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Councilmembers, my name is Erin Czerniak of 2304 Portsmouth Ave, Toledo, Ohio. I am here today representing both the Toledo Branch of the American Association of University Women and Women of Toledo. Thank you for the opportunity to present research which supports the Pay Equity Act introduced by Council Members Nick Komives and Yvonne Harper.

SLIDE

AAUW's mission is to advance equity for women and girls through advocacy, education, philanthropy and research. Women of Toledo advocates for diversity and women's economic empowerment, and both AAUW and Women of Toledo fully support the Pay Equity Act.

AAUW's publication, *The Simple Truth about the Gender Pay Gap*, Fall 2018 edition, addresses the history of, prevalence of, and suggested solutions to the gender pay gap, and is one of the main sources of my presentation today.

This Act, as you know, would prevent Toledo employers from asking potential employees about previous salary in the interview and hiring process. AAUW and WOT fully support this, and ending the practice of employers asking about previous salary is one of AAUW National's recommended strategies for solving the problem. In areas where this has been implemented, it has reduced the pay gap significantly as well as improved employee retention.

SLIDE

The gender pay gap affects women of all demographics, and on average, women currently make 80 cents on the dollar to their male counterparts. This rate mostly applies

exclusively to white women, who make 77 cents, and Asian American women, who earn 85 cents on the dollar. The gap increases when racial discrimination is factored in. **SLIDE** Hispanic or Latina women, on average earn 53%; Native Hawaiian or Pacific Islander women 62%; Black or African American women 61%. These rates are calculated against earnings of straight, white men. Differences in earnings negatively impact men of different racial or ethnic backgrounds, sexual orientation, and men who have a disability. Basically, unless you're a straight, cisgender, non-disabled white male, statistically speaking, you have likely been paid less for equal work currently or in the past. **SLIDE**

The gap has narrowed since 1960, due largely to women's progress in education and workforce participation and to men's wages rising at a slower rate. At the rate of change between 1960 and 2017, women are expected to reach pay equity with men in 2059. But even that slow progress has stalled in recent years. If change continues at the slower rate seen since 2001, women will not reach pay equity with men until 2106.¹ **SLIDE**

We cannot count on employers to do the right thing and pay us equally for equal work. Our salaries reflect the levels of discrimination at work against us across all demographics, and frankly, we cannot wait until 2106 to be compensated fairly for our work performance. **SLIDE**

The gender pay gap is compounded by age discrimination. The youngest women workers, aged 18-34 (Millennials and Gen Z) have the lowest pay gap on average, at 88-90%. A study by Young Invincibles, however, found that these generations work predominantly in the

¹ AAUW's The Simple Truth about the Gender Pay Gap, fall 2018 edition, available here: <https://www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap/>

service industries, which may account for the lower pay gap². These are often unsalaried positions without benefits that provide little opportunity, if any, to negotiate for higher pay. The gap increases with age; after age 35, women's percentage of male earnings decreases dramatically.

Because employers can ask about previous salary, that pay gap follows us over time and continues to compound as we age. By the time we reach 55, we are making less per dollar (78 cents compared to 88) than when we first entered the workforce. A lot of factors play into this, and childbearing is one of the key factors in increasing that gap. Not only do women's earnings typically grow at a slower rate than men's, but we also are hit with a "Motherhood Penalty."

Employers are less likely to hire mothers (including mothers who never left the workforce) than they are to hire women without children, and when employers do make an offer to a mother, they offer her a lower salary than they offer to other women (Correll & Benard, 2007; Kricheli-Katz, 2012). Fathers do not suffer this penalty. Many fathers actually receive higher wages after having a child, known as the "fatherhood bonus" (Killewald, 2013; Budig, 2014). If we see a decrease in salary after having a baby (while our male coworkers and partners get raises), and we are asked to disclose our previous salary at our next interview, we have to ask for a raise just to get to our pre-baby earnings.

Women with children, white women, women of color, and older women all make less than their white male counterparts. Best case scenario, we can expect to make 85% of our male

² Where Do Young Adults Work? Tom Allison and Konrad Mugglestone, Young Invincibles.
<https://younginvincibles.org/wp-content/uploads/2017/04/Where-Do-Young-Adults-Work-12.4.pdf>

colleagues for the same work. Worst case scenario, we experience several levels of discrimination, and make even less.

The gender pay gap follows us through all demographics. **SLIDE** Women with a disability earn 72% of what men with a disability earn. Compared to men without a disability, women with one earn only 48 cents on the dollar. If you are a woman of color with a disability, you can expect to earn less than that. For trans women, there is less data in terms of pay gap, but the Williams Institute found that 15 percent of transgender people have earnings less than \$10,000 annually, compared to 4 percent of the general population (Grant et al., 2011). People who transition from male to female gender expression experience a drop in pay after the transition, while those who transition from female to male gender expression see no difference in pay or even a small increase (Grant et al., 2011; Schilt and Wiswall, 2008). This is the same person. Like the motherhood penalty, if our position or status changes, we get hit with a pay decrease.

What about factors we can exercise more control over? Maybe if we increase our level of education, earn advanced degrees, we can be compensated more fairly? Nope. The pay gap actually increases for us as we earn more degrees. **SLIDE** Women with some high school or a high school diploma have a lower pay gap than women with an Associates or some college. Women with a Bachelor's or an advanced degree make the least, per dollar, than men in terms of education, at 77 cents. These women are more qualified, more educated, and still earn less than their male coworkers for the same work.

Where we work impacts what we can earn, and women and men are typically steered into different career paths. This has been improving in the past 20-30 years, but women and men tend to work in different kinds of jobs. Women are disproportionately represented in

education, office and administrative support, and health care occupations. **SLIDE** Even in these fields, however, we are still paid less than men when they choose to enter women-dominated fields.

Working in traditionally male fields will likely improve wages for individual women, but it is unlikely to eliminate the pay gap. Women in such male-dominated jobs as computer programming or financial advising still face a pay gap compared with men in the field, even though women in such jobs may be paid higher salaries than women in traditionally female fields.

The gender pay gap affects not only what we earn, but our earning potential over time. **SLIDE** When our earnings are based on our previous salary, the effects of the pay gap continue to worsen as we age. Other factors make this worse, and it means we will receive less social security benefits, less retirement income, less disability and life insurance. Women make the majority of the buying decisions in households, yet we make less money than men. With equal earnings for equal work, we can increase our security, our futures, and our purchasing power.

We cannot count on employers to simply do the right thing and pay us fairly. **SLIDE** The pay gap will not go away on its own, and the Pay Equity Act, as introduced, would be a huge step forward in achieving equity for women working in the city of Toledo. Women who believe they are treated fairly in the workplace stay with their employers longer. **SLIDE** Open discussion of compensation increases trust and transparency, and salary negotiations can still take place. Equal pay for equal work is the right thing to do, and employers should base salary off ability to do the job and skillset, not off what our last paychecks were.

Thank you for your time, and I'm happy to answer any questions you may have.