

3

Women and Economics

Highlights

- Between 1950 and 2005, the number of women in Iowa's labor force increased 201.3 percent, from 249,524 to 751,798. In 2005, 64.6 percent of women age 16 and older were in Iowa's workforce.
- Women represented an estimated 47.3 percent of the total workforce in Iowa in 2005.
- In 2005, the median earnings for full-time male employees who worked year-round in Iowa were \$39,275; the median earnings for women were \$29,384.
- In 2005, 34.5 percent of all female-headed households, no husband present with children under the age of 18 lived in poverty.
- In 1995, Iowa women comprised just 6.9 percent of members on boards of directors of Iowa's largest publicly owned corporations.
- Women had primary ownership in 64,408 businesses in 2004.

—Chapter 3—

Women and Economics

3.1 Introduction

Iowa women’s economic status is tenuous. Despite some efforts, Iowa women and men are still clustered into jobs that are either predominately male or female. Certain occupational classifications traditionally held by women are characterized by low pay, few benefits, and little, if any, chance for advancement. The result is that more women, many of whom are single parents, than men live in poverty.

3.2 Labor Force Participation

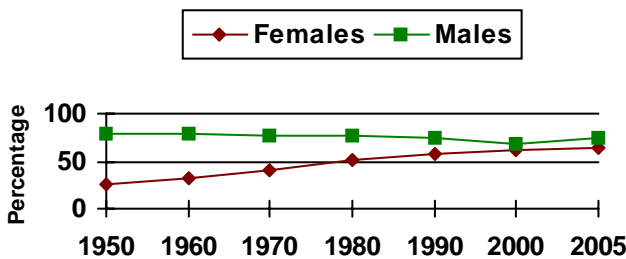
Between 1950 and 2005, the number of women in Iowa’s labor force increased 201.3 percent while the number of men in the labor force increased by only 8.7 percent. According to census data, 249,524 women were in the labor force in 1950, climbing to 751,798 in 2005. Males increased from 772,286 in 1950 to 839,124 in 2005. (SEE FIGURES 3.1 AND 3.2) In 2005, the percentage of Iowa women in the labor force was 64.6 percent, up

from 25.3 percent in 1950.¹

In 2005, women represented nearly half, 47.3 percent, of the total workforce in Iowa, up from just one-quarter, 24.6 percent, in 1950.² (SEE FIGURE 3.3)

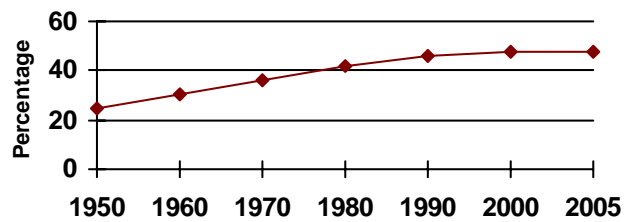
These changes can be attributed to a number of factors, including financial pressure to work outside the home to support families as well as increased educational and professional opportunities.

Figure 3.1
FEMALES AND MALES IN LABOR FORCE, IOWA, 1950-2005



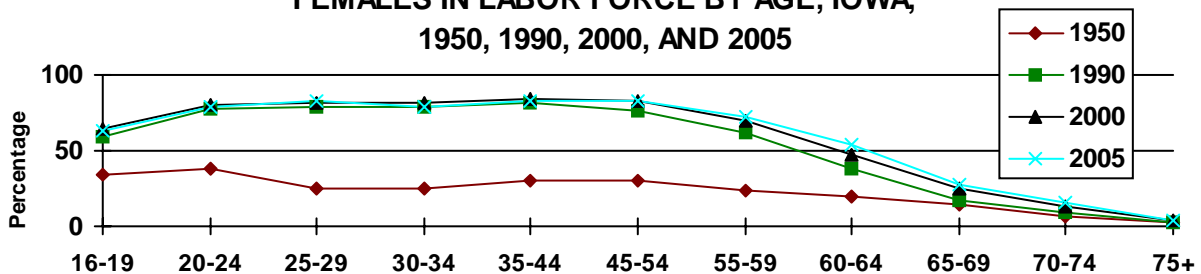
SEE TABLE 3.1 IN APPENDIX
SOURCE: US Census

Figure 3.3
LABOR FORCE THAT IS FEMALE IOWA, 1950-2005



SEE TABLE 3.3 IN APPENDIX
SOURCE: US Census

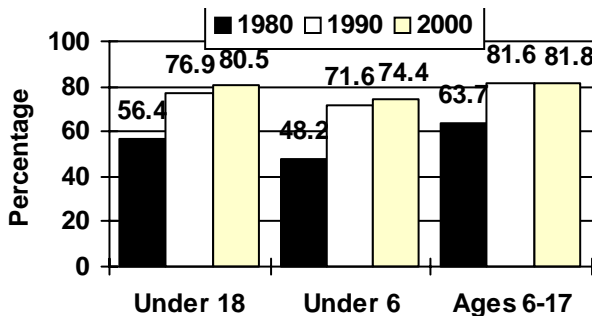
Figure 3.2
FEMALES IN LABOR FORCE BY AGE, IOWA, 1950, 1990, 2000, AND 2005



