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CONTACT: Mike Owen (319) 338-0773, ipp@Lcom.net

Gender Gap Holds Iowa Women's Wages Down Women's Economic Security Challenged in Iowa

IOWA CITY, Iowa (Sept. 9, 2008) — Marked inequities in pay and job opportunity challenge Iowa women as they face tougher state economic conditions, with a gender gap present in all key measures of economic security and progress.

“The gender gap in Iowa and the nation has narrowed over several decades, but it remains, it is real, and it actually grew in Iowa during the past year,” said Beth Pearson, research associate for the nonpartisan Iowa Policy Project and author of the report, “Women, Work and the Iowa Economy.” The report is a supplement to the recently released “State of Working Iowa 2008,” which noted the sluggish general nature of the Iowa job picture.

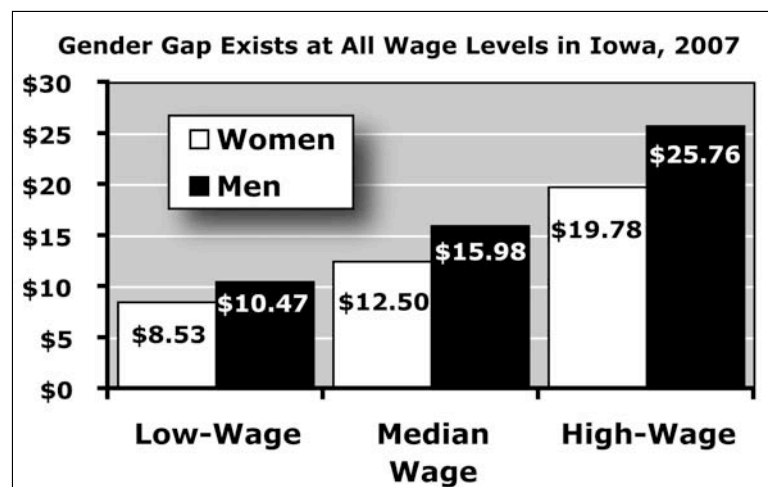
“Our report shows women work hard in Iowa, they’re generally well-educated, and yet they’re not being compensated at the same levels as men. This difference is important when we also look at the context and the high percentages of women heading households in poverty, and by the types of jobs they tend to secure. Much of the difference in wages is explained by gender patterns in occupations and industries.”

The report recommends moves to improve women’s economic standing and opportunity by increasing child-care assistance, supporting training and employment for women in high-wage occupations where they are underrepresented, and taking the lead at the state level in developing family-friendly leave policies.

“Young women entering the workforce today face gender-gap challenges. Public policy must support opportunity for women in the workforce. Otherwise these young women will continue to face these same disadvantages in their careers and in retirement.”

According to the report, in the Iowa workforce (2007 figures):

- Almost one-third of women workers have part-time employment, compared to about 19 percent for men.
- Two-thirds (67 percent) of Iowa women were in the workforce, substantially higher than the national average of 59 percent and fifth nationally among states. Four of five women with children under age 18 participate in the labor force.
- Women make up about 48 percent of the workforce in Iowa.



At all wage levels — low, or 20th percentile; median, or 50th percentile; and high, 80th percentile — Iowa has a gender gap. In fact:

■ At median wage, women earn about 78 cents for every dollars that men earn. Nationally, that figure is about 81 percent.

■ Over the past three decades, the gender wage gap was widest in 1981 — when women earned 59 percent of male wages. That level had risen to 81 percent by 2006, but lost ground in 2007. Last year, the women’s median wage in Iowa fell 21 cents per hour to \$12.50, while the male median rose by 35 cents, to 15.98.

■ The majority of Iowa families in poverty — 57 percent — have female heads of the household. Iowa women are more likely than men to have health insurance coverage, but they are more likely to have publicly provided insurance, and less likely to have insurance through their job.

■ Women in Iowa are more educated than men, and while that has contributed to a narrowing of the wage gap, the education/pay relationship holds a gender gap of its own.

“We know education is a good predictor of earnings. Generally, the more education you get, the higher the earnings. But it doesn’t rise equally,” Pearson said.

“Even at low wages, women can’t get a break. In low-wage jobs, they make close to \$2 less per hour than men — and whether they have a high-school diploma, associate’s degree or bachelor’s degree, that pattern holds or is worse.”

IPP Executive Director David Osterberg said the report was an important expansion on the findings of “The State of Working Iowa 2008.”

“As the report notes, understanding differences in the way men and women are treated in our economy and the workplace is essential if we are to develop policies that break down barriers to economic opportunity for everyone,” Osterberg said.

The Iowa Policy Project is a nonpartisan, nonprofit research and policy analysis organization based in Mount Vernon, with its principal office in Iowa City. IPP reports are on the web at www.iowapolicyproject.org.

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