

Y4
.Ec 1
W 84/4

95 Y4
Ec 1
W 84/4

AMERICAN WOMEN WORKERS IN A FULL EMPLOYMENT ECONOMY

GOVERNMENT

Storage DOCUMENTS

JUN 26 1978

FARRELL LIBRARY
KANSAS STATE UNIVERSITY

HEARING

BEFORE THE

SUBCOMMITTEE ON

ECONOMIC GROWTH AND STABILIZATION

OF THE

JOINT ECONOMIC COMMITTEE

CONGRESS OF THE UNITED STATES

NINETY-FIFTH CONGRESS

FIRST SESSION

SEPTEMBER 16, 1977

Printed for the use of the Joint Economic Committee

KSU LIBRARIES



111900 981725 ✓



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1978

47
732
#148 W

DOCUMENTS
JUL 1964

JOINT ECONOMIC COMMITTEE

(Created pursuant to sec. 5(a) of Public Law 304, 79th Cong.)

RICHARD BOLLING, Missouri, *Chairman*

HUBERT H. HUMPHREY, Minnesota, *Vice Chairman*

HOUSE OF REPRESENTATIVES

HENRY S. REUSS, Wisconsin
WILLIAM S. MOORHEAD, Pennsylvania
LEE H. HAMILTON, Indiana
GILLIS W. LONG, Louisiana
OTIS G. PIKE, New York
CLARENCE J. BROWN, Ohio
GARRY BROWN, Michigan
MARGARET M. HECKLER, Massachusetts
JOHN H. ROUSSELOT, California

SENATE

JOHN SPARKMAN, Alabama
WILLIAM PROXMIRE, Wisconsin
ABRAHAM RIBICOFF, Connecticut
LLOYD BENTSEN, Texas
EDWARD M. KENNEDY, Massachusetts
JACOB K. JAVITS, New York
WILLIAM V. ROTH, Jr., Delaware
JAMES A. McCLURE, Idaho
ORRIN G. HATCH, Utah

JOHN R. STARK, *Executive Director*

LOUIS C. KRAUTHOFF II, *Assistant Director*

RICHARD F. KAUFMAN, *General Counsel*

ECONOMISTS

G. THOMAS CATOR
WILLIAM A. COX
THOMAS F. DERNBURG
ROBERT D. HAMRIN

KENT H. HUGHES
SARAH JACKSON
JOHN R. KARLIK
L. DOUGLAS LEE

PHILIP McMARTIN
DEBORAH NORELLI
GEORGE R. TYLER

MINORITY

CHARLES H. BRADFORD
M. CATHERINE MILLER

STEPHEN J. ENTIN

GEORGE D. KRUMBHAAR, Jr.
MARK R. POLICINSKI

SUBCOMMITTEE ON ECONOMIC GROWTH AND STABILIZATION

HUBERT H. HUMPHREY, Minnesota, *Cochairman*

LLOYD BENTSEN, Texas, *Cochairman*

SENATE

ABRAHAM RIBICOFF, Connecticut
JACOB K. JAVITS, New York
WILLIAM V. ROTH, Jr., Delaware

HOUSE OF REPRESENTATIVES

RICHARD BOLLING, Missouri
LEE H. HAMILTON, Indiana
GARRY BROWN, Michigan
MARGARET M. HECKLER, Massachusetts

CONTENTS

WITNESSES AND STATEMENTS

FRIDAY, SEPTEMBER 16, 1977

	Page
Javits, Hon. Jacob K., member of the Subcommittee on Economic Growth and Stabilization: Opening statement-----	1
Sawhill, Isabel V., staff director, National Commission for Manpower Policy-----	3
Sandell, Steven H., assistant professor of economics and research associate, Center for Human Resource Research, Ohio State University-----	5
Macleod, Jennifer S., vice president and director of personnel, the Fidelity Bank, Philadelphia, Pa-----	11
Porter, Hon. Elsa A., Assistant Secretary for Administration, Department of Commerce-----	17
Heagstedt, Nina, legislative assistant, National Organization for Women, accompanied by Georgia Canellos, president, District of Columbia chapter-----	20

SUBMISSIONS FOR THE RECORD

FRIDAY, SEPTEMBER 16, 1977

Heagstedt, Nina, et al.:	
Resolutions and statements of the National Organization for Women:	
Bill of Rights-----	23
Economic Priority Issues for the Second Decade-----	25
Economic Planning-----	26
The First Women's State of the Union Address, January 13, 1977-----	26
Statement on the Balanced Growth and Full Employment Act of 1976, dated May 19, 1976-----	35
Javits, Hon. Jacob K.:	
Memorandum to various departments and agencies from President Carter, dated August 4, 1977, regarding the establishment of a Task Force on Women Business Owners-----	18
Porter, Hon. Elsa A.:	
Response to additional written questions posed by the subcommittee-----	64
Sandell, Steven H.:	
Prepared statement-----	8
Response to an additional written question posed by Representative Heckler-----	66
Statement of—	
Bella S. Abzug, presiding officer, National Commission on the Observance of International Women's Year-----	68
Coalition of Labor Union Women-----	68
Elizabeth D. Koontz, chairman, National Commission on Working Women-----	70

1917

THE STATE OF NEW YORK
IN SENATE

January 10, 1917.

REPORT

OF THE

COMMISSIONERS OF THE LAND OFFICE

IN ANSWER TO A RESOLUTION PASSED BY THE SENATE

APRIL 11, 1916.

ALBANY:

THE STATE PRINTING OFFICE

1917.

AMERICAN WOMEN WORKERS IN A FULL EMPLOYMENT ECONOMY

FRIDAY, SEPTEMBER 16, 1977

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON ECONOMIC GROWTH AND STABILIZATION
OF THE JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:05 a.m., in room 6226, Dirksen Senate Office Building, Hon. James A. McClure (member of the full committee) presiding.

Present: Senators Javits and McClure; and Representatives Heckler and Pike.

Also present: G. Thomas Cator, Sarah Jackson, and Katie MacArthur, professional staff members; Mark Borchelt, administrative assistant; and M. Catherine Miller, minority professional staff member.

Senator McClure. The subcommittee will come to order. First, let me express the interest that both Senators Humphrey and Javits have had in this subject matter. Senator Humphrey is unable to be here, as you know, and Senator Javits has unavoidably been called to the floor concerning some pending legislation, which is also of considerable interest to you.

Interestingly enough, it is somewhat related to some of the problems we are dealing with here. I am particularly happy to participate myself and to welcome the people who have been involved and who are going to testify this morning.

Because Senator Javits cannot be here at this moment, I would like to read his opening statement and then we will introduce the people who are here.

OPENING STATEMENT OF SENATOR JAVITS

We are now witnessing the single most outstanding phenomenon of our century—the massive entry of women into the labor force. Because the increasing participation of women in the work world is expected to become a permanent situation, long-term implications for national full employment goals are clear. With the present unemployment rate around 7 percent, social and economic policymakers do not have time to luxuriate in theoretical discussions. We need to learn hard facts and to espouse realistic solutions, and we hope to start that search at this hearing.

What is a fact is that economic independence has become a basic goal for women as well as for men. New social and economic realities have provided the push behind women's needs for employment. In 1975, 42 percent of women workers were single, widowed, separated, or divorced and needed to support themselves and their dependents.

An additional 28 percent were married to men who earned less than \$10,000 a year. In 49 percent of all marriages in 1975, both spouses were working.

Beyond economic considerations, the psychological satisfactions of employment for women as well as for men are evident—50 percent of employed women answered “yes” when they were asked if they would continue to work for pay even if there were no need.

Job equality does not come easy. Because women are concentrated in relatively low-paying occupations and remain at the lower rungs of the job ladder, they continue to earn far less money than men—their median earnings are less than 60 percent of men’s and this ratio represents a substantial deterioration from even the 1950’s earnings ratio for women.

Economic equality is not possible as long as the de facto job segregation that women now experience continues to be an integral part of women’s occupation picture. Forty percent of employed women are still concentrated in 10 traditional fields, for example, secretary, retail trade sales worker, bookkeeper, elementary schoolteacher, and waitress. In these 10 fields, women comprise 80 percent or more of the workers, except for retail trade sales personnel, where they make up 69 percent.

In contrast, male employment shows much less concentration with less than 20 percent of male workers in the 10 largest occupations. The tendency of women to cluster in a few selected occupations contributes to overcrowding, which in turn is a factor in relatively low wages.

Moreover, sex-based discrimination in employment is still alive. After more than a decade of Title VI of the Civil Rights Act of 1964, litigation involving sex discrimination in employment, widespread patterns of stratification, job underutilization and unequal compensation continue throughout our Nation’s work force. The inadequacy of legal remedies is pointed out by the fact that from 1965 to 1975, only 13 percent of all sex discrimination court cases were awarded “class relief.”

Another example of “undue” diligence is the weak enforcement of Executive Order 11246, which prohibits Federal contract funds from going to employees who discriminate in their employment policies and practices. GAO, which recently reviewed the enforcement efforts under this Executive order, has found them seriously ineffective. Virtually no Federal funds have been terminated because of sex discrimination practices.

Not all the problems that women encounter are external. Young women’s perception of their labor force participation differs dramatically from their actual employment practices. Therefore, many women inadvertently are led to noncareer job searches and inappropriate training. Black women have a more realistic expectation of their future occupational hazards. On the other hand, black women carry a heavier burden than white women in terms of opportunity, training and outright sexual discrimination. Specific entry problems into the labor force also exist for mature and for teenage women.

We are looking forward to having our witnesses illuminate some of these facts and suggest some approaches. While the short-term cost of full integration of women into the work force may appear high, the long-term cost of misusing this enormously productive segment of our labor force is chilling to contemplate. While a large

part of these changes in the work environment is specific to women, men also suffer from underutilization of skills, lack of training, mismatching education with desired skills, and unemployment frustration for teenagers. Therefore, we view this hearing as bearing as well on the total employment problem.

We would like to point out, of course, to those who may not be aware, that the Joint Economic Committee has already asked for and has done a compendium of papers on the question of American Women Workers in a Full Employment Economy. This was done at the instigation of Senator Humphrey, and with the full support of Senator Javits and others on the committee. I think we might note, with some appreciation, Miss Ann Cahn who edited the compendium, as well as the two authors who participated in it and will appear on this panel.

I very much appreciate the work that went into the compendium and call it to the attention of those who are not familiar with it already.

I would suggest that the persons who will be witnesses this morning come to the front table as a panel and we will hear from each in turn.

Ms. Isabel Sawhill, staff director of the National Commission for Manpower Policy; Steven Sandell, assistant professor of economics and research associate, Ohio State University; Jennifer Macleod, vice president and director of personnel, Fidelity Bank, Philadelphia; the Honorable Elsa Porter, Assistant Secretary for Administration, Department of Commerce; and Nina Hegstedt and Georgia Canellos, National Organization for Women.

With that, perhaps I can ask if Ms. Sawhill will start.

**STATEMENT OF ISABEL V. SAWHILL, STAFF DIRECTOR,
NATIONAL COMMISSION FOR MANPOWER POLICY**

Ms. SAWHILL. I am currently the staff director of the National Commission for Manpower Policy, a congressionally mandated commission which advises the Congress and the President on employment strategies for the Nation. Up until recently, I was director of the program of research on women and family policy at the urban institute and much of my testimony today will be based on research which was carried out by myself and my colleagues at the institute.

None of my remarks, however, should be taken to represent the official position of the urban institute or the National Commission for Manpower Policy, although both organizations are concerned with studying the issues which are the focus of these hearings.

I will not, of course, be able to cover all of the points which I made in the paper I prepared for the committee's compendium, but I do want to highlight a few.

In particular, I want to focus on whether macroeconomic policy has adjusted to the fact that there are increasing numbers of women seeking work outside the home. It is no news that the labor force participation of women has been growing rapidly, increasing from 38 percent in 1960, for example, to 48 percent during the first half of 1977. Moreover, during the recent recession, their participation rates remained very high, much higher than would have been predicted on the basis of behavior during past downturns.

In the past, women were more prone to drop out of the labor force when jobs were unavailable. In addition, as the economy has begun to recover from the 1974-75 recession, women have moved into the labor

force at an unprecedented rate. During the past year, for example, the labor force expanded at an annual rate of 2.5 percent as compared to the 1.7-percent rate, typical during earlier recoveries. Without this large influx of new workers, the unemployment rate—which has been hovering in the neighborhood of 7 percent for a number of months now—would have fallen.

The point is that although we are creating more jobs, we are not creating them fast enough to both absorb all the new entrants into the labor force and reduce the number of unemployed. Full employment is a moving target and women are currently the prime movers of that target.

My response to this situation is very simple. We need to run a little faster to overtake the moving target. Our running shoes are in the closet. They are labeled monetary and fiscal policy. The question is, "Why have we not used them?" I can think of three possible answers to this question.

First, policymakers may have underestimated the speed at which the target is moving. Second, they may have redefined the target to the point where they think they have already won the race. And third, they may be concerned about the possible side effects of running at too fast a pace, particularly the effects on the rate of inflation. I would like to take a few minutes to address each of these possibilities.

1. On the speed at which the target is moving. There is no question that we have consistently underestimated the growth in the size of the labor force because we have failed to appreciate the strength of the underlying factors, which have been propelling women into the labor force in such large numbers. Past estimates of female participation rates made by the Bureau of Labor Statistics have always been badly out of line and have had to be revised upward many times. I am glad to report, however, that the Department of Labor is now funding an urban institute study of future trends in the female labor force which should provide better estimates to plug into the macroeconomic models of the future.

2. On the definition of the target. Back in the 1960's we defined full employment as 4 percent of the labor force out of work. Since that time what we consider a full-employment—or noninflationary—employment rate has been redefined at around 5 or 6 percent. I even saw an article that suggests it might be as high as 7 percent, by a previous member of the Council of Economic Advisers.

It is argued that changes in the age-sex composition of the labor force together with the burgeoning of income support programs which reduce the cost of unemployment to an individual justify this revision. Without delving too deeply into the merits of such revisions, there are a couple of points worth making. One is that the products of the baby boom have almost matured now so that we can probably expect some decline in the noninflationary unemployment rate in the very near future. A second point is that women are becoming more attached to the labor force, as I mentioned previously, and given greater access to better paying jobs, this attachment would be strengthened, lowering the full employment-unemployment rate still further.

So I think that as a result of changes in attitudes and demography, we may soon need to set our macroeconomic goal at something lower than 5- or 6-percent unemployed. What this also suggests is that interim targets often become obsolete even before you have actually achieved them. They need to be monitored and, if necessary, reset.

3. On the inflationary consequences. If there is one single factor which has inhibited the use of macroeconomic policy to stimulate the economy, it is the fear of inflation, and this fear is not entirely unjustified. However, no one is arguing that 7 percent is anywhere near the danger zone which, as I suggested previously, is probably in the neighborhood of 5 or 6 percent, at most.

In addition, the notion that high rates of unemployment are either an effective way or a humane way of controlling inflation can be called into question. Finally, we need to give much more attention to structural measures which, when used as a supplement to macroeconomic measures, can reduce the inflationary consequences of pushing the unemployment rate to progressively lower levels. One of the major staff priorities that I have set at the Manpower Commission is to study these structural measures and their anti-inflation effects.

Let me say in closing that I have focused my remarks today on macroeconomic issues not because I think they are a sufficient response to unemployment and underemployment among women, minorities, and other disadvantaged groups, but because I think they must be the first line of defense. In the paper I wrote for the compendium I elaborated on some of the second lines of defense. I hope we can take the running shoes out of the closet and get on with the race.

Thank you.

Senator JAVITS. Senator McClure, while we have a momentary break, may I apologize to the witnesses and express my gratitude to you, but I was detained on the Senate floor by the bill relating to disability coverage for pregnancies.

I also am the ranking member of the Human Resources Committee. I may advise the witnesses that I might be called away to the Lance hearings because I am one of the senior members of that committee. If I do have to leave, I hope you will understand. It is no lack of sympathy for the determination with which you are here to testify. You are fortifying us with facts and the professional opinions which are essential to getting action around here.

One of the elements of action is this very disability bill on the floor, and the discrimination which has been engendered against pregnant women. I hope you will all understand my problem and, again, my gratitude to Senator McClure and other Members of both the House and Senate who will be here during the course of the day.

Ms. SAWHILL. I am sure I speak for the other witnesses. We are glad you were there and not here.

Senator JAVITS. Congressman Pike, so pleased to see you.

Senator McCLURE. Mr. Sandell, please proceed.

STATEMENT OF STEVEN H. SANDELL, ASSISTANT PROFESSOR OF ECONOMICS AND RESEARCH ASSOCIATE, CENTER FOR HUMAN RESOURCE RESEARCH, OHIO STATE UNIVERSITY

Mr. SANDELL. I am happy to have the opportunity to appear before this subcommittee to present my views on the employment problems of women.

The problems that women face in the labor force are often a consequence of their family responsibilities. Interrupted work experience

leads to low wages, reduced labor force participation, and high unemployment—the three most important labor market problems of women. The expectation of labor force withdrawal influences women's career choices and this, in turn, affects the amount of on-the-job training they receive and their pay. Thus, the impact of childrearing is felt not only while children are in the household, but before they are present and after they are no longer a direct impediment to labor force activities.

Government policies to improve the employment position of women should include vigorous enforcement of laws designed to prevent sex discrimination, a commitment to full employment, and programs that are specifically designed to help mature women increase their job skills and then find productive employment. The relationship between lifetime work experience and the labor market problems of women affirms the need for policies that insure equal treatment for women in the home as well as in the office and factory. Equality in aspects of life other than the labor market is necessary to produce a thoroughgoing improvement in the employment position of women.

I would like to concentrate my remarks on the role of work expectations in the problem faced by women entering the labor force. In our rapidly changing society, women's participation has grown substantially in recent years. Although increased work expectations among younger women will probably lead to a dramatic improvement in the earnings position of women in the future, incorrect, low work expectations among some women and potential employers contributes substantially to the employment problems of women. These problems are due, in part to incorrectly low expected duration of future labor force participation.

To the extent that underestimation of future labor force participation leads to a lack of interest in formal and on-the-job training, some women are faced with poor occupational opportunities when and if they do decide to enter the labor market. Unrealistically low expectations of future labor market participation can create a self-fulfilling prophecy if these little-trained women are offered low wages and hence, choose not to accept employment.

The implications of women's work expectations for male-female wage differences are straightforward. Economic analysis suggests that part of the wage gap between men and women is attributable to sex difference in the acquisition of job skills, experience and qualifications—what economists call investment in human capital. For persons currently in the market, the higher wages of men than women are partly due to higher embodied postschool investments in human capital for men. This is due to higher levels of postschool work experience for men—than for women of comparable age—as well as to greater investment per unit of experience.

Since low expected future labor force participation is associated with little investment, it is likely that sex differences in youthful work expectations among today's older workers play an important part in determination of the contemporary male-female age gap. Alternatively, if young women now have greater work expectations and, eventually, higher labor force attachment than their counterparts of a generation ago, this should result in increased wages for women and a narrowing of the male-female wage gap in the future. Not only

will the wage gap narrow due to a secular increase in the amount of experience among the female labor force, but it will narrow further because future women workers will have expected to participate and, thus, they will have invested more in on-the-job training than today's working women.

Evidence suggesting that the wage gap is likely to decline in the future may be seen by comparing the effect of early labor market experience on the earnings of young women with that for an older cohort of women. For the older women, a year of labor market experience between leaving school and the birth of the first child implies a 1.5 percent higher wage rate. In a comparable analysis for a sample of young women, a year of experience implies a 3.1 percent greater hourly rate of pay. The effect of a year of schooling on the wage rate is 6.5 percent for the older women and 10 percent for younger women. Thus, it appears that the work expectations of today's young women are probably higher than those of women who entered the labor market 15 to 20 years earlier. This implies higher future wages for women and a narrowing of the male-female wage gap.

Despite the apparent growth over time in women's work expectations, it seems likely that some young women underestimate their future labor force attachment. Two cohorts of women were used to compare the labor force expectations at age 35 of young women to the actual labor force experience of women who have attained that age. Although a thorough analysis of labor market expectations will not be attempted here, the following results seem clear. Young women in almost all education groups seriously underestimate their future labor force participation as judged by the actual experience of older women. Many women who are currently facing difficulties in the labor market undoubtedly had such unrealistic expectations in the past.

