BEYOND THE HEADLINES

At a Glance: Gender Wage Gap

APRIL 2016 FOCUS: GENDER

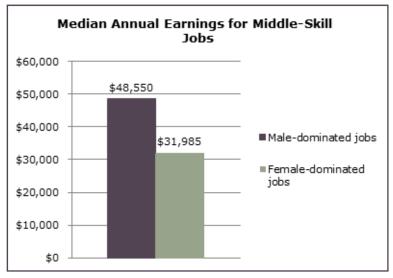
Gender Wage Gap: Targeted Middle-Skills Jobs Part of the Solution

In April, there is a lot of buzz around the gender wage gap. That's because mid-month marks the point in the year up to which the average woman needs to work—on top of the previous year—to earn the same amount as the average man over just the previous year. In other words, women have to work more than 15 months to earn what men did in 12 months. According to the Joint Economic Committee of the U.S. Congress, women in Washington State make 77 cents for every dollar men make, ranking the state 36th in the nation. While some of this gap is due to discrimination, researchers have found that nearly 60 percent can be attributed to factors such as the types of jobs women do and how long they work—decisions that are not simply matters of personal choice, but reflect structural and social factors.

What is the average woman to do to combat this problem – obtain more education? Nope. According to analysis by the Institute for Women's Policy Research (IWPR), women are already more likely to have post-secondary education—70 percent have at least some college, compared to 62 percent of men— but that hasn't helped. In fact, at each level of education—some college, associate's degree, bachelor's degree—women's earnings are lower. IWPR found that on average, women with some college and even those who earned an associate's degree earn less than men with a high school diploma.

Education provides a lower return on investment for women than men.

Are women obtaining those credentials and then settling for low-skill jobs? Nope. Not only do women have higher educational attainment, they are also more likely to be in middle-skill jobs than men. These jobs generally require some post-secondary education but less than a bachelor's degree. Though women make up 55 percent of middle-skill workers, they are disproportionately concentrated in lower paying middle-skills jobs — comprising a whopping 83 percent of the



SOURCE: INSTITUTE FOR WOMEN'S POLICY RESEARCH

middle-skill workers making less than \$30,000 annually. Women are particularly underrepresented in some higher-paying fields, making up less than 10 percent of workers in middle-skill transportation, advanced manufacturing and construction jobs.

In addition to getting women interested in these fields at a young age, employers, educators, and workforce developers can recruit women currently working in lower-paid positions that require similar skills. For example, women working in administrative and customer service positions could use those skills in the transportation, distribution, and logistics field as cargo and freight agents—a job that pays better, even though it requires less education. In other cases, women could remain in the same field but obtain additional training to advance to better-paying, male-dominated positions. For example, instead of working as packaging and filling machine operators—which involves working with machines to prepare products for storage or shipment—women who are already familiar with the manufacturing environment can get trained to become higher-paid welders.

Job	Percent of Female Workers	Key Shared Job Attributes	Median Annual Earnings	Typical Education
Packing & Filling Machine Operator	56%	manual dexterity, controls machines & processes, maintains accuracy, wears protective gear, spends time standing	\$25,851	High school diploma
Welder	5%		\$45,902	Post-secondary certificate
Aircraft Mechanic	3%		\$56,866	Post-secondary certificate
Cargo & Freight Agent	31%	performs clerical duties, uses databases, processes information, coodinates operations, has frequent contact with others	\$42,729	High school diploma
Customer Service Respresentative	68%		\$32,436	High school diploma
Administrative Assistant	95%		\$36,401	Some college or associate's degree

Source: Institute for Women's Policy Research and U.S. Department of Labor, O-Net Online.

Moving more women into higher-paying, traditionally male jobs will solve the problem, right? Not quite. Research has found that when women enter fields in increasing numbers, pay decreases. This phenomenon is evident in a variety of occupations, from housekeepers to biologists. Though the work doesn't change, employers value it less when it is performed by women.

Just as there isn't a single reason why women make less than men, there isn't a magic bullet for remedying the problem. One the workforce side, it will involve making male-dominated jobs more welcoming to women, clearly demonstrating the benefits of entering those fields, and continuing to value those jobs as highly when women are employed in greater numbers.

- i. Joint Economic Committee, U.S. Congress. (April 2016). <u>Gender Pay Inequality: Consequences for Women, Families and the Economy.</u>
- ii. Francine D. Blau and Lawrence M. Kahn (2007). <u>The Gender Pay Gap: Have Women Gone as Far as They Can?</u> Academy of Management Perspectives, 21, 7-23.
- iii. Institute for Women's Policy Research. (2016). <u>Pathways to Equity: Narrowing the Wage Gap by Improving Women's Access to Good Middle-Skill Jobs.</u>
- iv. Ibid.
- v. Claire Cain Miller. (March 18, 2016). As Women Take Over a Male-Dominated Field, the Pay Drops. The New York Times.

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Seattle Jobs Initiative creates opportunities for students, workers and business to succeed by helping education and job training programs meet the demands of a new economy. We find and apply solutions for people to gain the skills they need for good jobs that create prosperity for all in today's marketplace.

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Contact Information

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