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Comparable Worth: Pay Equity and Women of Color

By Elizabeth A. Sherman

The relationship between women of color and community economic development is fundamentally a question of income. And, for women, questions of income more often than not become questions of pay equity - whether or not women and men are receiving equal pay for equal, or comparable work. Because the economy retains entrenched vestiges of sexual discrimination, the solutions to such problems lie within the political realm, where laws to ensure equality are created and enforced. In this regard, women themselves have a vital role to play as activists focusing on mitigating the barriers to opportunity that have depressed women's well being. Such an approach to community development in turn strongly enhances the personal sense of empowerment and efficacy that women feel as agents working on their own behalf, and that of their community.

Why, then, the focus on women's wages as central to community development, especially for women of color? First, women who work outside the home generally reflect on the employment experience as positive for their sense of self and prosperity. Secondly, community development is a function of the resources - material, psychological and technical - that are present in and available to the individuals, families and institutions in a community. When women's wages contribute to their well-being and that of their families, that contribution is also felt community-wide.

Of course, a wide array of social, economic, cultural and political factors shape the prospects for development of any given community. If discrimination has persisted over time, albeit in changed forms, then individuals who are members of a group that has suffered from persistent and institutionalized bias, will, on average, find employment in sectors with lower pay scales. Indeed, this argument based on historic patterns of discrimination, forms the basis for affirmative action employment and education policies which are designed to eliminate the wrongful barriers between individuals and advancement. Ideally, the aim of policy should be to increase opportunities for good jobs with decent and potentially rising wages.

For neighborhoods, the aggregate wealth and income of residents and businesses provide the vital economic underpinnings that enable a community to plan and accomplish a variety of freely chosen goals deemed beneficial to that community. It follows then, that the greater the resources widely distributed across a community, the greater the range of options for development of the entire community, and for each of its particular sectors. To achieve high and rising levels of income requires not only initiative by individuals, but also the sustained involvement of governmental and community-based institutions, as well as that of business and labor. Indeed, unemployment is widely recognized as the responsibility of government. Increased average incomes, beyond simple "employment", should be a community goal, requiring attention of the entire community writ large.¹

Rising incomes have immediate benefits for neighborhoods. Local taxes, for example, are based on property assessments (an imprecise but nonetheless approximate measure of household wealth) and are raised to finance community needs. In most states such revenues provide the lion's share of support for schools, public safety, libraries, parks and recreation centers, public health programs, child and elder care, and the like. More importantly, residents tend to spend most of their earnings in their own communities for housing and household upkeep, and for food and many other goods and services.

Such expenditures play a vital role in sustaining the secondary impacts of wages, meaning the impact of dollars as they wind their way through the community bolstering the viability of small businesses and volunteer associations. Without question, a community is a complicated web of transactions, but to the degree that the income of residents functions to sustain community businesses, housing and other projects, the better off the entire community will be. Community economic development, therefore, depends crucially on the level of disposable income of its residents and taxpayers, which is contingent upon a range of factors - education levels, work histories, housing availability and affordability, public investments and subsidies. Higher average individual and family incomes in a given community usually produce higher levels of economic development, and thus greater opportunities for a given community to enhance the lives of its residents.

Theories of human development posit that all human beings at birth possess unique potential for the development of their cognitive, emotional, intellectual, artistic,

scientific, spiritual and technical capacities. To the extent that such potential is fulfilled, the whole community benefits. Indeed, all of the great social movements of the 20th century - for civil rights for all people of color, for equal rights of women's, gays and lesbians, and persons with disabilities - all have understood and proclaimed that each individual's development is vital not only for individual benefit, but because human development ultimately benefits the entire society. In turn it is the institutions created and nurtured by society - family, schools and other social institutions - that provide the primary support system that makes human development possible. The timeless African adage "It Takes a Village to Raise a Child" became the moniker for Hillary Rodham Clinton's book precisely because it captures the notion that social institutions that benefit the larger collectivity are indispensable to human development.

Community Development: Social and Economic

Just as individuals thrive when social, psychological and material supports are consistently deployed for fulfillment of human potential, so communities depend on a thoroughgoing, complex and secure system of support to fulfill their potential for development. Like individuals, communities require the social and psychological supports that engender confidence as well as the material supports necessary for genuine growth and for individual achievement of "the pursuit of happiness." The social-psychological dimension of community economic development relates to the intangible but generalized sense of positive identification that people feel when connected to networks of family, friends and institutions within that community. Such "resources" provide the characteristic of resilience, often nurtured by women, that inspires devotion to a community, and to its continuation and betterment.