To the extent that current trends in female labor force participation continue into the future, the underestimates by young women today are even more serious than indicated. However, black women seem to be much more realistic about their future labor force participation. A clear implication for policy may be drawn from these findings: Some women need more guidance in preparing realistically for their future lives. This guidance could be given in high school, through the media, or through the employment service. Young women should be made aware of the extended periods in the labor force that they will probably face during their mature years. They might then be more likely to seek training opportunities and to prepare themselves in other ways for eventual employment. Furthermore, private employers should be made more aware of the radically increasing labor market commitment of women. These employers would then be more likely to hire individual women for jobs characterized by higher pay and opportunities for additional training and advancement.

To a large degree, the position of women in the labor market reflects their acceptance of family and household responsibilities. Labor force withdrawal weakens both their employers' and their own incentives to invest in their human capital. These problems are compounded by sex discrimination.

While there is a role Government policy can play in alleviating employment problems faced by women, they will only experience substantial labor market equality with men when their home and

career orientations are similar. Only after equal labor force experiences are realized by men and women in their twenties and thirties will they be treated as equals in their forties and fifties. The most important role Government can play is to insure that today's young women are aware of the consequences of labor force withdrawal and lack of training.

There are specific labor market policies that would help women. These include making available day care facilities and retraining opportunities to women. Another important aid is to encourage them to use private employment agencies and the public employment services. The latter could be directed to cater to the special needs of women. Currently, only 29 percent of women who search for jobs compared with 37 percent of the men use the State employment service.

Finally, the Federal Government should vigorously enforce laws that provide equal opportunity for women. There is ample evidence that women respond to economic incentives in their training and job search behavior. If the job opportunities and the wages of women have been reduced by discrimination, they have lower labor force participation and suffer more unemployment than in a truly egalitarian labor market. If women's treatment by employers and their labor force participation expectations are similar to men's, their labor market experiences will be equal.

[The prepared statement of Mr. Sandell follows:]

PREPARED STATEMENT OF STEVEN H. SANDELL

Expectations, Lifetime Participation in the Labor Force and Employment Problems of Women

I am happy to have the opportunity to appear before this committee to present my views on the employment problems of women.

The problems that women face in the labor force are often a consequence of their family responsibilities. Interrupted work experience leads to low wages, reduced labor force participation, and high unemployment—the three most important labor market problems of women. The expectation of labor force withdrawal influences women's career choices and this, in turn, affects the amount of on-the-job training they receive and their pay. Thus, the impact of childrearing is felt not only while children are in the household, but before they are present and after they are no longer a direct impediment to labor force activities.

Government policies to improve the employment position of women should include vigorous enforcement of laws designed to prevent sex discrimination, a commitment to full employment, and programs that are specifically designed to help mature women increase their job skills and then find productive employment. The relationship between lifetime work experience and the labor market problems of women affirms the need for policies that ensure equal treatment for women in the home as well as in the office and factory. Equality in aspects of life other than the labor market is necessary to produce a thoroughgoing improvement in the employment position of women.

Barriers to the Full Labor Force Participation of Women

The economist's framework is useful in discussing labor force participation and examining the effects of skill depreciation, the presence of children and availability of child care facilities, and the husband's attitudes toward his wife's labor force participation. Implicit in the discussion are policy suggestions for lowering barriers to women's full participation in the labor market.

Table 1 shows the length of work intervals and home time segments for women who were 30 to 44 years of age in 1967. A comparison of the data for mothers with those for childless women demonstrates that a very substantial barrier to full labor force participation is women's assumed responsibility to care for their children. The availability of child care facilities would free women with very young children for market work. Day camps that would operate after school and on holidays, along with school lunch programs, would increase the labor force options of mothers of school-aged children.

TABLE 1.—YEARS OF WORK EXPERIENCE AND YEARS OUT OF THE LABOR FORCE OF WOMEN BY MARITAL STATUS AND RACE

Group	Interval means									Sample size
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
White, with children:										
Married once, spouse present	0.76	3.47	8.32	1.91	3.64	2.56	7.95	12.71	11.60	1,848
Remarried, spouse present	.55	2.52	6.11	4.39	5.24	2.65	9.55	11.90	10.35	308
Widowed	1.41	4.24	8.90	3.44	2.66	2.63	10.32	12.98	11.41	41
Divorced	.93	3.00	5.90	4.92	3.59	3.09	11.01	10.42	10.71	125
Separated	1.02	3.81	6.67	3.96	3.02	2.35	10.13	10.70	10.26	54
White, childless:										
Married once, spouse present	1.70	5.43	0	4.43	3.73	5.51	15.37	5.44	11.62	131
Never married	1.08	6.66	0	0	2.34	8.25	14.92	3.41	12.52	157
Black, with children:										
Married once, spouse present	1.17	1.86	5.67	4.15	4.21	3.75	9.76	11.06	10.08	525
Remarried, spouse present	1.28	2.02	4.79	6.69	4.82	3.83	12.54	10.89	9.71	146
Widowed	1.16	1.91	6.72	4.07	5.44	4.78	10.76	13.32	9.15	68
Divorced	.86	1.36	3.96	7.07	3.14	4.56	12.99	7.96	10.37	70
Separated	1.32	1.60	4.32	6.76	4.39	2.82	11.18	9.77	9.58	170
Black, childless:										
Married once, spouse present	3.22	5.02	0	4.32	3.05	5.93	15.27	6.27	11.56	41
Never married	3.43	7.61	0	0	3.73	6.89	14.50	7.16	11.32	44

¹ Years not worked between school and first job.

² Years worked between school and birth of first child (for childless married women, years worked between school and first marriage; for never-marrieds, years worked prior to current job).

³ Years not worked between marriage and first job after birth of first child.

⁴ Years worked after years not worked between first marriage and first job after birth of first child prior to 1967 job (for childless married women, years worked between first marriage and start of 1967 job).

⁵ Years not worked following first job after birth of first child (that is, since returning to the labor force at the end of years not worked between first marriage and first job after birth of first child).

⁶ Years on 1967 job which occurred after birth of first child.

⁷ Years worked since school.

⁸ Years of nonparticipation since school.

⁹ Years of schooling.

Source: The National Longitudinal Survey of Women 30 to 44 in 1967.

Of course, the allocation of some child care responsibilities to the husband would lead to greater equality in the labor market as well as in the household. If home work were shared more equally among marital partners, their labor force participation rates could become more equal. Moreover, the words of husbands, as well as their deeds, seem to affect the labor force behavior of married women. Women who perceive favorable attitudes of their husbands toward their working have greater lifetime participation than other women.

Since the women who command higher market wages are more likely than other women who work, it follows that increasing women's pay would augment their labor force participation. Thus, it is important to understand the determinants of women's earnings if government policy is to be directed toward increasing their employment. Lower wages attributable to skill depreciation during the childrearing period implies reduced labor force participation subsequently. A recent study of women's earnings concluded that each year a woman spends out of the labor force, her potential wage is reduced by one-half of 1 percent. Thus, in Table 1 the typical white married woman with children and spouse present had her potential market wage reduced 15 cents in 1967. In other words, childrearing has the effect of reducing labor force participation after children are fully grown as well as when they are present in the household. It seems that women's labor supply would be increased if they were able to hold part-time jobs that facilitated the maintenance of job skills during the childrearing period. Of course, retraining programs for women returning to the labor force could have the same result.

Incorrect Expectations and Employment Problems of Women

Training is profitable to a worker if the increase in earnings attributable to it is greater than its cost. Hence, the profitability and the receipt of training are positively related to the expected duration of future labor force participation. To the extent that underestimation of future labor force participation leads to a lack of interest in formal and on-the-job training, some women are faced with poor occupational opportunities when and if they do decide to enter the labor market.

Unrealistically low expectations of future labor market participation can create a self-fulfilling prophecy if these little-trained women are offered low wages and, hence, choose not to accept employment.

The implications of women's work expectations for male-female wage differences are straightforward. Economic analysis suggests that part of the wage gap between men and women is attributable to sex differences in investment in human capital. For persons currently in the market, the higher wages of men than women are partly due to higher embodied postschool investments in human capital for men. This is due to higher levels of postschool work experience for men (than for women of comparable age) as well as to greater investment per unit of experience. Since low expected future labor force participation is associated with little investment, it is likely that sex differences in youthful work expectations among today's older workers play an important part in determination of the contemporary male-female wage gap. Alternatively, if young women now have greater work expectations (and, eventually, higher labor force attachment) than their counterparts of a generation ago, this should result in increased wages for women and a narrowing of the male-female wage gap in the future. Not only will the wage gap narrow due to a secular increase in the amount of experience among the female labor force, but it will narrow further because future women workers will have expected to participate and thus they will have invested more in on-the-job training than today's working man.

Evidence suggesting that the wage gap is likely to decline in the future may be seen by comparing the effect of early labor market experience on the earnings of young women with that for an older cohort of women. For the older women, a year of labor market experience between leaving school and the birth of the first child implies a 1.5 percent higher wage rate. In a comparable analysis for a sample of young women, a year of experience implies a 3.1 percent greater hourly rate of pay. The effect of a year of schooling on the wage rate is 6.5 percent for the older women and 10 percent for the younger women. Thus, it appears that the work expectations of today's young women are probably higher than those of women who entered the labor market 15 to 20 years earlier. This implies higher future wages for women and a narrowing of the male-female wage gap.

Despite the apparent growth over time in women's work expectations, it seems likely that some young women underestimate their future labor force attachment. Two cohorts from the National Longitudinal Surveys (women 14 to 24 and women 30 to 44 of age) are used to compare the labor force expectations (at age 35) of young women to the actual labor force experience of women who have attained that age. Table 2 below shows the responses of the younger group of women to the question "What would you like to be doing when you are 35 years old?" It also provides the actual labor market status of women 30 to 44 years of age. Young women are categorized by expected education and older women by actual education completed at the time of the survey.

TABLE 2.—WORK EXPECTATIONS AT AGE 35 OF YOUNG WOMEN COMPARED TO ACTUAL EMPLOYMENT STATUS OF MATURE WOMEN

		Education ¹				Total
		11 years or less	12 years	13 to 15 years	16 years plus	
Whites:						
	Young women expecting to work at age 35 ^{2,3}	(4)	26.8	18.1	32.7	28.6
	Mature women in labor force ⁴	46.6	47.6	46.8	54.5	47.7
Blacks:						
	Young women expecting to work at age 35 ^{2,3}	(4)	62.1	60.6	57.7	59.3
	Mature women in labor force ⁴	59.4	69.4	72.5	96.6	66.5

¹ Refers to expected educational attainment for young women, completed education for mature women.

² Source: National Longitudinal Survey of Women aged 14 to 24 in 1968.

³ Excludes those answering "don't know," "not applicable," or "other."

⁴ Excludes those answering educational attainment of 11 years or less.

⁵ Respondents from the National Longitudinal Survey of Women 30 to 44 in 1967.

Although a thorough analysis of labor market expectations will not be attempted here, the following results seem clear from the tables presented. Young women in almost all education groups seriously underestimate their future labor force participation as judged by the actual experience of older women. Many women

who are currently facing difficulties in the labor market undoubtedly had such unrealistic expectations in the past. To the extent that current trends in female labor force participation continue into the future, the underestimates by young women today are even more serious than indicated in the tables. It is interesting to note that black women seem to underestimate their future labor force participation less than white women. Blacks between 14 and 24 years of age predict a labor force participation rate of 59 percent compared to an actual rate of 67 percent. Whites predict, at age 35, a rate of 29 percent compared to an actual rate of 48 percent.

A clear implication for policy may be drawn from these findings: some women need more guidance in preparing realistically for their future lives. This guidance could be given in high school, through the media, or through the employment service. Young women should be made aware of the extended periods in the labor force that they will probably face during their mature years. They might then be more likely to seek training opportunities and to prepare themselves in other ways for eventual employment.

CONCLUSIONS

To a large degree, the position of women in the labor market reflects their acceptance of family and household responsibilities. Labor force withdrawal weakens both their employers' and their own incentives to invest in their human capital. These problems are compounded by sex discrimination.

While there is a role government policy can play in alleviating employment problems faced by women, they will only experience substantial labor market equality with men when their home and career orientations are similar. Only after equal labor force experiences are realized by men and women in their 20's and 30's will they be treated as equals in their 40's and 50's. The most important role government can play is to ensure that today's young women are aware of the consequences of labor force withdrawal and lack of training.

Throughout this statement there have been allusions to specific labor market policies that could help women. These include making available day care facilities and retraining opportunities to women. Another important aid is to encourage them to use private employment agencies and the public employment services. The latter could be directed to cater to the special needs of women. Currently, only 29 percent of women who search for jobs compared with 37 percent of the men use the state employment service.

Finally, the federal government should vigorously enforce laws that provide equal opportunity for women. There is ample evidence that women respond to economic incentives in their training and job search behavior. If the job opportunities and the wages of women have been reduced by discrimination, they have lower labor force participation and suffer more unemployment than in a truly egalitarian labor market. If women's treatment by employers and their labor force participation expectations are similar to men's, their labor market experiences will be equal.

Senator McCLURE. Thank you very much, Mr. Sandell.
Please proceed, Ms. Macleod.

STATEMENT OF JENNIFER S. MACLEOD, VICE PRESIDENT AND DIRECTOR OF PERSONNEL, THE FIDELITY BANK, PHILADELPHIA, PA.

Ms. MACLEOD. As the director of personnel of the Fidelity Bank in Philadelphia, a company that employs some 3,000 people, 64 percent of them women, I see the problems of employed women every day, and am familiar with the efforts and problems of business in integrating women as employees at all levels of the organization. As a woman who has been employed all her adult life, and as the mother of two teenagers for whom I maintain a home, I also have my own personal experience to draw from.

I have been asked to discuss job equality for women, and to comment upon women in the banking industry in particular. I will discuss the broader topic first.

It has been, and it continues to be, difficult for women to overcome the numerous obstacles that still stand in the way of true equal employment opportunity, and difficult for employers to accomplish the changes in policies and practices necessary to make that dream a reality. Many legislative and Government actions have been taken to aid the cause of equal employment opportunity for women, but not all of these efforts have been fully effective and efficient.

Today, we are faced with a chaotic mixture of progress, lack of progress, and even some backsliding with regard to equal employment opportunity for women. This encourages a tendency to get caught up in legalisms and to lose the perspective necessary to understand the massive tide of social and economic change resulting from the extraordinarily rapid emergency of career-minded women relying upon their own efforts for economic support of themselves and often others as well.

People in business and government, and women themselves, are often trapped in outdated assumptions that lead them to think, for instance, that women do not need to work outside the home, or need to do so only temporarily, that marriage is a lifelong meal ticket, that women are uninterested in or incapable of physically demanding jobs or serious professional and managerial careers.

If further progress is to be made toward the goal of job equality, there will have to be a high awareness among those in power in business and government of the facts about employed women and their needs and aspirations, and a realization that every policy or procedural decision that they make should be informed by that awareness.

Following is a quick sampling of a few of the considerations that decisionmakers need to keep in mind:

Women have just as much right as men to be economically independent if they need or desire to be so.

Most women who work outside the home do so for economic reasons; many women support or help support others as well as themselves; unemployment among women is just as serious and undesirable as unemployment among men.

The full-time homemaker is no longer the norm in this country; more than half of all women 18 to 64 years of age work outside the home; more than half of all mothers of school-age children work outside the home; and the percentages rise steadily, year after year. Governmental, social, economic, and employment policies and practices should therefore no longer be predicated on the assumption that most women stay home, or should stay home.

The typical woman who works full time, year round, averages earnings only about 58 percent of the earnings of the typical man who works full time, year round. This earnings gap between women and men has been increasing in recent years. The complex of factors that bring about such a severe difference in earning power between women and men needs study, attention, and action.

There is still a high degree of occupational segregation of women and men, with predominantly female fields typically lower paid than predominantly male fields requiring similar levels of skill, effort and responsibility; this segregation and resulting pay inequity will require strong and varied efforts to reduce.

The divorce rate keeps climbing, and the number of women who are employed and also run households and raise children singlehandedly also keeps climbing; the special needs of these women, including the need for high quality day care centers, must be addressed.

Married employed women still continue to carry far more than half of the housework and child care responsibilities, so that they have a special need for a wide variety of services, including the availability of high quality day care centers that do not exclude middle income families.

In order to be able to plan their careers as men can do, women must have education and resources to be able to control their own reproductive lives, giving birth only to wanted children in a timeframe of their own choice.

Since employed women with families often work long hours in the home as well as at work, good rapid mass transportation for commuting is essential—I might add that that is a very current problem. My own commuting trains have just been cut by Amtrak.

The elimination of housing discrimination against women, divorced women, and families where there is no father present, is essential to the welfare of employed women who do not have husbands.

Women whose jobs require them to be out at night or in high-crime areas are especially vulnerable to, and need protection from, assault and rape—not every woman who is out at night is a prostitute.

Just about every problem of employed women is worse for minority women than for nonminority women.

Public schools, vocational and trade schools, and institutions of higher learning, still tend to channel women into less serious careers and lower paying occupations, on the inaccurate assumption that women are going to be only temporary workers or secondary earners.

Opportunities are needed not just for outstanding women but also for the average and below average; true equality of employment opportunity awaits the day when a mediocre woman can go as far and earn as much as a mediocre man.

Now I will talk about some of the things that can be done as a basis for Government action.

Awareness programs, workshops, and seminars on the subject of sexism and its workings can be very valuable in helping supervisors, managers, educators, government officials, and other leaders to understand and overcome the economic, social and psychological factors involved in less-than-equal employment opportunity for women.

Employers can improve opportunities for women by means of recruiting through nontraditional channels that will reach, for instance, women who have been out of the labor force for a while, or who have performed functions without being awarded the job titles and higher salaries that would be given a man doing the same work.

In hiring, equality of opportunity for women can be furthered by consideration of nonemployment experience, such as volunteer work and managing a household—which is often great managerial experience—in examining the qualifications of candidates.

Careful examination and revision of job evaluation systems can result in more equitable salary scales for predominantly female jobs in comparison with predominantly male jobs. This is a very significant point because there are many jobs that are dominated by one sex or

the other. Even though they require similar levels of education, responsibility, hard work, they have different pay scales because of the supply and demand that depresses salaries for women.

Mechanisms such as job-posting can be very helpful in improving opportunities for women—and for all employees—to advance themselves.

Flexible hours, and an increase in the availability of good part-time and “shared” jobs, can improve employment opportunities for women who also have family responsibilities.

Educational assistance and internal training programs can be of special help to employed women when they permit women to break out of low paid predominantly female clerical and factory jobs, and move up into better positions that may have been traditionally male dominated. IRS regulations that tax educational assistance as personal income seem incongruous with the desirability of breaking down the inequitable occupational segregation of the sexes.

Manual and skilled labor jobs, tools, and equipment, designed with male physical characteristics in mind, need to be redesigned where possible to allow women to perform the work.

Policies and practices with regard to childbirth leave and benefits need to be designed in such a way as not to create barriers for employed women who become parents.

Nearly every personnel policy or practice that an employer may have has a somewhat different effect on men and women, if only because women are generally concentrated in the lower level and clerical jobs. Thus, every personnel policy and practice needs to be examined to see if it can be modified to further the cause of equal employment opportunity.

Since women are concentrated in the lower level jobs with almost every employer, any employee benefits that are more generous for higher level employees are also usually more generous for men than for women.

Finally, women still lack a constitutional guarantee of protection from present and possible future laws that abridge their rights to equal employment opportunity.

If policymakers in government and business keep considerations such as these clearly in their minds as they make decisions, equal employment opportunity for women can much more rapidly become a reality.

I have also been asked, and I will do so briefly, to comment specifically on the status of women in the banking business.

Banking is a predominantly white collar industry, and the typical bank has more female than male employees. The female employees, however, are concentrated in the lower level relatively low-paid jobs as tellers, bookkeepers, typists, clerks, et cetera.

Banks, like most industries, have been under considerable pressure in recent years to change this picture and make progress toward greater numbers of women in higher level professional and managerial positions. Most banks have made progress in that direction. Progress has been slow, however, for a variety of reasons, not the least important being the fact that banking has not been growing rapidly in the last few years so that advancement opportunities are slow in coming.

Women's interests and education in financial fields has also been growing quite slowly, so that it will inevitably be considerable time before we see substantial numbers of women in high level financial positions. However, as more of the decisionmakers in banking become aware of the kinds of considerations listed earlier in this memorandum, we should see more progress for women in banking.

