



“The Gender Wage Gap: Breaking Through Stalled Progress”
Chairman Don Beyer – Prepared Remarks
June 9, 2021

This hearing will come to order. I would like to welcome everyone to today’s hearing focused on the gender wage gap.

I want to thank each of our distinguished witnesses for sharing their expertise today. We have an all-star panel, and I’m excited to hear what they say.

The context

Today, on the eve of the 58th anniversary of the passage of the Equal Pay Act, American women on average still earn just 82 percent of what men earn. That translates to \$10,000 less in median earnings each year. And while we have made improvements in narrowing that gap over the last 50 years, progress towards closing it has slowed and even stalled in recent decades as policy has failed to support women as workers and ensure that equal work is rewarded with equal pay.

And not only that, but the topline number doesn’t give us a full picture. Black women earn only 63 percent, Native American women 60 percent, and Latina women only 55 percent of what white men earn.

The failure to close the gender wage gap isn’t just an issue for the women experiencing this pay gap, it’s also an issue for their families and for our whole economy.

Women's earnings are a crucial component of families' economic security. Two-thirds of mothers are either the primary breadwinner or co-breadwinner in their families. And the Institute for Women's Policy Research [estimates](#) that if working women received equal pay with comparable men – that is, men of the same age, with the same education, who work the same hours, and live in similar regions – then poverty for working women would be reduced by more than 40 percent.

This is an issue for our whole economy because women's lost wages translate into lost GDP, 2.8 percent of GDP to be specific, or \$541 billion.

Therefore, if long-term economic growth is our goal, then closing the gender wage gap is not just a moral imperative, it is an economic one.

The cause

If we are to properly address this persistent wage gap, we must understand it. So, let's look at the root causes...

First, economists estimate that half of the gender wage gap is still caused by differences in the types of industries and occupations that women and men work in. For example, men are overrepresented in jobs in construction and software development, and women are overrepresented in jobs such as administrative assistants and cashiers.

But while some point to this as evidence that the gender wage gap is due to women making different choices about their careers, the reality is that even within the same industry and same occupation, women are still paid less than men. As an example, [research finds that](#) up to 68 percent of the gender pay gap could be closed if men and women were paid equally within occupations—that is, men and women received equal pay for equal work.

And explanations of the gap that point to individual characteristics or choices only account for part of the problem. When you add up all the

measurable explanations for the gender wage gap, including differences in occupation and industry, or accounting for education and length of work experience, 38 percent of the gender wage gap remains “unexplained”, which many economists attribute to discrimination.

Finally, when seeking to understand the gender wage gap, we cannot ignore the role played by our economy’s de-valuation of work that has traditionally been done by women, particularly women of color. Care work is among some of the lowest paid work in our economy. The Bureau of Labor Statistics estimates that the median pay for home health and personal care aides is \$27,080 a year, which is barely above the poverty level for a family of four. Perhaps not coincidentally, women of color make up a disproportionate share of care workers. For example, Black women are 13 percent of the U.S. workforce, but 28 percent of home care workers.

Proposals to make progress

Addressing the gender wage gap will require a multi-faceted approach. No single policy is going to close it, but there are many policies that, together, will help narrow it.

Raising wages in low-paying occupations that tend to be dominated by women would provide the greatest benefit to the women in these jobs while also benefiting all workers. An important way we can do this is by strengthening the minimum wage and improving workers’ bargaining power, such as through legislation like the Raise the Wage and PRO Acts.

Gender and racial discrimination are the second largest driver of the gender pay gap. Therefore, policies that address the ongoing role of discrimination in the labor market will be absolutely necessary to make a meaningful difference in the pay gap. The Paycheck Fairness Act is one example of a policy that would make it easier for women to challenge pay discrimination.

Finally, we also need policies that help keep women connected to the labor market and moving up the career ladder, such as paid leave and affordable childcare. We can't make progress towards narrowing the gender pay gap if we don't make it sustainable for women to remain in the workforce through policies like the Building an Economy for Families Act, the FAMILY Act, or the Child Care for Working Families Act, which are aimed at ensuring that all workers are able to take the time they need to care for their families and make sure their children are receiving quality care while they're at work.

And this is why I look forward to the testimony of our witnesses. Now I would like to turn it over to Senator Lee for his opening statement.