



Women and the Economy

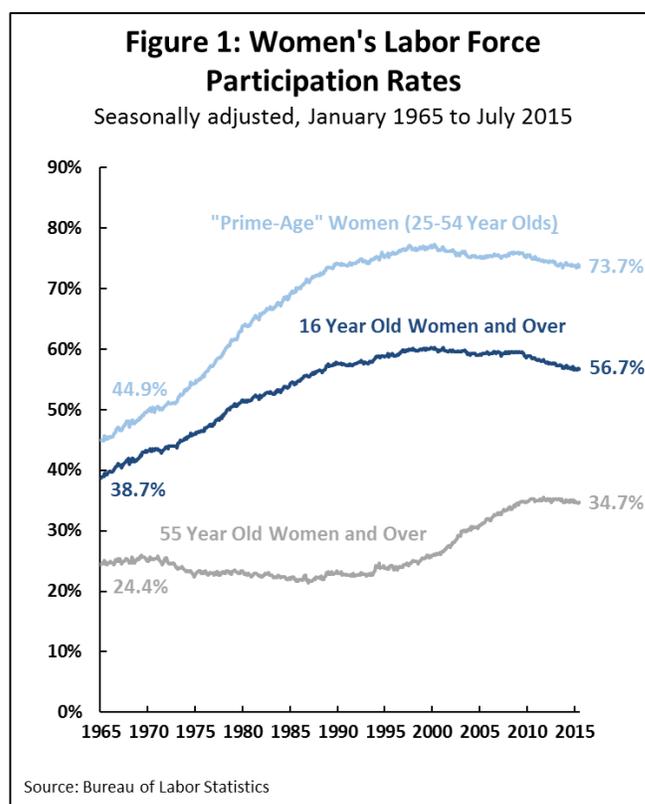
Celebrating Women's Equality Day

On August 26, 1920, after a more than 70-year battle, the 19th Amendment became a part of the Constitution granting women the right to vote. This was a hallmark day in the fight for women's equality, but it would take almost another 43 years for those rights to break through to the workplace. In 1963, President Kennedy signed the Equal Pay Act into law, mandating equal pay for "substantially equal" work, and one year later, Congress passed the Civil Rights Act of 1964 prohibiting racial, religious and gender discrimination in the workplace.¹ Soon after, the women's movement sparked vast changes in women's roles at home and in the workforce.

Today, women's contributions to the U.S. economy and the economic security of American families have never been more important. This fact sheet highlights the critical role women play in the economy, and outlines some of the challenges women continue to face as they work to achieve their full economic potential.

Women's role in the economy

- **Nearly three-quarters (73.9 percent)** of "prime-age" working women are in the labor force, up from 45 percent in 1965 (see Figure 1).
- **Two-thirds** of married women work outside the home, and almost **40 percent** of them are their family's primary wage earner.²
- Currently, **over half** of all professional-level jobs are held by women, up from only one-third in 1965.³
- Women today work across all sectors and occupations, but women hold **roughly three out of every four** jobs in education and health services—two of the fastest growing segments of the economy.⁴
- **Nearly 70 percent** of women in the labor force hold an associate's or bachelor's degree, compared to about 60 percent of men.⁵



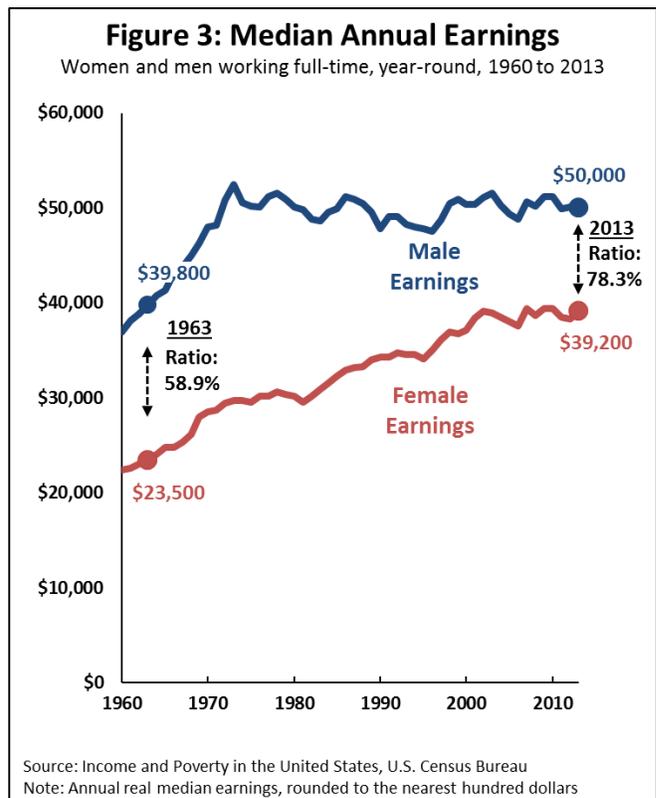
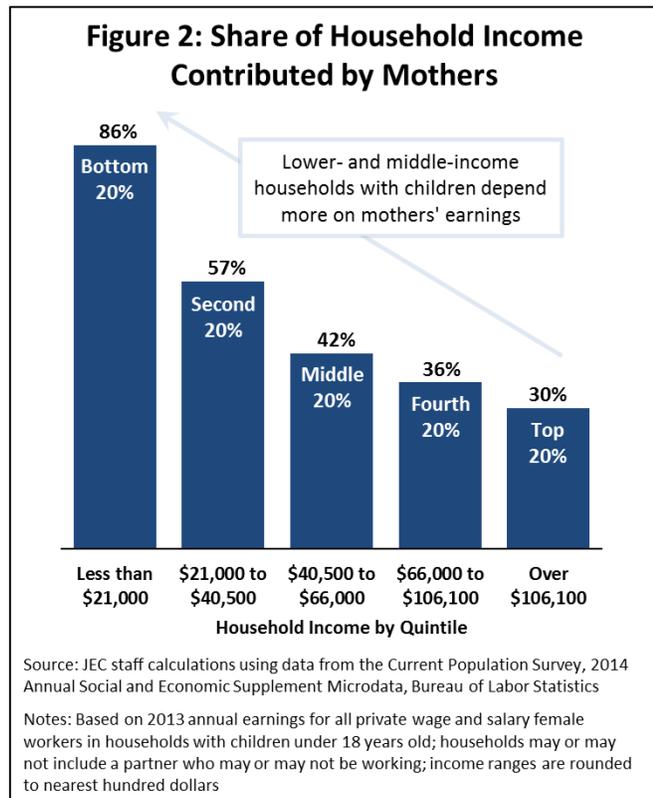
Mothers' contributions to their family's economic security