Senator McCURE. Thank you, Ms. Macleod. You mentioned that much progress has been made in the banking industry, and I think much progress has been made across the spectrum of society. I would like to call on one person who has continually been a symbol of that success, a woman who was elected to Congress, and a woman with whom I served in the House of Representatives for 6 years, and not only her presence, but also her contributions have furthered these efforts.

Congresswoman Heckler.

Representative HECKLER. Thank you very much.

I would just like to state for the record that the Joint Economic Committee stands alone in the Congress for casting its spotlight on the problems of women. It is a sad commentary on our other committees in the House and I speak only for the House. I could make the same observation in the Senate if I were more knowledgeable. I feel that the JEC, therefore, with its strong leadership, really deserves to be commended by women's organizations and by concerned women across the country for its focus.

In particular, I wish to say for the record that I appreciate the investment of funds in that document which has been published on the subject of American women workers in a full-employment economy. The investment of funds and the staff made this study possible as well as being aided by the leadership which Senator Humphrey and Senator Javits on this Subcommittee on Economic Growth and Stabilization have given to the issue of women in the economy. I happen to think that it is in the economic sector that women are most underprivileged.

Congress is sadly unaware of the above and uninformed on specific areas of discrimination. Therefore, Congress unwittingly perpetuates these ramifications through reactionary laws, and I think we are all to blame for this. We share in the blame because we have not brought the issue forward, and women's groups have not united on the central question of economy and women in the economy.

Women divide on virtually every question. But we could find a consensus and a common ground on the economic section. These women have not sought to do this and the Congress has not provided an adequate avenue of redress. I think it is this flaw that the Joint Economic staff has very, very thoughtfully sought to answer and to which it has responded.

Frankly speaking, there is virtually no statistic on which to base an economic consideration of how a law or proposal might affect women. We have no hard information which can come to our assistance in those difficult debates. These considerations, such as those raised by our panel this morning and raised in the report which has just been recently published, are the start of information gathering upon which we can make a case.

So I wish to say for the record that as one member of the committee, and the only woman member of the committee, I am very proud of this leadership which has been initiated here and I am grateful to the panel for helping us to begin to look at this important problem, the most significant problem facing all women across the country.

Senator JAVITS. First, let me thank Congresswoman Heckler for what I would call the almost militant effort in this cause, and the support with which she has infused the committee.

Second, I hope you all understand that the real spiritual instigation for this whole effort is Hubert Humphrey. He is deeply committed and deeply involved. I happen to be the ranking minority member on this subcommittee, and I am involved with him. But I think we would all wish to express, as he is necessarily absent for reasons which are well known, the deep commitment which he has to this effort.

Finally, speaking for myself, the Human Resources Committee, of which I am the ranking member, makes a point every time it considers labor or manpower legislation—and that is an enormous field—to consider the status of women and how women fit in the equation. I hope very much that we could similarly move in other committees. I would suggest to Chairman Bolling to join with me, as I am the ranking member of the whole Joint Committee, in sending a letter to the chairman of every House and Senate committee, requesting a reply and asking them, in any measures affecting employment and employment training, vocational education, or manpower, to give special consideration to the role of women just as we do to the role of minorities and other specific factors.

I hope very much, therefore, to use the testimony here today, and the compendium.

Finally, I would like, as I may be absent, to lay a question before the witnesses and I hope you will bear in it mind and address yourselves to it. One of the big problems we have is that the growth of the labor force due to many more women working is construed by some to complicate our problem of unemployment rather than to add to the Nation's wealth and productivity. This is a very critical point, one which institutions like those you represent should study.

For example, Ms. Sawhill actually heads a commission. Ms. Porter is in Government. It seems to me we can be enormously helpful if an equal militancy is shown in the division of the wealth and productivity in the American economy by the greater, rather than the lesser, shift in women's employment. I am convinced of that, but, simplistically, you can see how it is easy to say, why don't they leave it to the breadwinners? They need the jobs.

This is a very important point. We hope, and by the techniques I mentioned, to concentrate on it, but I think the cumulative factual input today by the various organizations will be very important. I, myself, take very seriously your plea for more day-care slots—where we have only 1 for every 10 needed—for more education on the job, and for continuation of educational processes through career counseling to help the individual woman feel she has a relatively permanent place in the economy, as does the individual man.

Senator McCLURE. At this point, before calling on Assistant Secretary Porter, I will ask our colleague from the House, Otis Pike, if he has any comment to make.

Representative PIKE. Thank you, Senator McClure. I, frankly, have learned one statistic which I was not aware of which I am absolutely appalled at, and that is the fact that the pay ratio has deteriorated rather than improved. You had it in your opening statement. You had it, Ms. Macleod. I think Congresswoman Heckler is on exactly the right track when she says that the economic issues are the ones on which things can be accomplished.

I do not think it matters an awful lot about a person's politics or conservatism or liberalism or philosophy or anything else. I just wonder why the women have been so silent on the subject. I do not mean that you people here have been so silent on the subject. Obviously, you are the activists. But in my own office, my highest paid employee happens to be a woman.

I have seen a few statistics on the subject of other offices, but it does seem to me that if really you kicked and screamed on the issue—I frankly liked the way you presented it, Ms. Macleod, because it is a little bit different. The right of a mediocre woman to earn as much as a mediocre man does. I would be the first to concede that we have both of them around here, and around the country.

It does seem to me that with all of the laws we have been passing which nominally improve the lot of women to realize at this stage that for the same kind of work they still are not getting the same kind of pay is intolerable for our Nation. It is, to me, ridiculous that we do not have a great deal more kicking and screaming on the part of women on the subject.

Senator McCLURE. Thank you for that contribution.

I just might note in passing that the increasing gap between the compensation of men and women is not a phenomenon felt by women alone. Typically, in a relatively affluent period of our history, when economic movements are relatively large, the gap closes between the haves and have nots. This is typical of our society and people are at least able to move up with the movement.

Representative PIKE. Let me just throw out a horrible, embarrassing thought to you ladies who are sitting here today. We have just applauded this Joint Economic Committee for what we are doing in this regard. Would it not be interesting for you to study, and these are matters of public record, the pay structures of the staff of the Joint Economic Committee, and see what you come up with as far as the pay structure of the staff of the Joint Economic Committee is concerned. We just might find that we have not got all that much to be proud of.

Senator McCLURE. With that, I will call on Assistant Secretary Porter.

STATEMENT OF HON. ELSA A. PORTER, ASSISTANT SECRETARY FOR ADMINISTRATION, DEPARTMENT OF COMMERCE

Ms. PORTER. Thank you. I welcome the opportunity to appear before you today. I do not have a prepared statement, since it is my understanding that the committee wishes to have my views on my civil service experience as well as some initiatives that we are undertaking at the Department of Commerce.

Senator JAVITS. I would personally like to express my gratitude to you. We had planned on Midge Costanza. You are a more than

adequate replacement. We are very grateful because you are the administration, or at least a member of the administration.

Ms. PORTER. Until I was named Assistant Secretary of Administration at the Department of Commerce last February 1 had been in the Federal career service for more than 20 years. I started my service as a GS-3 clerk-typist, which at that time was about the only job that a woman college graduate could find and unfortunately, that experience is not too changed today.

I want to commend and add my commendation to the committee for the publication of the compendium. One of the things that we have found at the Department of Commerce is that there is a dearth of information that is really shocking. We are working to try to fill that void in two very specific ways: First of all, since the Department of Commerce is the Federal Government's chief collector and producer of statistical information upon which public policy is based, we are moving immediately to try to fill the void in terms of the needs for information about women and women's issues and women in the economy.

In June a steering committee made up of representatives of public agencies, academia, and other interested organizations met to plan a major conference which will be held on April 27 and 28 next spring, which will be entitled, "The Conference on Women's Issues in Federal Statistics." That conference will look at the kinds of data available, the issues concerning the data, what it is we need, where are the gaps, and how we can use the data in four major areas: In household structures, income and work, education and health, and the examination of public policy and statistical issues.

The participants at that conference will be from very broad cross sections representing Government, the universities, and the private sector. The other major initiative that we have undertaken is the appointment of a task force on women in business. The membership of that task force was announced this week, last Wednesday. It is an interagency task force, chaired by the Secretary of Commerce, Juanita Kreps, and it will be reporting to the President within 120 days. We have set ourselves a deadline, 120 days after its first meeting, which will be in mid-October on the findings and recommendations for ways to ease the conditions that place women business owners at a competitive disadvantage.

These recommendations may include proposing changes in Federal laws and regulations designed to encourage entrepreneurship and to enhance the Federal Government's ability to assist women. If the subcommittee would like it for the record, I would be glad to provide a copy of the announcement.

Senator JAVITS. I have a copy right here.

Senator McCURE. It will be made a part of the record.

[The information referred to follows:]

THE WHITE HOUSE,
Washington, D.C., August 4, 1977.

Memorandum for:

The Secretary of the Treasury
The Secretary of Defense
The Secretary of Labor
The Secretary of Commerce
The Secretary of Health, Education, and Welfare
The Administrator of General Services Administration
The Administrator of Small Business Administration

Subject: Task Force on Women Business Owners.

As consumers, investors, and workers, women play a vital role in the nation's economy. But the number and size of women-owned businesses remain remarkably small. According to the 1972 Census statistics—the most recent available—the receipts generated by firms owned by women entrepreneurs represented only three-tenths of one percent of the total for all business firms.

In small business especially, women business owners face the traditional problems of lack of adequate capital, lack of marketing and procurement opportunities, and lack of management and technical assistance.

And in addition to these problems, they face the barriers created by negative attitudes toward women.

This Administration wants to encourage women to become business owners, to mitigate conditions and practices that place women at a competitive disadvantage, and to enhance Federal assistance to women entrepreneurs. However, there is a serious lack of current and accurate information on which to base actions in support of these commitments.

To provide this kind of information, I am establishing a Task Force on Women Business Owners. The Task Force shall:

1. Identify existing data on women entrepreneurs, assess its adequacy, identify needs for additional data and propose methods of collecting it;
2. Identify the primary practices or conditions
 - (a) which discourage women from becoming entrepreneurs; or
 - (b) which have the effect of discriminating against women entrepreneurs or placing them at a competitive disadvantage;
3. Assess current federal programs and practices
 - (a) which have the effect of discriminating against women entrepreneurs or placing them at a competitive disadvantage; or
 - (b) which are designed to mitigate the conditions and practices which place women entrepreneurs at a competitive disadvantage;
4. Based on these assessments, propose changes in federal law, regulation and practice for carrying out the commitment of the Administration, and advise as to the impact, if any, of such changes on the federal budget.

I request that the addressees of this memorandum designate a person to serve on this Task Force. Members from executive departments shall be of a rank of not less than Deputy Assistant Secretary, and members from other agencies should be of a comparable rank. The designee of the Commerce Department shall chair the Task Force. A member of the White House Domestic Policy staff shall serve as an ex officio member of the Task Force.

Executive departments and agencies not represented by membership on the Task Force may participate on committees established by the Task Force to carry out its work. In addition, I request that all heads of executive departments and agencies, upon request, furnish to the Task Force such information and assistance as is relevant to the purpose of the Task Force.

The Task Force is authorized to take such additional actions, not inconsistent with this Memorandum, as it determines to be necessary and appropriate in fulfilling its purpose. The Secretary of Commerce may appoint or designate staff to carry out the functions of the Task Force.

The Task Force shall report its findings and recommendations to me, conclude its work, and dissolve itself within 120 days of its first meeting.

JIMMY CARTER.

Ms. PORTER. Finally, I want to report to the subcommittee, on behalf of Juanita Kreps, the Secretary, that we are trying to practice what some women have been talking about as far as employment of women in policymaking jobs in Government. I am happy to report, although it is nothing to brag about, that the employment of women in policymaking slots in the Department of Commerce has increased by 300 percent.

When I tell you it has increased that much, you must note that the base was very small. I think it is important to note where women are now in policymaking decisions in the Department. The Secretary has, and other previous Secretaries have had, a high level of policymakers of 10 people whom they consider their secretariat, their cabinet. In the previous administration, one of those 10 was a woman. Under Juanita Kreps, 4 of the 10 are women.

Among the assistant secretaries and heads of agencies and deputy assistant secretaries, which number approximately 20 in the Department, the previous administration, again, there was only one. In this administration there are four, or approximately 21 percent. In the area of employment within the Department where we have options or choices, the GS-15 to 18 level, which is in schedule C, we have 18-percent women.

But in the career services we have not been able to make as many advances as we would like. There the number of women in senior level jobs, grades 15 to 18, are only 2.8 percent of the total number. This is approximately the percentage of persons in top level jobs in the career services throughout Government.

I must tell you about an experience of mine when I first went to the Civil Service Commission in employment about 4 years ago. Feeling that it was my duty to bring matters of inequities to the attention of the leadership, I did an analysis of the rate at which women in top jobs would achieve parity with men and I told the Commissioners at the rate they were now proceeding it would take 176 years. The response was, and this is really a true story, the response was that I was really incorrect. My calculations were wrong. It would only take 120 years. That is a snail's pace, and it cannot be tolerated.

I did want to say that in this administration, the new leadership of the Civil Service Commission has moved forthrightly to accelerate the employment of women into top level policy jobs. That does bring us face to face with the severe policy problem which is, at what point does redress for the past injustices end and reverse discrimination begin? I think that is a matter of judgment and deep concern to all of us.

With those remarks, I shall stop and I will be happy to answer any questions.

Senator McCLURE. Thank you.

Senator JAVITS. I have to go to the floor. May I apologize to Ms. Heagstedt, and say that I have read her statement and that I thoroughly agree with her on the ERA.

Ms. HEAGSTEDT. I have a very strong interest in the bill that you are going to the floor on. It has taken up at least half of my summer, so please.

Senator McCLURE. With that, you may proceed.

**STATEMENT OF NINA HEAGSTEDT, LEGISLATIVE ASSISTANT,
NATIONAL ORGANIZATION FOR WOMEN, ACCOMPANIED BY
GEORGIA CANELLOS, PRESIDENT, DISTRICT OF COLUMBIA
CHAPTER**

Ms. HEAGSTEDT. Mr. Chairman, members of the subcommittee, it is a pleasure to be here today to testify before the subcommittee on the subject of American women workers in a full employment economy. My name is Nina Heagstedt, and I am legislative assistant for the National Organization for Women (NOW). Accompanying me is Georgia Canellos, an economist, and president of the District of Columbia chapter of the National Organization for Women, who helped in the preparation of this testimony today.

We greatly appreciate the invitation to appear before this subcommittee today, and particularly would like to commend the Subcommittee on Economic Growth and Stabilization for holding these hearings. In addition, we sincerely wish to congratulate the Joint Economic Committee and its staff for producing the excellent compendium being released today on the topic of "American Women Workers in a Full Employment Economy." A comprehensive report of this type is long overdue, and this volume should prove to be a very valuable resource for its perceptive and conscientious analysis of women's economic status and the host of problems which American women working, or seeking to work, outside the home now face.

The economic status of women is an issue which deeply concerns the National Organization for Women. Indeed, the second item in NOW's bill of rights—after passage of the equal rights amendment to the Constitution—calls for a guarantee of equal employment opportunity for all women, and men, through vigorous enforcement by the Equal Employment Opportunity Commission of the prohibitions against sex discrimination in employment under title VII of the Civil Rights Act of 1964. The third item deals with maternity leave rights and the bill which Senator Javits just left for.

NOW has recognized the need for a national policy of economic equity and full employment since our inception in 1966. We formally articulated our commitment to full employment legislation at our 1971 National Conference, at which we resolved to work for "passage of legislation to provide for a full employment program for the United States, in which private industry and the public sector expand opportunities for work for all, so that each person can have a realistic chance for meaningful employment at a decent rate of pay."

On May 19, 1976, we submitted lengthy testimony to the Senate Labor and Public Welfare Committee on the Balanced Growth and Full Employment Act of 1976. Furthermore, in the first women's state of the union address, delivered on January 13, 1977, by NOW's past president, Karen DeCrow, Ms. DeCrow called for a national full employment policy, guaranteeing jobs at decent wages for all who are willing and able to work. Ms. DeCrow stated: "It is imperative that we establish a national full employment policy and resolve to fight inflation with price controls and other just means."

NOW further reaffirmed its recognition of the need for full employment legislation at our most recent national conference in Detroit, Mich. At this conference in April of this year we passed extensive resolutions on economic priority issues for the second decade and on economic planning. We are submitting copies of these resolutions as well as copies of our May 1976 full employment statement, and Ms. DeCrow's state of the union address, to this subcommittee for your further consideration.

The barriers to job equality and equal opportunity for women have repeatedly been analyzed and documented in a host of studies and reports, over the past 15 years. The compendium compiled for this subcommittee is but the most recent of a series of excellent documents, analyzing the deplorable facts and causes of economic discrimination against women.

Besides the above mentioned NOW documents on this subject, we would like also to call to the subcommittee's attention the following analyses of this topic:

"1975 Handbook on Women Workers," Women's Bureau, U.S. Department of Labor, 1975;

"The Economic Role of Women," Chapter 4, Economic Report of the President, January 1973;

"The Earnings Gap Between Women and Men," Women's Bureau, U.S. Department of Labor, 1976;

"To Form a More Perfect Union . . ."; Justice for American Women, report of the National Commission on the Observance of IWY, June 1976, pp. 48050, 57-70, 90-93, 303-310; and

"The Economic Status of Women," Women's Lobby Quarterly, October 1975.

In addition, numerous other articles have been written on this subject, and the Women's Bureau and Bureau of Labor Statistics regularly issue reports and updates, documenting the status and problems of women in the paid labor force.

Our point in citing the above sources is not simply to display our own familiarity with studies on this subject. Rather, what we wish to stress is that more than ample analyses already exist on the barrier to equal employment opportunities for women. The problem is not a lack of understanding of the causes and patterns of employment discrimination against women. The problem is a profound lack of sincere commitment on the part of employers, legislators, Government agencies, and Federal courts to redress the existing inequities, and implement effective programs to truly end discriminatory practices. The problem is, to quote from Ms. DeCrow's state of the union address, that:

Laws on the books which are unfair, are not repealed; laws on the books which would lessen inequities are not adequately enforced; and the Equal Rights Amendment, which was first introduced in Congress in 1923, and which would provide a Constitutional basis for fighting all types of sex discrimination cases, is blocked—four states short of national ratification. (there are now Three.)

Feminists have asked, and will continue unceasingly to ask, how much longer must women wait for equal justice under the law? To quote from DeCrow again:

Are fair laws and equal justice still too radical to accept and implement in our everyday lives? Is it unreasonable to demand that the most affluent country in the world provide equal opportunity and full employment at prevailing rates for all who are willing and able to work?

We recognize that this subcommittee, however strong your intent to redress past and present wrongs, cannot singlehandedly rectify the deep economic, political, and social inequities which all American working women, those working inside the home as well as those already integrated into the paid labor force, now face. Nevertheless, we urge you and call upon you most sincerely, to do more than just study the problem. While the problem is profound and far reaching, there is much that this subcommittee can begin to do now to help solve the problem.

We stand ready to work with you at all times, to develop specific legislative remedies to deal effectively with specific inadequacies in existing laws and policies. For example, it is imperative that all anti-discrimination laws include provisions for firm and realistic goals and

timetables, which agencies must adhere to in implementing programs and measuring their performance over time. Effective positive incentives, as well as negative incentives, must be established for the fair and comprehensive integration of American women into the paid labor force.

The development of such measures will require, from all of us, detailed consideration of alternative legislative courses of action. NOW does not presume presently to have at hand all of the answers for what must be done. However, NOW would welcome the opportunity to again address this subcommittee at a more lengthy session, with specific plans and proposals, and in the meantime to work with the subcommittee staff in developing plans for future hearings and legislation.

I would also like to add, in addition to the bill which Senator Javits has been dealing with, pregnancy discrimination, we are addressing the displaced homemakers bill, S. 418, which is pending in the Human Resources Committee. This legislation would help market the managerial skills that homemakers do have, that Ms. MacLeod mentioned earlier.

It is clear that past economic theories and policies have failed to bring about a system in which full and equitable employment is the rule for all Americans desiring work in the paid labor force. It is also clear that the human and economic costs of these failures can no longer be tolerated by our society.

We cannot wait for the long run to resolve our problems for us. As John Maynard Keynes, the founder of modern economic theory, stated in regard to the failures of the prevailing economic theories which he rejected: "In the long run we are all dead."

Let us work together to insure that, in our day, we can develop answers to the economic problems which now plague us before we, too, are all dead.

Thank you.

