



Is Discrimination Responsible for the Earnings Differences Between Men and Women?

Full Length Text — Part: 6 Chapter: 10
Micro Only Text — Part: 4 Chapter: 7

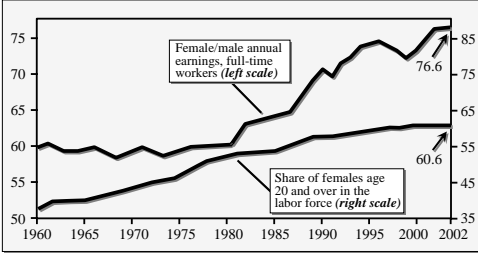
To Accompany "Economics: Private and Public Choice 11th ed."
James Gwartney, Richard Stroup, Russell Sobel, & David Macpherson
Slides authored and animated by:
James Gwartney, David Macpherson, & Charles Skipton

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Employment Discrimination and the Earnings of Women


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Employment Discrimination and Earnings of Women



Year	Female/male annual earnings, full-time workers (left scale)	Share of females age 20 and over in the labor force (right scale)
1960	~58	~45
1965	~58	~48
1970	~58	~50
1975	~58	~53
1980	~58	~55
1985	~62	~57
1990	~65	~58
1995	~70	~59
2000	~75	~60
2002	76.6	60.6

- The labor force participation rate of women has been increasing for several decades.
- The earnings of women remained around 60 % that of men during the 1960's and 1970's. Since 1980 the earnings of women have been rising relative to men.


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Marital Status and the Earnings of Women

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Marital Status and the Earnings of Women

Median female/male annual earnings ratio (%), 2002

All workers:

Married (spouse present)	58 %
Total	67 %
Never Married	89 %


Full-time, full-year workers:

Married (spouse present)	71 %
Total	76 %
Never Married	96 %

- The earnings of married female workers are about 58% those of married men. The earnings of single female workers are about 89% those of single men.
- In the case of full-time workers, the female-male earnings ratio for persons never married is 96%, compared to 71% for those married with spouse present. Why the disparity?

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Earnings Differences

- Possible sources of earnings differences between men and women:
 - Employment discrimination
 - Specialization of roles within the family has traditionally caused gender differences in educational choices & types of jobs held.
 - Women typically worked jobs with more flexible and shorter hours and within occupations where skills were transportable across employers.
 - Continuity of work force participation

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The Changing Workforce Objectives of Women

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Women Entering Professions

<i>Field of study</i>	1970-71	1987-88	2000-01
Engineering	0.8	15.3	19.9
Dentistry	1.2	26.1	38.6
Optometry	2.4	34.3	54.5
Law	7.3	40.4	47.3
Veterinary medicine	7.8	50.0	69.8
Medicine	9.2	33.0	45.3
Accounting	10.1	52.6	60.5
Economics	11.2	32.8	34.1
Architecture	12.0	38.7	35.8
Pharmacy	25.2	59.7	66.1

- The career goals and educational choices of women have changed dramatically during the last 30 years.
- Does this help explain the rising earnings of women relative to men since 1980?
- What are the implications of this trend for the future earnings of women relative to men?

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Women as a Share of Persons Graduating from College: 1961-2002

1961	1970	1980	1990	2002
39 %	43 %	49 %	53 %	58 %

- During the past four decades, women have constituted an increasing share of college graduates. Today, almost three of every five graduating seniors are women.
- Does this indicate that colleges discriminate against men? What does it mean?

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Questions for Thought:

1. During the last three decades, the labor force participation rate of married females has almost doubled. What impact has this influx of married workers into the labor force had on:
 - a. the average years of work experience of women relative to men,
 - b. the mean hours of work time of women relative to men, and,
 - c. the female/male earnings ratio?
2. Physical strength is important on some jobs. Do you think differences in physical strength between men and women contribute to earnings differences according to gender?


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Questions for Thought:

3. In 2002 the median earnings of single men working full time, year round were only 70% of their married counterparts. Does this indicate that employment discrimination existed against single men and in favor of married men?

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**End
Special Topic 10**

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