The Gender Wage Gap: Causes, Consequences, and Remedies

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Lastly, I am immensely grateful for the vice president of the human resources and the director of professional development trainings for their comments, thoughts, and personal experiences about the wage gap issues.
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Abstract:
Women are almost half of the workforce, yet they are still getting pay less than men. They receive more college degree than men. Hispanic women and African American women get pay even less than men. For every 40 hours that Americans women work, they only get pay 80 cents for every dollar paid to men. Wage discrimination is a reality. Society needs to take a stand and fight for wages equality (NWLC.org). Although the equal pay act was implemented 50 years ago, women of every race and education level are still getting pay less than men. It only gets worse as women’s career progress. The wage gap possesses lots of negative impact on women and young girl who are growing up. It makes them feel less worthy and powerless. The gender gap should matter to everyone because it is a crucial issue that needs to be resolve because it can very be discouraging for women. After reviewing the data and pay gap between men and women, some questions begin to arise such as why do women get pay less than men, have less advantageous job than men? What can we, as, individuals, companies, women, and societies need do to change the pay gap that exists between men and women when we have the same qualifications as men? This Research aims to explore perceptions of the gender wage gap in a group of employees working in every industry. I found evidence that the gender wage gap persists and that feelings towards can demoralize employees in the workforce.
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**Introduction**

The gender wage gap is unadjusted and is defined as the difference between median earning of men and women relative to median earnings of men. (OECD). For decades now, working women are getting paid less than men. On average women are paid 80 cents for every dollar paid to men. In middle-skill occupations, workers in jobs mainly done by women earn only 66 percent of workers in jobs mainly done by men. (NWLC.org) IWPR’s report on sex and race discrimination in the workplace shows that outright discrimination in pay, hiring, or promotions continues to be a significant feature of working life. As for African women and Hispanics women that number is even less than 64-54 cents respectively. Hispanic women will have to wait until 2233 and Black women will wait until 2124 for equal pay (Institute for Women’s Policy Research, 2017). It is crucial issue that needs to resolve because it is creating a gender discrimination in the workplace. This graph illustrates how the gender wage gap have change over time.

According to this graph, the gender wage gap continues to be a problematic issue in the United States for women. In order to understand the gender wage gap issue better, we
need to understand the equal pay act and why it was created, the effects it has on women and others across the world, and the literature on gender inequality. Furthermore, we must dig deeper on how it can change society in the future, and what are some recommendations we need to take to resolve the issue.

**Literature Review:**

**The Equal Pay Act of 1963**

Women are almost half of the workforce. They are the sole or co-breadwinner in half of American families with children. The Equal Pay Act requires that men and women be given equal pay for equal work in the same establishment (EEOC). When the equal pay act enacted in 1963, discrimination towards women in the workplace decreased massively, but was not eliminated entirely. The jobs do not need to be identical, but they must be substantially equal. It was signed by President John F Kennedy on June 10, 1963. It was one of the first anti-discrimination that addressed wage differences based on gender. The equal pay act protects everyone in the workforce. It does not matter if a person is gay, lesbian, heterosexual, male and female, either way he or she is protected by the law. In order to successfully raise a claim under the equal pay act, you must show that you and an employee from the opposite sex are working in the same place, doing equal work and receiving unequal pay. The equal pay act was successful for the first few years. An example that demonstrate that it was successful was when the Supreme Court decided in Corning Glass Works v. Brennan 1963 that the factory in question had broken the law by hiring only men for the higher-paid night shifts, and then women were owed back pay for the money they might have earned in that role. Moreover, the TIME story cited several other examples of the 1963 law finally creating change: two cases in which AT&T had settled with employees, a steel plant facing a lawsuit, an instance in which Rutgers University was providing back pay to the tune of $375,000. In some Cases, the equal pay act was very helpful and successful, but as of today, it has not done women much justice because it still does close the gender wage gap entirely (Equal Pay for Women. Lilly Rothman 2015). Fifty-four years ago, the equal pay act was created to help
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eliminate the gender wage gap that exists now, however today, it does not eliminate the issue because women are still getting pay 80 cents for every dollar men earn (NWLC.org). This statistic demonstrates that the law needs to be revised because of its flaws.

