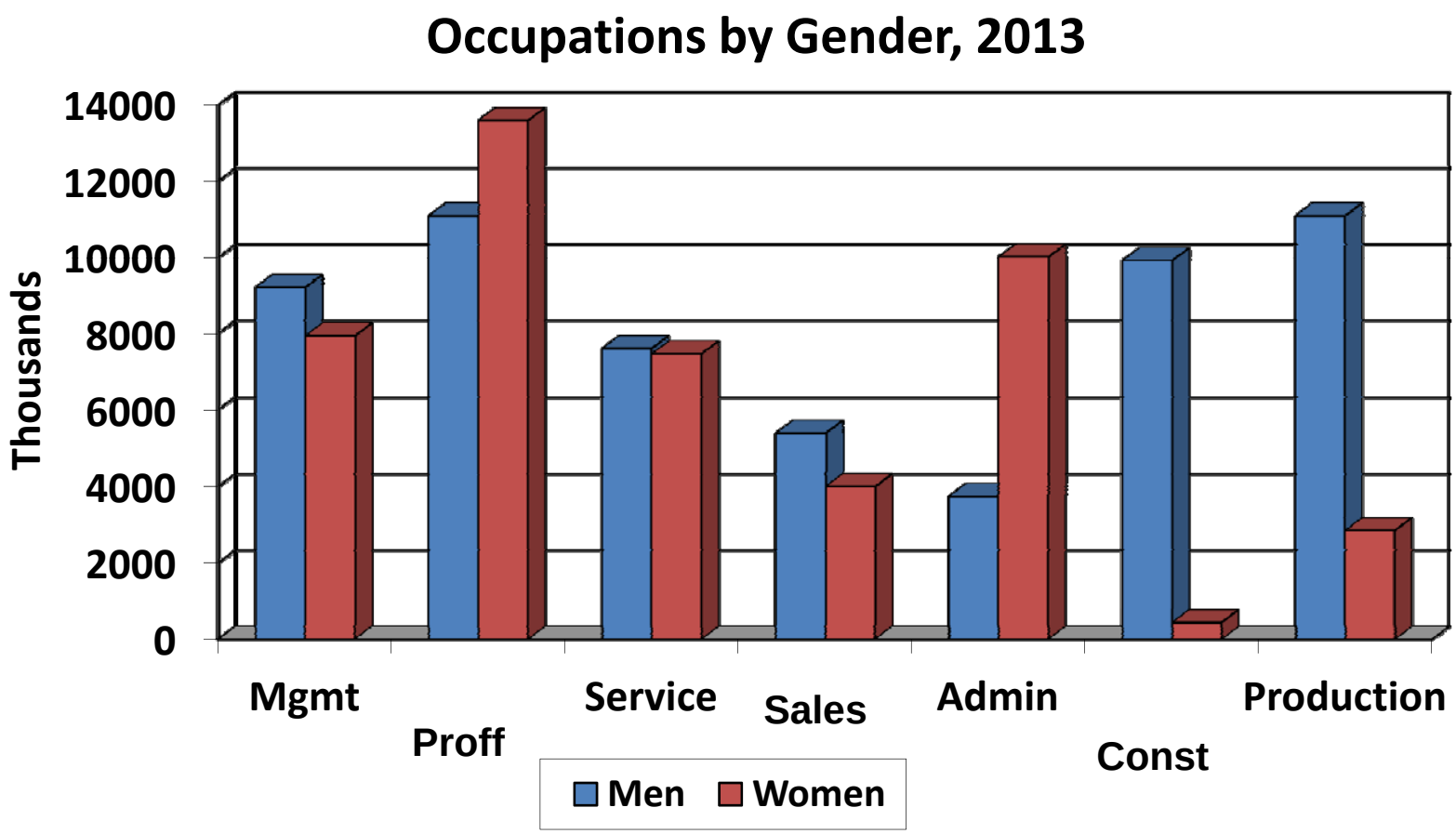
- Educational and Occupational Segregation
- Private Sector vs. Nonprofit & Public Sector
- Impact of Family on Women's Careers
- Inconsistent Compensation Practices
- Outright and Inherent Biases

