





## MISSISSIPPI IS SHORTCHANGING WOMEN

Boost Women's and Families' Wages and Help Narrow the Gender Wage Gap: Create a Strong Equal Pay Law

## The Problem

#### Mississippi women and families are being shortchanged by substantial race and gender wage gaps

More than 55 years after the passage of the Equal Pay Act, Mississippi women are still paid less than men. When comparing all men and women who work full time, year round in Mississippi, women are paid just 75 cents for every dollar paid to their male counterparts.<sup>2</sup> But the wage gap experienced by women of color in Mississippi is even larger. Black women are paid just 56 cents for every dollar paid to white, non-Hispanic men.<sup>3</sup> Latinas and Native women are paid just 60 cents and 55 cents, respectively, for every dollar paid to white, Non-Hispanic men.<sup>4</sup> And Asian women are paid just 66 cents on the dollar.<sup>5</sup>

For Black women in Mississippi, this gap amounts to a loss of \$20,770 a year and a whopping \$830,800 over a 40-year career.<sup>6</sup> That means that the typical Black women in Mississippi would have to work until the age of 91—31 more years than her male counterparts who retire at age 60—to close this lifetime wage gap.<sup>7</sup> These lost wages severely reduce women's ability to save for retirement and contribute to Mississippi having one of the highest poverty rates in the country for Black women (30.4 percent).<sup>8</sup>

The wage gap is particularly devastating for Mississippi families. Seventy-eight percent of Mississippi mothers are breadwinners or co-breadwinners in their families, but Mississippi mothers working full time, year round are typically paid just 64 cents for every dollar paid to fathers.<sup>9</sup> The gap is even larger for Black mothers who are paid just 50 cents compared to white, non-Hispanic fathers.<sup>10</sup> And single mothers working full time, year round in Mississippi are paid just 54 cents for every dollar paid to married fathers,<sup>11</sup> contributing to Mississippi having the highest poverty rate in the country for female-headed families (50.1 percent).<sup>12</sup>

#### Race and gender wage gaps persist across occupations and education levels

Occupational segregation plays a role in Mississippi's large gender wage gaps, but it does not explain them away. Black women make up 37 percent of Mississippi's low-wage workforce despite accounting for only 19 percent of the state's total workforce, and only make up 9 percent of the state's high-wage workforce. But whether they work in low- or high-wage occupations, Black women are typically paid less than white, non-Hispanic men in the same occupations. Black women in Mississippi are clustered in Mississippi's health care and social assistance industry and accommodations and food services industry. Within the health care industry, Black women who work as personal care aides—a low-wage job—are paid only 67 cents for every dollar paid to white, non-Hispanic men in the same job. Black women who work as registered nurses—a medium-wage job—make only 77 cents for every dollar paid to white, non-Hispanic men who do this work. And among workers in high-wage occupations—such as lawyers, engineers, and physicians or surgeons—Black women are paid 56 cents for every dollar paid to white, non-Hispanic men

in the same occupations.17

While higher levels of education and training help to lift women's wages in Mississippi, they fail to close the gender wage gap, which persists across all education levels. In fact, Black women in Mississippi working full time, year round who have a Bachelor's degree are paid just 83 cents for every dollar paid to white, non-Hispanic men with only an Associate's degree. Black women have to earn a Doctorate degree to make slightly more than white, non-Hispanic men with an Associate's degree.

# Discriminatory stereotypes about women, especially women of color and mothers, help fuel these wage gaps

Mississippi's substantial wage gaps exist in part because of sex and race stereotypes that continue to infect workplace decision making. Too many employers still set pay based on inaccurate assumptions, such as the idea that families do not rely on women's income and that women do not need their paychecks as much as men do, or stereotypes about women's—and particularly, mothers'—competence and commitment to work.<sup>20</sup> Numerous research studies show that compared to men, equally qualified women are less likely to be hired, particularly for high-wage jobs, or are likely to be offered lower salaries.<sup>21</sup> For women of color, racial stereotypes combine with sex stereotypes to further decrease the work opportunities extended to women of color and increase the hyper-scrutiny of their work.<sup>22</sup>

The federal Equal Pay Act has prohibited pay discrimination for over 55 years, but courts have opened significant loopholes in the laws that can allow employers to pay women less than men doing the same work without any compelling business reason

On average, a Black woman in Mississippi loses \$20,770 annually to the wage gap. This could pay for 29 months of rent at \$728 per month, 55 months of child care for a four-year-old at \$379.66 per month, or 46 months of health insurance premiums at \$450.6 per month.<sup>1</sup> justifying that lower pay. Pay discrimination is also difficult to detect, in part because 61 percent of private sector employees report that discussing their wages is either prohibited or discouraged by employers.<sup>23</sup> Employers, therefore, lack the incentives to proactively take steps to ensure that pay disparities do not arise.