[The resolutions and statements referred to in Ms. Heagstedt's statement follow:]

NATIONAL ORGANIZATION FOR WOMEN BILL OF RIGHTS

We Demand:

I EQUAL RIGHTS CONSTITUTIONAL AMENDMENT

That the Equal Rights Amendment to the Constitution, passed by the Congress be immediately ratified by the several states to provide that "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex."

II ENFORCE LAW BANNING SEX DISCRIMINATION IN EMPLOYMENT

That equal employment opportunity be guaranteed to all women, as well as men, by insisting that the Equal Employment Opportunity Commission enforces the prohibitions against sex discrimination in employment under Title VII of the Civil Rights Act of 1964 with the same vigor as it enforces the prohibitions against racial discrimination.

III MATERNITY LEAVE RIGHTS IN EMPLOYMENT AND SOCIAL SECURITY BENEFITS

That women be protected by law to ensure their rights to return to their jobs within a reasonable time after childbirth without loss of seniority or other accrued benefits, and be paid maternity leave as a form of social security and/or employee benefit.

IV TAX DEDUCTION FOR HOME AND CHILD CARE EXPENSES FOR WORKING PARENTS

Immediate revision of tax laws to permit the deduction of home and child care expenses for working parents.

V CHILD CARE CENTERS

That child care facilities be established by law on the same basis as parks, libraries, and public schools, adequate to the needs of children from the pre-school years through adolescence, as a community resource to be used by all citizens from all income levels.

VI ELIMINATION OF DISCRIMINATION IN EDUCATION

That the right of women to be educated to their full potential equally with men be secured by Federal and State legislation, eliminating all discrimination and segregation by sex, written and unwritten, at all levels of education, including colleges, graduate and professional schools, loans and fellowships, and Federal and State training programs such as the Job Corps.

VII ANTI-POVERTY MEASURES WHICH PROTECT HUMAN DIGNITY

The right of women in poverty to secure job training, housing, and family allowances on equal terms with men, but without prejudice to a parent's right to remain at home to care for his or her children; revision of welfare legislation and poverty programs which deny women dignity, privacy and self-respect.

VIII THE RIGHT OF WOMEN TO CONTROL THEIR REPRODUCTIVE LIVES

The right of women to control their own reproductive lives by removing from penal codes laws limiting access to contraceptive information and devices and laws governing abortion.

IX EQUAL ACCESS TO PUBLIC ACCOMMODATIONS AND HOUSING

Amendment of Title II of the Civil Rights Act and state laws to include prohibition of sex discrimination in places of public accommodation, housing.

X PARTNERSHIP MARRIAGES OF EQUALIZED RIGHTS AND SHARED RESPONSIBILITIES

Revision of marriage, divorce and family laws to equalize the rights of men and women to own property, establish domicile, maintain individual identity and economic independence, etc., and promote marriage as an equal partnership of shared responsibility in all its aspects.

WHY NOW?

As a member of NOW, you can help fight injustices as actively as you wish—locally and nationally. Or, if you prefer, you can work behind the scenes with financial contributions.

You can help achieve continuing progress—ratification of the Equal Rights Amendment to the Constitution by states . . . more precedent setting court cases granting women equal legal rights . . . added pressures on employers and enforcement agencies to eradicate sex discrimination—assistance to women victimized by conditions of a sexist society.

You'll know that your membership fee and contribution will be supporting worthwhile projects such as: a National Action Center in Washington, D.C. which provides resources for Task Forces pioneering on every issue of the women's movement including the Equal Rights Amendment, credit, abortion, employment, rape, sports, education and health, to name only a few; national media campaigns to improve women's image in magazines, newspapers, radio and television, and to call attention to women's accomplishments and importance to society; legal aid for significant court cases; and a dynamic national constituent lobbying program.

These are some of the things NOW has done and will be doing. You can help . . . and you can be a person who "makes a difference." Join NOW . . . or send your contribution. Become part of the rapidly growing phalanx of women and men working together for women everywhere!

NATIONAL ORGANIZATION FOR WOMEN RESOLUTION ON ECONOMIC PRIORITY ISSUES
FOR THE SECOND DECADE

(Submitted by the Labor and Poverty Task Forces)

Whereas, certain basic legislative and economic changes and programs must be understood and won through tremendous grassroots support before women can fully and equally participate in this economy and society;

Whereas, after 10 years of feminist effort on affirmative action the wage gap continues to widen, the latest figures showing that in 1955 men's earnings exceeded women's by 56 percent and in 1974 they exceeded ours by 75 percent.

Whereas, occupational segregation has grown worse over the past 10 years as the majority of increases in labor force participation have been in female dominated occupations;

Whereas, the primary solution to the oppression of occupational segregation is to raise the status and wages of currently female dominated occupations;

Whereas, union women in clerical, operative and service jobs make 20 percent to 25 percent more in wages than non-union women, and 10 percent to 20 percent more in blue collar jobs, as well as receiving more benefits and job security which in sum give them a 70 percent advantage;

Whereas, in spite of this 88 percent of all women workers are unorganized with no protection under collective bargaining agreements;

Whereas, women continue to enter the work force in unprecedented numbers and a recent survey of female high school seniors revealed that only 5 percent wanted to forego the job market to be full time wives and mothers;

Whereas, the current economic priorities of this country coupled with the job market as it is now structured do not allow room for all of us, therefore our unemployment rate is chronically at least 2 percent higher than that of men, while for minority and older women it is twice as high, and women make up over 60 percent of all discouraged workers;

Whereas, although women make up 40 percent of the total work force there is still no national network of child care centers, and furthermore, during this recession thousands of child care centers were cut off from funds and closed;

Whereas, incidents of female-headed families continues to rise and in 1969 15 percent of all poor families were headed by a woman while now 45 percent of all poor families are female headed;

Whereas, the current welfare and unemployment compensation system does not provide for survival needs and deprives people of human dignity and constitutes a national disgrace;

Whereas, minority women, older women, gay and young women are hardest hit by all of the above;

Whereas, the National Organization for Women believes that the opportunity for decent economic survival is a basic human right and a preliminary necessity to human freedom dignity and the development of one's potential;

Therefore, be it resolved, that as the National Organization for Women moves into the 2nd Decade we will set priority on developing short and long range strategy for education and action on the following economic issues;

1. *Organizing into collective bargaining units.*—That we explore how unions and the labor movement have been the primary fighting force for workers rights, that we widely disseminate information on the benefits of unionization to women, and through various means stimulate organizing among ourselves and through the union movement;

2. *Overturning the Bennett Amendment.*—That we support the Campaign to End Discrimination Against Pregnant Workers and any other viable vehicle or strategy to eliminate the Bennett amendment which will make it possible to sue under Title VII for equal pay of *comparable value*.—the benefits of which could effect millions of women workers and be a major step toward closing the wage gap;

3. *Full Employment.*—That we develop a network of conscious and articulate feminists who understand the underlying basic necessity for full employment for the realization of feminist goals, worker and minority rights and basic human dignity—that we disseminate this information and prepare to join with others in the upcoming fight for the obviously justified demand that in the most affluent country in the world "everyone who is willing and able to work has a right to a job at decent wages."

4. *Child Care*.—That we develop short and long range strategy toward the achievement of a national network of child care centers with special emphasis on strategy to counteract the severe and deceitful grassroots backlash which was mounted against the Mondale-Brademas Child Care and Family Services bill in 1976—and that we also emphasize the formation of an alliance with other concerned people and organizations;

5. *Guaranteed Minimum Income*.—That we begin to prepare and develop the feminist perspective and strategy for the upcoming battle to replace the welfare system with a guaranteed minimum income program which is the only comprehensive and visionary solution to the cruel and vicious poverty and oppression of human dignity suffered by millions of women, children, minority persons and older Americans in this wealthy Nation;

6. *Domestic and International Redistribution of Economic Wealth and Resources*.—That we recognize that the accomplishment of the above priorities will require a shift in domestic priorities and some redistribution of income and resources—that we examine the ramifications of this with a commitment to democratic freedom as well as to economic justice and equal opportunity—and that we expose the dangers of current extreme and unnecessary inequities, not only to women, children, minorities and older Americans, but to the future peace and survival of the world.

NATIONAL ORGANIZATION FOR WOMEN RESOLUTION OF ECONOMIC PLANNING

Whereas a principal goal of NOW is economic independence and equality for women, but the economic gap between women and men has widened during NOW's first decade;

Therefore, be it resolved that NOW set closing the gap as a priority for the Second Decade and establish a National Economic Planning Committee, appointed by the President with the advice and consent of the Board, to

Determine the factors contributing to the economic gap;

Investigate the effects of the economic gap on women and society;

Develop a feminist index of economic equality and regularly report changes in the index;

Make a feminist analysis of private and governmental economic plans, proposals, and reports; and

Perform feminist economic research, develop feminist economic educational programs, and support the activities of the NOW Officers and Board and the other NOW committees through feminist economic planning, studies, reports, and testimony.

THE FIRST WOMEN'S STATE OF THE UNION ADDRESS, JANUARY 13, 1977

(Delivered by Karen DeCrow, President, National Organization for Women, Inc.)

An annual "Men's State of the Union Address" has been delivered by every President of the United States since George Washington in 1790. Through 1966, these speeches have comprised a record of some 3,181 pages of single-spaced text in the annals of U.S. history. In this entire record, on only 10 pages are any explicit references made to the status of women in this country. The aggregate of all the sentences referring to women amounts to no more than four paragraphs, or the equivalent of about 1½ pages of total text.

In addition, most all of the references to the status of women in the speeches are linked with references to the status of children, principally in regard to the need for protective labor legislation for both. And, in the priorities and text of the speeches, it is usually women and children last.

It was observed a long time ago, by a sensible and sensitive man, John Stuart Mill, the English philosopher and champion of democracy, that "men will never know what women want, until women tell them." And, I might add, until the men also listen!

As the United States begins its third century and the National Organization for Women its second decade, women need to articulate clearly and firmly what women want, what we need, what we regard as our just due and birthright as Americans and as human beings. Our words need to be heard by the incoming Congress, the new Administration and the country as a whole.

What do women want? What do any self-respecting, sane, and peace-loving people want? No more and no less than this: life, justice, the consideration and

respect of others, and the equal opportunity to succeed at whatever their talents and aspirations move them to undertake. No people, no nation, ultimately can survive when such ideals do not constitute its very soul, its reason for being.

But the inescapable fact of our contemporary society is that these ideals do not extend to at least one half of this nation's citizens! It is time that the true facts of the state of women in this country are recognized, and that steps to correct blatant and outrageous discrimination against our female citizens are made this government's highest priority. Women cannot, and will not, allow their problems to languish under an "official" attitude of benign neglect. We are dedicated to the creation of a society in which all individuals can live in peace, dignity, and prosperity. We will not rest while obstacles to the creation of such a society go on unabated. Our agitation will continue until the day that the American revolution is no longer an aborted unfinished revolution, but a reality for all of humankind.

The areas of our most urgent grievances encompass no less than women's state in the labor force; in our country's tax, welfare and social security laws; in the homes and in our schools; in the area of medicine and access to adequate health care; and in the legal statutes which affect our privacy, our power of control over our own lives, and our role as homemakers, wives, and parents of the next generation.

In December, 1976, the U.S. Supreme Court handed down what has to be one of the worst decisions ever rendered affecting women and families. The Court held that private employers with insurance programs compensating out-of-work employees for a broad range of disabilities, may refuse to compensate women for absences due to pregnancy. By ruling in a manner contrary to that of the Equal Employment Opportunity Commission, six Courts of Appeals, and in a manner insulting to every parent and would-be parent in the United States, the Court opened the way for the 40 percent of companies which presently have such coverage to cancel it, and for the 60 percent who do not, to continue the existing sex discrimination.

The Court noted that pregnant men would be treated in the same manner as pregnant women, and repeating a prior decision, that the two classes under consideration are not women and men, but rather, nonpregnant persons and women! The General Electric plan (the subject of the pregnancy coverage suit) did however, cover vasectomies, cosmetic surgery, sports injuries, hair transplants, and circumcisions.

Beyond the immediate decision itself, the Court's ruling also may have far-reaching implications for other kinds of litigation involving Title VII of the Civil Rights Act of 1964. The standards for proving discrimination under Title VII have been more flexible than for proving it under the 14th Amendment to the Constitution. Without a Constitutional Equal Rights Amendment, as has been affirmed to me by a representative of the U.S. Department of Justice, the Court can do pretty much what it chooses about sex discrimination.

The Court of Appeals in New York State, in an enlightened decision, held that the New York Human Rights law mandates maternity benefits to be paid as regular medical disability. Courts, legislatures, and executive branch officials in other states also have gone on record or demonstrated an inclination to mandate payment of maternity benefits within their states. At least at the local level, some sanity seems to be prevailing, although this alone cannot rectify the situation for millions of women who still will be left uncovered as a result of the federal Supreme Court decision.

Sex discrimination can and will continue as long as women passively accept their current status in this country. Hopefully, the outcry which accompanied the recent Court decision is an emphatic indication that women, and men, throughout the nation demand clearly defined and equitable federal legislation to change the outcome of the Court's decision.

In yet another atrocious Supreme Court decision, the Court ruled unanimously last month that divorced women can be excluded from a Social Security "wife's insurance benefits" program for mothers caring for young or disabled children. The plaintiff in the case heard by the Court was a divorced mother of a 24 year old retarded daughter. If this woman had remained married, she automatically would have continued receiving benefit payments to stay home and care for her disabled child. However, once divorced, the court apparently felt it no longer necessary for this woman to receive payments to stay home and care for her daughter. In a travesty of logic, the Court reasoned that Congress "could have rationally assumed that divorced husbands and wives depend less on each other for financial and other support than do couples who stay married."

It is precisely such thinking on the part of all too many men which has consistently and conveniently ignored the fact that poverty is a women's issue! That this is so, nevertheless, is repeatedly and glibly overlooked by the poverty program patriarchs, except when they come down to blaming poverty on the poor. Their typical solution to the poverty problem is simply to get the poor woman married off to some man who will support her. Never mind how the woman feels about this. Nor are other options considered.

The fact of the matter is that women are an economically disadvantaged class in America. After ten years of dedicated but all too often frustrating experience, NOW is well aware of outrageous discrimination against women in income, employment, taxation, and welfare programs.

NOW has worked for legislation outlawing discrimination, and has pushed for agency enforcement of the non-discrimination laws. Where those remedies have been inadequate, NOW has moved for redress in the courts. This experience has clearly demonstrated to us that equal rights is not a national goal.

Frequently we hear from those in positions of power in both the public and private sector that we should emphasize the positive; point to the positive "changing roles" of women in the labor force; and celebrate the women who have been allowed to be a "token" part of traditionally male dominated institutions and occupations. These gains are important, but we feel it is most crucial to expose and publicize the seriously deteriorating status of women in the economy.

Today, 4 out of every 10 paid workers is a woman! For 1974 (the most recent year for which detailed statistics are available), out of a total paid labor force of 91.7 million persons, 35.2 million were women. Our economy simply could not function without the participation of American women. Yet historically, as women have entered the paid labor force in ever-increasing numbers, our own economic stability has grown more precarious.

The difference between what women and men working outside the home are paid has nearly doubled in the two decades after 1955, according to the U.S. Department of Labor, Women's Bureau. Women who worked at year-round full-time jobs outside the home, in 1974, earned only 57 cents for every dollar earned by men. Men's median weekly earnings exceeded women's by about \$97, and women had to work nearly 9 days to gross the same earnings men grossed in 5 days.

In the 1960-1974 period, the greatest increase in the paid labor force participation rates was among females. But, in a comparison of wage or salary income of full-time year-round female workers in identical occupational groups with that of men, women's relative income positions deteriorated significantly. And the aggregate earnings gap between women and men was substantially wider in 1974 than it was 19 years earlier. In 1955 men's earnings exceeded women's by 56 percent. In 1974 the \$11,835 median income earned by men was 75 percent more than the \$6,772 earned by women. And when the recent effects of spiraling inflation are taken into account, the absolute difference between the earnings of men and women is even greater!

Women are clearly overrepresented among those workers whose earnings are low. We are 3.7 times as likely as men to be earning between 3 to 5 thousand dollars, and 3 times as likely to be within the 4 to 7 thousand dollar earnings range.

Despite the fact that we were 32 percent of all year-round full-time earners in 1974, we accounted for 63 percent of workers earning between 3 to 5 thousand dollars and 58 percent of those earning 5 to 7 thousand dollars. Less than 2 percent of all year-round full-time paid women workers earned in excess of 15 thousand dollars annually. In 1974, women with four years of college had lower incomes than men who had completed only the 8th grade.

Furthermore, the employment and income situation is even more aggravated for minority women. Their unemployment rate is over 10 percent—nearly double the overall unemployment rate for white men and for the economy as a whole. What has been an economic recession for some, has been a depression for others. Furthermore, for minority women who do have year-round, full-time jobs outside the home, their median 1974 income was only \$6,611. This income was 94 percent that of white women, 73 percent that of minority men, and 54 percent that of white men!

In other words, most women are poor, and most of the poor are women!

Lest anyone reveal their ignorance and contend that "yes, but most women work only for pin money," it must be understood that of the total adult female population, nearly one out of two women is in the paid labor force. Over 70 percent of all women working outside the home are either single, widowed, divorced,

separated, or have husbands who earn less than \$10,000. The fact is that women work out of economic need just as men do! They work because of their need to survive, their need to provide for their families, and their need for self-worth.

According to a recent study conducted by economists Heather Ross and Isabel Sawhill of the Urban Institute, female-headed families with children now constitute 15 percent of all families, up from 6 percent in 1960. During this same period of time, the proportion of female-headed families in poverty has increased from 18 percent of all poor families in 1960 to 41 percent in 1974.

In the age group of 25 to 44 years of age, the ages both of highest rate of participation in the paid labor force, as well as of child-bearing and rearing, the 1973 mean income of female-headed families was one half that of male-headed single parent families, and barely one third that of husband-wife families.

Nor should it be assumed that most women in single-parent families are receiving supplemental income by virtue of alimony or child support payments. Only 14 percent of divorced or separated women are awarded alimony; less than 7 percent regularly receive payments. And of divorced mothers, less than one quarter are awarded, and regularly receive, child support payments.

These bare-boned figures do not reveal the additional social and economic demands placed on women, regardless of our marital status. All over the world, because women have the primary responsibility for home and family, we have two full time jobs when we work outside the home. In the Soviet Union, where equal employment opportunity is more the fact than it is in the United States, women usually do not become the heads of hospitals, factories, and universities. The reason is partly because most Soviet women cannot work overtime—not by law, but by custom. They must leave work to purchase food, cook the dinner, and fetch the children from the nursery.

Government and university studies have shown that the average wife working outside the home spends 5 hours a day in addition on household tasks. The average husband spends 1.6 hours a day on home tasks. For the woman who is also the head of a family, the work week approaches 80 hours—40 hours on the job and 40 at home. But she is also forced to manage this task (in every age group) with less than half the income of a male supported family.

These problems are compounded by the limited availability of child development facilities; in 1974, 5 million mothers working outside the home had 6 million children under age 6, while the number of child care slots was only 920,000. The average working woman, whether or not she is the sole head of the family, is without adequate child care for her small children, overworked, and underpaid. And the hope that child care supporters felt on September 7, 1976, when President Ford signed the day care bill (HR 12455), is now being extinguished. This bill authorized an immediate dollar transfusion for the nation's day care system, admittedly very small, but at least some money to use. But, the language of the bill left so many loopholes that short-sighted officials in many states are planning to use these funds to bail out other programs, rather than up-grade existing child care programs.

Women are not only concentrated in lower-paying jobs, but are also found in large numbers in non-union business enterprises. A number of elements conspire to keep the wages of women depressed. The lack of inclusion under collective bargaining agreements (only 12 percent of women are covered by collective bargaining agreements) and the negative effect of so many women needing work that, out of desperation, they will settle for low-paid dead-end jobs, reinforces this ghettoization.

We urge women everywhere to heed the call of the famous labor leader, Mother Jones, "Don't agonize, organize!" Let us explore and initiate worksite organizing to accumulate our own economic power and collective bargaining rights. As the legal system fails us, women must take matters into their own hands and bargain with employers for our rights.

It has been apparent that so-called "protective labor legislation" merely has succeeded in keeping women out of high paying jobs. Gradually these laws are being struck down, through application of Title VII of the Civil Rights Act of 1964 and through State anti-discrimination laws.