Median Weekly Earnings by Gender and Race



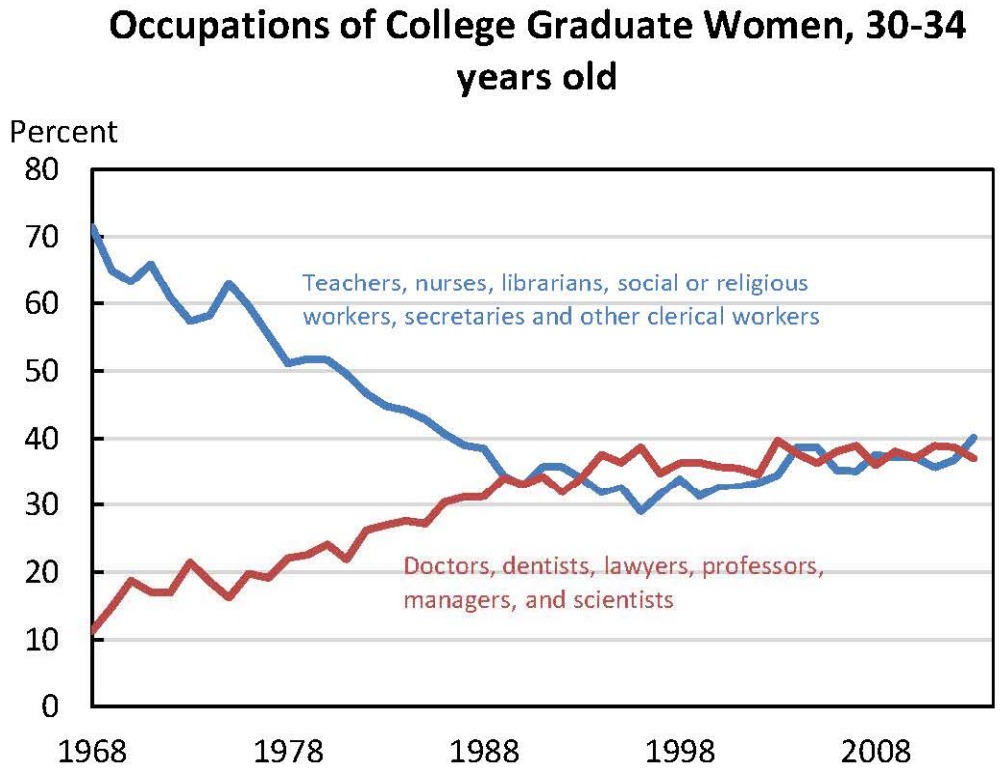
U.S. Department Of Labor, Bureau of Labor Statistics (2013)

40% of Women, 44% of Men Work in Traditional Occupations by Gender



Source: BLS 2013 Annual Averages

Occupational Segregation has Fallen: Female College Graduates are Increasingly Employed in Traditionally Male-Dominated Occupations

