The Importance Of Fair Pay For Louisiana Women
April 2012

At the time of the Equal Pay Act’s passage in 1963, women working full time, year round were paid merely 59 cents for every dollar paid to their male counterparts. Enforcement of the Equal Pay Act and related civil rights laws has helped to narrow the wage gap, but significant disparities remain and must be addressed.

Women have struggled to regain jobs in the recovery and continue to face high levels of long-term unemployment, even as their families rely on them more heavily for financial support. Wages overall are stagnating and the wage gap has barely budged over the last ten years. The gap particularly harms women in these economically difficult times, when women and families are especially financially vulnerable. Although Congress has taken initial steps to improve the laws that govern pay discrimination by passing the Lilly Ledbetter Fair Pay Act of 2009, there is more that must be done to realize the decades-old promise of fair pay for equal work.

The Gender Wage Gap Persists in Louisiana

Although the gap between men’s and women’s wages has narrowed over the past five decades, the typical woman continues to be paid substantially less than the typical man.

• In 2010, the typical woman in Louisiana working full time, year round was paid only 67 cents to every dollar paid to a man working full time, year round – 10 cents wider than the nationwide wage gap of 77 cents.

• The wage gap is even more substantial for African-American and Hispanic women. White, non-Hispanic women working full time, year round in Louisiana were paid only 66 cents to every dollar paid to white, non-Hispanic men working full time, year round. However, African-American women working full time, year round in Louisiana were paid only 47 cents and Hispanic women only 53 cents, to every dollar paid to white, non-Hispanic men who worked full time, year round.

• The wage gap persists at all levels of education. In 2010, women in Louisiana with a high school diploma were paid only 55 cents to every dollar paid to men with a high school diploma. Comparing women and men in Louisiana with a bachelor’s degree the figure was 75 cents. In fact, the typical Louisiana woman who has received an associate’s degree or completes some college still isn’t paid as much as the typical Louisiana man who never graduated from high school.

• The wage gap exists across occupations. For example, Louisiana women working full time, year round in 2010 in management, business, and financial occupations were paid only 63 cents to every dollar paid to men in the same occupations, and Louisiana women working full time, year round in sales and related occupations were paid only 52 cents to every dollar paid to men in the same occupations.
Fair Pay Is More Important to Louisiana Women Than Ever in This Struggling Economy

In the current economic crisis, many people are facing financial problems, stagnant wages, and unemployment. Women in Louisiana already have higher rates of economic insecurity than do men in Louisiana: in 2010, women working full time, year round typically had lower earnings than men ($30,600 compared to $45,524)\(^\text{12}\) and were more likely to live in poverty (18.7 percent of Louisiana women compared to 12.7 percent of men).\(^\text{13}\)

As a result, women are particularly vulnerable to economic hardship in today's struggling economy, when every dollar counts. For example:

- High unemployment rates for men have fallen since the end of the recession, but two-and-a-half years into the recovery, women's unemployment nationwide remained above its level at the end of the recession.\(^\text{14}\) The unemployment rate for women in Louisiana in 2011 was 8.7 percent, a 4.3 percentage point increase since the recession began in December 2007,\(^\text{15}\) and 28.9 percent of jobless women workers in Louisiana had been looking for work for 27 weeks or more.\(^\text{16}\) Women's lower earnings contribute to the fact that women frequently have fewer savings to fall back on if they lose their jobs.\(^\text{17}\)

  Nationally, the average weekly unemployment insurance benefit paid to women was $259, while the average benefit for men was about $310.\(^\text{18}\)

  Worse yet, women who lose their jobs are also less likely than men to receive unemployment insurance benefits at all.\(^\text{19}\)

- The economic crisis has affected all Americans, but has been particularly hard for women – who are already in a more precarious economic position than men because of lower earnings and higher poverty rates. Women are more likely to rely on public benefits like Medicaid, food stamps (SNAP), and housing assistance,\(^\text{20}\) services which many states have cut during the crisis.\(^\text{21}\)

  About 14 percent of non-elderly adult Louisiana women and 50 percent of Louisiana children relied on Medicaid in 2010.\(^\text{22}\)

  In December 2011, the most recent month for which data are available, Louisiana provided food stamp benefits to more than 911,100 children and adults, an increase of over 33,900 from the previous year.\(^\text{23}\)

  For many low-wage workers, these programs provide crucial support to meet basic needs when wages aren’t enough. For example, for a full-time, year-round worker at Louisiana’s minimum wage, the annual pay is less than the poverty line for a family of three.\(^\text{24}\)

  - Recent tightening of state budgets has caused many states to cut back on necessary services. In Louisiana, cuts were made to education, child and family services, and services for abused children and victims of domestic violence.\(^\text{25}\)

    These cuts disproportionately affect women and will create further hardship for Louisiana women and their families.

  - In 2011, women made up about two-thirds of all workers that were paid minimum wage or less, totaling almost 2.4 million women 16 and older.\(^\text{26}\)

    In Louisiana, the minimum wage was $7.25 per hour, equivalent to only about $14,500 a year for those working full time year round. Moreover, the minimum cash wage for tipped employees in Louisiana was just $2.13 per hour, equivalent to an annual base pay of only about $4,260 for those working full time, year round.\(^\text{27}\)

    Nationally, women make up almost two-thirds (64.0 percent) of workers in tipped occupations.\(^\text{28}\)

    Raising the minimum wage would help close the wage gap for Louisiana women.

Fair pay would help close the wage gap and increase women’s economic security.

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In the 1980s, the average American family paid approximately $2,000 in federal taxes, while the average American family received approximately $3,000 in federal benefits. Over the next two decades, taxes increased by more than 30%, while benefits increased by only 4%. As a result, the average American family paid more in taxes than it received in benefits.

To address this imbalance, President Barack Obama proposed the American Recovery and Reinvestment Act of 2009, which included a $500 tax rebate for individual filers and a $1,000 tax rebate for joint filers with children. In addition, it extended unemployment benefits to millions of workers who had lost their jobs.

However, these measures were only temporary solutions. In 2010, Congress passed the Wall Street Reform and Consumer Protection Act, which included provisions to increase taxes on high-income individuals and corporations. This legislation was intended to help pay for federal spending on health care, education, and other social programs.

In 2011, Congress passed the Budget Control Act, which included $1.2 trillion in deficit reductions over ten years, including $850 billion in taxes. This legislation was intended to deal with the nation’s long-term deficit and debt problems.

Despite these efforts, the federal budget remains in deficit, and the nation continues to grapple with its fiscal challenges.