Despite the economic obstacles women, particularly poor women, face, they continue to be blamed for their economic status. Attempts are being made to force welfare mothers to put their children in the care of babysitters (as opposed to a child development program) so that they can go out and work for \$48 a week or a similar incredible wage.

Theodore Roosevelt, in his 1906 State of the Union Address to the nation, said: "The Department of Commerce and Labor should also make a thorough investigation of the conditions of women in industry. Over five million American women are now engaged in gainful occupations; yet there is an almost complete dearth of data upon which to base any trustworthy conclusions as regards a subject as important as it is vast and complicated. There is need of full knowledge on which to base action looking toward State and municipal legislation for the protection of working women. The introduction of women into industry is working change and disturbance in the domestic and social life of the Nation. The decrease in marriage, and especially in the birth rate, has been coincident with it. We must face accomplished facts, and the adjustment of factory conditions must be made, but surely it can be made with less friction and less harmful effects on family life than is now the case. This whole matter in reality forms one of the greatest sociological phenomena of our time; it is a social question of the first importance, of far greater importance than any merely political or economic question can be, and to solve it we need ample data, gathered in a sane and scientific spirit in the course of an exhaustive investigation."

Today, we have more than ample data on the issues raised by President Roosevelt in 1906. But we have yet to act on the obvious implications of these data! And given the grimness of all the existing economic statistics, it boggles the mind that articles are being written today that tell us there is no longer a need for the feminist movement. Or, that when women get to the top, we cannot handle the strain! Clearly, the main strain which is difficult for women to handle is deliberate, ongoing, and increasing sex discrimination.

We cannot pardon those presidents who wrote 3,181 pages of State of the Union messages with four paragraphs about women. Women cannot and will not pardon the federal government for the lack of enforcement of laws against sex discrimination by the federal government. There is no possible excuse for the government's consent decree with the steel industry; for its failure to force industry to meet health and safety standards protecting women and men workers from lead, vinyl chloride and other toxic substances; for its failure to issue adequate and equitable guidelines to industry for layoffs; and for its lack of uniform testing standards to be used by all federal agencies.

We denounce policies which make profits the highest priority, and people expendable objects. In this regard we reaffirm our commitment to seeking truth and justice in the case of Karen Silkwood, union leader from the Oil, Chemical and Atomic Workers Union, mysteriously skilled while fighting for the health and safety of co-workers and the public. The Congressional investigation and hearings, won through the efforts of NOW and Supporters of Silkwood, verified our charges of cover-up and collusion by the Kerr-McGee nuclear industry, the FBI, and the nuclear regulatory agencies. As the truth about the Silkwood case unfolds in the Oklahoma courts this year, we will continue to support and expand upon Karen's position that all women and men have a human right to a safe work environment.

There is indeed no pardon for the outrageous refusal by our Government to pass full employment legislation guaranteeing jobs at prevailing wages for all who are willing and able to work. The trade-off theory between inflation and unemployment is first of all immoral. It is immoral to place the burden of fighting inflation on those least able to bear it—the workers with the least seniority (minorities and women) and the structurally unemployed. Secondly, the trade-off theory has been proven outdated. With the growth of monopoly corporations we now suffer high levels of inflation and unemployment. It is imperative that we establish a national full employment policy and resolve to fight inflation with price controls and other just means.

There is no pardon for the government's rubber-stamp approval of superficial affirmative action programs which, in actuality, have done little, if anything, to significantly improve the lot of working women. There is no excuse for the repeated failures of the Equal Employment Opportunity Commission (EEOC) for its constantly growing backlog of cases, and its attempts to reduce this backlog by sacrificing the rights of complainants. There is no pardon for the improper closure of many of these EEOC complaints, for incomplete investigations leading to erroneous findings, for agency pressure on charging parties to accept inadequate or inappropriate conciliations, and overt sexism by the EEOC both towards charging parties, and towards the Commission's own female personnel.

I often tell women who plan to file with the EEOC that they should be prepared to merge their sex discrimination complaint with an age discrimination complaint. That's how long it will take!

Neither can we pardon the Department of Justice for its frequent refusal to include women in its suits and consent decrees.

There is no pardon for the Office of Federal Contract Compliance (OFCC) for failure to review no more than 10 percent of the companies holding federal contracts. The OFCC has continually refused to set goals and timetables for women in construction.

There is no pardon for a federal commissioner, charged with enforcing anti-discrimination laws, who "explained" to a NOW member: . . . I wonder if you ever realized that almost every charge that has been filed by or on behalf of charging parties with this Commission has been against white men. Do I need to further state that almost one hundred percent of them live with white women. So it goes without saying, that at least there is a direct line of communication, whereas blacks may never get to talk to the head of any firm.

Such reasoning is not only insulting, it is idiotic!

In our Union today, we are taught from childhood on, that our highest mission is that of wife and mother. Yet, should we follow this destiny, we are afforded not only economic disadvantage, but lack of respect. The Dictionary of Occupational Titles published by the Department of Labor, classifies mothering and homemaking skills in the lowest possible skill code; the occupation of dog trainer is given a higher numerical rating!

We must work to change society's attitudes in regard to homemakers. Homemaking is work, and the fact that it is not salaried must not keep us from moving towards benefits enjoyed by other workers—social security, pensions, unemployment benefits, and disability and health insurance.

An immediate priority must be to deal with the special problems of women in their middle years who have "lost their jobs" through a spouse's death or divorce, and their sense of self-worth and dignity after years as homemakers, economically dependent on their husbands. We need to pass a federal Displaced Homemakers Act, setting up multipurpose service Centers, adequately funded, to create new types of jobs within communities which will utilize the skills and talents of former homemakers; and will counsel, train, and place former homemakers in paid positions, providing them with a dignified economic and social independence.

Why a National Act? Because it is a national problem! All women in their middle years who have to work and can't because of discrimination against them solely on the basis of age, are part of a new disadvantaged minority in our society. By the year 2000, 20 percent of the population will be women over 60 years of age. With a shrinking birth rate, a sharp rise in no-fault divorces after many years of marriage, and a containing increase in the numbers of women outliving men— younger, as well as older women are acting collectively, out of enlightened self-interest, to look to themselves to help themselves. This is precisely why feminists, many of whom are homemakers themselves, are urging passage of a Displaced Homemakers Act, to be signed by President-elect Carter on Mother's Day, May 8, 1977.

In regard to this nation's young women, despite Title IX of the Education Amendments of 1972, our young girls are learning daily in school that they are second class citizens. In a Colorado junior high school, the girls in home economics class wash the boy's football and basketball uniforms. In a Montana school, the first grade girls and boys have been segregated, to find out if the boys learn better when girls are not around. The separation is based on a theory that coeducation may be detrimental to young boys, because of early dominance by females!

Little, if any, progress has been made in sports for girls and women. NOW has been swamped with complaints of violations; girls being denied access to Little League, baseball, hockey, and football teams. Title IX has been twisted and interpreted to mean that women's athletic departments are no longer necessary. Women's athletic director positions at the University of Nevada at Las Vegas and the University of California at Santa Barbara have been terminated. There are few coaching positions open to women; girl's teams are still fighting for equal time for use of equal facilities and equipment. With a more creative approach, athletics could be redesigned to include all of us. Divisions could be reassigned according to weight (as wrestling already does), height (this would enable women to compete more fairly against men in a sport such as basketball), and age.

We will not stop short of total integration of all sports at all levels—professional and amateur.

The National Assessment of Education Progress revealed in a 1975 report that girls were failing and falling behind in math, science and social studies, nationwide. Although they tested equal to their brothers at age nine, by age 13 a decline

began which continued through testing at age 17 and further testing in adulthood. Massive intervention programs are needed for girls to move them forward in math, science and social studies.

When it was discovered that reading was a boy's problem, millions upon millions of dollars were poured into Right to Read and similar programs. Half the nation's school population is failing at math and science and nothing is being done about it, because of sexist stereotyping and discrimination!

The number of pregnant teenagers is skyrocketing. Yet schools refuse to give either adequate birth control information to these young girls, or information on options for continuing their education after their child is born. The girls are captured in dismal "special schools" or they drop out and lose any chance for further education. Although this is slowly changing, better programming and planning is urgently needed for these young women.

Furthermore, female faculty and administrative positions in education are miniscule—65 superintendents out of 13,000; only 155 chief executive officers in over 3,000 higher education institutions. Fewer than 5 percent of the colleges and universities in the United States are headed by women. Only four public institutions with enrollments over 10,000 are headed by a woman. And there are fewer women full professors now than there were in 1973, and their salary gap with male faculty staff is widening.

The average woman's compensation in our universities is 17.5 percent lower than the average man's. Only 12 percent of women faculty are full professors while 31 percent of male faculty are. Within each rank, women receive lower pay, with the highest ranks having the greatest disparity.

Demands for decent health care, which were first raised by the Women's Movement, are now being taken up by all sectors of the population. In fact, what began as consciousness-raising and self-help in relation to women's health has now become a movement toward improved, more accessible, and less expensive health care for every citizen—woman, child and man. The health care movement has taken its rightful place in the consumer movement of the 70's.

More research is needed in women's health, most critically in the area of contraception. If men could get pregnant there would be a generally available, safe and effective means of birth control. But women, particularly minority women, continue to be the guinea pigs of irresponsible and dangerous methods. Non-english speaking Chicana women in San Antonio, Texas, were used in a birth control pill experiment in which some were given placebos (sugar pills)—rather than real contraceptive pills. This "experiment" was to test a theory that pregnancy is only psychological. Not knowing the intent of this experiment, the women participating were also required to sign a consent form which was written in English. To participate, the women must have had three children and have decided to have no more children. Many of them became pregnant and, since abortion was illegal, they were forced to bear their children. This experiment was ended by a law suit, but similar ones are going on right now, particularly with Black, Puerto Rican and Chicana women. This kind of experimentation must be stopped.

Another very serious and alarming violation of women's rights is sterilization abuse. Many poor women are pressured into sterilization during childbirth or abortion under threat of losing their welfare benefits. Doctors often sell the operation to their patients as bandaid surgery and surveys show they prefer this approach with low income patients. Often, the women are not informed of the risk and permanence of the procedure and, in some cases they are totally unaware that it is taking place. One third of Puerto Rican women of childbearing age, 20 percent of married black women, and at least 15 percent of Native American women are sterilized. These statistics reflect a government policy which intends make sterilization more popular as a birth control method.

Cutbacks in decent health care, childcare, education and housing, and the lack of safe and effective birth control alternatives, induce women to be sterilized as a solution to dealing with these problems. Clearly such government and medical policies and practices are a violation of our right to control our own bodies. These practices are in addition racist and classist!

No form of contraception is acceptable which still presents a significant health hazard to substantial numbers of women. Along with support for research, there is a need for objective dissemination of information regarding contraception and family planning for women and men throughout our schools and our media. It is absolutely vital that school health education programs place increased stress on conveying more information to young adults on knowing their own bodies. Yet, gains that already have been made in this area are in danger of being lost because of critical budget cuts for health and education programs.

Moreover, in a shocking act of elitism, the U.S. Congress in September, 1976 passed the "Hyde amendment" to the H.E.W. appropriations bill, to prohibit federal funding of abortions for low-income women, except where the mother's life would be endangered. This is like declaring war on all the poor women in America. As a result of this amendment, thousands of poor women could die from self-inflicted abortion attempts, and thousands more would be forced to bear children they cannot support and adequately care for.

Fortunately, thanks to immediate court action on the part of feminists in challenging the constitutionality of this blatantly discriminatory legislation, injunctions have already been issued prohibiting HEW from stopping federal payments for abortions for low income women. Nevertheless, we cannot strongly enough emphasize our outrage at the callousness and short-sightedness of the federal legislators who engineered this irresponsible and deplorable piece of legislation. It is a national disgrace that the U.S. Congress even considered such an act to deny poor, mostly minority women, the same right of choice available to other American women.

National Health Insurance is again under consideration and any plan discussed must have specific, comprehensive coverage for women, including prenatal care, gynecological screening, consultation and review of surgical procedures, contraception, family planning, and abortion services—and assurance of eligibility for all persons. This insurance must also cover health services provided by certified non-physician practitioners, such as para-medics, nurses, and mid-wives.

There is perhaps no greater threat to women's health than domestic violence, a subject which only recently has been brought into the open. According to the FBI, the crime of wife-abuse is 3 times more unreported than rape, and 10 times more frequent than available statistics indicate. Some authorities estimate that wives in as many as one fourth of American marriages suffer physical abuse at the hands of their husbands. In 9 out of 10 cases reported as "domestic disturbance" the victim/complainant is a woman.

Law enforcement and social service agencies are dismal failures in coping with marital violence. When women's groups seek help in establishing refuges for battered women, government usually responds in unsuitable and traditional ways: federal agencies grant monies for "research" but not for services; counties make appropriations for feasibility studies; state legislators are willing to fund no more than one crisis center as a pilot project. None of these responses adequately addresses the very real needs of countless women victims.

As a nation we need to reexamine our moral and social values and reorder our financial commitments. We must recognize the correlation between violence in the street and violence in the home, where it is learned. The severity of the beatings women receive from the men they live with increases as time goes on, and more than just a few cases have ended in homicide. By our failure as a society to intervene, we are teaching our children that violence is an acceptable behavior, and a viable means for problem-solving.

Experience shows that as soon as a refuge for battered women and their children is established, it is filled beyond capacity; the waiting lists are long. Needs assessments are unnecessary; money should be diverted immediately into emergency housing and services. Federal surplus properties should be turned over for emergency shelters. Legislation is desperately needed for an all encompassing Federal Family Violence Prevention and Treatment Act. Not only is there an immediate need to assist the victims of this violence but, as in all crimes, there is a need to understand the causes of it and eliminate these factors.

Although such rights as individual privacy, due process, and equal protection of the law for all people are allegedly guaranteed by our Constitution, the fact is that these basic rights are being denied to at least 21 million citizens solely on the basis of their sexual or affectional preference.

Existing laws discriminate by not specifically prohibiting discrimination on the basis of affectional preference in such areas as: housing, employment, credit, child support, child custody, visitation rights, immigration and naturalization, military service, public accommodations and public health, and social welfare services.

Sexism is the link between anti-feminism and homophobia. Sexism punishes persons who challenge the sex role stereotypes.

In the area of criminal law, sodomy laws and others classify as criminal conduct certain consensual forms of sexual activity, exercised between consenting adults in private. These laws are used routinely to harass gay persons, and are frequently enforced only against gay persons.

Lesbians serving honorably and with distinction in various branches of military service still find themselves the subjects and targets of military harassment campaigns which involve prolonged, intensive, and highly intrusive investigations about the most intimate details of their sex lives, personal feelings, and behavior in general. Their service records are given little consideration. They are judged and condemned solely on the basis of their sexual/affectual preference. Their treatment at the hands of sexist defense department officials and military officers stands as proof of the old truism that "military justice is to justice as military music is to music."

Lesbian mothers who either already have custody rights, or who are seeking custody rights, are routinely dragged through sexist judicial procedures to deny them custody rights or to revoke these rights solely on the grounds of their lesbianism.

To date some, if little, progress has been made. Fifteen states have repealed sodomy statutes or otherwise reformed their criminal codes in regard to consensual sexual acts. A number of municipalities, including Washington, D.C., have passed civil rights ordinances to protect gay people. In 1975, four county governments adopted civil rights protection for gay persons. Thirteen major U.S. corporations have made enlightened statements concerning non-discrimination on the basis of sexual preference. A federal Gay Civil Rights bill was introduced into Congress with 25 co-sponsors. President-elect Carter has stated he would sign this bill if passed by Congress.

We urge that President Ford, in the week that remains, or President-elect Carter, upon assuming office, issue a federal executive order banning discrimination against persons on the basis of sexual/affectual preference in government hiring and contracting.

Finally, there is no pardon for the Internal Revenue Service, which has taken no action on an obvious violation by the Catholic Church of its tax exempt status. In March 1976 the National Organization for Women asked for a complete tax audit of all Roman Catholic dioceses, the National Conference of Catholic Bishops, and the U.S. Catholic Conference. The recent unparalleled overt, political activities of the Roman Catholic hierarchy compel the National Organization for Women to seek the aid of the Internal Revenue Service for such an investigation.

In November, 1975, the National Conference of Catholic Bishops, meeting in Washington, unanimously adopted a "Pastoral Plan for Pro-Life Activities." They stated their intent to use "all Church sponsored or identifiably Catholic national, regional or diocesan and parochial organization and agencies . . . to create an anti-abortion political network throughout the country. The Pastoral Plan specifically calls for the formation of "citizen lobbies" in every congressional district in the United States to work for these ends.

Sec. 501-c-3 of the IRS Code prohibits substantial legislative and political activity by a church. The National Organization for Women believes that millions of tax-exempt dollars are being used in an illegal and improper manner by the Roman Catholic hierarchy, and are being funneled into an enormous political machine. We believe the hierarchy is violating both its tax exempt status, and the American principle of separation of church and state.

We received a reply from the IRS in April, 1976. It read: . . . "We can assure you that the information you have furnished will be considered within the scope of our audit program. The disclosure provisions of the Internal Revenue Code prevent us from indicating any specific actions planned, proposed, or taken with respect to the United States Catholic Conference. We appreciate your interest in this matter and we hope these comments will be helpful to you."

The comments have not been helpful. The hierarchy continues to operate politically. No action has been taken by the IRS.

So, as the United States now enters its third century, we bid good-bye to President Ford. We bid a loving farewell to Betty Ford. We shall miss you, Betty, and wish you well.

We say hello to Rosalynn and Jimmy Carter. We are pleased that the President-elect has stated that he wants to work for significant improvement in the status of American women. We doubt that you can accomplish this, however, unless you will meet and work with feminists dedicated to eliminating the problems of sex discrimination in the United States.

A cartoon in the Washington Star by Oliphant shows President-elect Carter in a Santa Suit, carrying his valet pack. The pack is labeled "cabinet." The cartoon reads "I may lust after women; I just can't seem to find one." Apparently he found two. But for those of us who know that there are tens of thousands of highly qualified women in this country, our feeling is "twice is not enough."

Women's state in this Union is not good. It is not simply women's "intuitions" which tell us that something is wrong. It is our intellects. It is our understanding and awareness of the world in which we all live. Facts cannot be casually ignored. Inequalities cannot be denied.

Laws on the books which are unfair, are not repealed; laws on the books which would lessen inequities are not adequately enforced; and the Equal Rights Amendment, which was first introduced in Congress in 1923, and which would provide a constitutional basis for fighting all types of sex discrimination cases, is blocked—four states short of national ratification! How much longer must women wait?

The 28 feminists who, ten years ago, founded the National Organization for Women, did not wait. Today, one decade later, we are the largest grass-roots feminist organization in the world, with chapters in every state of the Union and around the globe. Our watchword has been "Action" as we have waged war on all aspects of sex discrimination. NOW taskforces were organized, thanks to the initiative, dedication, and enthusiasm of feminists from Boston, Massachusetts, to Grand Forks, North Dakota, to San Francisco, California, to deal with the problems of women in the labor force, in poverty, in housing, health, credit, homemaking, and child care situations, and with our media image.

Frequent meetings with feminist leaders are probably more urgent an item for the Presidential agenda than meeting with members of Congress. For, whereas the Harris Poll shows that only 9 percent of Americans have a great deal of confidence in members of Congress, the majority of those surveyed felt that women's groups are helping the cause of women. Moreover, over 60 percent of those surveyed think that improving the status of women is necessary in American society.

To borrow an old saying (accurately paraphrased), it remains as true today, as ever, that all that is needed for tyranny and injustice to prevail is for enough men—and women—of good will to sit back and do nothing. Feminists will not sit back and do nothing!

Is equal justice for all human beings still too radical an ideal for this nation, or any nation, to accept in the last quarter of the twentieth century? Are fair laws, and equal justice still too radical to accept and implement in our everyday lives? Is it unreasonable to demand that the most affluent country in the world provide equal opportunity and full employment at prevailing wages for all who are willing and able to work? Can we not expect non-sexist non-racist low-cost quality child development programs, health care and education? Can we not expect a guaranteed minimum income for our citizens, to eliminate the growing poverty among women, minorities and older Americans?

Then, all women and men who believe in liberty and economic and social justice for all are uncompromised idealists. We cannot and we will not, sit back—and do nothing!

