Testimony on the Gender Pay Gap in New York State

Presented To:
New York State Pay Equity Study Co-Chairs
Lieutenant Governor Kathy Hochul
and
State Labor Commissioner Roberta Reardon

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Hello, I am Darlene Mercado, Career Services Supervisor at the University at Buffalo’s Educational Opportunity Center. I’m here today on behalf of Dr. Frederick E. Kowal, president of United University Professions—the nation’s largest higher education union—and on behalf of the more than 42,000 academic and professional faculty and retirees we represent. UUP members work at 29 State University of New York state-operated campuses, including SUNY’s public teaching hospitals and health sciences centers, serving hundreds of thousands of students and patients each year.

Lt. Gov. Hochul, Labor Commissioner Reardon and members of this distinguished panel, we thank you for giving us this opportunity to provide testimony on the gender pay gap in New York State. We also thank Gov. Cuomo and the state Legislature for their actions to address the gender pay gap. Some of these actions include increasing the minimum wage, the state’s new paid family leave law, amending of the labor law to prohibit differential pay because of gender, and executive orders that help to ensure pay equity by state contractors and state employers.

Today, I will address why the pay gap still exists and offer nine specific proposals for closing it. I will highlight evidence of the gender pay gap at SUNY.

There are many reasons why a gender pay gap exists, including occupational segregation and the continuation of historical norms and workplace cultures with long-ingrained methods of recruiting, selecting, training, retaining, compensating and promoting employees that unintentionally discriminate against women.

**The Role of Occupational Segregation by Gender**

First, I’d like to discuss gender segregation in the labor market and its effect on the gender pay gap. Both historically and currently, women are concentrated in lower-paying jobs such as those in clerical, child-care and housekeeping occupations. According to federal Department of Labor data, 23 of the 30 lowest-paying jobs in the U.S. are female-dominated and 26 of the highest-paying jobs are male-dominated. There is a clear penalty for working in female-dominated occupations. In fact, despite earning more than women overall, men suffer a wage penalty for working in female-dominated occupations compared to what they could earn in male-dominated or integrated occupations at the same skill level. Traditional female jobs are typically supporting, nurturing, caregiving and crucial to our society. So why does the pay of these demanding jobs not reflect their importance?

Segregation by occupation is a major factor behind the pay gap. During the 1980s, when the decline in occupational segregation was strongest, women’s earnings relative to men’s saw the greatest improvement; since the 2000s, occupational integration has stagnated and so has the closing of the gender earnings gap.
There are several possible factors negatively impacting occupational integration: hostile work environments, intentional and unintentional discrimination, and parents, teachers, employers and society generally not sufficiently encouraging and supporting women’s pursuit of male-dominated fields and men’s pursuit of female-dominated fields.

Additionally, there is simply a lack of information and guidance for young women about available career paths. College degrees do not come more cheaply in female-dominated fields, and the gender wage gap, combined with the penalty for working in female-dominated occupations, leaves women with fewer resources and lower future earnings potential than women who choose nontraditional fields.iv

During the 1980s and 1990s, states were mandated to set aside at least 3 percent of federal funds for career and technical education for the promotion of gender equity and to employ a full-time gender equity coordinator. From 1998 forward, the change from funded mandates to unfunded voluntary efforts resulted in a dramatic decline in the number and size of programs designed to improve access to nontraditional careers; the correlation between the weakening of the federal mandate and the halt in occupational desegregation is striking.v

**Pay Gap Continues in Integrated Occupations**

Although occupational gender segregation is a major factor to be corrected, it is not the sole problem. Irrespective of skill level or gender composition in occupations, in general, men still have higher median hourly earnings than women.\textsuperscript{vi} Increasing the number of women in traditionally male fields will likely improve wages for women, but will not eliminate the pay gap. Women in male-dominated jobs such as computer programming still face a pay gap compared to their male counterparts.\textsuperscript{vii} Additionally, we know that pay drops when women take over male-dominated fields.\textsuperscript{viii} For example, between 1950 and 2000, jobs in the recreation field—working in parks and supervising in camps—went from predominantly male to predominantly female and the median hourly wage declined 57 percent.\textsuperscript{ix} In contrast, when computer programmers went from being predominantly female to predominantly male, pay increased and the job gained more prestige.\textsuperscript{x}

**Education Alone Does Not Eliminate the Gender Pay Gap**

It is important to note that while more education tends to lead to higher earnings, education alone is not an effective tool against the gender pay gap. Just one year after college graduation, women working full time already earn less than their male counterparts.\textsuperscript{xi} While women’s choices such as college major, occupation, and hours
worked explain some of the pay gap, they do not come close to explaining it entirely. Workplace bias and discrimination persist. In fact, at every level of academic achievement, women’s median earnings are less than men’s median earnings, and in some cases the gender pay gap is larger at higher levels of education. And while education improves earnings for women of all races and ethnicities, white women are paid more than African American and Hispanic women at all education levels.