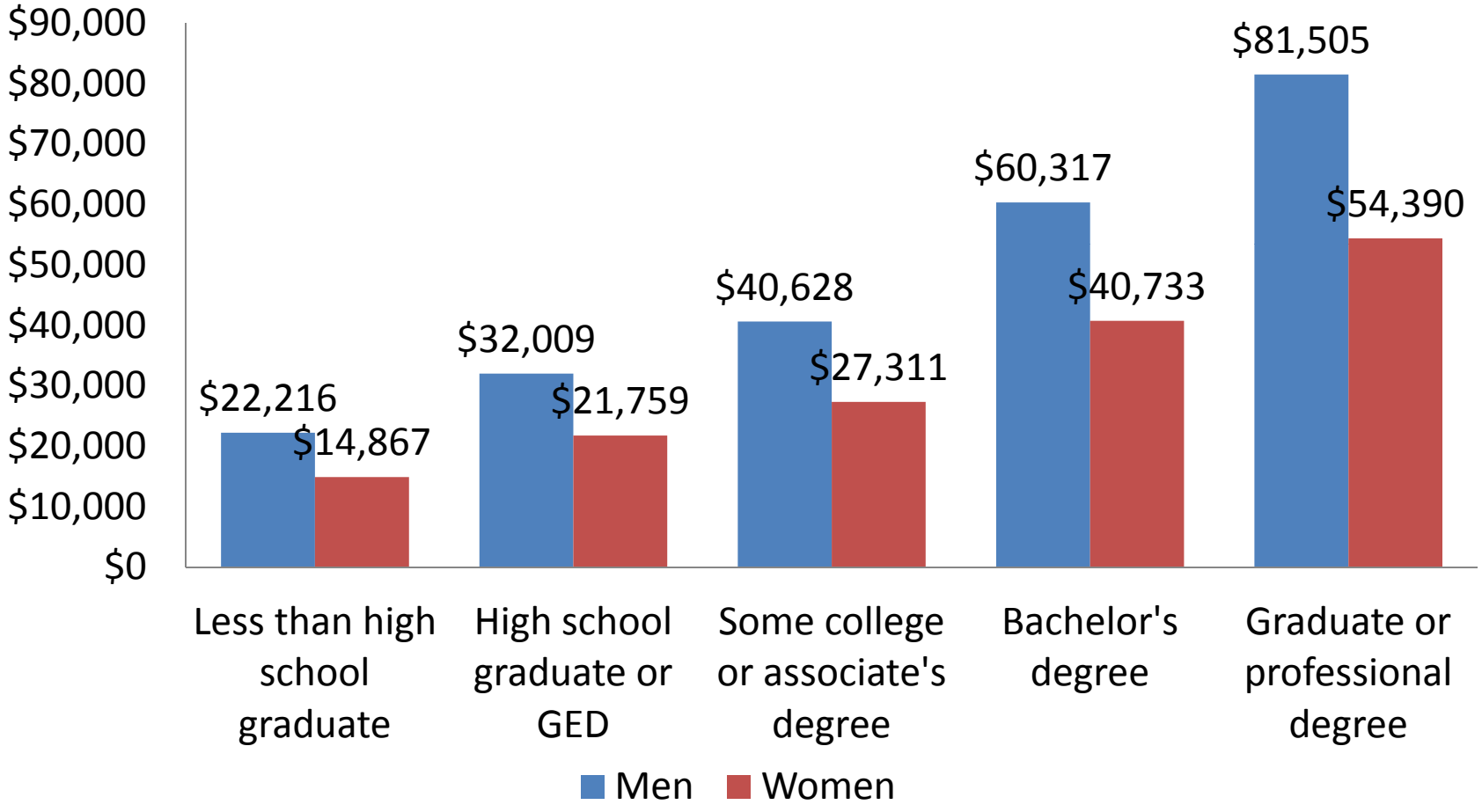


Source: Current Population Survey, Annual Social and Economic Supplement.

Women have increasing entered previously male-dominated occupations.