### The Solution

In the last few years, states across the country have been stepping up to strengthen their equal pay laws. But Mississippi is one of only two states in the nation without an equal pay law at all.

Mississippi urgently needs to pass an equal pay law that:

- Prohibits employers from retaliating against an employee who shares pay information with co-workers and makes clear that employees cannot contract away or waive their rights to discuss and disclose pay.
- Prohibits employers from requiring job applicants to provide their salary history and from relying on past salary to set pay so that pay discrimination in one job does not follow women throughout their careers.
- Requires equal pay for "substantially similar" or "comparable" work to ensure that jobs that are not identical but are similar in terms of skills, responsibility, and working conditions are compensated equally.
- Limits the reasons employers may offer to justify paying different wages to men and women in the same position and requires that employers that pay men and women different salaries for the same job provide a business justification.
- Specifies that the time period to pursue an equal pay claim starts over each time an employee receives a paycheck that is lower because of discrimination.
- Allows employees with successful pay discrimination claims to recover compensatory and punitive damages to fully compensate for the harm they experience as a result.
- Requires employers to provide job applicants and employees the salary range for their position to help level the negotiating playing field and incentivize employers to proactively review and evaluate their compensation practices and address any unjustified disparities between employees.
- Requires all companies that bid for and/or receive state contracts to analyze their pay practices for wage gaps, report race and

gender wage gaps, and certify ongoing compliance with equal pay laws and principles.

• Prohibits pay discrimination on the basis of race, ethnicity, disability, or other protected classes, in addition to sex, including intersectional discrimination that employees may experience based, for example, on the combination of their race and gender, or their disability and gender.

## Talking Points for the Solution

- Having an economy that works for everyone starts by ensuring that women are paid the same as men when they work in similar jobs.
- Families suffer when women are paid less. Ending discrimination in pay will not just help close the wage gap, but will strengthen Mississippi families and households. For example, bringing Black women's earnings in line with men's would bring in an additional \$20,770 a year to support the many Mississippi families that rely on a Black woman's income.
- Equal pay and pay transparency helps businesses' bottom line by increasing employee loyalty, productivity, and performance.<sup>25</sup> Equal pay also helps boost the national economy.<sup>26</sup>
- Strong equal pay protections are particularly important for the many women who graduate from Mississippi community colleges and public universities and choose to stay and contribute to the Mississippi economy. A higher percentage of women graduates of Mississippi community colleges and public universities stay and work in Mississippi after graduation than their male counterparts, but their wage growth is significantly slower than the fewer male graduates who stay to work in the state.<sup>27</sup>
- Eliminating the wage gap helps state budgets and reduces public costs. Equal pay for women would help ensure that state programs designed to help low-income families serve as a safety net for those who have fallen on hard times—not as a taxpayer subsidy to employers that fail to pay their workers fairly.
- A recent national poll found that 79 percent of women and 70 percent of men felt equal pay should be a top priority.26