SEE TABLE 3.2 IN APPENDIX SOURCE: US Census and Sandra Charvat Burke, Iowa State University

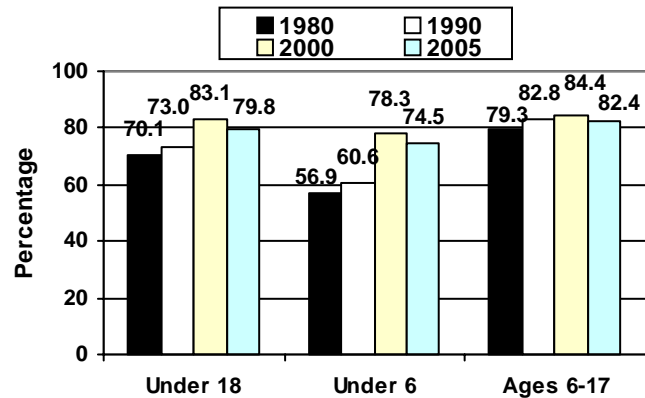
A growing number of women with children are in Iowa's workforce. From 1980 to 2005, the percentage of married women in the workforce with children under age 18 rose 22.7 percent. That number increased 9.7 percent for single women with children. Seventy-nine percent of married women with children under 18 were in the labor force in 2005. (SEE FIGURES 3.4 AND 3.5)

Figure 3.4
MARRIED FEMALES IN LABOR FORCE WITH CHILDREN, IOWA, 1980, 1990, AND 2000



SOURCE: State Library of Iowa and Sandra Charvat Burke, Iowa State University

Figure 3.5
FEMALES IN LABOR FORCE, NO HUSBAND PRESENT, WITH CHILDREN, IOWA, 1980, 1990, 2000, AND 2006



SOURCE: US Census and Sandra Charvat Burke, Iowa State University

3.3 Occupations and Income

In 2005, Iowa women working full time made 75 cents for every \$1 a man made. In 2005, 60.3 percent of women made \$25,000 or less while 61.8 percent of men made \$25,000 or more.³ In 2003 the U.S. Census Bureau reported that women in the United States made only 76

cents for every dollar men made. The median earnings for Iowa men who worked year-round, full-time was \$39,275 in 2005 compared to \$29,384 for full-time women workers. (SEE FIGURE 3.6) This wage disparity reflects the occupational choices of males and females, the wage differences between male- and female-dominated jobs,

Figure 3.6
EARNINGS BY GENDER, IOWA, 1979, 1989, 1999 AND 2005

Median Earnings:

	Full-time Employees		Other than Full-time Employees	
	MALE	FEMALE	MALE	FEMALE
1979	\$17,297	\$9,846 (56.9%)	\$6,219	\$3,398 (54.6%)
1989	\$25,391	\$16,465 (64.8%)	\$9,726	\$5,918 (60.8%)
1999	\$32,697	\$24,023 (73.5%)	\$9,331	\$7,797 (83.6%)
2005	\$39,275	\$29,384 (74.8%)	\$10,649	\$9,708 (91.2%)

Average Earnings:

	<u>-\$15,000</u>	<u>\$15,000-\$24,999</u>	<u>\$25,000-\$34,999</u>	<u>\$35,000 or More</u>
1979				
Male	39.1%	40.7%	12.4%	7.8%
Female	83.2%	14.6%	1.5%	0.7%
1989				
Male	17.8%	31.1%	24.2%	27.0%
Female	42.4%	37.7%	14.0%	5.9%
1999				
Male	8.0%	19.8%	25.8%	46.4%
Female	15.8%	37.1%	25.4%	21.6%
2005				
Male	23.6%	14.8%	17.6%	44.2%
Female	38.9%	21.4%	17.0%	22.7%

SOURCE: US Census and Sandra Charvat Burke, Iowa State University

and the gender pay gap that exists in many of the same occupations.