STATEMENT OF THE NATIONAL ORGANIZATION FOR WOMEN ON THE BALANCED GROWTH AND FULL EMPLOYMENT ACT OF 1976, SUBMITTED TO THE SENATE LABOR AND PUBLIC WELFARE COMMITTEE, MAY 19, 1976

INTRODUCTION

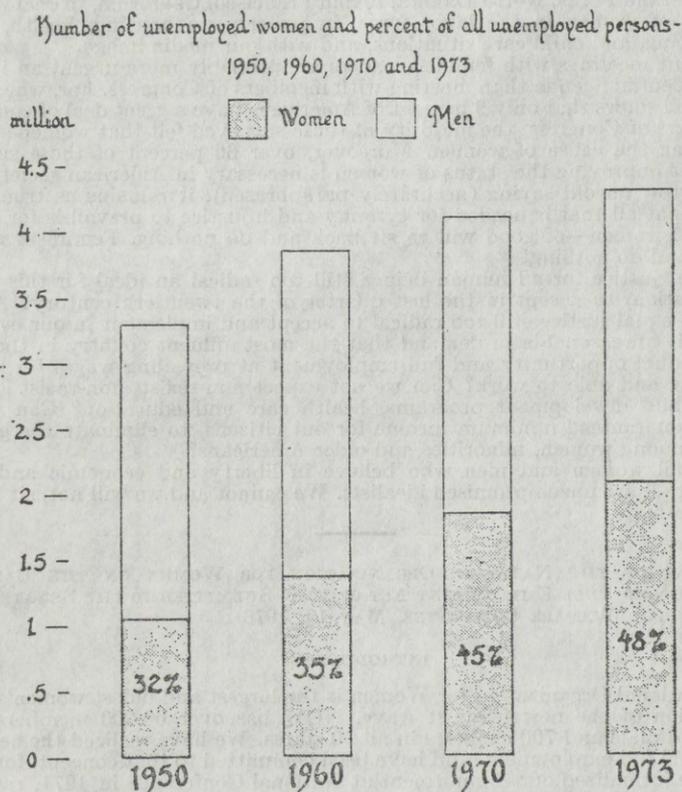
The National Organization for Women is the largest and oldest women's rights organization of the new feminist wave. NOW has over 60,000 members, both female and male and 700 chapters in all 50 states. We have realized the necessity for national full employment, and have been committed to that concept, for many years. We formalized our commitment at National Conference in 1971, resolving to work for "passage of legislation to provide for a full employment program for the United States, in which private industry and the public sector expand opportunities for work for all, so that each person can have a realistic chance for meaningful employment at a decent rate of pay."

A national Full Employment Act is necessary in order to move the nation toward the priorities of meeting human need through work opportunity. As a nation, we are losing millions of dollars in productive labor, services and taxes through endemic unemployment. Lack of work has so discouraged women, minorities, youths, and older citizens that many feel useless. Lack of work is also a costly contributor to the rising incidence of crime, alcoholism, drug addiction, depression and mental illness.

Unemployment severely affects women. The number of unemployed women has increased greatly since the 1950's and women account for an increasing proportion of all unemployed persons (See Figure 1). The rate of unemployment for women has been greater than that for men since the late 1940's (See Figure 2).

FIGURE 1

The Number of Unemployed Women
Has Increased Greatly, and Women Account for
an Increasing Proportion of All Unemployed Persons



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Reference 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Women's Bureau, Bulletin 207.

FIGURE 2

TABLE 27.—UNEMPLOYMENT RATES OF WOMEN AND MEN, 1947-74

[Persons 16 years of age and over]

Year	Annual averages		Year	Annual averages	
	Women	Men		Women	Men
1974 (April, seasonally adjusted).....	5.9	4.5	1960 ¹	5.9	5.4
1973 ¹	6.0	4.1	1959.....	5.9	5.3
1972 ¹	6.6	4.9	1958.....	6.8	6.8
1971.....	6.9	5.3	1957.....	4.7	4.1
1970.....	5.9	4.4	1956.....	4.8	3.8
1969.....	4.7	2.8	1955.....	4.9	4.2
1968.....	4.8	2.9	1954.....	6.0	5.3
1967.....	5.2	3.1	1953.....	3.3	2.8
1966.....	4.8	3.2	1952.....	3.6	2.8
1965.....	5.5	4.0	1951.....	4.4	2.6
1964.....	6.2	4.6	1950.....	5.7	5.1
1963.....	6.5	5.2	1949.....	6.0	5.9
1962 ¹	6.2	5.2	1948.....	4.1	3.6
1961.....	7.2	6.4	1947.....	3.7	4.0

¹ Not strictly comparable with prior years due to the introduction of population adjustments in these years.

Source: U.S. Department of Labor, Bureau of Labor Statistics: Employment and Earnings, May 1974; and Manpower Report of the President, April 1974.

	Annual average 1947	Annual average 1973
Women in civilian labor force (in thousands).....	16,664	34,510
Percent of total labor force.....	28	39
Women unemployed (in thousands).....	619	2,064
Percent of total unemployed.....	27	48
Unemployment rate of women.....	3.7	6.0
Unemployment rate of men.....	4.0	4.1

Source: Manpower Report of the President, April 1974.

Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Womens Bureau, Bulletin 297.

The figures illustrate the marked increase in the size of the female labor force coupled with a worsening in the unemployment rate of women as compared with that of men. In 1947, women accounted for 28 percent of the civilian labor force and 27 percent of the unemployed; in 1973; they accounted for 39 percent of the civilian labor force and 48 percent of the unemployed.¹ Nearly a quarter of a million unemployed women, in March, 1974, were family heads. Their rate of unemployment was 6.4 percent compared with 2.7 percent for men family heads in wife-husband families and 4.5 percent for men heads in other families.²

Unemployment rates for women are highest for teenagers and minority women (See Figure 3). The average unemployment rate for minority race women in 1973 was twice as high as the rate for white women (See Figure 4).

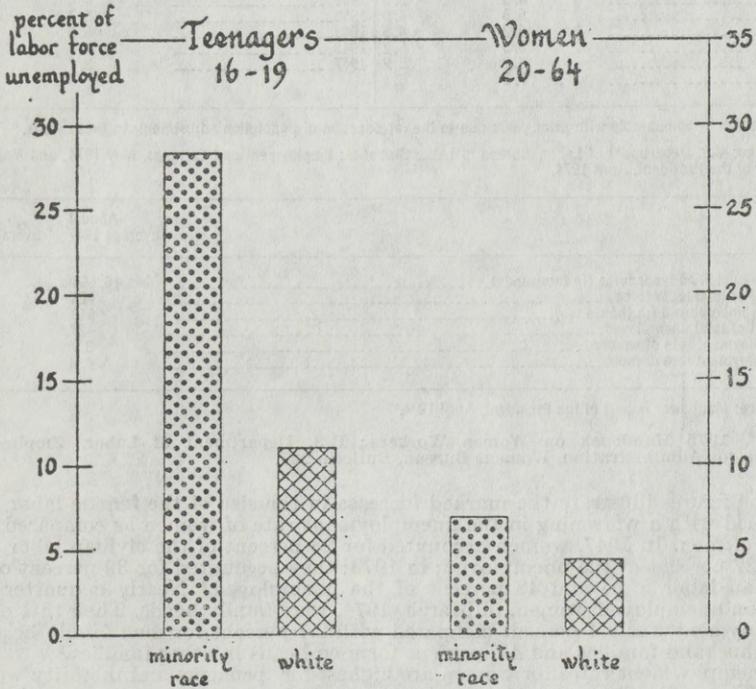
¹ U.S. Department of Labor, Women's Bureau, 1975 Handbook on Women Workers, 1975. Bulletin 297: pp. 64-65.

² Ibid. p 70.

FIGURE 3

Unemployment Rates Are Highest for Teenage and Minority Race Women

Unemployment rates for white and minority race women
16-19 and 20-64 years of age - April 1974



Source: U.S. Department of Labor, Bureau of Labor Statistics.

FIGURE 4

TABLE 31.—UNEMPLOYMENT RATES OF WOMEN, BY AGE AND RACE, SELECTED YEARS 1960 TO 1973
[Women 16 years of age and over]

Age	1973		1970		1960	
	White	Minority races	White	Minority races	White	Minority races
Years:						
16 to 17.....	15.7	36.5	15.3	36.9	14.5	25.7
18 to 19.....	10.9	33.3	11.9	32.9	11.5	24.5
20 to 24.....	7.0	17.6	6.9	15.0	7.2	15.3
25 to 34.....	5.1	9.7	5.3	7.9	5.7	9.1
35 to 44.....	3.7	5.3	4.3	4.8	4.2	8.6
45 to 54.....	3.1	3.7	3.4	4.0	4.0	5.7
55 to 64.....	2.8	3.2	2.6	3.2	3.3	4.3
65 and over.....	2.8	3.9	3.3	1.9	2.8	4.1
Total.....	5.3	10.5	5.4	9.3	5.3	9.4

Source: Manpower Report of the President, April 1974.

Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Womens Bureau, Bulletin 297.

NOW strongly supports and endorses the goal of national full employment and a Federal Full Employment Act is the primary way to accomplish that goal. We believe that in order to correct the unemployment problem as it affects all worker groups, women, minorities, youths, older citizens and men, the nation must establish specific goals and coordinate national policy and planning to achieve them. As a nation, we must stop scrambling to meet problems on a crisis-response basis.

Inherent in the national effort to achieve full employment must be a commitment to equal opportunity. We cannot have full employment for one worker group and "just a little bit" of full employment for other worker groups. Inherent in the policy of a Full Employment Act must be the commitment to a job guarantee. Everyone who wants a job must be guaranteed work. The nation must not implement an inadequate program which through job scarcity or by the establishment of false "worthiness" priorities, forces disadvantaged worker groups to compete one against the other for work. Inherent in the implementation of a Full Employment Program must be choice. There can be no requirement forcing a person to work, nor punitive measures taken against persons who choose not to accept work offered them.

NOW is extremely concerned about the costs to our society and to our individual citizens caused by continuing high levels of unemployment. A country which cannot provide work for the people who need and want it lacks the ability to provide the basic requirement for the pursuit of life, liberty and happiness.

NOW calls on this Committee, on the Congress, the Chief Executive and the American people to recognize that as a nation, we must find a way to provide full employment without discrimination. At the same time we must also be striving to achieve the goals of adequate housing, childcare and other essential human services which are necessary in order to work and in order to reduce social disruption and a growing national welfare bill.

SUMMARY OF RECOMMENDATIONS ABOUT THE ACT RELATED TO WOMEN AND MINORITIES

NOW members contributed ideas and support to the Equal Opportunity and Full Employment Act of 1976, introduced in August, 1974. NOW was not consulted on the revised version recently re-introduced. However, we anticipated landmark legislation which we could immediately endorse.

NOW is anguished that the Amendment eliminates important provisions from the previous Act and introduces some new provisions which will be damaging to the employment opportunities for women and minorities.

The following section summarizes our major concerns and recommendations. The section immediately following presents a detailed commentary and suggestions on specific sections of the Act as it relates to women and minorities.

1. The original Act announced to the nation through its title, "Equal Opportunity and Full Employment Act of 1976" and through many provisions since deleted, that Congress was not only providing for full employment, but was assuring equity as well. The current Amendment shifts "equal opportunity" out of the title and almost out of the Act, in favor of balanced growth. We recommend the re-inclusion of "Equal Opportunity" in the title along with "Balanced Growth."

2. While full employment for women and minorities would solve many of the immediate economic problems associated with life sustenance, the Act will not automatically solve problems caused by discrimination. There must be a specific commitment to developing new supplementary programs in training and counseling aimed at relieving discrimination and the channeling of workers into stereotyped jobs.

3. The term "labor force groups" must be expanded wherever it occurs to specifically include assistance for those other groups which suffer most from unemployment: i.e., women, minorities, and older Americans, as well as youths.

4. The rate of unemployment (3 percent) should be an interim goal and must be specifically defined as a goal for each worker group within the labor force. Without such clarification and emphasis, the Act will remain inherently discriminatory.

5. In addition to the special consideration given to the employment problems of youth, special consideration in the Act should also be extended to include the employment problems of women, minorities and older workers.

6. The eligibility criteria defined in the Act must be eliminated for its disparate effects on all women, particularly married women.

7. The Act must clearly prohibit forcing people off income maintenance into work which is not feasible or desirable to them.

8. In order to make the non-discrimination section of the Act effective, it is necessary to provide a private right of action with no required exhaustion of administrative remedies, as well as directing the Secretary of Labor to establish mechanisms for the receipt, investigation and resolution of complaints.

9. The Act must re-establish the concept of a "job guarantee" for any person who wants to work.

10. The inclusion of national defense as a high priority area in the economic program is counter-productive to meeting the employment needs of women, minorities and older workers. We call for the conversion of excessive military spending into peacetime social service programs.

COMMENTS ON SPECIFIC SECTIONS OF THE ACT OF CONCERN TO WOMEN

In contrast to previous drafts of H.R. 50, the current draft appears to be designed to solve the unemployment problems of that segment of the workforce which has traditionally been most favored. It does little to address the problems of those groups in the workforce who have been most deprived of the benefits of full and equal employment in the past. We should now like to offer comments on specific sections of the Act which are of particular concern to women.

Section 2(b)(4).—Although NOW believes that the achievement of equal employment opportunity would be easier under conditions of true full employment, it is important to note that full employment will not necessarily solve the problem of the differential between white males and those groups traditionally suffering discrimination in the workplace. Discrimination is a factor which is separate from cyclical economic behavior. It is erroneous to assume that if there were no recessions there would be no discrimination. Where discrimination exists and requires structural change, the bill makes no provision for counter-discriminatory programs. For example, the bill appears to assume that there would be no market imperfections if the economy were moving. However, the dual markets for so-called "male" and "female" jobs, which have resulted in artificially depressed wage rates for most women workers, would simply be perpetuated if full employment for women were achieved through continued placement in traditionally female jobs. Under these conditions, it is reasonable to assume that the discriminatory wage rates would also be perpetuated. Nothing in the bill speaks to problems of this nature. NOW believes that such problems must be specifically addressed in order for this bill to make a meaningful contribution to the elimination of discrimination.

Section 2(c) 2A.—There are some areas where full employment and equal employment clearly overlap. For example, an economic recession resulting in layoffs conducted on a "last hired, first-fired" basis can cause a loss of equal

employment gains where women and minorities have been integrated recently into jobs previously held solely by white men. Thus, we are pleased that this section recognized the need for programs specifically concerned with the problem of high unemployment during recessions. We believe, however, that such programs should be "specifically designed to eliminate" rather than "reduce" high unemployment. Similarly, we are pleased that the bill calls for programs to reduce structural unemployment "among particular labor force groups," but urge that the ultimate goal of such programs be the elimination, rather than the reduction of structural unemployment.

NOW believes that this section must be greatly strengthened, to avoid continuing discrimination, by specifically mentioning women, minorities, and older people as being among those labor force groups which Congress intends to assist by this legislation. This is particularly important since an entire section of the bill is dedicated to addressing the unemployment problems of young workers, but the ACT makes no specific mention of the unemployment problems of women, minority, or older workers. NOW is also concerned that the subject of underemployment is not covered by the ACT since a disproportionate number of women are underemployed.

Section 102 "Sec. 2(b)".—NOW applauds the establishment of the right of all adult Americans able and willing to work to "opportunities for useful paid employment at fair rates of compensation." We are disturbed, however, at the addition of the expression "seeking work" to this version of the bill. With this addition, the ACT obviously will fail to address the problems of the discouraged worker. Indeed, it would appear that in this version of the bill discouraged workers are not counted as part of the labor force. A large proportion of discouraged workers are women and members of minority groups, because they have suffered serious discrimination in past efforts to find employment. Therefore, NOW believes that it is essential that such workers be counted as part of the labor force if the ACT is to achieve any true condition of full employment in this society. For this reason, we suggest the deletion of the expression "seeking work" wherever it occurs in the bill.

Section 104 "Sec. 3A(d)".—Although NOW does not accept the idea of a minimum "acceptable" level of unemployment, we realize that there will always be some minimal level of unemployment because of job search and labor mobility considerations. However, NOW is gravely concerned about the establishment of an overall 3 percent maximum "acceptable" unemployment level. Our concern on this point is two-fold:

1. The 3 percent is given as an ultimate, rather than an interim, goal. The 3 percent level of unemployment is established as the "minimum level of frictional unemployment consistent with efficient job search and labor mobility." There is no emphasis on further reduction of unemployment once this goal is achieved. The full employment is reached when no one is involuntarily unemployed.

2. The 3 percent level is doubly suspect because it nowhere takes into account the fact that the unemployment levels of white males drop below 3 percent in good times, while the unemployment levels of women and minorities remain significantly above 3 percent. The table below gives the relevant statistics for 1969, a year when the overall unemployment was 3.5 percent.

UNEMPLOYMENT RATES BY RACE AND SEX FOR 1969

	Unemploy- ment rate	Ratio to white male rate
White male.....	2.8	1.00
White female.....	4.7	1.68
Black male.....	5.3	1.89
Black female.....	7.8	2.79

Source: Statistical Abstract, 1975.

Thus, in a year when unemployment was not a major concern, it is clear that the black female population was asked to sustain a level of unemployment which would be cause for national alarm if it were suffered by the white male population. Further, it should be noted again that the unemployment statistics given do not include discouraged workers or involuntary parttime workers, the majority of whom are women and minorities. Therefore, the above table presents a much more optimistic picture than realistically existed in that year of ostensibly low unemployment.

NOW believes that it is imperative that, at the very least, a clause should be added to this section which would specify that the interim goal should be an unemployment rate which must not exceed 3 percent for any group in the labor force, regardless of sex, race, color, religion, national origin, or age.

Section 104 "Sec. 3A(e)(2)."—NOW commends the recognition of the importance of providing quality child care for all at costs within their means. We would suggest replacing the expression "day care" to "child care", in recognition of the fact that many parents work at night and thus require child care during hours which are outside the schedule of the usual day care center.

Sections 202(c)(4) and 204(a)(1).—We want to emphasize that women and minorities should be specifically mentioned in this section as affected "groups within the labor force." Women and minority workers are almost invariably the most severely affected members of any labor force group in terms of unemployment. In addition, extensive experience has shown that government officials tend to ignore the problems of women and minorities unless they are specifically directed to concern themselves with these problems.

Section 205.—NOW is acutely aware of the severe unemployment crisis among young people, particularly among minority youths. Young minority women suffer the highest rate of unemployment of any group within this society. Therefore, we must stress the importance of specifically acknowledging the extreme severity of the unemployment problems of young female and minority workers.

Further, we question why the ACT nowhere includes mention of the special employability problems of displaced homemakers. These women are entering the workforce in middle age and require special help. They often have no marketable skills, very limited personal resources, and no place to turn. They also face a double burden of discrimination on the basis of sex and age. NOW believes that the ACT would be strengthened by direct mention of the problems of the displaced homemaker.

Section 206(a).—By defining those people who are to be assisted under this section as "adult Americans able, willing, and seeking to work but who, despite a serious effort to obtain employment, are unable to do so," the bill once again stresses that it does not address the problems of people who are not making a serious effort to obtain employment, because past experience has shown them that such effort is futile.

Section 206(c)(1).—NOW commends the inclusion of this clause. Properly administered, it should provide people, such as the aforementioned displaced homemakers, with some of the aid necessary in order to become useful and productive members of the work force. It is imperative, however, that counseling and training under this provision include encouraging women to opportunities in nontraditional jobs.

Section 206(e)(1).—Any determination of a job seeker's ability to perform certain kinds of work must be based on an individualized evaluation of that persons' capabilities, and not on stereotypical ideas as to what jobs are appropriate on the basis of sex and race. Past manpower (sic) programs have been plagued with severe sex discrimination in training and placement. It is essential that a strong anti-discrimination provision be included in this section.

Section 206(e)(3).—This section would clearly have a discriminatory effect on most women, and thus is unacceptable to NOW. Women, particularly married women, have often suffered severe employment discrimination in the past because of consideration of just factors as "the number of employed persons in a household, number of people economically dependent upon any such person, . . . household income" and similar barriers to equal employment opportunity. During the Depression women school teachers were dismissed from their jobs if they married. Indeed, married women were prohibited from teaching school in various districts in Massachusetts until 1948. After World War II, women who had been performing well in traditionally male jobs were fired to open opportunities for returning veterans. These restrictions caused severe strain on many families, as women sought to keep the fact of their marriages secret from their employers in order to continue to earn the money their families needed or exercise the skills for which they had trained.