- NWLC calculations based on U.S. Census Bureau, American Community Survey (ACS) 2012-2016 Five-year averages using Steven Ruggles, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek, Integrated Public Use Microdata Series (IPUMS): Version 8.0 [dataset]. Minneapolis: University of Minnesota, 2017, available at http://usa.ipums.org/usa/. Annual loses due to wage gap calculated by subtracting 2016 median income of full-time, year round Black female workers from white, non-Hispanic male workers.
- <sup>2</sup> NAT'L WOMEN'S LAW CTR., THE WAGE GAP, STATE BY STATE: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-state/.
- 3 NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR BLACK WOMEN: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-black-women/.
- 4 NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR LATINAS: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-latinas/; NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR NATIVE WOMEN: 2016 (April 2018), https://nwlc.org/resources/equal-pay-for-native-women/.
- 5 NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR ASIAN WOMEN: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-asian-women/.
- 6 NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR BLACK WOMEN: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-black-women/; NAT'L WOMEN'S LAW CTR., THE LIFETIME WAGE GAP BY STATE FOR BLACK WOMEN: 2016 (April 2018), https://nwlc.org/resources/the-lifetime-wage-gap-by-state-for-black-women/.
- NAT'L WOMEN'S LAW CTR., THE LIFETIME WAGE GAP BY STATE FOR BLACK WOMEN: 2016 (April 2018), https://nwlc.org/resources/the-lifetime-wage-gap-by-state-for-black-women/.
- 8 NAT'L WOMEN'S LAW CTR., WOMEN AND POVERTY, STATE BY STATE, 2016 (Sept. 2017), https://nwlc.org/resources/women-and-poverty-state-state/.
- SARAH JANE GLYNN, CTR. FOR AMERICAN PROGRESS, BREADWINNING MOTHERS ARE INCREASINGLY THE U.S. NORM, Table 4 (Dec. 2016), https://www.americanprogress.org/issues/women/reports/2016/12/19/295203/breadwinning-mothers-areincreasingly-the-u-s-norm/; NAT'L WOMEN'S LAW CTR., THE WAGE GAP FOR MOTHERS BY RACE, SATE BY STATE (May 2018), https://nwlc.org/resources/the-wage-gap-for-mothers-state-by-state-2017/.
- 10 Ic
- <sup>11</sup> NWLC calculations based on 2016 ACS 1-year averages using IPUMS.
- 12 NAT'L WOMEN'S LAW CTR., WOMEN AND POVERTY, STATE BY STATE, 2016 (Sept. 2017), https://nwlc.org/resources/women-and-poverty-state-state/.
- NWLC calculations based on U.S. Census Bureau, American Community Survey (ACS) 2016 1-year averages using Steven Ruggles, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek, Integrated Public Use Microdata Series (IPUMS): Version 8.0 [dataset]. Minneapolis: University of Minnesota, 2017, available at http://usa.ipums.org/usa/.
- NWLC calculations based on ACS 2016 1-year averages using IPUMS. Wage gap calculated using the 2016 median income of full-time, year round workers in each industry. In 2016, Black women made up approximately one-third of Mississippi's health care and social assistance industry (34 percent) and accommodations and food services industry (29 percent).
- 15 *Id*.
- <sup>16</sup> *Id*.
- 17 NWLC calculations based on ACS 2016 1-year averages using IPUMS. High-wage jobs are those that pay \$48 per hour or more (about \$100,000 per year).
- NWLC calculations based on U.S. Census Bureau, Current Population Survey (CPS) 2016 1-year averages using IPUMS.
- NWLC calculations based on U.S. Census Bureau, Current Population Survey (CPS) 2016 1-year averages using IPUMS. In 2016, the median income for Black women in Mississippi who held a Doctorate degree was \$58,000 compared to \$54,000 for white, non-Hispanic men with an Associate's degree.
- See, e.g., Shelley J. Correll, Stephen Benard, and In Paik, Getting a Job: Is There a Motherhood Penalty? American Journal of Sociology, Vol. 112, No. 5, 1297, 1307 (March 2007).
- <sup>21</sup> See, e.g., Corrine A. Moss-Racusin, et al., Science faculty's subtle gender biases favor male students, Proceedings of the Nat'l Academy of Sciences of the United States of America (Aug. 2012), available at http://www.pnas.org/content/109/41/16474.abstract#aff-1.
- See generally Joan C. Williams, Katherine W. Phillips, Erika V. Hall, Double Jeopardy? Gender Bias Against Women of Color in Science (2014), http://www.uchastings.edu/news/articles/2015/01/double-jeopardy-report.pdf; Deepali Bagati, Catalyst, Women of Color in U.S. Law Firms (2009), http://www.catalyst.org/system/files/Women\_of\_Color\_in\_U.S.\_Law\_Firms.pdf; Joan C. Williams and Marina Multhaup, For Women and Minorities to Get Ahead, Managers Must Assign Work Fairly, HARVARD BUSINESS REVIEW (March 5, 2018), https://bbr.org/2018/03/for-women-and-minorities-to-get-ahead-managers-must-assign-work-fairly.
- 23 INST. FOR WOMEN'S POLICY RESEARCH, PAY SECRECY AND WAGE DISCRIMINATION (2014), available at http://www.iwpr.org/publications/pubs/ pay-secrecy-and-wage-discrimination-1/at\_download/file.
- <sup>24</sup> NAT'L WOMEN'S LAW CTR., THE WAGE GAP BY STATE FOR BLACK WOMEN: 2016 (April 2018), https://nwlc.org/resources/wage-gap-state-black-women/.
- See ANDREW CHAMBERLAIN, IS SALARY TRANSPARENCY MORE THAN A TREND?, GLASSDOOR (Apr. 27, 2015), https://www.glassdoor.com/research/stud-es/is-salarytransparency-more-than-a-trend/; Deborah Thompson Eisenberg, Money, Sex and Sunshine: A Market-Based Approach to Pay Discrimination, 43 Ariz. State L.J. 951, 1001-15 (2011).
- 26 INST. FOR WOMEN'S POL'Y RESEARCH, THE ECONOMIC IMPACT OF EQUAL PAY BY STATE (May 2017), available at https://iwpr.org/publications/economic-impactegual-pay-state/.
- <sup>27</sup> Calculations based on Mississippi Lifetracks Statewide Longitudinal Data System (SLDS) Reporting Service. National Strategic Planning and Analysis Research Center (nSPARC), Mississippi State University. available at https://lifetracks.ms.gov.
- 28 The Washington Post/Kaiser Family Foundation, Feminism Survey (Jan. 2016), available at http://files.kff.org/attachment/topline-methodology-washington-post-kaiser-family-foundation-feminism-survey.