Community development, and its attendant processes - revitalizing urban neighborhoods, creating jobs and enterprises, reviving commercial districts, establishing housing and community centers - crucially depend on the will and optimism of residents seeking to improve their communities. As Mel King explained in his book, *Chain of Change*, economic development evolves in conjunction with change in a community's collective self-image "from negative to positive, from dependence to independence" the kind of change that allows residents to exercise control of their affairs.² The reverse is also true: community economic development is hindered by the hopelessness, cynicism and despair that

are bred by sustained poverty, crime and limited opportunity.

The second dimension of community economic development is the material or economic base of the community - the availability of the material resources necessary to sustain a desired quality of life in a given place. Well-developed communities reach a relatively high level of livability because of the availability of resources, widely distributed among residents and their social and economic institutions. Such communities can lay claim to the crucial material assets that make people's lives richer, fuller and less fettered by worries related to basic human needs. They hold among themselves the building blocks of community life - affordable housing stock, efficient public services, first-rate schools, parks and recreational centers, overall public safety, and thriving business districts.

The indispensable material resource for such a level of community development is the attainment of a certain level of aggregate income among residents and institutions. Without a sufficient infusion of income to generate substantial purchasing power, today's exclusive neighborhood becomes tomorrow's community in decline. By definition, a low income community suffers deficits by virtue of the fact that people with limited work skills or work opportunities, poor education or failing health, often face the constraints of lower incomes. In turn, limited disposable income leads to deteriorating neighborhoods and businesses in decline. While community development projects infuse public and non-profit funding into neighborhoods, wages and income remain the foundational resources for long-term sustainability.

Of course, in all communities, individuals and families rely on various forms of income - wages, social security, veteran's benefits welfare, interest or dividends, business profits, rent, or family help. For most Americans, wages constitute the primary source of financial support throughout their lifetimes. Furthermore wage levels determine the subsequent pension or social security payments for elderly citizens. Hence, when wages in an area are low, the development of the community is undermined and hindered. If public assistance - historically barely adequate for human sustenance - figures as an indispensable source of income for a large percentage of families, the entire community may face the pressures of economic hardship as purchasing power in the community is undermined.

Community development thrives as long as the material resources or the economic base are sufficient to sustain the needs of both the local residents and their vital institutions. Thus, economic development may improve when government funds are targeted to support projects such as affordable housing, the improvement of schools or other public institutions such as neighborhood health care centers. Similarly, communities benefit when commercial establishments succeed because they generate a range of positive human interactions in shops, restaurants, insurance agencies, etc.

For such activities to contribute to the well-being of the community, however, the most crucial and indispensable resource remains the income of residents in a position to make choices to enhance their own quality of life, and by extension, that of their communities. As Amartya Sen points out in *Development As Freedom*, for the residents of low income communities, structural barriers, (those “built into” the political and economic machinery of society) often restrict the range of individuals’ choices limiting their ability to utilize the market as a means to higher income through professional and/or technical jobs. Some of those barriers stem from the intransigence of racial and gender discrimination in education and employment. Such educational and employment histories have been harmed by the deprivations of discrimination and, as a result, have limited the scope of opportunities for advancement to better jobs and higher wages.³

Women and Economic Development

For women, income deficits are often the result of historic patterns of gender discrimination that relegate women to the lower rungs of the economic ladder. For women of color, the double bind of sex and race operates economically and politically in particularly insidious forms. Not only do women of color sometimes face lifetime penalties based on the combined effects of race, substandard schooling and poor housing, they also must deal with continuing cultural patterns that associate women primarily with home and hearth. So called dual labor markets operate to relegate many women into jobs that reflect their nurturing capacities, rather than with dynamic positions of power in the world of work. Social and cultural barriers still make it hard for women — and harder still for women of color — to take on the role of manager, expert, leader, discoverer or entrepreneur.

Given this double bind for women of color, how can

they overcome those built-in, societal limitations on their potential for high and rising wages? How can their income-generating abilities be expanded so as to contribute to the advancement of their communities? In the long run, higher education probably represents the most effective means of increasing personal and community incomes, but there are also short-term initiatives that can equip women of color with the weapons to wage their collective struggle for higher wages and social supports.

For example, social programs that subsidize housing, health care and child care remain minimal in the United States in comparison to similar programs in Western European countries. Increasing the level of these supports would, in fact, be a way to increase the overall aggregate “income” in underdeveloped communities. Income expansion that is not linked to individual educational advancement still can be accomplished in different ways for example, through an expansion of unionization and the attendant benefits of income and benefits that unions afford their members. Or, as noted, through governmental policy action that expands social insurance in the form of income supports, or through subsidized housing and health care.