**Gender Wage Gap Issue across the world**

The gender wage gap issue is a problematic issue that is occurring across the world. According to the new report by the world economic forum, it is going to take another 81 years for the gender gap to close worldwide. Among the 142 countries in the report, the United States ranked 65th in wage equality. Although countries like Italy and Israel offer the most equal opportunities for women, they ranked the lowest in wage equality. Israel’s women earn only 47% of men salary and Italy women earn 48% in men salary. It is not in every country that women earn less than men. Although the difference is only 2%, in Denmark, women earn more on average than men. The reason behind this inequality is that in Denmark, there are more women in better paying jobs. Even though women earn more than men in certain jobs in Denmark, if perhaps, women and men are doing the same exact job, the men will be getting paid more than the women. Equal pay is crucial for all women.

**What Causes the Pay Gap?**

Motherhood is often one of the causations that contributes to the existence of gender wage pay gap, but the origins of the pay gap are more intricate than one cause. In 2016, the U.S. civilian workforce included 151 million full- and part-time employed workers; 53 percent were men, and 47 percent were women (U.S. Bureau of Labor Statistics, 2017). Women often time enter and leave the workforce more frequently than men. Some say work is organized on gender norms that reward men because men are the norm on which work has been based, others say child rearing and starting families is a culprit, while negotiation styles and personality trait differences have been highlighted
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Occupations and job location are one of the reasons that the pay gap exists. Usually, women and men choose different majors and some majors simply pay more. After college, most women tend to settle in job areas like administrative assistant, teachers while men mostly work in the management, finance areas, engineering, computer science and economics. Some argue that another reason that the pay gap exists is the fact that some women take time from work when they become a parent. Many employers and industries still prioritize long, continuous, traditional work hours rather than flexible schedules, a preference that tends to put women with children at a disadvantage (Goldin, 2014). In the workforce the motherhood penalty does exist. The motherhood penalty is when a woman decides to return to work after being on maternity leave for three to six months. They believe that motherhood job effort and productivity (Correll & Benard, 2007; Kricheli-Katz, 2012). Women should not be punished for making a personal choice. Discrimination and Bias is also another cause of its existence. Each year, thousands of sex discrimination cases are brought before the Federal Equal Opportunity Employment Commission (EEOC), and many of these complaints are decided or settled in favor of the person who filed the charge (U.S. EEOC, 2015).

How Does the Pay Gap Affect Women of Different Demographics?

Although earnings and the gap vary depending on a woman’s individual situation, it affects women of all ages, races, backgrounds. Among full-time workers in 2016, Hispanic or Latina, American Indian or Alaska Native (AIAN), black or African American, and Native Hawaiian or other Pacific Islander (NHPI) women had lower median annual earnings compared with non-Hispanic white and Asian women. Black, Hispanic, AIAN, and NHPI women experienced a smaller gender pay gap compared with men in the same racial/ethnic group than did white and Asian women (Figures 1) Work
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experiences comes with age and sometime the older you are, the more experience you will have in the workforce. The gender pay gap also grows with age, and differences among older workers are considerably larger than differences among younger workers. In the article, “The Simple Truth about the Gender Pay Gap by Kevin Miller In 2016, for full-time workers ages 20–24, women were paid 96 percent of what men were paid on a weekly basis. As workers grow older and progress in their careers, median earnings for women grow more slowly than median earnings for men. From age 25 to age 54 women are typically paid 78–89 percent of what men are paid, depending on age. By the time workers reach 55–64 years old, women are paid only 74 percent of what men are paid. These statistics arise some question because it demonstrates the inequality that exist in the workforce. If men and women have the same qualifications, then why is it a problem if they get paid the same? This graph displays how much women are getting paid based on their race and gender. Asian women were the highest paid women in 2015.