The 2005 census data also revealed that the 37.1 percent of Iowa’s female wage-earning workers were in sales and administrative support positions. Those are commonly referred to as “sticky floor” occupations because the pay tends to be low with limited potential for advancement. Comparatively, the largest percentage of male wage earners in the state, 32.9 percent, were employed in managerial or professional jobs that tend to pay higher wages. (SEE FIGURES 3.7-3.9)

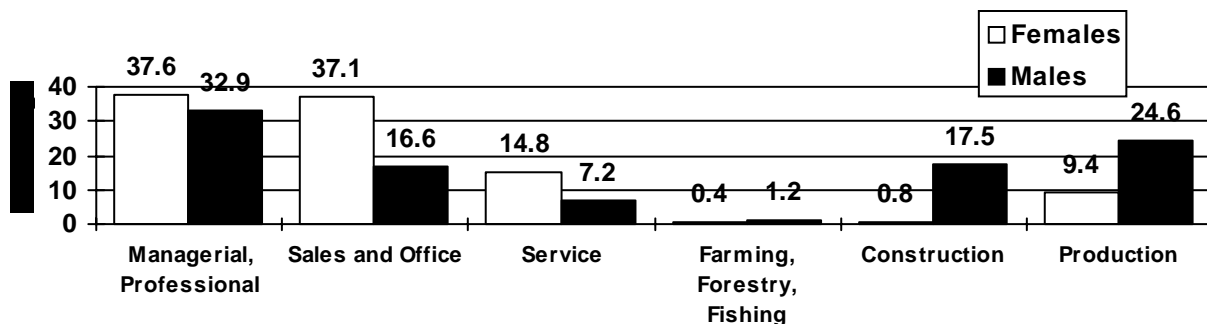
One such sticky floor occupation is certified nurse assistants (CNA). Released in December 2004, a statewide wage and benefit survey of Iowa caregivers, sponsored in part by the Iowa Commission on the Status of Women, showed that Iowa CNAs are underpaid — 35 percent earned less than \$10 per hour and 82 percent earned less than \$12 per hour. Although most CNAs work

in long-term care facilities, CNAs who work in home care are almost twice as likely to earn \$10 or less per hour. The study also found that 96 percent of CNAs are female.

Contingency workers, who are mostly female, also earn low wages. Contingency jobs are those jobs that are temporary, part-time or contractual and usually have few or no benefits and no job security. A study completed in fall 2001 by Boddy Media for the Iowa Commission on the Status of Women, found that two-thirds of Iowa’s contingency workers are female. Workers are also most likely to be urban, single, parenting pre-school age children, have no more than a high-school education and work in sales/marketing. Forty-one percent earn \$10.99 per hour or less and 57 percent receive no benefits.

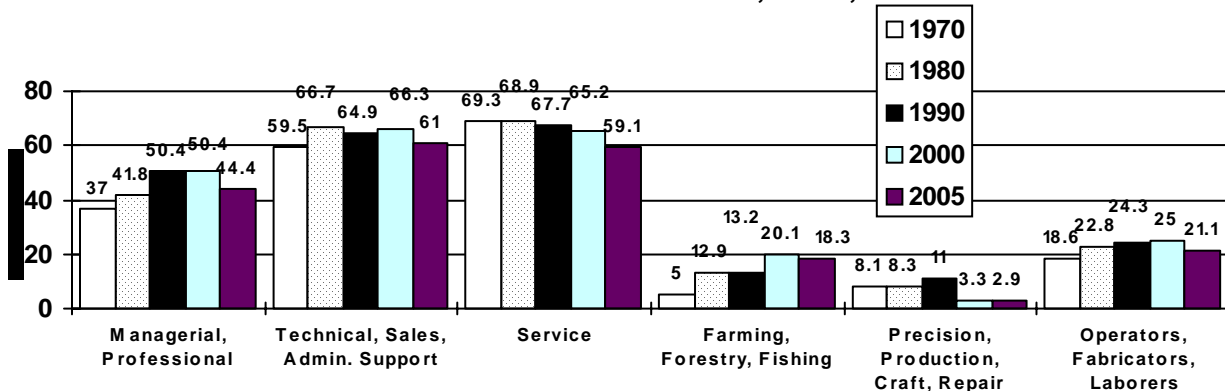
Males in Iowa also outnumber females in many of the professions, but that is changing, particularly for