Even when experience, skills, education and jobs are the same, there are still different societal norms for women versus men regarding salary setting, and negotiating pay and promotions. Women tend to be less likely to ask for a higher starting wage and/or negotiate promotions and pay increases; women’s pay rarely recovers from starting out lower than men’s pay.

**Effect of Motherhood and Fatherhood**

There are a number of cultural patterns that disadvantage women and privilege men in the labor market. For example, there is evidence that employers are less likely to hire mothers (even those who never left the workforce during the period surrounding pregnancy and childbirth or adoption). When employers do hire mothers, they offer them lower salaries than men. The parenthood factor is reversed for men. Fathers compared to non-fathers do not receive a penalty, and in fact receive higher wages. This is known as the “fatherhood bonus.” Fatherhood tends to be rewarded in the labor market while motherhood is penalized. In addition, caregivers (those who care for children, the sick, and the elderly) are disproportionately women and women of color. Also, women frequently bear the burden of family caregiving, which negatively effects their wage-earning over the long term, via reduced paid work hours, leaves of absences, inability to accept promotions, and often having to leave the workforce.

**The Gender Pay Gap at SUNY**

While there are numerous factors explaining the nationwide gender pay gap, many of these factors are important to understanding the gender pay gap in higher education and SUNY specifically.

Data from the U.S. Department of Education from more than 4,500 colleges show that a gender pay gap still persists across faculty ranks. In addition, men continue to make up a disproportionate share of full professors, outnumbering women 2 to 1, while a majority of assistant professors, instructors, and lecturers (academics without eligibility for tenure) are women.
Our preliminary statistical analysis of the more than 35,000 UUP members currently working at SUNY (conducted in the weeks leading up to the hearing) found the following: Among full-time professional staff, SUNY pays men on average 5.6 percent more than women. For full-time academics, SUNY pays men on average 17 percent more than women. When excluding the three health sciences centers, among full-time academics, SUNY pays men on average 15.6 percent more than women. Even among the low-paid part-time contingent academics (by far the single largest category of SUNY academic employees), SUNY pays men on average 6.4 percent more than women.

Some of the gender pay gap can be explained by occupational segregation and rank. We found that fewer than 1 in 3 full professors (the highest faculty rank) at SUNY are women. Yet among SUNY’s academic contingents, more than half are women. These academic contingents are the adjuncts and lecturers who are not eligible for tenure and generally have high levels of job insecurity. We found that male faculty members employed full time at SUNY have a 184 percent increased likelihood, compared to female faculty members, of being full professors than of being a part-time contingent. Some of the segregation is historical, but not all. We found that among full professors hired within the last five years, 3 of 4 were men.

Additionally, there are patterns of gender segregation across disciplines, with the vast majority of faculty in the higher-paying disciplines such as business, engineering and the natural sciences being men. There also is a gender pay gap within disciplines. For example, among SUNY’s full-time business faculty, men on average receive 14 percent more than women. Among SUNY’s full-time faculty in the natural sciences, men receive on average 19 percent more than women; among the faculty in the social sciences, men receive on average 12 percent more than women. However, even when we ran regression analyses that take into account and control for different types of campuses, rank, seniority and discipline, a gender pay gap remains at SUNY among full-time faculty, with men still receiving on average roughly 3 percent more than women. When taking into account and controlling for salary grade and seniority among full-time professional (as opposed to academic) staff, men still receive on average 4.4 percent more than women.

UUP’s PROPOSALS FOR CHANGE

UUP appreciates the opportunity to provide the following proposals as part of our ongoing efforts to work with the State and SUNY on behalf of our members and New York State. The gender pay gap has repercussions for individuals, families, and our communities across the state. While our data analysis provides evidence of a gender pay gap at SUNY, we offer recommendations that would benefit SUNY, other state entities, and New York’s private-sector organizations.
Accurate Information Needed

Our first recommendation is for the State to conduct a systematic study and analysis of the gender pay gap in New York State. We applaud these public hearings as a great first step, but due to the complicated and multi-faceted nature of the problem, it is crucial that the State gather and analyze data, using multiple methods to test hypotheses regarding where the pay gap exists and why it exists. We caution against hastily adopting solutions without systematically uncovering and analyzing the facts. This is needed for the development of targeted, effective remedies. We also caution that not all necessary solutions will be quick, easy fixes. Some of the solutions will require workplace culture changes to correct long-ingrained methods of recruiting, selecting, training, retaining, compensating and promoting employees that disadvantage women.