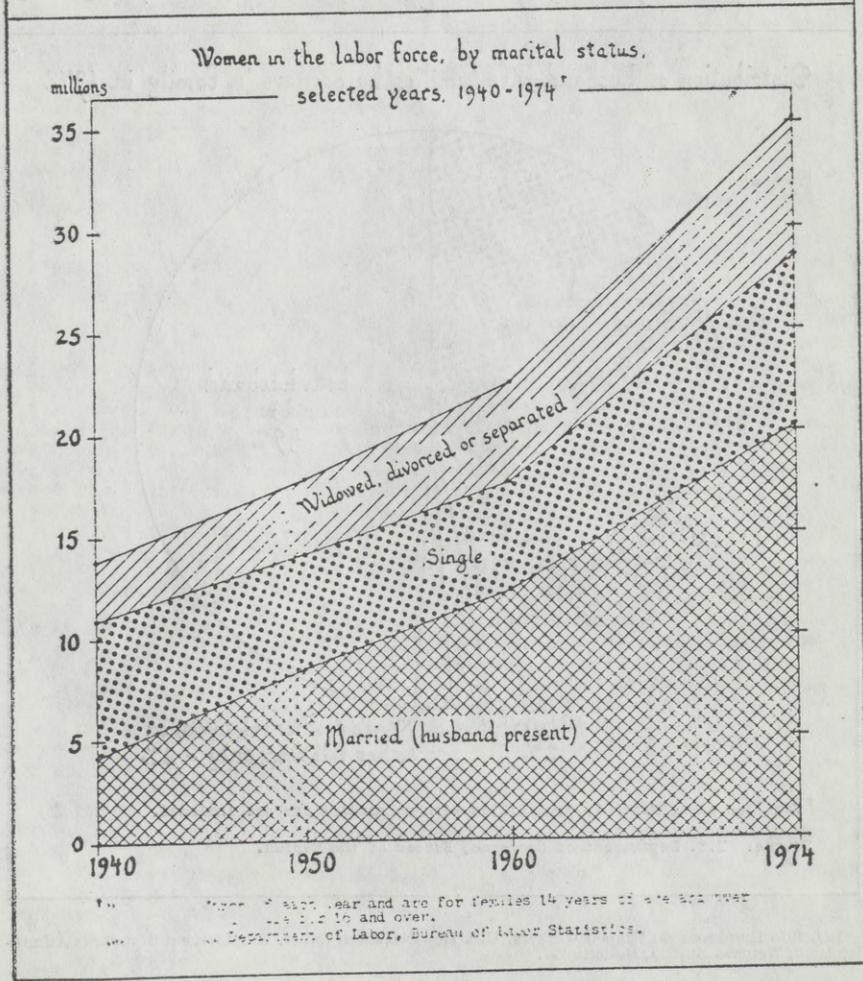
Implementation of this section will reinforce the myth that married women do not need to work. In fact, by 1974 the number of married women in the labor force was five times as large as in 1940 whereas the population of married women was only about one and two thirds times as large.³ (See figure 5). Statistics also show that by 1972 in more than half of wife-husband families the wife had earnings.⁴ (See Figure 6).

³ Ibid p. 16.

⁴ Ibid p. 138.

FIGURE 5

The Number of Married Women in the Labor Force Has Expanded Dramatically

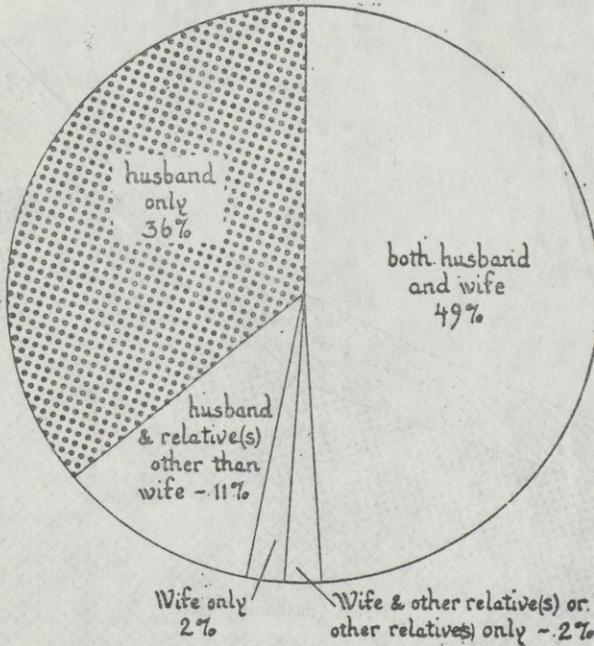


Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Womens Bureau, Bulletin 297.

FIGURE 6

The Husband Was the Only Earner in Less Than 3 out of 8 Husband-Wife Families

Distribution of husband-wife families* by earners in family in 1972



* Families as of March 1973; families with no earners are not included.

Source: U.S. Department of Commerce, Bureau of the Census.

Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Womens Bureau, Bulletin 297.

This section also assumes, incorrectly, that married women are well taken care of throughout their lives. NOW's extensive work with displaced homemakers has made us painfully aware that this is not the case. Many women who have accepted society's assumption that they would always be provided for by their husbands are widowed or deserted in middle age. They are left floundering when they must face, often for the first time, the exigencies of a job market which is ill prepared to absorb their talents. Excluding these women from the possibility of obtaining employment under the Act during their married years simply increases their vulnerability to severe unemployment problems later. In a bill which emphasizes long-range planning, this approach is surprisingly short-sighted.

NOW believes strongly that women can no longer be treated as the disposables of the labor force or the chattels of men. We must have equal opportunities for full employment. If the Act is to set any short range priorities for placement, they must be carefully constructed so that they cannot impact adversely on any group identifiable by sex, race, or age. The priorities set under this section obviously do not meet this criterion.

Section 206 (e) (4).—This section also calls into question whether or not the Act is intended to achieve full employment, or only full employment for some groups in the labor force. The setting of eligibility criteria such as household income to limit access to the program which ultimately provides employment for those people not otherwise placed under the Act will obviously exclude a disproportionate number of married women from equal access to employment opportunities. This provision can clearly be expected to have a discriminatory impact on women and must be deleted. Again, we cannot stress too strongly that any short range criteria adopted must not have an adverse impact on groups identifiable by sex, race, or age.

Since the Secretary of Labor is assigned the responsibility for carrying out the provisions of Section 206 of the Act, it would be appropriate to examine the past record of the Department of Labor in similar areas. A complete description of civil rights enforcement problems of Employment Service, Manpower Training, and work incentive programs can be found in the report of the U.S. Commission on Civil Rights, *The Federal Civil Rights Enforcement Effort—1974. Volume VI. To Extend Federal Financial Assistance*. A brief passage taken from the report (page 409) should be sufficient to demonstrate the Department of Labor's discriminatory treatment of women under these programs in the past: In June 1974 this Commission held hearings in Chicago on the effect of Manpower Administration programs on women. Those hearings revealed that minority women trainees were not counseled to enter nontraditional occupations. In fact, program counselors would often suggest only female-dominated occupations as options for skill training; for example, counselors would refer minority female trainees to domestic work. Counselors in the programs testified to the lack of any guidelines or enforcement mechanisms for ensuring compliance with anti-sex discrimination law. The hearings also revealed that MA programs gave priority in job placement to unemployed male household heads over unemployed female household heads. Even when women were placed, they were given the lowest-paid work with the least chance of advancement. *Hearings Before the U.S. Commission on Civil Rights, in Chicago, Illinois, June 17-19, 1974* (unpublished transcript).

Specific safeguards against the recurrence of such problems must be written into the Act to prevent it from becoming a mockery for women seeking a fair and equitable position in the labor force.

Section 207.—NOW is concerned that this section might be interpreted in such a way as to tend to force people, particularly mothers, participating in income maintenance programs to work outside the home regardless of their individual determination of the wisdom or desirability of doing so. If adequate job opportunities were provided, discriminatory barriers to employment were removed, and sufficient quality child care and other necessary facilities and programs were available, it is likely that many people who have been participating in income maintenance programs would desire and be able to return to work. NOW urges that this section be deleted. At the least, it should be clarified to preclude any misinterpretation of its intent.

Section 401.—Essential to any major piece of employment legislation is a strong and effective anti-discrimination provision. NOW is distressed to note that the non-discrimination section of H.R. 50 is based on the enforcement structure for Title VI. Unfortunately, this enforcement structure has proved to be unworkable. There are no limits placed on the length of time the Secretary of Labor may take to determine that discrimination has taken place or to notify the recipient of a finding of noncompliance with the anti-discrimination provisions of the ACT. Merely establishing a sixty day time limit on voluntary compliance by the recipient will not resolve the problems inherent in the system when the recipient fails to secure compliance because the Secretary of Labor is authorized, rather than mandated, to take the necessary enforcement action. Under Title VI this "authorization" has all too often been interpreted to mean that it is not necessary to take any action. (See the Civil Rights Commission report previously cited for a complete description of the enforcement problems under Title VI.) The possible modes of action specified by the ACT are inadequate. (1) Past experience dictates that referring the matter to the Attorney General with a recommendation that a civil action be instituted is unlikely to result in any action

taken by the Department of Justice. (2) As mentioned previously, exercising the powers provided by Title VI is unworkable, and the administrative process is long and drawn out. (3) The section which permits the Secretary of Labor to take any other action provided by law could simply result in having the matter referred to another agency for disposal. For example, HEW refers complaints to the EEOC which defers them to state agencies. This provision simply permits "passing the buck", and impedes the timely resolution of complaints.

In order to make the nondiscrimination section of the Act effective, it is necessary to provide a private right of action with no required exhaustion of administrative remedies. In addition, the Secretary of Labor should be directed to set up a mechanism to receive and investigate discrimination complaints, issue determinations of cause, and institute fund termination procedures.

WOMEN AS WORKERS: AN OVERVIEW

NOW has made the previous critica and specific comments based on 10 years experience often frustrating, trying to overcome sex discrimination in employment against women.

The organization has worked for legislation outlawing discrimination and pushed for stricter agency enforcement on the non-discrimination laws. When those remedies were inadequate NOW moved for redress in the courts. This experience has left NOW wiser about the many ways in which Special interests can circumvent the national goal of equal opportunity.

Frequently we hear from those in positions of power in both the public and private sector that we should emphasize the positive; point to the positive "changing roles" of women in the labor force; and celebrate the "token" women who have been allowed to be a part of heretofore male dominated institutions and occupations. We disagree. We feel it is most crucial to expose and publicize the seriously deteriorating status of women in the economy, particularly in the context of the current national debate over full employment.

Historically, as women have entered the work force in ever increasing numbers, their economic stability has grown more precarious.

In the 1960-1974 period the greatest increase in the labor force participation rates was among females (See Figure 7). A comparison of wage or salary income of full-time year-round female workers in selected occupational groups with that of men (See Figure 8) shows that women's relative income positions deteriorated in most occupational groups during the period of growth between 1962-73. The overall earnings gap between females and men widened substantially during that time (See Figure 9).

Between January 1974 and January 1975 the labor force grew by 1.5 million. Adult women account for 1.1 million of that increase. Projections from the U.S. Department of Labor also disclose the number of female workers and their proportion of the labor force will continue to grow (see Figure 10).

It is also logical to assume that the gap in earnings will continue to grow without a major governmental effort to establish equity.

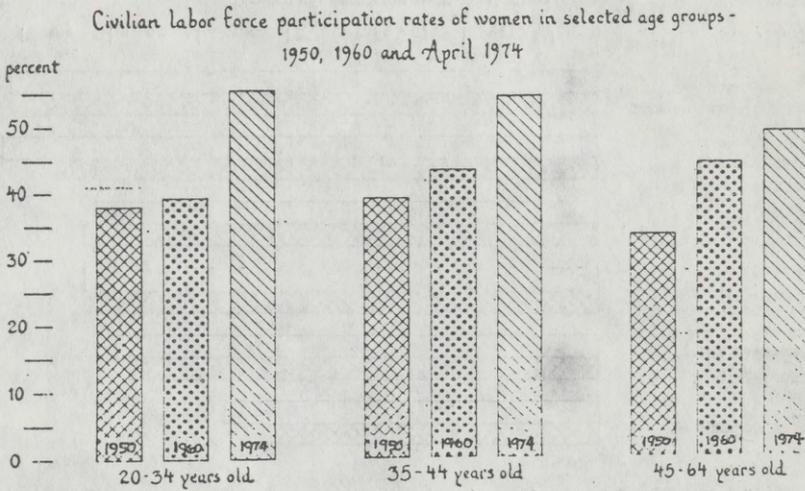
NOW continually points out the reason for this growth of women participating in the labor force is due to women's need to survive, to provide for their families or personal satisfaction; and that women work out of economic need just as men do (See Figure 11). Nevertheless, we feel it is imperative to repeat, again, the statistics and facts we should all know by now, since our experience indicates that the message cannot be repeated often enough.

According to a recent study conducted by economists Heather Ross and Isabel Sawhill of the Urban Institute, female-headed families with children now constitute 15 percent of all families, up from 6 percent in 1960. During this same period of time, the proportion of female-headed families in poverty has increased from 18 percent of all poor families in 1960 to 41 percent in 1974. Ross and Sawhill also show that in 1974, 32 percent of all poor families were husband-wife and children families. In 1973, in the age group of 25-44 years of age, the ages both of highest rate of participation in the labor force, as well as of childbearing and rearing, the mean income of female-headed families was one half that of male-headed single parent families, and barely one third that of husband-wife families.

These bare-boned figures do not reveal the additional social and economic demands placed on the working woman, regardless of her marital status. The Women's Bureau has pointed out that ". . . the average working wife spends 5 hours a day (or 34 hours a week) on household tasks in addition to her work outside the home. The average husband spends 1.6 hours a day on home tasks. For the working woman who is also the head of a family, the work week approaches 80

FIGURE 7

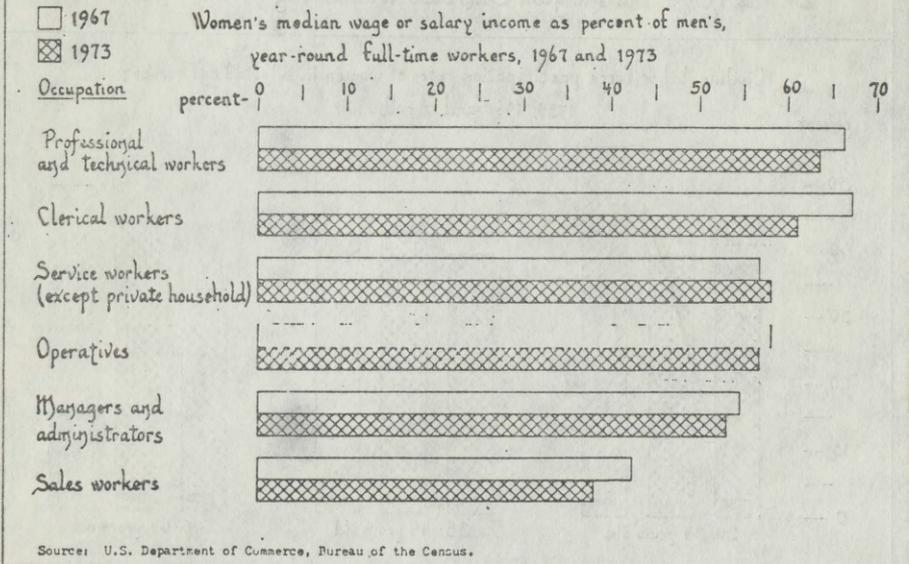
In the 1960-1974 Period the Greatest Increase in Labor Force Participation Rates Was Among Women 20-34 Years of Age.
In the 1950's the Largest Increase Was among Women 45-64.



Source: U.S. Department of Labor, Bureau of Labor Statistics.

FIGURE 8

Women's Pay Position Has Deteriorated Relative to Men's in Most Major Occupation Groups

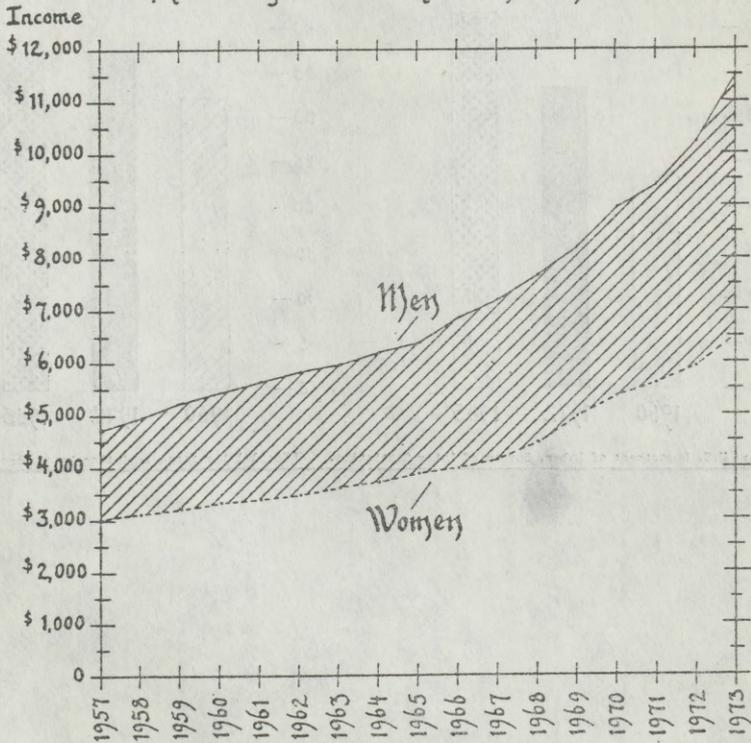


Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Women's Bureau, Bulletin 297.

FIGURE 9

The Earnings Gap between Women and Men Continues To Widen

Median earnings of full-time year-round workers,
14 years of age and over, by sex, 1957-1973



Note: Data for 1967-1973 are not strictly comparable with those for prior years, which are for wage and salary income only and do not include earnings of self-employed persons.

Source: U.S. Department of Commerce, Bureau of the Census.

FIGURE 10

The Number of Women Workers and Their Proportions of the Labor Force Will Continue To Grow

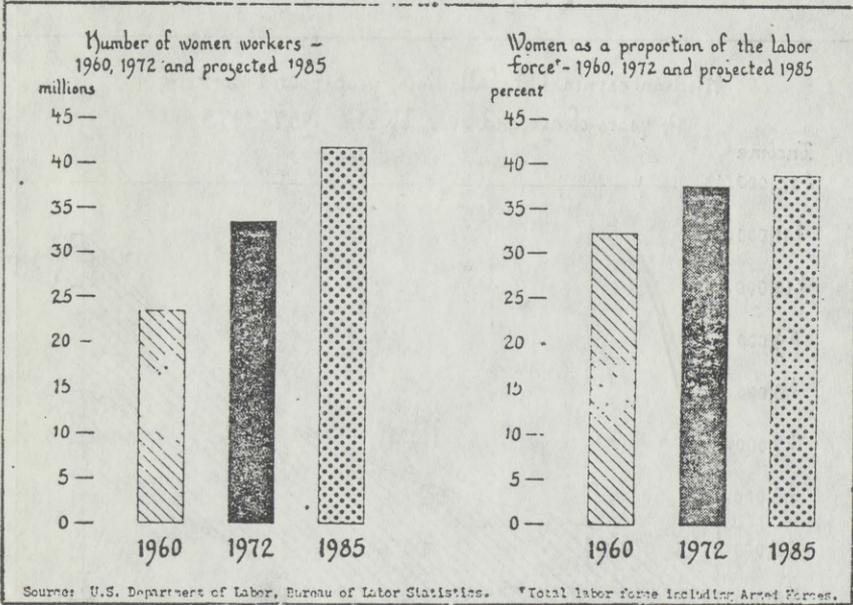
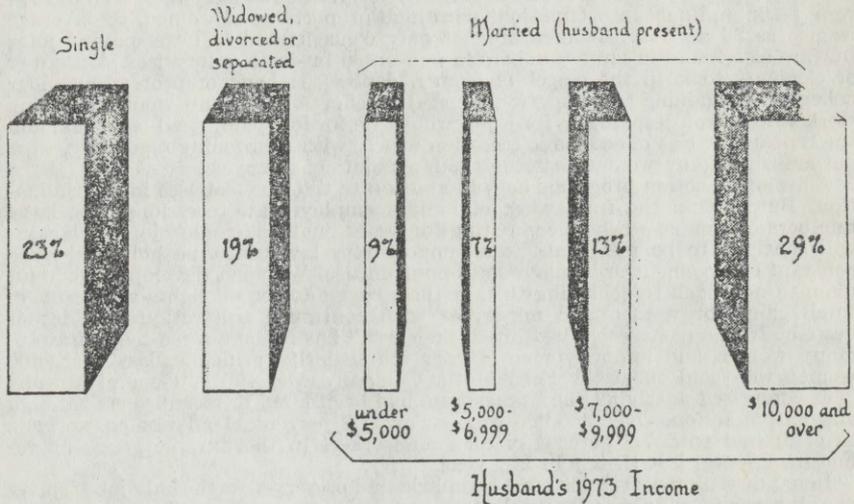


FIGURE 11

Most Women Work Because of Economic Need

Women in the labor force, by marital status, March 1974



Sources: U.S. Department of Labor, Bureau of Labor Statistics.