Figure 3.7
OCCUPATIONS OF FEMALES AND MALES, IOWA, 2005



SOURCE: US Census

Figure 3.8
OCCUPATIONS HELD BY FEMALES, IOWA, 1970-2005



SOURCE: US Census

Figure 3.9
CONCENTRATION OF WORKERS IN JOBS, IOWA, 2005*

<u>OCCUPATION</u>	<u>%MALE</u>	<u>AVERAGE HOURLY WAGE</u>	<u>OCCUPATION</u>	<u>%FEMALE</u>	<u>AVERAGE HOURLY WAGE</u>
1) Bus/Truck Mechanic	99.6%	\$15.85	1) Dental Hygienist	99.1%	\$28.18
2) Heavy Vehicle Mechanic	99.3%	\$15.48	2) Dental Assistant	99.0%	\$14.11
3) Mechanic/Repairer	99.2%	\$10.88	3) Pre-K/Kindergarten Teacher	98.7%	\$12.42
4) Cement Mason/Finisher	99.2%	\$14.72	4) Secretary	97.7%	\$13.64
5) Automobile Mechanic	98.8%	\$14.46	5) Child Care Worker	96.8%	\$ 7.93
6) Construction Supervisor	98.6%	\$24.94	6) Registered Nurse	95.7%	\$21.62
7) Plumber	98.5%	\$19.42	7) Licensed Practical Nurse	95.4%	\$15.47
8) Carpenter	98.4%	\$16.15	8) Paralegal/Legal Asst.	95.1%	\$18.51
9) Electrical Worker	98.3%	\$24.80	9) Hairdresser/Cosmetologist	95.1%	\$11.09
10) Brickmason	98.0%	\$18.27	10) Typist	94.9%	\$12.05

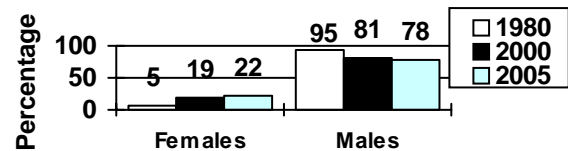
**Ten jobs held primarily by women pay a weighted average of \$14.54 an hour, compared to \$17.66 paid by ten jobs held primarily by men—a difference of \$3.12 per hour, or \$124.80 per week.*

SOURCE: Labor Market Information Bureau, Iowa Workforce Development

lawyers and doctors. According to the Iowa Bar Association, although they do not have the exact figures of women lawyers in the state (the latest estimate being 2/5 of all lawyers), women graduating from law school in the nation and in Iowa today nearly equals that of men. The same is true for physicians. Although females in 2005 comprised only 22 percent of the state's physicians, they are 45 percent of statewide family practice residents, and 47.3 percent of medical students and 33.6 percent of new residents in all specialties at the University of Iowa.⁴(SEE FIGURE 3.10) These occupations tend to pay more than the traditionally female dominated jobs.

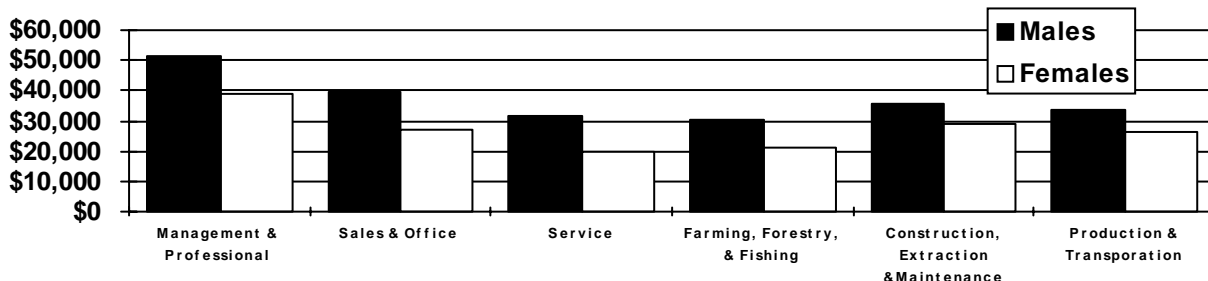
Yet, even within the same occupational categories, (professional, skilled, etc.) Iowa women were shown in 2005 to have made less than men. (SEE FIGURE 3.11)

Figure 3.10
PHYSICIAN POPULATION, BY GENDER
IOWA, 1980, 2000, AND 2005



SOURCE: College of Medicine, The University of Iowa

Figure 3.11
AVERAGE INCOME BY OCCUPATION AND GENDER, IOWA, 2005



SOURCE: US Census

3.4 Poverty

Low wages in female-dominated occupations, and many women in low-paying jobs, contribute to the fact that so many women and their families live in poverty. Almost ten percent (9.9%) of all Iowa's adults lived in poverty in 2005.⁵ More females than males were living in poverty at almost every age group. (SEE FIGURE 3.12)

Throughout the 1980s, the number of displaced homemakers and single mothers in Iowa dramatically rose and their income status became even more tenuous. In 1994, 7.8 million women in the United States were displaced homemakers. By 2003 that number had decreased to 7.3 million.⁶

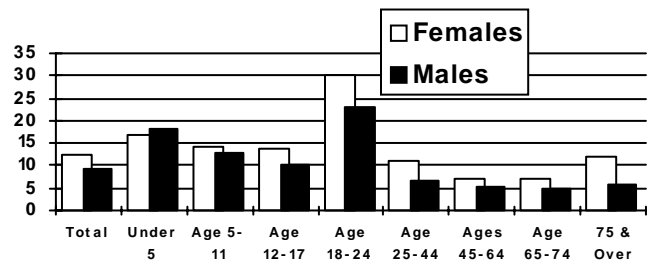
Displaced homemakers are those who have worked principally in the home providing unpaid household services for family members, who are unemployed or underemployed, who have had or would apparently have difficulty finding appropriate paid employment, who are or who have been dependent on the income of another family member but who are no longer supported by that income, and who have been dependent upon government assistance, or who are supported as the parent of a minor. Women dominate these numbers.