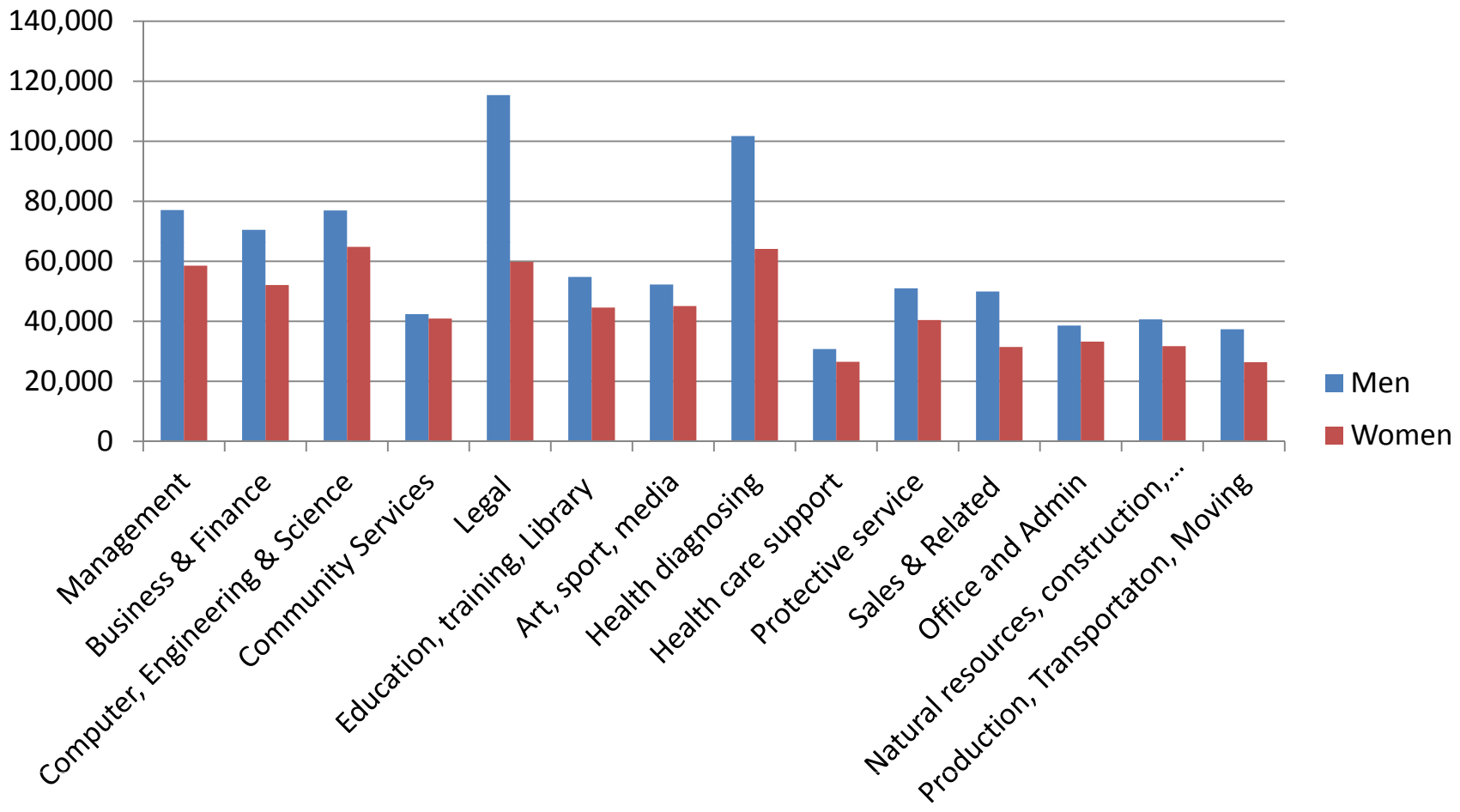
- *College-educated women ages 30-34 are now as likely to be employed as doctors, dentists, lawyers, professors, managers and scientists as traditionally female-dominated occupations such as teachers, nurses, librarians, secretaries, or social workers.*