- **More than two-thirds** of mothers are in the labor force.⁶
- **Fewer than one in five** families currently fit the 1950s stereotype of a father going to work and a mother staying at home.
- Mothers collectively earned **\$960 billion** for their families in 2013.⁷

- In the typical family with a working mother, a mother contributes **nearly 40 percent** to her household’s income.⁸ Their contributions are even greater in families at the lower end of the income scale (see Figure 2).
- **One in three** mothers working outside the home is their family’s only wage earner.⁹

Economic challenges facing women today

- Although women hold over half of all professional-level jobs, they are underrepresented in leadership positions, holding **about 5 percent** of CEO positions and only **17 percent** of board seats at Fortune 500 companies.¹⁰
- Among workers employed full time and year round, women’s median earnings are about **78 percent** of men’s (see Figure 3).
- The gap between men’s and women’s median earnings amounts to **\$10,800 in lost earnings per year**.
- While **more than half** of the gap can be explained by differences in field, occupation and work experience, discrimination may account for **more than 40 percent** of the overall gap.¹¹
- The United States is **one of only two** countries that do not guarantee paid leave to new mothers—the other country is Papua New Guinea.¹²
- Mothers in the workforce pay a financial penalty as their median weekly earnings are **3 percent less** than those of women without children.¹³



¹ According to the U.S. Equal Employment Opportunity Commission (EEOC), “The Equal Pay Act requires that men and women in the same workplace be given equal pay for equal work. The jobs need not be identical, but they must be substantially equal. Job content (not job titles) determines whether jobs are substantially equal. All forms of pay are covered by this law, including salary, overtime pay, bonuses, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits. If there is an inequality in wages between men and women, employers may not reduce the wages of either sex to equalize their pay.”

² Bureau of Labor Statistics, Women in the Labor Force: A Databook, Table 26: Wives who earn more than their husbands, 1987-2012, December 2014.

³ Center for American Progress, “Fact Sheet: The Women’s Leadership Gap” (March 2014); Pew Research Center, “Women and Leadership” (January 2015).

⁴ Bureau of Labor Statistics, Employment Projections – 2012-2022, December 2013; Bureau of Labor Statistics Women in the Labor Force: A Databook, Table 14. Employed people, by detailed industry and gender, 2013 annual averages, December 2014.

⁵ Bureau of Labor Statistics, Women in the Labor Force: A Databook, Table 9. Percent distribution of the civilian labor force 25 to 64 years of age, by educational attainment and gender, 1970-2013 (combined), December 2014.

⁶ Bureau of Labor Statistics, Women in the Labor Force: A Databook, Table 5. Employment status, by gender, presence and age of children, race, and Hispanic or Latino ethnicity, March 2013, December 2014.

⁷ JEC Democratic staff calculations based on the Current Population Survey, 2014, Annual Social and Economic (ASEC) Supplement Microdata.

⁸ JEC Democratic staff calculations based on data from the Current Population Survey, 2014 Annual Social and Economic Supplement Microdata, Bureau of Labor Statistics. The typical (median) working mother with a child under 18 years old contributes 39.2 percent to her family’s income.

⁹ JEC Democratic staff calculations based on data from Bureau of Labor Statistics Employment Characteristics of Families, Table 4. Families with own children: Employment status of parents by age of youngest child and family type, 2013-2014 annual averages.

¹⁰ Center for American Progress, “Fact Sheet: The Women’s Leadership Gap” (March 2014); Pew Research Center, “Women and Leadership” (January 2015).

¹¹ Testimony of Heather Boushey, Senior Economist, Center for American Progress Action Fund, before the Senate Committee on Health, Education, Labor, and Pensions, “Strengthening the Middle Class: Ensuring Equal Pay for Women” (March 11, 2010).

¹² The International Labour Organization, “Maternity and Paternity at Work: Law and Practice across the World” (2014).

¹³ JEC Democratic staff calculations based on data from the Bureau of Labor Statistics, Current Population Survey (annual average of monthly Microdata files).