

Why Do Women Still Earn Less Than Men?



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Last year's tax returns may already be signed, sealed and delivered, but April 20 is the day the average American woman will finally finish earning her 2009 salary — at least, the one she would have received if she were a man. That's because U.S. women still earned only 77 cents on the male dollar in 2008, according to the latest census statistics. (That number drops to 68% for African-American women and 58% for Latinas.) To highlight the need for change, since 1996 the National Committee on Pay Equity, an advocacy-group umbrella organization, has marked April 20 as Equal Pay Day. There are some signs of progress: the first bill Barack Obama signed into law as President targeted the U.S. pay gap, and the Senate is considering a bill that is meant to address underlying discrimination. But the question remains: Why has it taken so long? Nearly half a century after it became illegal to pay women less on the basis of their sex, why do American women still earn less than men?

The answer depends on whom you ask — and so does the size of the gap. Some say 77% is overly grim. One reason: it doesn't account for individual differences between workers. Once you control for factors like education and experience, notes Francine Blau — who, along with fellow Cornell economist Lawrence Kahn, published a study on the 1998 wage gap — women's earnings rise to 81% of men's. Factor in occupation, industry and whether they belong to a union, and they jump to 91%. That's partly because women tend to cluster in lower-paying fields. The most-educated swath of women, for example, gravitates toward the teaching and nursing fields. Men with comparable education become business executives, scientists, doctors and lawyers — jobs that pay significantly more. **([Read about a new wave of women in Europe's boardrooms.](#))**

Still, workers don't choose their industry in a vacuum. "Why do you think [male-

dominated industries] are sex-segregated?" says Terry O'Neill, president of the National Organization for Women. "Very often women aren't welcome there." Real or perceived, discrimination in certain sectors could discourage women from seeking employment there. A dearth of role models might, in turn, influence the next generation of girls to gravitate toward lower-paying fields, creating an unfortunate cycle.

But industry doesn't tell the whole story. Women earned less than men in all 20 industries and 25 occupation groups surveyed by the Census Bureau in 2007 — even in fields in which their numbers are overwhelming. Female secretaries, for instance, earn just 83.4% as much as male ones. And those who pick male-dominated fields earn less than men too: female truck drivers, for instance, earn just 76.5% of the weekly pay of their male counterparts. Perhaps the most compelling — and potentially damning — data of all to suggest that gender has an influence comes from a 2008 study in which University of Chicago sociologist Kristen Schilt and NYU economist Matthew Wiswall examined the wage trajectories of people who underwent a sex change. Their results: even when controlling for factors like education, men who transitioned to women earned, on average, 32% less after the surgery. Women who became men, on the other hand, earned 1.5% more.

Skeptics who deem the 77% estimate too optimistic also note that the figure only counts women working full-time (35 hours a week or more, for the full year) and doesn't account for the fact that women are far more likely to take time off to start a family or work part-time while rearing one. Over a period of 15 years, according to a 2004 study by the Institute for Women's Policy Research (IWPR), a full 52% of women in the prime earning age range of 26 to 59 go through at least one full calendar year earning nothing at all, compared with just 16% of men. Those choices make a difference: over that span, female workers earn just 38% of what men make — making the wage gap twice as large as the census figure. (And despite the earnings premium that comes with greater education, women with bachelor's degrees earn less over 15 years than men with a high school diploma or less, according to the IWPR study.) **[\(Read TIME's 1982 cover story "How Long Till Equality?"\)](#)**

Yet no matter how you interpret the numbers, there are a few stubborn percentage points that can't be explained away. Economists and advocates alike speculate that these are the products of slippery factors like discrimination — conscious or not. A 2000 study, for instance, famously found that after symphony orchestras introduced blind auditions, requiring musicians to perform behind a screen, women became more likely to get the gig. "I think discrimination has declined," says Cornell's Blau. "But I'm

not yet seeing or believing that it's been completely eliminated."

Ensuring an end to discrimination would benefit more than just women, as advocates who resist the characterization of equal pay as a zero-sum game are quick to point out. When Iowa instituted wage adjustments to combat pay discrimination, men accounted for 41% of the beneficiaries. And considering that nearly 40% of American mothers are the primary breadwinner in their households, America's children would benefit as well. Women's wages have increased just half a penny on the dollar for the past four decades. How much longer can it possibly take for equality to arrive?

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