



**Statement of Carolyn Maloney, Chair
Joint Economic Committee Hearing
April 28, 2009**

Good morning. I want to welcome our distinguished panel of witnesses and thank you all for your testimony today.

This hearing is timely, because today is Equal Pay Day – the day that symbolizes how far into the year that the average full-time working woman must work to earn as much as her male counterpart earned the previous year. We have made a great deal of progress in closing the gap between men's and women's wages since President Kennedy signed the Equal Pay Act in 1963 – but as the saying goes, women's work is never done.

Women earn just 78 cents on the dollar as compared to men – for doing the same work. For minority women, the wage gap is even larger. African American women earn only 62 cents for every dollar earned by white men and Hispanic women fare worse at only 53 cents.

The report released today by the GAO provides additional evidence of the persistence of the gender pay gap, but the workplace setting is particularly troubling. The federal government should be a model employer, but today's report tells us we have considerable work left to do to live up to that promise. The GAO finds that an 11 cent gap remains between men's and women's pay in the federal workforce, even after accounting for measurable differences like education, occupation, and work experience.

The report also finds that the total pay gap shrank between 1988 and 2007, from 72 cents on the dollar to 89 cents on the dollar. However, the share of the gap that can't be explained has remained remarkably constant, at 7 cents. Those 7 cents may be explained by discrimination against female federal employees.

The pay gap in the federal workforce that GAO found reflects troubling pay disparity issues in the broader labor market.

I am proud to have successfully fought for equal compensation after September 11th. The compensation plan for victims' families, as it was originally proposed, was based on outdated government formulas that assumed women victims would have worked for less of their lives than their male counterparts. In effect, the proposed system of compensation was providing less for the families of women victims simply because they were the families of women. It was a sobering reminder of how institutionalized gender discrimination can be, and that there are many battles yet to be won.

Women are more productive and better educated than they've ever been, but their pay hasn't yet caught up. The pay gap affects women at all income levels and across a wide range of occupations, and it widens as women grow older.

Equal pay is not just a women's issue, it's a family issue. The impact of the wage gap is particularly painful in our current economic downturn as families struggle to make ends meet in the face of stagnant wages and job losses.

Estimates of how much women stand to lose over their lifetime due to unequal pay practices range from \$700,000 for a high school graduate to \$2 million for doctors and lawyers, according to the WAGE project. Every dollar counts, so now more than ever, families should not be short-changed by gender pay differentials.

Moreover, the GAO previously has found that women with children earn about 2.5 percent less than women without children, while men with children enjoy an earnings boost of 2.1 percent, compared to men without children. So fathers enjoy a bonus, while mothers pay a penalty for their decisions to have children.

While some of the gender pay gap can be explained by difference in men's and women's occupations and leave patterns, study after study show that a substantial portion of the gap remains unexplained. Women continue to bump up against everything from subtle biases to egregious acts of discrimination relating to gender stereotypes about hiring, pay raises, promotions, pregnancy and care-giving responsibilities.

The Ledbetter bill was an important start, but additional legislation is necessary to close the loopholes in the Equal Pay Act that allow discrimination to persist. I am proud to be a co-sponsor of the Paycheck Fairness Act, which passed the House earlier this session and I hope that the Senate will take action soon.

Better work-life balance policies would allow both mothers and fathers to continue to support their families and develop their careers. By ensuring that women aren't forced to start all over again in new jobs, paid leave policies can help keep women on an upward trajectory in their careers, protecting their earnings. The Federal Employees Paid Parental Leave Act, which I have sponsored, would do just that.

By recognizing the persistence of the problem and taking action, we have the opportunity to make next year's Equal Pay Day a celebration of progress.

I look forward to the testimony of our witnesses today.

#