Census data show that in 2003 there were 57,298 displaced homemakers in Iowa, a decrease of 2.8 percent from 1994.⁷ Furthermore, 34.5 percent of female-headed households, no husband present, with children under age eighteen lived in poverty in 2005, down from 45.1 percent in 1989.⁸ Since children living in single-parent families are more likely to live with their mothers, they are more likely to live in poverty. (SEE FIGURES 3.13 AND 3.14)

Rural women are affected to a greater extent by poverty. The poverty rate in the rural United States is greater than that of metropolitan areas. Rural families headed by women experienced the highest poverty rates of all family types (over 40% in rural areas compared to 34.4% in urban areas). A high proportion of rural women living alone were also poor (30.4%). More than one-fifth of rural children lived in poor families.⁹

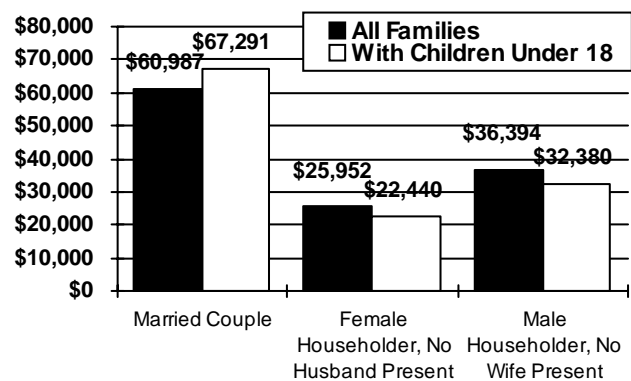
The vast majority of households receiving cash assistance under the state-federal program called Family Investment Program (FIP) in Iowa are headed by single females – 83.0 percent of adult FIP recipients are women. About 1,572 households on FIP are two-parent families. (In 2006 there were 16,988 regular FIP cases.)¹⁰ Women recipients of state assistance significantly outnumber men recipients (10,435 women to 2,131 men). In fiscal year 2006, women received the majority of assistance in programs such as FIP, Medicaid, Iowa Promise Jobs, food stamps, transitional child care, and child care block grant monies.¹¹

Figure 3.12
POVERTY BY AGE AND GENDER
IOWA, 2005



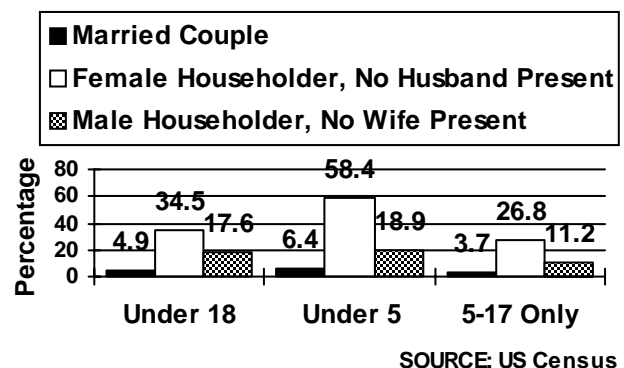
SEE TABLE 3.4 IN APPENDIX SOURCE: US Census

Figure 3.13
MEDIAN INCOME BY FAMILY TYPE
IOWA, 2005



SOURCE: US Census

Figure 3.14
POVERTY BY AGE OF CHILDREN
IOWA, 2005



SOURCE: US Census

3.5 Retirement Income

While pay discrepancies that occur when women are working may be more often discussed, women's retirement income must also be considered. Reports indicate more women than men encounter financial hardship during retirement. Living longer, meager savings, divorce, low participation rates in 401(k)s and IRAs, and caregiving are just some of the factors that affect women's retirement income. According to Women's Institute for a Secure Retirement (WISER), the retirement gap for older women is 53 cents.

Experts in financial planning suggest using the analogy of a three-legged stool to describe the need for retirement income: Social Security benefits, pension plan, and individual savings. While all workers need to save for retirement, women face additional challenges because many have lower earnings, may have interruptions of work for family obligations, are employed in industries with low or no pension coverage, and tend to live longer than men. Women reaching retirement with smaller pensions and other assets can find themselves at a disadvantage on all three "legs."