Access to health care is often divided along class, race and gender lines, with women of color most often lacking coverage. In the U.S. 13% of *employed, married women* are not covered by health insurance either by their own employer or that of their spouse.⁴ Thus, the expansion of health care insurance would have a significant, beneficial effect on women in low-income communities. Not only do such programs provide “non-income” benefits, they expand public sector employment in the agencies that administer the benefits. As Richard B. Freeman, writing for the National Bureau of Economic Research, has pointed out:

In the United States, public sector workers have distinct characteristics. They are more likely to be female, well-educated, older and nonwhite, and to work in selected white-collar occupations that range from public schoolteacher, to clerical worker, to police officer, to judge and legislator.⁵

Thus, in response to the debilitating “double-bind,” the provision of such non-wage income may provide for women of color a substantial “double benefit.” Not only are the advantages of “social income” beneficial

to the individuals who receive them, but they raise the overall quality of life in a community, and therefore contribute to the capacity of a community to accomplish what it collectively desires to achieve. For poor women with children, changes in welfare laws mean that they must gain access to job training programs and higher education which still offer the best hope for long-term income gains.

Women of Color and Pay Equity

To the extent that community development depends on individuals' incomes, pay equity for women remains a promising, if seldom considered public policy issue. Thirty five years after the landmark 1963 Equal Pay Act, women across the country still register concern about wage discrimination, and what can be done about it. The issue has become more salient over the past twenty years or so with the marked increase in the numbers of women in the work force, the rise of single-mother households and the centrality of women's wages to almost all family incomes. And yet, in a presidential election year, the topic has seldom been broached in public debate.

Granted, women's wages have advanced since the 1970s when "59 cents for every man's dollar" was a popular protest slogan. But some of women's gains are illusory deriving in part from the stagnation, and in many cases the real declines, in men's earnings; and in part from the impact of labor shortages, which has bid up wages in certain occupations like nursing. Still, the so-called wage gap between men and women persists, and is more acute for women of color, especially Black women whose wages, on average, lag behind other income earners.

According to a U.S. Department of Labor study in 1997 entitled *Black Women in the Labor Force*, Black women who worked full-time earned wages that were only 88% of Black men, 85% of white women and 62% of white men who were similarly employed. Nearly half, or 3.7 million Black families, were headed by women in 1996 and of those Black, female-headed households, half were living in poverty. In fact, Black women were nearly three times as likely to live in poverty and twice as likely to be unemployed as white women.⁶

Figures from the American Federation of Labor-Congress of Industrial Organization (AFL-CIO)'s Work Women Department show a significant income "wage gap" between men and women. But, the study found

that the race factor compounds the problem of the average wage differentials. Last year the AFL-CIO's Institute for Women's Policy Research published "Equal Pay for Working Families" which found that minority women continue to deal with the problems of low wages earning on average just \$369 per week. However, this full-time wage rate is only \$46 less than Black men who average earnings of \$415 per week. The low wages of both minority women and men reflect systemic disadvantages that people of color continue to face in the labor market. When compared with *all* men (rather than just with Black men) the wage gap for Black women is almost five times greater, or a difference of \$210.⁷

As this report pointed out, when all racial groups are combined, full-time women workers lag behind men in wages, earning just 74.4% of what men earn on a weekly basis. White women earn 73.2 percent of what white men earn, while women of color earn 88.9 percent of what men of color earn. However, women of color earn just 63.7 percent of what all men, on average, earn.

The Comparable Worth Solution

The problem of pay equity stems not so much from blatant bias against women holding essentially the same jobs as their male counterparts as from the persistence of a sex-segregated labor market. Not surprisingly, millions of individuals are either tracked or trapped in occupations still marketed by traditional gender roles. Car sales, truck driving and construction work for men; and secretary, social worker and home health aides for women are some typical examples of how the "dual labor market" functions in practice. The following table depicts the fact that women of color tend to be employed in the service occupations which historically have paid lower wages than, for example manufacturing jobs.

Ten Leading Occupations for Employed Black Women, 1996 (numbers in thousands)

Occupation	Employed
1. Nurse aides, orderlies and attendants	- 536
2. Cashiers	- 359
3. Secretaries	- 290
4. Supervisors, personal services	- 268
5. Retail sales workers (ex. cashiers)	- 191
6. Janitors and cleaners	- 176
7. Cooks	- 160
8. Maids	- 158
9. Registered nurses	- 157

10. Elementary school teachers	-	151
11. Social workers	-	151

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Current Population Survey*, 1996 Annual Average (Washington D.C.: Government Printing Office).

Although not all of these jobs by any means are held only by women, the fact is that in each occupation women are over-represented, and these are not the kinds of jobs, for the most part, that pay high wages. Because of the persistence of so-called “sex-segregated” labor markets, many economists and women’s rights advocates have called for the past decade or so for some form of “comparable worth” as a way to increase women’s wages in certain occupations, like secretaries, where women tend to be concentrated. The proposed remedy for wage disparities between male and female jobs is some sort of comparable worth system whereby jobs are evaluated across a range of criteria such as skill level, responsibility, degree of effort, etc - and rated accordingly. Using this system, jobs that are primarily “male” such as truck driver might be rated on these measures and compared to a secretarial job - and likely found to be essentially equal in responsibility, skill and effort. Although critics claim such a system would be burdensome to employers and government alike, advocates maintain that a calculus of comparable worth remains the only viable solution for significantly raising women’s wages across the board.