2012 Annual Earnings by Educational Attainment & Gender

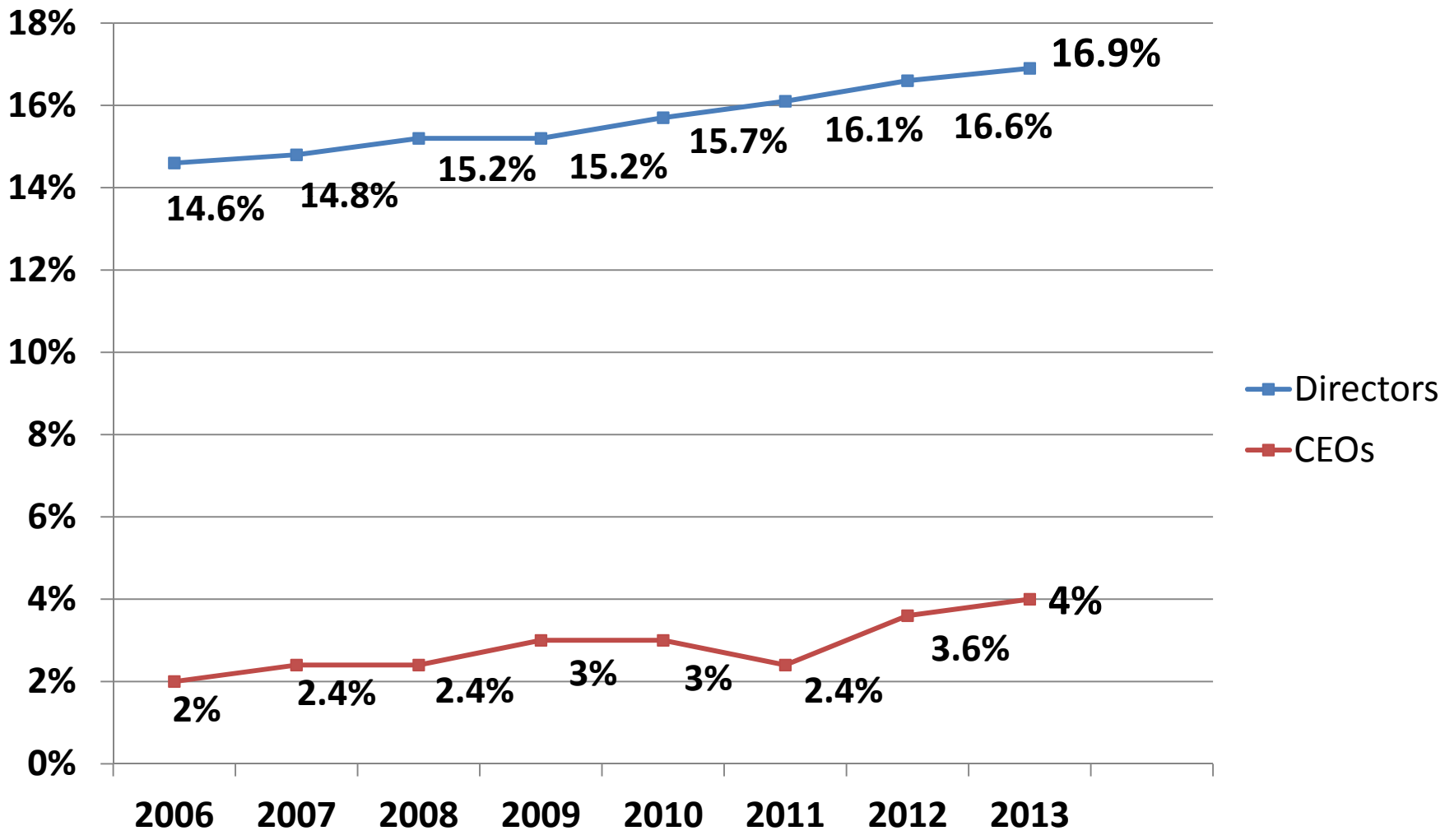


Source: US Census Bureau, American Community Survey, 2012

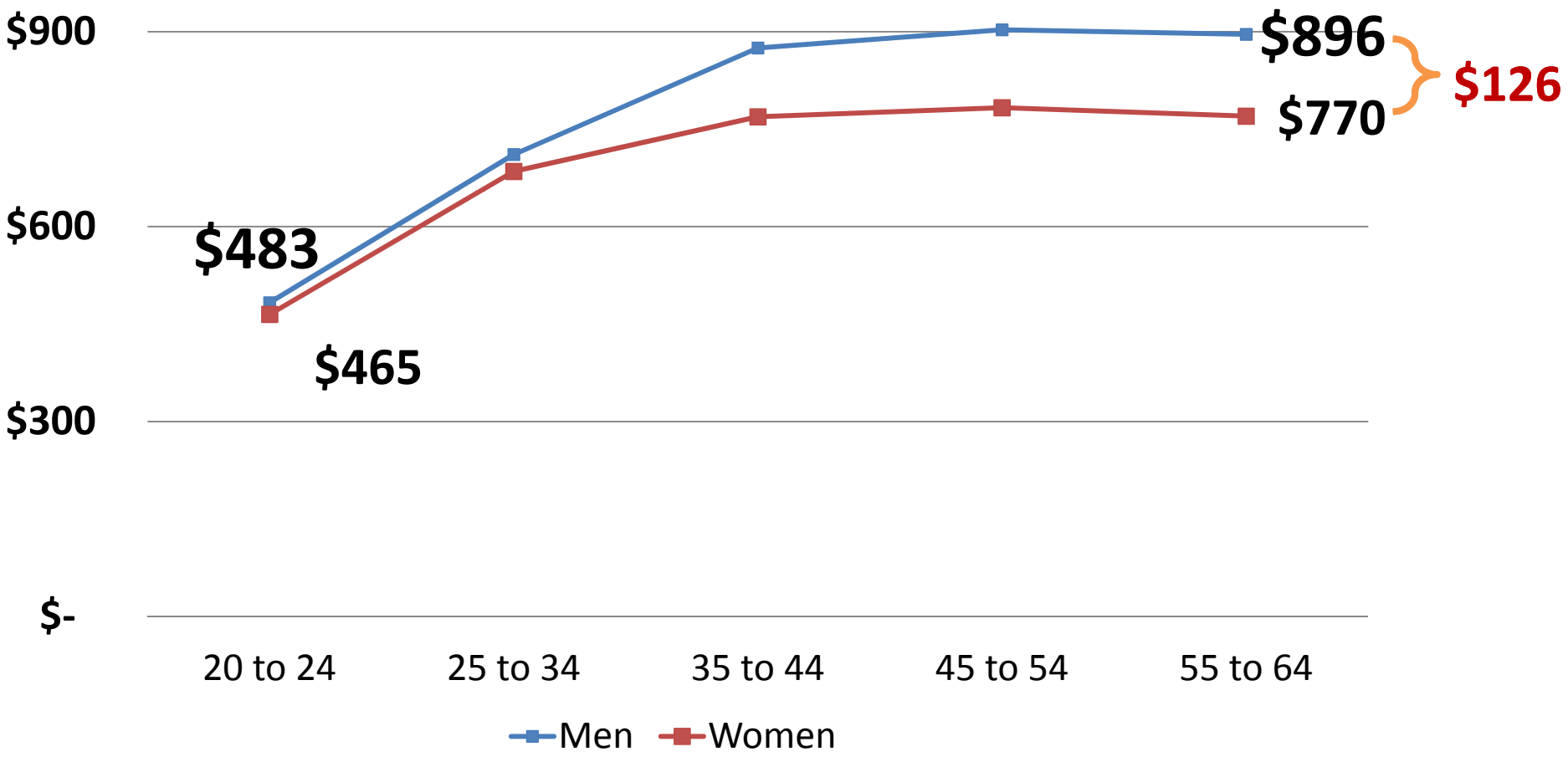
National Wages by Gender and Selected Occupations, 2012