WISER released a 2006 report that found women depend more on Social Security than men and that women lag behind men in the amount of Social Security income they receive. Ninety percent of older women receive Social Security; of this, one in four women rely on it as their only source of income. Over half would be in poverty were it not for their Social Security benefits. The average benefit for men is \$1076 a month and the average benefit for women is \$826.

Because women switch jobs more often, they have a greater chance of forfeiting their pension benefits. In 2003, 32 percent of retired women received income from private pensions. Comparatively, 55 percent of men received private pensions. Of those who received such income, the median benefit for women was 44 percent of the median benefit for men (\$5,230 vs. \$11,784).

Women's lower earnings often leave them with fewer resources to invest. The current generation of unmarried elderly women has less than \$1,278 in asset income, which amounts to about \$106 per month.

While retirement planners agree that starting young can give maximum retirement earnings, women do not save enough. School loans, car payments, rent, and mortgages can all take precedence over securing retirement income. Nationally, less than half – 47.2 percent — of women participate in a pension plan.

3.6 Corporate Boards

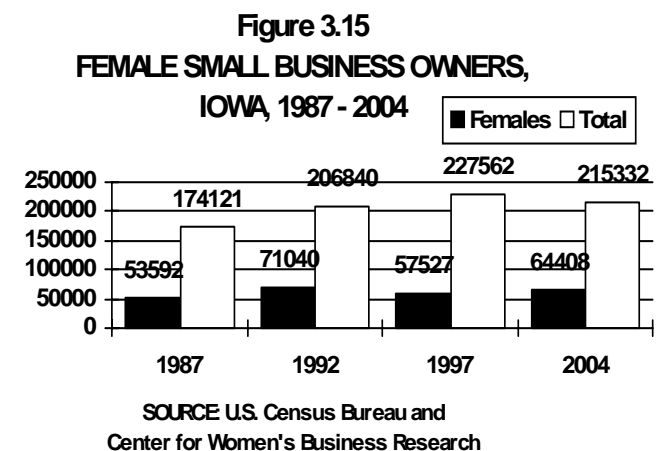
Often times, Iowa women who are able to get their shoes "unstuck" from the "sticky floor" find themselves bumping their heads on the "glass ceiling." Evidence of that is shown in the Iowa Commission on the Status of Women and Iowa Department of Economic Development's 1995 study on women who held board seats in Iowa's largest publicly owned corporations in the state.

Of the 289 directors' seats in the study, only 20 were filled by women. All of those were white women. Furthermore, a double standard existed in the amount of education held by male and female board members. The largest percentage of women on boards of Iowa's largest publicly-owned companies had their master's degree while the largest percentage of men had their undergraduate degree.¹¹

A 2004 study by Nexus Executive Women's Alliance showed that among the top ten publicly owned corporations in Iowa, 17 percent of their board positions were filled by women. Catalyst reported in 2006 that between April 2004 and March 2005 Iowa had two Fortune 500 companies: Maytag Corporation and Principal Financial Group. Twenty-five percent of their boards were women. This was considerably higher than the national report which found that women held 14.7 percent of all Fortune 500 board seats

3.7 Business Owners

The number of women leading their own businesses in Iowa has decreased from 1992. The Center for Women's Business Research estimated that in 2004, there were 64,408 privately-held women-owned businesses in Iowa. (SEE FIGURE 3.15)



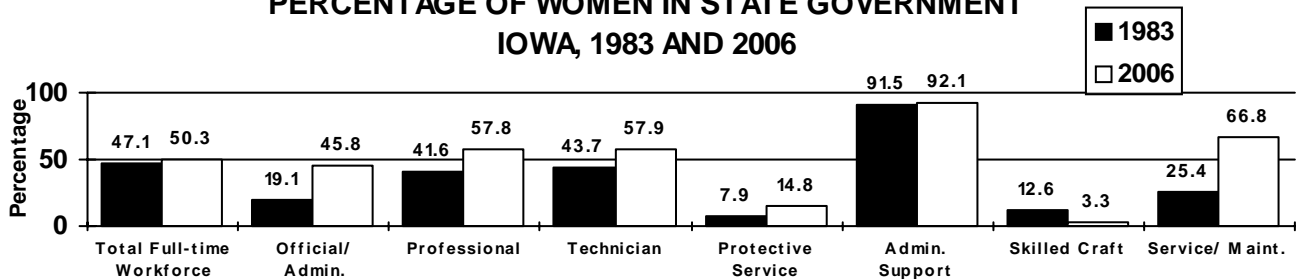
3.8 State Government

In 1982, the Governor’s Affirmative Action Task Force was created to review the progress of affirmative action in the state and to make recommendations for change.