[Graph showing median annual earnings by race/ethnicity and gender in 2015]

Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Estimates
Education and Gender Gap

In the modern society, women are earning more college degree than man (U.S. Department of Education, 2016b). According to the article “Graduating to a pay Gap: The Earning of Women and Men One Year After College Graduation”, Women who graduate college are earning 82 percent of what men are earning just one year later. This is very unfair and unlawful. However, Women earn higher grades in college, on average, than men do, so academic achievement does not help them understand the pay gap. In this case, the gender gap among men and women might exist for various reasons. The reason that this gap might exist is because of the major and the universities that they attended. It has been proving that majors do make a difference in the workforce. In the workforce, education cannot help narrowing the pay gap that exist between men and women. It is a bigger issue and its call discrimination.

The real Issue

Ever since mankind existed, discrimination in all forms has been a ceaseless battle whether its race, gender equality, religion, beliefs, appearance, or the littlest thing that makes us different from one another. One crucial discrimination that the modern society is experiencing today is the wage gap. The problem is unequal pay for equal work. This is inequitable for women in this society. Despite the equal pay law, women in the workforce are still earning a lot less than men. Women from all educational levels are not getting paid the same as men in general. This demonstrates that education is not an effective solution for the pay Gap. “The American Association of University Women is releasing a new study that shows when men and women attend the same kind of college, pick the same major and accept the same kind of job, on average, the woman will still earn 82 cents to every dollar that a man earns”. This form of inequality dates back for centuries and stems from the common belief that since men provide for women and women take care of the home and children, men therefore are more efficient in the career chosen.

Women need to start feeling worthy and know that they are working for a company that acknowledges their hard works and knows their worth. The equal pay act
became a law 50 years ago, yet, American women and women all over the world are still getting pay less than men. This inequality still exists because of the motherhood penalty, negotiation, and employee’s bias. Everyone can agree that this issue needs to be fixed and to do so it will require everybody’s input whether you are men, women, transgender, gay, and lesbian.

It has become very clear that women and men possess the same characteristics meaning there are no reasons why they should not be getting paid equally. Now in modern times, the realization that man and woman can produce the same results, have the same education, and have the same capacity to accomplish the same overall tasks as men is becoming more popular, especially as the prevalent thought of women as not as valuable as men is constantly being proven to be incorrect. According to the article, equal Work for Equal Pay: Not Even College Helps Women by Korva Coleman, more women are filing complaints about their work condition. "Experimental evidence confirms that many people continue to hold biases against women in the workplace, especially those who work in traditionally male fields." And they don't like to negotiate their salaries, or they're unable to do so. "Negotiating a salary can make a difference in earnings, and men are more likely than women to negotiate their salaries. I do not agree because the second reason is not accurate because ever since mankind existed, women never get the same offer as man, so negotiating their salaries are never going to be equivalent to men salaries. Coleman also points out that women tend to pick lower paying jobs, but regardless men are still paid more. Before I made any judgment, I wanted to obtain more information about the issue. Although I acquired a lot of secondary information about the topic, I still was not satisfied about what I have found and that is the reason I went to survey my coworker and friend. The survey was intended to demonstrate the causes that gender gap issue and the results of it would provide me some effective solutions that can help resolve the issue in the future.
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Methodology

As I was gathering more information about this issue, I try to remember that on equal pay, the gender gap issue is very crucial. This issue is set to close in about 100 years and that is if we fight for it. In order for me to understand the issue better, I needed to gather more primary information. I conducted a survey among my peers and coworkers. The survey consists of 14 people. Among the 14 people that I surveyed, there were nine females and 5 males’ participants. Four of the females were between the age of thirty to forty-five and work at the same company as me BAMSI (Brockton Area Multi Services Inc.) which is a non-profit organization. Furthermore, two are human resources assistant, one is the director of human resources and the other is the director of the training department. The remaining five of the females were receptionist and college student between the ages of twenty-two to twenty-five. As for of the men, three of them were IT Technician at BAMSI and were between the age of thirty to fifty years old. There was one that sales associates and a talent acquisition specialist. This survey was intended to inform me about the issue and the best way to so is to get people opinion. This survey contains eight questions that each participant must answer truthfully. There were mostly open-ended questions and one close ended questions. The questions vary from the number of hours they work weekly to why they think that the wage is an issue, then the factors that contribute to the gender wage gap existence. Furthermore, there were questions about agreement and disagreements, the type of jobs that they hold and their ages and sexes.

