FROM: Phyllis Schlafly

68 FAIRMOUNT, ALTON, ILLINOIS 62002 / (618) 462-5415

RELEASE: APRIL 3, 1984

EXPLAINING THE 59¢ SLOGAN

Network television newscasts have recently been stating, as though it were a fact, that "a woman earns only 59¢ for every $1 a man earns." Funny thing, though, none of the networks has been able to show us a single woman in the entire United States who makes only 59% of what a man earns. Does such a woman exist?

Furthermore, if reporters did come up with such an Exhibit A, her employer would be in violation of the Equal Pay Act of 1963 and Title VII of the Civil Rights Act of 1964. She would be entitled to back-pay and other remedies. So what are we talking about?

The 59¢ figure is the approximate average wage of all working women compared to the average wage of all working men. That doesn't tell you any more about sex discrimination against any woman than it tells you how tall I am if you know the statistic that the average height of all women is 90% of the average height of all men.

The average woman in full-time employment works 36 hours per week, while the average man works 44 hours per week (with overtime pay for the excess over 40 hours). After we adjust the male-female ratio for this difference in actual hours worked by women and men, the 59% figure jumps to 70 or 75%. This leaves a wage gap of 25 to 30%.

People who don't know how to read labor statistics claim that the gap is the result of sex discrimination. There is no evidence to prove that assertion. On the other hand, abundant research is available to explain that wage differential.

OSHA data indicate that the occupational injury and accident rate for women is about one-half that of men. Is this because men are clumsier than women? No, it is because the dangerous industries (such as mining and construction) have more men and fewer women. Industries with a high level of accidents pay weekly wages 13.6% higher than risk-free industries. This accounts for an earnings gap between men and women of 6 to 7%.

One interesting research study tried to explain the earnings differences between ethnic groups. Barry Chiswick compared the earnings between males who were second generation Jewish immigrants with other white males who also were sons of immigrants but not

Jewish. He found that the non-Jews earned only 64% as much as the Jewish men.

Common observation would indicate that, if any discrimination were involved, it would be against the Jewish group rather than the other way around. So why the wage gap? Chiswick speculates that the "unexplained differential" may be due to "cultural characteristics that enable Jews to be more productive in the labor market with the human capital embodied in them."

If cultural factors are the explanation for the differential in Jewish/non-Jewish earnings, cultural factors may also be the explanation for the male-female earnings gap. Indeed, many scholars such as Dr. Michael Levin of City College of New York believe that the principal reason for the wage gap between men and women is that they marry, and that fact has a dramatic effect on their performance in the paid labor force.

Professor Solomon Polachek of the State University of New York examined the years women spend in the labor market and found that married women, on the average, spend only 35% of their potential working years in the labor market. Single women, on the average, spend 69% of their working years in the labor market if they are college graduates, and 57% if they are high school graduates.

One also frequently hears a statement on the media that the Bureau of Labor Statistics figures show a large pay gap between men's and women's earnings, not only for the national average, but even in the same occupations. Those who cite these figures, however, are confusing jobs with occupations; they assume that being in the same "occupation" means performing the same work.

In analyzing this error, Dr. Michael Finn of Oak Ridge Associated Universities points out that the occupation of "accounting," as used in the BLS tables, includes nearly a million persons with 65 different job titles, ranging from experienced C.P.A.s to seasonal income-tax preparers employed by H&R Block. Although women held 40% of these "accounting" jobs in 1981, they lacked the experience and seniority for the higher paying jobs (since, ten years earlier, they were receiving less than 10% of the college degrees awarded in accounting).

This is only the briefest sampling of the abundant research that explains a few of the many economic reasons why women as a group earn less in the paid labor market than men as a group.