Greater emphasis on affirmative action since then has resulted in gains for Iowa women in employment in state government. For example, the percentage of women in official/administrative positions in the government climbed from 19.1 percent in 1983 to 45.8 percent in 2006. The percentage of women in professional positions went from 41.6 percent to 57.8 percent. (SEE FIGURE 3.16)

State department head positions that were filled by women as of October 2006 included Administrative Services, Cultural Affairs, Education, Iowa Law Enforcement Academy, IPERS, Public Health, and Transportation. While the State of Iowa is improving its hiring of women for previously male-dominated occupations, it is having a tougher time attracting males to its female-dominated occupations such as administrative support and paraprofessional positions. From 1983 to 2005, the percentage of women in paraprofessional positions remained high—71.8 percent to 75.6 percent. Administrative support remained a female domain at 91.5 percent in 1983 and 92.1 percent in 2006. (SEE FIGURE 3.16)

Figure 3.16
PERCENTAGE OF WOMEN IN STATE GOVERNMENT
IOWA, 1983 AND 2006



SOURCE: Iowa Department of Administrative Services

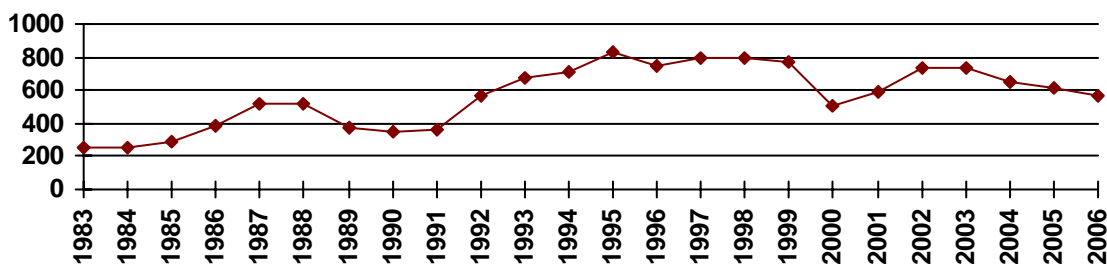
3.9 Sexual Discrimination

Title VII of the Civil Rights Act of 1964 and the Iowa Civil Rights Act of 1965 are the principal laws that protect workers from discrimination in employment. The acts make it unlawful to discriminate on the basis of sex as well as other protected characteristics. The Iowa Civil Rights Commission (ICRC) is the state’s antidiscrimination agency that serves as a contact point for citizens who believe that they have been discriminated against in the areas of employment, housing, credit, public accommodations, and education.

Eighty-four and four-tenths of a percent of the discrimination complaints received by the ICRC are employment related.¹³ In 2006, there were 570 sex discrimination complaints made to the ICRC. In 1995, there were 830 sex discrimination complaints.¹³ (SEE FIGURE 3.17)

From 1983 to 2006, complaints were most often made in the area of sex discrimination with exceptions in 1983, 1991, 1996-2002, and 2005 when it was the second most common complaint.

Figure 3.17
COMPLAINTS FILED ON SEX DISCRIMINATION TO THE
IOWA CIVIL RIGHTS COMMISSION, 1983-2006



SEE TABLE 3.5 IN APPENDIX

SOURCE: Iowa Civil Rights Commission

3.10 Forward-looking Strategies

■ Equal pay for work of equal value is one solution to gender-based income differences. Enactment of the Fair Pay Act by Congress would seek to eliminate wage discrimination based upon sex, race, or national origin. The legislation would require employers to provide equal pay for work whose requirements are equivalent, when viewed as a composite of skills, effort, responsibility, and working conditions.

■ Women often become displaced homemakers after the death of a spouse (or a divorce) and experience subsequent financial hardships. A need exists for the continued support of displaced homemaker programs in the state, particularly through increased funding for programs through the Iowa Commission on the Status of Women, Iowa Department of Human Rights.

■ To further address gender wage disparities, Congress should enact the Paycheck Fairness Act, which would lift the gag rule imposed by many employers who forbid employees from discussing their wages with their coworkers, and would allow compensatory and punitive damages to victims of unequal wage practices.

■ Iowa should develop a plan to achieve pay equity for employees in private industry, thereby eliminating wage discrimination on the basis of gender.

■ Measures must be designed to guarantee affordable, accessible, quality child care, in particular for women seeking training and/or employment;

income guidelines to qualify for child care reimbursement should be adjusted above the current 140 percent of the poverty level; and funding should be increased for child care subsidy programs for low-income Iowans.

■ Iowa must continue its efforts in training and placing women in nontraditional occupations through state-operated employment and training programs.