Results

After I gathered all fourteen surveys, I carefully review each one of them twice because I encountered some similarities and differences. For startup, all fourteen participants agree that the gender wage gap is an issue that needs to be fixed. All five males and females disagree that the wage gap is not only limited to females, but males also. While four of females agree that it is limited to females. The administrative assistant and the college student are not seeing nor experiencing that the gender wage gap is
among them. The people who hold a higher position such as recruiters, the human resources manager and the director of professional development training are aware of the issue and think it is despicable. The director of training and development did experience this type of discrimination at a previous job. Among the opposing views on what is a contributing factor of the gender wage gap, there were some core similarities that were present in both groups. Some core similarities are that all fourteen participants believe that discrimination and politics are the biggest factors that contribute to the gender wage gap. Some of the similarities are that the participants who do not hold a higher position in the company or who do get paid on a salary rate such as the Admin Assistant, IT Consultant and the College Student are not mindful of the issue. They only know of its existence because they heard it in the news. Another similarity is that the human resources manager, Recruiter and the director of professional development and training think that marital status and motherhood are factors that contribute to this issue existence. All Females’ Participants believe that the wage gap can or will affect Future Employment.

Among the fourteen surveys, there were some differences that were present. These differences helped me comprehend the issue better. All nine female’s participants did not acknowledge that education and experience as being part of the reason the issue exist. As for the male’s participants, they do not believe that education and experience are factors that contribute to the wage gap. In addition, the recruiters and the help desk technician (IT Consultant) completely disagree with the fact that wage gap is more probable when men work in gender dominant industries. Furthermore, four of the male’s participants do not believe that the wage gap can or will affect future employment. Some do not even see that it exists in this society.
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This Table briefly summarize the results of my survey.

**Discussion**

Women are empowering the word, yet they are still being discriminate in the workforce in the 21\textsuperscript{st} century. Women are still not considered equal to men in the world. People are aware of the inequality and find very unfair, yet, nothing is being done about it to terminate the gender gap issue. On the survey that I conducted, one hundred percent of the participants do acknowledge the gender wage gap is a problem that need to be fix. Although half of the participants are not aware of the issue and have never experience the discrimination, they still think it is unfair. I think the people who argue that motherhood is one the reason women are getting paid less than men in the workforce do not consider the issue as being important because there are no proof that becoming a mother has make women has being less productive at their job. Furthermore, I believe that they are certain jobs characteristics that have a big impact on the earning job impact because the issue would be more complex to understand. Some of the characteristics are subject to strict deadlines and time pressure and unable to determine their tasks and goals. Based on the survey results, I observe not a lot of people are aware of this issue and it is even worse among the millennials. We need to raise our voices and inform more people about the issue that is going on. The purpose adding the survey in the paper is to see how much people know and care about this very crucial issue.

<table>
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<tr>
<th>Contributing Factors</th>
<th>Gender Wages Gap Survey’s Results</th>
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<tr>
<td><strong>Political/ Discriminations</strong></td>
<td><strong>Wage Gap is more Probable When Men in Gender Dominant Industries</strong></td>
</tr>
<tr>
<td><strong>Mothehood/ Marital Status</strong></td>
<td><strong>Can or Will Affect Future Employment</strong></td>
</tr>
<tr>
<td><strong>Education/Experience</strong></td>
<td><strong>Not Only Limited to Women</strong></td>
</tr>
<tr>
<td><strong>Mindful of the Issue</strong></td>
<td><strong>Experiencing the Gender Wage Gap</strong></td>
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</tbody>
</table>

| 5 Men | Disagree | 4 Disagree | 5 Males Disagree |
| 9 Women | 9 Agree | Agree | 4 disagree/ 5 agree |
| IT Consultants | Disagree | Agree |
| Admin Ast | Agree |
| HR director | Agree | Mindful |
| Recruiter | Agree | Mindful | Disagree |
| Training Director | Agree | Mindful | Experiencing |
| 14 Participants | Agree | Not Experiencing |
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Recommendations