Percentage of Women Directors and CEOs at Fortune 500 Companies



Median Weekly Earnings By Age, 2nd Quarter 2014



U.S. Department Of Labor, Bureau of Labor Statistics (2014)

Explaining the Motherhood Penalty

- Becoming a mother can negatively affect women's earnings, while becoming a father does not have the same effect *(Correll, S. J., Benard, S., & Paik, I., 2007).*

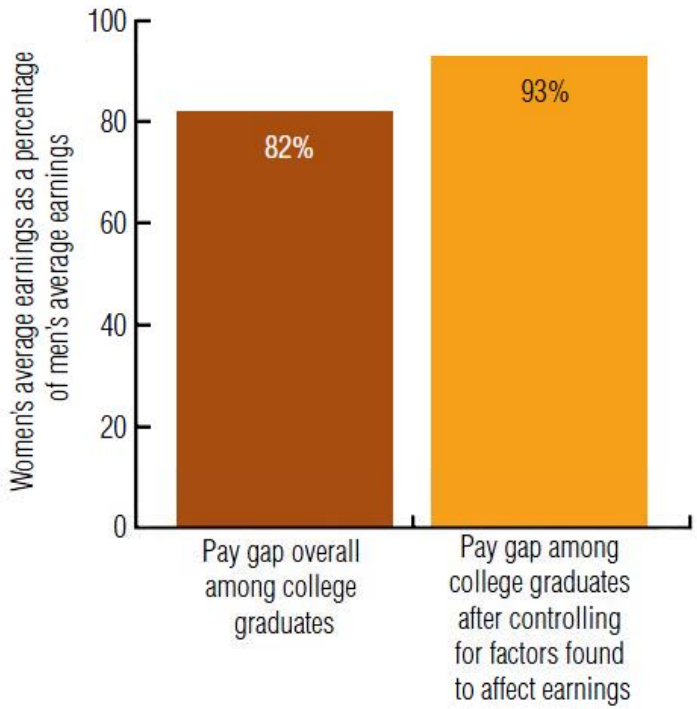
- In a ten year period, the wages of non-mothers' wages rose from 72% to 90% of men's earnings. The wages of mothers rose less from 60% to 70% of men's earnings. *(Waldfogel, J., 1998)*

