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A new report says women are only earning about 50 cents for every dollar a man makes. ARTICLE CAN BE PRINTED OUT AT:

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## The Gender Wage Gap Is Even Worse Than You Thought

Women make less than half what men earn over the long term, according to a new study.

By Emily Peck, Senior Reporter November 28, 2018

The gender wage gap is actually worse than you think, with women earning slightly less than half of what men make over the long term, according to a <u>report</u> released Wednesday by the Institute for Women's Policy Research.

The standard wage gap measure put out annually by the <u>Census Bureau</u> currently shows that women make <u>80 cents</u> for every male dollar earned. (Earnings are even lower for women of color.) But the statistic misses the bigger picture, said economist Stephen Rose, a fellow at the Urban Institute who co-authored the <u>paper</u>.

The census data only considers those men and women who actually worked, full-time, in one given year. But women are generally less likely to work full-time consistently throughout their careers. They scale back hours, or take time out of the labor force entirely, to raise children or to serve as caretakers for family members.

To tease out the long-term impact of these disruptions, Rose and co-author Heidi Hartmann looked at earnings and pay over a 15 year period — from 2001 to 2015. The data set they chose follows the same people over that time period.

Viewed in this more longitudinal way, women made just 49 cents for every dollar a man made, on average. Even women who stayed in the workforce for the entire 15 years the researchers examined — never going a year without income — faced an enormous pay gap: They made 67 cents for every dollar a man made.

"We're just telling a different story," Rose told HuffPost. "It just better explains the reality that people are facing."

Taking time out of the workforce hurts both men and women, to be sure. Both women or men who took just one year off from working made 39 percent less than those who stayed employed over the period the researchers considered.

The issue is that women are far more likely to take such breaks. Only 28 percent of women worked consistently full-time over the years the researchers looked at, compared to 59 percent of men.

Economic statistics are crucial in framing our understanding of issues and the policies we use to solve those problems. For example, you wouldn't want to use stock market data to gauge the well-being of a typical American, who is unlikely to get rich when the market is hot.

Recently, a number of such indicators have come up for <u>reconsideration</u>. The unemployment rate, currently at record lows, is increasingly viewed as an unreliable indicator of what the job market is really like, for example, as it only looks at those Americans who are actively job-hunting — not those who've given up on working.

But the Labor Department does at least publish several different unemployment stats that help deepen understanding.

Rose said he thinks the federal government should do something similar with the pay gap — and start tracking the number over the long term. "We've gotten used to this totemic number every year," he said. "I just think that it understates the problem."

While this study did not drill down into data on women of color, the researchers do note that African-American women have historically higher rates of participation in the labor market — even as they face higher wage gaps.

While the fact that women leave the labor force at higher rates and are more likely to work parttime is a known problem, the longer-term data point can help contextualize the issue, said Elise Gould, an economist at the Economic Policy Institute who studies the pay gap and looked over this new report for HuffPost.

When people consider why women overall make less money than men, they typically focus on pure pay equality, making sure women and men who do the same jobs are actually paid the same. There's also an effort to push women into higher-paying fields, typically dominated by men.

"Here you're adding this other dimension: Are women working at all?" Gould said.

Possible fixes include the obvious: Give women paid time off from work — including sick leave, parental leave and caregiving leave — so they can easily return to the workforce.

Right now, the U.S. offers none of these things.

But there are less intuitive solutions: Raise wages so there's more incentive to work and less need to work extremely long hours.

This study updates work Rose did in 2004 and actually represents progress for women. If you look at the 15-year period that ended in 1982, women made 19 cents on the average man's dollar. That rose to 38 cents in the subsequent 15-year period.

The gap is closing, Rose said. But "it's still a long way to go."