Despite the equal pay act, the wage gap persists. In order to achieve equal pay, we must strengthen our equal pay laws so that women are able to fight back against pay discrimination. Companies need to improve their culture around flex work policies. According to the New York time post’s article, “How to Win the Battles to the Sexes Over Pay” by Claudia Goldin, eliminating the gender earnings gap will require changes in millions of households and thousands of individual workplaces and correcting for time off and hours of work reduces the difference in the earnings between men and women, but doesn’t eliminate Reorganizing the workplace a complicated undertaking would help diminish the gap. In addition, we must hold conference and teach women and men across the word about the gender wage issue. I believe resolving this issue will require everyone input and less bias people in the workforce. Some solutions that will help decrease the gender wage gap are:

• Build ladders to better paying jobs for women by removing barriers to entry into male-dominated fields.

• Lift up the wages of women in low-wage jobs by raising the minimum wage and ensuring that tipped workers receive at least the regular minimum wage before tips.

• Increase the availability of high-quality, affordable child care.

• Help prevent and remedy caregiver and pregnancy discrimination against women workers.

• Provide fair work schedules, paid family leave, and paid sick days so that workers with caregiving responsibilities are not unfairly disadvantaged.

• Ensure women’s access to the affordable reproductive health care they need.

• Protect workers’ ability to collectively bargain.

The ongoing issue of the past has now become an evident problem in our modern-day society.
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Conclusion

The gender wage gap is worthy of scholarly analysis due to its significant connections to areas such as social justice and fairness, equality and economic mobility, and talent acquisition, development and retention. The present study sought to identify the causes and consequences of the gender wage gap, examine people’s perceptions of the gender wage gap, and propose a set of plausible solutions that governments and organizations can consider to further reduce the difference in compensation between women and men. Despite over 50 years of the Equal Pay Act and other legal remedies at the state and Federal level, women still lag significantly behind men with respect to compensation. Although defying easy explanation, some causes of the gender wage gap reviewed in this paper include shifting family responsibilities (e.g. becoming a mother), discrimination, differing occupational choices, and location. Importantly, this paper also calls into question the efficacy of education alone to ameliorate the wage gap. Among other findings, a substantial majority of survey respondents agreed that the gender wage gap is a serious issue that should be addressed. To narrow the wage gap, a range of legal (e.g. raising the minimum wage), public-policy (e.g. making affordable and high-quality child care more available), and Human Resources (e.g. fairer and more flexible work schedules) approaches should be given careful consideration.
Appendix

This survey is being conducted by Yaveline Aly’s Bridgewater State University honors student in order to learn more about gender pay gap. This survey is anonymous, and you can opt out at any time. I appreciate your participation.

1.) How many hours do you work a week?

10 or less______
15-25______
25-35_____
35 or more______

2.) What kind of job do you have?

__________________________________________________________________

3.) Do you know anything about the gender pay gap?

Yes____
No______

4.) Do you think that women in the workforce are getting paid equally as men? If no why?

Yes____
No -

___________________________

5.) Should the United States government intervene to solve the gender wage gap dilemma?

Yes________
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No ________

Maybe__________

Unsure_________

6.)

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<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
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<tr>
<td>Is the wage gap limited to only women?</td>
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<td>Is a wage gap more probable when men and women work in gender dominant industries? (I.e. Engineering, Politics, Nursing, or Teaching)</td>
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<tr>
<td>Do you believe that the wage gap can or will affect in future employment</td>
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Is a wage gap more probable when men and women work in gender dominant industries? (I.e. Engineering, Politics, Nursing, or Teaching)
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7.) What do you believe is a contributing factor of the gender wage gap?

Political_________

Marital Status_________

Ethnicity _________

Education and Experience_______

Discrimination_______

Issue is non-existent___________

Other

________________________________________________________________________
________________________________________________________________________

8.) What is your age?

18-20_______

21-30_____

31-40_______

41-50_______

51-60_______

61-70_______

71 and older_______
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