Approximately 7% of the Pay Gap Can't Be Explained

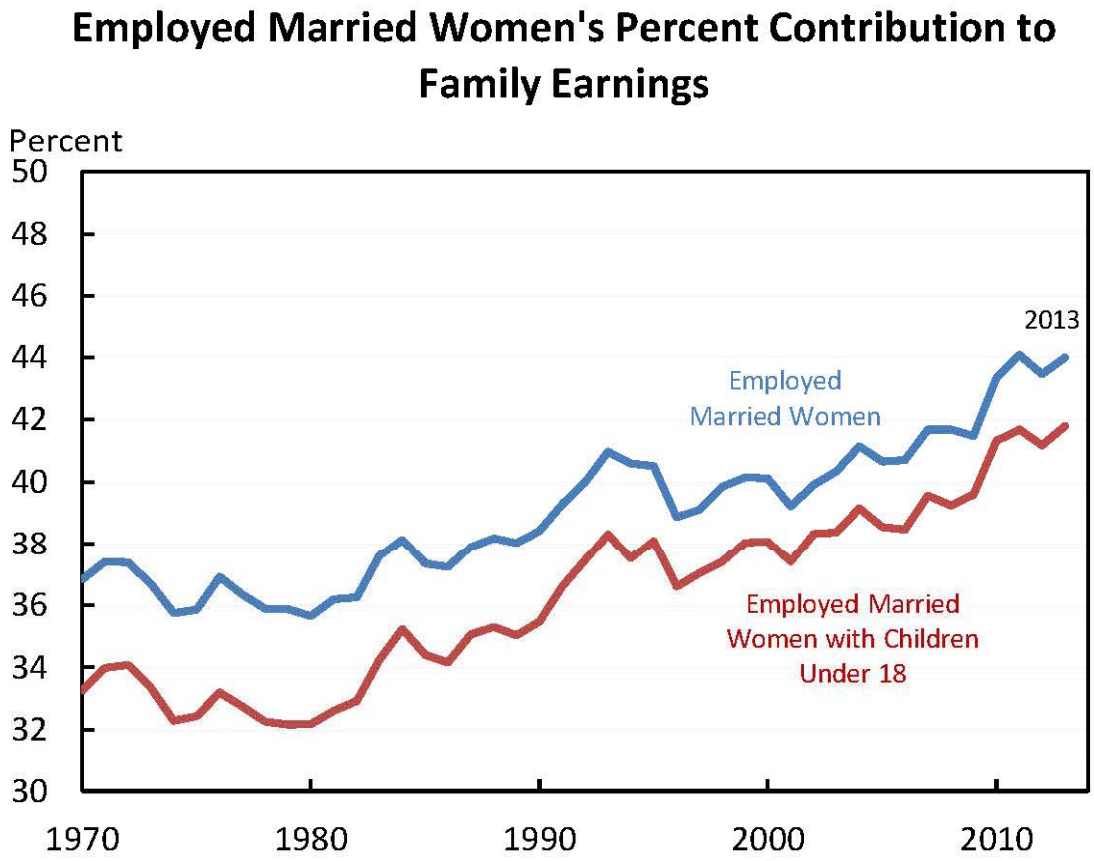
Among full-time workers just one year after college graduation, the pay gap cannot be explained by motherhood

(AAUW Educational Foundation, 2012)

FIGURE 10. The Pay Gap One Year after College Graduation, with and without Explanatory Variables



Married Women's Earnings Are an Increasing Share of Total Household Earnings



Source: Current Population Survey, Annual Social and Economic Supplement.

Women's earnings have continued to grow in importance to American families, despite the stall in their labor force participation.

- *Employed married women's earnings are now 44% of their families earnings, up from 37% in the 1970s.*

Over a lifetime, the Wage Gap Adds up to over $375,000

- By age 25 – $6,000
- By age 35 – $28,000
- By age 45 – $122,000
- By age 55 – $243,000
- By age 65 – $379,000

Source: DOL Chief Economist Estimates, 2010

Strategies to Ensure Equal Pay

- Ensure diversity of applicant pool
- Don’t abandon internal job evaluations – ensure that comparable jobs pay comparable wages
- Compare job classes with large representations of women to those with large representations of men – and consider why there are pay differences, if any

Embrace Workplace Flexibility and Transparency

- Dual career workers, single parents are more effective when focus is on what is accomplished at end of the day -- not on where, when and what time work is accomplished
- Transparency includes discussions about how corporate values and achievements are linked to pay, and everyone knows what they need to do to earn more

Ensure Consistency in Compensation

- Train and Review Actions of Managers
- Salary Negotiations Allow Room for Unconscious Biases
- Use Market data consistently
- Communicate Clearly about Pay for Performance Strategies and Apply Consistently
- Use Self Audits to Monitor Compensation Practices

Women's Bureau Resources

- 10 regional offices can provide referrals to community-based organizations; workshops; networks
- www.dol.gov/wb/ for research, fact sheets, publications

- Share best practices with us to build your reputation as an employer of choice