Steps to close the gender pay gap

1) Conduct regular salary audits to proactively monitor and address gender-based pay differences.

2) Collect data from all employers and publish data on the pay gap (including flagging jobs as dominated by one gender, race, or national origin).

3) Implement a pay discrimination hotline to gather and provide information and to direct affected callers to appropriate assistance.

4) Encourage ALL (not just public sector) employers to take the following actions to mitigate against factors that have historically disadvantaged women:
   - Post salary ranges in job advertisements to combat cultural patterns that have led women to request lower salaries and employers to assume that women will accept lower salaries compared to men;
   - DO NOT request salary histories from job applicants to avoid the tendency for women who have had lower salaried jobs than men to become labeled by employers as having lower salary expectations;
   - Focus on skills rather than credentials (so that, for example, women biology majors who are just as skilled at spreadsheets and data analysis as male statistics majors will have an equal opportunity to be hired).

5) Actively address the cultural practices that stall women’s movement into better-paid integrated or male-dominated occupations through media campaigns and public service announcements. While some higher-paying fields may resist women entering, and information alone will not enable women to enter and thrive, improved information about the differences in prospective earnings in different fields at different educational levels, could make a significant difference in closing the pay gap.
6) Provide support for mentoring programs to help women enter and remain in high-paying male-dominated fields.

7) Educate employers on the “motherhood wage penalty” and the “fatherhood bonus,” and discourage employers from continuing these unjustified practices.

8) Encourage and enhance support for paid family leave, which strengthens and lengthens workers’ attachment to the labor market and to their specific jobs, leading to experience-related pay increases that benefit men and women and help to close the gender wage gap.

9) Encourage and enhance support for unionization and collective bargaining, which have proven to raise pay in women-dominated jobs, and which raise pay for women (and women of color) relative to men, helping to close the gender gap. It is important to note that New York is the state with the smallest gender pay gap and the highest unionization rate.

Policies such as raising the minimum wage and paid family leave have been found to help close the remaining gap. Again, we commend the state on the steps it has taken in this direction, but it must continue to do more, particularly regarding paid family leave, which will truly help level the playing field for women of all races and ethnicities.

Most of the progress women have made came during the 1980s with increased labor force participation, educational achievement, legal protections, and opposition to gender bias. Generally, women, when compared to men today, still major in different academic disciplines, work in different jobs and industries, are expected to be caregivers, and continue to experience workplace bias and discrimination (often unintentional). The gender pay gap will persist until we confront and tackle these hard realities.

The effect of gender disparity at SUNY reverberates well beyond SUNY’s walls; the lack of gender integration and the ingrained gender biases our students experience at SUNY will stay with them moving forward. SUNY is in a unique position to make corrections to gender inequities, and to effect the experiences, values and societal norms of the next generations of New York State’s workforce. UUP would welcome the opportunity to work with the State and SUNY to help address and correct continuing gender inequality on its campuses and across New York State.

II Ibid., pg. 13.


iv Ibid., pg. 19.

v "The Simple Truth about the Gender Pay Gap (Spring 2017)." AAUW: Empowering Women Since 1881.

vi Ibid., pgs. 13, 17

vii "The Simple Truth about the Gender Pay Gap (Spring 2017)." AAUW: Empowering Women Since 1881.


x Ibid


xii "The Simple Truth about the Gender Pay Gap (Spring 2017)." AAUW: Empowering Women Since 1881.

xiii "The Simple Truth about the Gender Pay Gap (Spring 2017)." AAUW: Empowering Women Since 1881.

xiv Ibid., pg. 19


xvii We ran regression analyses with the natural log of annual salary as the dependent variable and gender as a dichotomous independent variable. Depending on the model, one or more of the following control variables were added: years in job title, years with SUNY, dummy variables for disciplines, dummy variables for campus type, dummy variables for rank.

xviii We ran a multinomial logistic regression with the dependent categorical variable rank (i.e., part-time contingent, full-time contingent, assistant professor, associate professor, full-professor) and the independent dichotomous variable gender