In fact, states have moved on their own in lieu of a federal law to introduce initiatives that advance comparable worth forward. For example, Massachusetts has a law in the books prohibiting private or public sector wage discrimination for “work of comparable character.” The law was first tested in a lengthy court battle drawn out between 1991 and 1998 involving a class action suit. The largely female school cafeteria workers of Everett, Massachusetts claimed that their \$4.95-\$6.85 per hour pay rate were unfairly low and discriminatory when compared to the mostly male school janitors making \$11.64-\$12.73 per hour. Initially the court ruled in favor of the women cafeteria workers, but a series of appeals by the town eventually overturned the judgment. The ultimate ruling maintained that the two jobs were essentially not comparable – i.e., that the two types of jobs just could not be compared in any meaningful way.⁸

The vagueness of the law’s wording gave wide latitude for judicial interpretation, a problem that the plaintiffs’ attorneys brought to the attention of the state’s law-

makers. In response, Rep. Patricia Jehlen (D.-Somerville) introduced a bill to amend the comparable work statute so that it takes specific account of “the comparability of two positions according to comparable skill, effort, responsibilities and working conditions between employees of the opposite sex.” Jehlen’s bill follows on the work of a 1995 Commission on Comparable Work chaired by Rep. Joan Menard (D. -Somerset) and moves in the direction of laws already passed in other states.

For instance, Minnesota’s 1982 pay equity law mandates that city, county and state governments must address issues of comparable worth in setting their pay scales. The system relies on a rating scale, constructed and overseen by a special state bureaucracy, which takes account of the knowledge, skills and effort required of various public sector jobs. The workability of the law over the past 18 years testifies to the fact that private sector employers could adopt similar systems if need be.

Maine boasts the most long-lived comparable worth law in the United States, having adopted it in 1965. The statute requires simply that public and private employers pay equal wages for comparable work. The law’s effectiveness is undercut, however, by the lack of enforcement mechanism - there is really no policing of the state’s workplaces to ensure compliance, which could put real teeth into the law. These two examples point out the challenges ahead - for laws to include both private and public employers, and for enforcement mechanisms to insure that sanctions exists for non-compliance. If state and federal policies are ever to make headway in pay equity for women, they will have to craft comparable worth policies that take account of the current experiments in this area, and remedy the problems related to specificity of legal terms and meanings and to the perceived weaknesses of the laws in terms of enforcement.

Conclusion

The comparable worth “option” as an instrument for women’s economic advancement, and for that of their communities, holds promise in terms of overall gender equity and for women’s politics. The best argument for legal grievances based on workplace discrimination is that women as a class present a claim against the traditions structured into the labor market. This approach not only addresses the barriers to women’s well

being, it also has the added advantage of creating political consciousness and action by and for women. As Sen has noted, "The economic participation of women, is, thus, both a reward on its own (with associated reduction in gender bias in the treatment of women in family decisions) and a major influence for social change in general."⁹ For too long women's employment opportunities have been limited by the operation of labor markets that relegate women to the lower-rung, lower paid "women's work" of society.

The irony is that the nurturing and care-giving functions of society are indispensable, but too often ill rewarded. To the extent that women adopt a proactive stance to these entrenched patterns of exclusion, they will achieve higher wages and the attendant psychological benefits that economic advancement offers. But in addition, for women of color, the net gains for community empowerment and development in the face of years of neglect provide an added incentive for action.

Notes

¹ Differences of opinion are endemic to government efforts to establish an official poverty line. For example in 1989, many felt the average income required for a family of four was \$18,000, but the official definition of poverty was set at \$12,500 or less. See Bradley R. Schiller, *The Economics of Poverty and Discrimination* (New York: Prentice-Hall, Inc., 1987), 11.

² Mel King, *Chain of Change: Struggles for Black Community Development* (Boston: South End Press, 1981), xxv.

³ Amartya Sen, *Development As Freedom* (New York: Alfred A. Knopf, Inc., 1999), 3-4.

⁴ Richard B. Freeman, *Working Under Different Rules* (New York: Russell Sage Foundation, 1994), 168.

⁵ Ibid., 169.

⁶ United States Department of Labor, Women's Bureau, *Black Women in the Labor Force* (Washington D.C.: Government Printing Office, March 1997).

⁷ AFL-CIO, Institute for Women's Policy Research, *Equal Pay for Working Families*, (Washington, D.C.: AFL-CIO, 1999).

⁸ Elizabeth A. Sherman, "Equal Pay to Get Federal, State Deliberation," *Women's Business*, April 1999.

⁹ Sen, *Development As Freedom*, 201.

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