■ Women entrepreneurs often face barriers that are not usually encountered by men: lack of socialization to entrepreneurship, exclusion from traditional male-dominated business networks, lack of money, and gender stereotypes. The State should continue to offer loans and programs to assist women who wish to start their own businesses, including the Targeted Small Business Program.

■ The Family Investment Program (FIP) should be modified to allow continued financial assistance until the recipient earns a living wage plus medical care, to allow some participants to be full-time mothers, and to recognize the need for a parent to stay home to care for a sick child.

■ Advocacy for the elimination of sexual harassment and sexual discrimination in the workforce must be continued.

¹ State Library of Iowa, State Data Center Program, *Employment Status for Iowa: 1950-2000*, http://www.silo.lib.ia.us/specialized_services/datacenter/data_tables/State/stemployment19502000.pdf, and U.S. Census Bureau, American Community Survey, 2005.

²Ibid.

³U.S. Census Bureau, American Community Survey, 2005.

⁴ College of Medicine, The University of Iowa.

⁵ U.S. Census Bureau, American Community Survey, 2005.

⁶Women Work! The National Network for Women's Employment, *Women Work, Poverty Persists: A Status Report on Displaced Homemakers and Single Mothers in the United States*, 1994 and *Women Work, Poverty Still Persists: A Status Report on Displaced Homemakers and Single Mothers in the United States*, 1998 and *Women Work,*

Poverty Still Persists: A Status Report on Displaced Homemakers and Single Mothers in the United States, 2003.

⁷ Ibid.

⁸ U.S. Census Bureau, American Community Survey, 2005.

⁹ American Psychological Association's Rural Women's Work Group, *The Behavioral Health Care Needs of Rural Women*, 2002, accessed on <http://www.apa.org/rural/ruralwomen.pdf>. Referenced by Institute for Women's Policy Research, *The Status of Women in Iowa*, 2002.

¹⁰Iowa Department of Human Services.

¹¹ Ibid.

¹² Iowa Commission on the Status of Women within the Iowa Department of Human Rights, and the Iowa Department of Economic Development.

¹³Iowa Civil Rights Commission.

¹⁴Ibid.

Chapter 3: Women and Economics

Table 3.1
PERCENTAGE OF FEMALES AND MALES IN
LABOR FORCE, IOWA, 1950-2005

<u>Year</u>	<u>Females</u>	<u>Males</u>
1950	25.3	79.7
1960	31.9	78.1
1970	40.0	77.2
1980	50.1	76.3
1990	57.8	75.0
2000	62.7	68.2
2005	64.6	75.5

Table 3.2
PERCENTAGE OF FEMALES IN LABOR FORCE
BY AGE, IOWA, 1950, 1990, 2000 AND 2005

<u>Age</u>	<u>1950</u>	<u>1990</u>	<u>2000</u>	<u>2005</u>
16-19	34.3	59.3	64.9	62.6
20-24	38.6	77.1	80.4	79.0
25-29	25.5	79.2	81.8	82.7
30-34	24.6	79.2	81.5	79.2
35-44	30.2	82.1	83.6	82.6
45-54	29.8	75.8	82.4	83.0
55-59	24.0	61.6	69.8	72.4
60-64	19.5	38.4	47.2	54.4
65-69	14.4	17.5	25.2	28.0
70-74	7.2	8.9	13.4	16.3
75+	2.8	2.6	4.1	4.5

Table 3.3
PERCENTAGE OF LABOR FORCE THAT
IS FEMALE, IOWA, 1950-2005

<u>Year</u>	<u>Females</u>
1950	24.6
1960	30.2
1970	36.5
1980	41.8
1990	46.0
2000	47.4
2005	47.3

Table 3.4
PERCENTAGE IN POVERTY BY AGE AND GENDER,
IOWA, 2005

<u>Age</u>	<u>Females</u>	<u>Males</u>
Total	12.3%	9.4%
Under 5	16.8%	18.2%
5-11	14.1%	12.7%
12-17	19.3%	10.1%
18-24	30.2%	23.0%
25-44	11.2%	6.8%
45-64	6.9%	5.3%
65-74	7.3%	4.7%
75+	12.1%	5.8%

Table 3.5

COMPLAINTS FILED ON SEX DISCRIMINATION TO
THE IOWA CIVIL RIGHTS COMMISSION, 1983-2006

<u>Year</u>	<u>Complaints</u>
1983	254
1984	251
1985	287
1986	384
1987	514
1988	521
1989	378
1990	351
1991	359
1992	566
1993	678
1994	709
1995	*830
1996	745
1997	796
1998	792
1999	769
2000	509
2001	574
2002	730
2003	732
2004	*645
2005	609
2006	570

*The 1995 and 2004 figures are an estimate