Ref. 1975 Handbook on Women Workers; U.S. Department of Labor, Employment Standards Administration, Womens Bureau, Bulletin 297.

hours—40 hours on the job and 40 at home. But she is also forced to manage this task (in every age group) with less than half the income of a male-headed family. These problems are compounded by the paltry availability of child care facilities: in 1974, 5 million working mothers had 6 million children under age 6, while the number of child care slots was only 920,000. The average working woman, whether or not she is the sole head of the family, is without adequate child care for her small children, overworked, and underpaid.

Employment research has repeatedly found occupational segregation to be the principal factor contributing to women's low wages. The Manpower Report of the President (1975) points out that classification of jobs by earnings reveals a marked similarity to classification of jobs by sex. Male dominated occupations assumes the lead in wages. Average earnings in private industry in March of 1974 were \$4.06 an hour. In occupations with high proportions of women, the average wage was \$3 an hour. Women are not only concentrated in lower-paying jobs, but are also found in large numbers in non-union business enterprises. A number of elements to keep the wages of women depressed: Lack of protection under collective bargaining agreements, the negative effect of so many women wanting work who out of desperation for a job will settle for low-paid, dead-end jobs: and the repeated cycles of economic recession which, with frightening regularity, wipe out gains made by women between the low points of the cycle.

Affirmative action programs help to ameliorate the worst abuses in discrimination. But, within the framework of limited employment, recessions, and large numbers of women workers competing for traditionally "female" jobs, the gains will continue to be marginal. Equal opportunity laws must be bolstered by a constant enlargement of employment opportunities. We must develop a coherent, planned approach to achieving this, or the struggle for equal rights will result in small gains for women and minorities with continued frustration and deeper despair. In the past year, "last hired, first fired" has become a red-flag phrase to many women and minority men. Under the seniority principle, last year, 600 women were laid off at the Ford Motor Company, and 400 at General Motors. This comprised nearly all the women who had been hired in recent years through affirmative action. Over 300,000 women, or 11.2 percent of all women workers, as compared with 7.7 percent of all men workers in the durable goods manufacturing sector lost their jobs last year.

Bonafide seniority systems must be upheld and preserved as the only job security working women and men have. But this does not mean that affirmative action gains achieved over five or six years should be wiped out in a matter of months: "Trading off" between seniority and affirmative action is unacceptable since it creates destructive conflict over a shortage of jobs, pitting men against women, whites against blacks and other minorities, and placing the burden of recession on the people least able to bear it.

DISPARATE EFFECTS OF UNEMPLOYMENT

In 1975, the official unemployment rate soared higher than at any time since the Great Depression. The number of unemployed averaged 7.8 million, but during the year, many more already discouraged job seekers were affected. Millions of employed workers felt a growing sense of insecurity. For women, minorities and young people about to embark on or to resume careers, the economy looked like a lifeboat with no empty seats.

In 1976, the unemployment rate for white women is 7.5 percent, for black women it is 10 percent, for minority teenagers, the rate is 35 percent, while for white males, the rate is 5.1 percent. Women comprise 66 percent of the estimated 700,000 discouraged workers, and millions of part-time women workers who need and want full time jobs are unable to acquire them. Older people, those with physical and mental handicaps and many homemakers are told that they don't belong in the labor market at all. What these inequities mean is that a recession for some is a depression for others.

Past economic policies have ignored single, separated, widowed and divorced women and the four million children who live in families headed by working women. Moreover, those policies have not acknowledged the necessity of the working wife whose families would simply not be able to make ends meet without the additional incomes.

NOW believes that in order to achieve full employment and equal opportunities, special measures will be necessary for these disadvantaged groups. Subsidized training programs to upgrade skills will increase incentives for the employer and employees to maintain the work relationship. Improved career and vocational

counseling are needed, particularly for teenagers. Programs to break down occupational barriers and widen women's labor market goals and opportunities will help to end discrimination and more equally distribute women among occupations. Special programs are needed to ensure that part-time work is an option for those who wish it, and not a necessity for certain classes of workers. Older women, especially the displaced homemakers, who are re-entering the work force or entering if for the first time, need special attention. Social services such as readily available, inexpensive (for the parents) and quality child care are the underpinnings to equal opportunities.

We need permanent expansion of the public sector to meet the above needs, as well as others such as environmental protection, mass transportation, dignified housing, medical services and care of the aging. History has proven that the private sector, dedicated to profitable endeavors, is not capable of meeting the employment and service needs of the American people without formidable cost to themselves or the public.

FURTHER COMMENTS AND RECOMMENDATIONS ABOUT THE ACT

The latest version of the bill has been strengthened by the addition of fiscal and monetary mechanisms to ensure balanced economic growth and to control inflation. While we regret that it does not call for price controls and tax reform, we are pleased with provisions for sounder planning and coordination and management of the economy by the executive and legislative branches. The counter-cyclical policies are also important new provisions. While they do not address elimination of the root causes of cyclical recession, they constructively address these symptoms.

The grant program for state and local governments and the special financial provisions for assistance to depressed regions and inner cities will provide welcome help to areas hardest hit, and create large numbers of public sector jobs.

An omission of grave concern is the lack of mandatory controls on the President and the Federal Reserve Bank. It is extremely important that the Federal Reserve and all executive agencies and commissions be mandated to adjust their goals to conform with our national priority of full employment. We have no assurance that the necessary structural changes will actually take place. The President could still insist that unacceptable levels of "minimum frictional unemployment" be used to fight inflation. Furthermore, whether or not the Federal Reserve and other agencies will be held accountable for their policies depends on the mood and perspective of the administration.

A case in point is the integration, improvement and expansion of youth employment programs. The most statistically graphic and grim unemployment problem is among teenagers, particularly in the minority communities, and we commend the authors of this bill for addressing this tragedy. As a word of caution, however, we believe that a piece-meal approach could prove ineffective. Conceivably, we could have a good youth employment program, and a good adult program which would be seriously undermined by adverse fiscal policies from the Federal Reserve. High interest rates placing rent, property and other necessities out of the reach of new wages would expand the numbers of the working poor.

The omission of the National Institute for Full Employment removes an important research provision. We believe that an effective full employment program will require ongoing research, some of which must address the needs and special employment problems of women, minorities, youth and older people. We recommend that this provision be reinstated to ensure long range success in problem solving.

We are also concerned that there are no provisions or policies in H.R. 50 for conversion of military spending to financing of peacetime social services. Each 1 billion dollars injected into rural or urban development creates approximately 20 percent more jobs than does the same 1 billion dollars when put into military spending. Military spending is expensive and inflationary. We are no longer impressed by the stockpiling and burial of new and better weapons. Instead, we are concerned with the serious lack of social services—child care, medical services, care for our aging and handicapped, education, transportation, etc. While some countries are able to spend inordinate amounts of their national income for military purposes while still maintaining full employment, free medical care, public child care and low cost housing, the U.S. is still caught in a "trade-off" situation. If we cannot solve the root problem, then we call for a transfer of priorities to social services with a permanent expansion of public service employment in these crucial areas.

NOW strongly recommends that provisions be included for citizen participation in the planning of job programs in local areas. Governors should be required to hold public hearings to ensure that people can communicate their ideas on needed human services. The importance of citizen participation has been recognized in many recent major pieces of federal legislation and surely is appropriate in this Act which affects millions of United States citizens.

We thank the authors of the Act, and the committee members for their leadership and commitment in the campaign for full employment in the United States. NOW looks forward to working closely with you in the continuing struggle to create a just, humanist society which is the goal of our feminist action. We sincerely urge your careful consideration of our comments and recommendations for inclusion during the Amendment process.

Ms. HEAGSTEDT. Ms. Canellos would like to add a few words to the statement.

Ms. CANELLOS. My name is Georgia Canellos and I am an economist and am president of the District of Columbia chapter of the National Organization for Women. I have been studying the problem of women's economic status for a couple of years now. I would like to stress a couple of points which I do not think have been made adequately enough this morning.

The main one, particularly, is the occupational segregation that exists of women in the labor force. It just cannot be stressed enough that the problems are beyond simply increasing the present fiscal and monetary tools which we have, and then the problem of sex discrimination against women in the paid labor force will be solved.

I firmly think that this just simply is not true. Even in a full-employment economy, if we were to have one today, the disparity would continue to exist, and one needs only to look at the income distribution within occupations and between occupations to recognize this.

I would like to, if I could, read a couple of things from some of the works we quoted in our testimony. The first is a statement by a very eminent economist, Carolyn Shaw Bell, taken from an interview in which she was asked: What is the most dramatic change that you have observed in women's status in the labor force? She responded, "I think the most dramatic change I have observed is zilch."

"There has been a significant increase in women in the labor force. Women now make up 42 percent of the labor force. Yet the jobs that women hold have not shifted perceptively in almost a century. The increase in women's jobs has been in the traditional so-called women's occupations—clerical, sales, office work. The media gives, I think, undue attention to the very, very rare examples. You do see pictures of a pretty young architect wearing a hard hat on a construction site, yet women architects are 3 percent of the total, and that figure has not changed very much."

In your own compendium in the summary there is further documentation on this. Forty percent of employed women are still concentrated in 10 traditional fields: Secretary, sales work, bookkeeping, private household sector, elementary schoolteacher, waitress, cashier, sewer, stitcher, and registered nurse.

In these 10 fields women comprise 80 percent or more of the work force, except for retail trade salespersons, who make up 69 percent. Male employment shows much less concentration, with much less than 20 percent concentration in the 10 largest occupations. There is additional documentation on this. It does not take much looking at the statistics.

Another interesting point is that even in those fields which are traditional women's occupations, our relative earnings are significantly less than men in those occupations. I suggest to this committee, for instance, that you invite Gloria Johnson from the Coalition of Labor Union Women to come in the future to testify before you. She has some excellent data on this point.

I think the real problem is not so much what we have heard about the misperceptions that women have of their role in the labor force, the extent of their longevity in it, and their contribution to it, but on the misperceptions of men, male employers, of what women contribute in the labor force. It is not a matter of our life cycles being that different. There is some form of sex discrimination that goes on every day.

I myself personally experienced it, and it is one of the reasons that I joined the National Organization for Women. I have a master's degree in economics. I passed my doctoral examinations, but I was dissatisfied with academia, so I got out and came to work for the Federal Government. For the first few years I worked with a number of men who were wonderful people to work with and felt that while I agreed with the programs and principles that were being espoused by NOW, I did not need the organization because I had never experienced in any overt way sex discrimination. Then we had a reorganization at work and I started working with a new group of people.

It took me months to realize I was having my name left off of memos. If found out I was not being informed of certain meetings, which I could have played a role in, until a week after they had happened. It is impossible to make a contribution, to show what one's capabilities are, when one is not informed of where one should be within an organization in order to participate.

I thought for a while that perhaps I was just imagining this, and was being paranoid or overdefensive. I finally said, well, if I am going to find out if my experience is unique or part of a pattern, I better start talking to more women who are in professional positions and find out if any of this has happened to them. So I joined NOW, and I found women by the score, in every occupation, who have had this happen to them repeatedly. For instance, the suggestion that Ms. Malceod made about having seminars on what discrimination is and how it works. This is just imperative. Even among the people that I have done consciousness raising within my own office, most will maintain quite sincerely that they are not sexists. I keep telling them that they have been sexist. So far the problem is not in my perception, it is in their perceptions. The problem is in the perception, I think, of our entire public and private sectors of just how profound, how deep this problem is, what a total lack of enforcement there has been of laws against sex discrimination. The EEOC has been just amiss in prosecuting sex discrimination cases.

It is very difficult to fight as an individual when you have no faith that the system redresses your grievances. How do you fight? You appear before a committee today and say, this is a very profound problem and we really need to do more than talk about what is wrong. But, save for those things that are already documented, what are we going to do about it? That is where I think we have an important role to play in working together and looking at the things that can be done and working more closely with you committee than in the past for finding solutions.

Thank you.

Representative HECKLER. I would like to bring to the attention of my colleagues and the panel that I have a vote on the floor of the conference committee on the farm bill, a massive farm bill, one of the most extensive ever passed by the Congress, but one of the first conference reports which clearly sets back women's concerns. I have sponsored an amendment to the Agriculture Committee of the House to allow for a child-care deduction for those eligible for food stamps, which would be going out to women. About 2.9 percent of the food stamp users utilize the child-care deduction which was a full deduction for costs of child care. The committee in reforming the food stamp law this year passed that amendment, and in the reform of the food stamp law this year, the House sponsored a standard deduction for all costs.

Again, I brought up the issue of child-care deduction. It was decided in the committee and in the House itself so that there would be two deductions set up to the standard deduction, one for shelter costs and a second one for child-care deduction. In the conference report the child-care deduction was incorporated with the shelter deduction. Now the same amount could be used for one or the other or both, but it means that the woman who needs child care cannot take advantage of the child-care deduction.

She has to take a loss. It is a disincentive to work, the very thing an enlightened society should not have. I have one question, but since I have to vote against that farm bill, please answer the question for the record.

The greatest failure in terms of our understanding of the economy and its consequences has been the fact that we allow the belief that equal pay for equal work exists in this society. For this reason men are saying, equality in the economic sector has been achieved. Nothing is further from the truth.

Why is it that the Equal Pay Act has been a dismal failure? Why do we tolerate it? I cannot wait for the answer, but I shall read the transcript.

Mr. SANDELL. Thank you for the opportunity to respond in writing.¹

Senator McCLURE. Certainly the members of the panel have been very stimulating. I would not characterize Congresswoman Heckler as being militant, but certainly as very forceful as I have known her to be over the years. I am sure in the time remaining to us that we will not be able to explore all of the avenues that might be fruitful, but let us try in a few minutes to cover some of them.

A comment was made by one or two of the witnesses that macroeconomic policy alone will not solve the problem for women's opportunity in the economy. Yet it seems to me that in reading your statement, Ms. Sawhill, that your testimony indicates the opposite. I wonder if you would like to comment further on that and correct my impression of your testimony.

Ms. SAWHILL. My point was simply that macroeconomic policy has to be the first line of defense. Macroeconomic policy is necessary, but not sufficient. I think that a great deal more work has to be put into finding ways which can effectively improve employment opportunities for groups with above-average unemployment rates. There

¹ See Mr. Sandell's response beginning on p. 66.

are a lot of experiments now with public service employment programs which can be targeted at the disadvantaged. Using programs to help one of the groups with high unemployment rates may enable you to push toward full employment more aggressively than would be possible if you used general economic policy.

So I really am arguing for both macroeconomic and structural measures being used together, but I am somewhat concerned about the fact that we have not even taken the first line of defense that we have available to us, which is to push the unemployment rate down through macroeconomic policy to a level which is a lot lower than it is right now.

I agree with Senator Javits comments, by the way, that many people view the fact that women are coming into the labor force very frequently as a part of the problem. They seem to think there are a fixed number of jobs in the economy, and that if women take those jobs then someone else is not going to have them, particularly breadwinners are not going to have them, as he said. I think that a lot of people do feel that way, and what we have to emphasize is the loss in income and output for the economy from operating at less than full employment.

Senator McCLURE. I want to come back to that, but I think you want to respond.

Ms. MACLEOD. I want to make a comment about this breadwinner idea. There seems to be the assumption when you say "breadwinner" that you are talking about married men. The fact is that women are breadwinners. Most women are breadwinners. When you talk about jobs and unemployment, women too are breadwinners.

Senator McCLURE. I think that point is well made. I want to get back to the question of absorption of all willing workers into the work force. There was much thought a number of years ago that our economy could not expand enough to provide enough jobs for everyone who wanted to work, at least work that is now being required. A number of suggestions were made at that time for spreading the available work around, shortening the workweek, shortening the number of days a week or the hours per day, inhibiting the second jobs where people are holding down more than one job, doing something with reference to the limitation of reentries into the work force of those who are on some kind of a retirement income.

Could you give your current thoughts on the ability of the economy to absorb all of those who wish to be fully employed?

Ms. SAWHILL. I think, unfortunately, that view is very predominant. I like to call it the lump-of-labor fallacy. There is no reason why the economy cannot absorb everyone who wants to work and, in fact, the economy will benefit greatly from having more people in the labor force. It will provide a higher standard of living. It will provide more tax revenue which can then be used to fund some of our greatest social needs. I think that there can be some minor problems over the very short term that have to be thought about carefully in absorbing new workers into the economy, but anyone who argues that we should encourage people to retire early or encourage people to stay home or encourage people to work fewer hours is missing the basic point that the output which they could be producing is badly needed, that the income they would earn would increase income for families. There is nothing preventing us from providing those oppor-

tunities by simply spending the money. It can be a matter of the Government spending the money for pressing social needs or a matter of returning tax dollars to the general public who can then increase their own expenditures and in that way make use of available resources.

Ms. PORTER. I wanted to add to Ms. Sawhill's comment the fact that the Department of Commerce is very much concerned with that point of view and with the need to stimulate and to instill jobs and that the productivity of the country is enhanced when more women get into the work force, when additional businesses are created, when women entrepreneurs are encouraged to go into business to create work for other people.

The notion that the health of the economy would be advanced by restricting work is simply not a rational notion at all.

Ms. MACLEOD. I would like to add something. The idea that women stay at home or do nothing and then suddenly they go out to work is a fallacy in the way our economists look at our economy. The assumption is that women at home are not working. This is not the case. Studies have been done establishing that those homemakers with children work much longer hours than anybody else.

The only difference is they do not get paid for it. When they do get a job there is really not a sharp difference. It is not a matter of them coming out of nowhere and competing for jobs. They are going from one job to another job. That housework still has to be done. Very often when women go into the labor force, the paid labor force, they buy services that help them to do the work at home. This demand for, and ability to pay for, more services helps create jobs for others.

Mr. SANDELL. I agree entirely with the previous point. In fact, that was what I had hoped to say myself. The point is, women who enter the labor force are both entering because it is more efficient for them to earn money in the market and spend this money on services, such as additional washing machines or restaurant-purchased meals and so on, than to stay at home and produce these services themselves. In fact, part of the lost productivity our economy is suffering is due to the fact that a lot of women would be much more productive in the paid market than they are at home. If these women have the opportunity to find paid employment the productivity of the country will increase, both in measured terms, which is a statistical artifact, but also in real terms, which I think is much more important.

Senator McCURE. Much has been said about labor force participation rates in which a higher proportion of people in the labor force have offered themselves to the labor market. Do you think that that statistic is incorrect? Is it simply because they were not measured as being in the labor force when they were a housewife or homemaker or is it in fact a greater proportion in the total labor force?

Mr. SANDELL. There definitely is a greater participation in the labor force. I think what is important is that they were productive members of society before they entered the labor force, and to the extent that they could be more productive in the labor force than in the home, they should have the opportunity to work in the paid labor force.

Some skills that they have which are useful market skills are wasted. In fact, skills depreciate when they are not used in home-work activities.

Senator McCLURE. As a worker or potential worker receives more training, they get more skill and their value in the labor force ordinarily goes up, or at least the potential for higher wages exists as the level of wages increases. But a worker must be convinced that that training will, as a matter of fact, not only raise the skill but also raise the wage; there has to be a payoff that will have to result compared to the cost of getting that training.

Are there any studies made that would show the reluctance of women workers to participate in the work force, particularly in non-traditional areas?

Mr. SANDELL. I think a number of studies at Ohio University's Center of Human Resources Research use the National Longitudinal Surveys which the Labor Department sponsors of 5,000 women aged 14 to 24 in 1968. These women are being followed through their schooling and careers for what will be 15 years. Some of the recent studies using this data at Ohio State show—I am particularly referring to one done by myself and Professor Shapiro—that women who expect to enter the labor force compared to those women who do not expect to enter the labor force receive much higher returns to their experience in the labor force. So there is indirect evidence that women who are expecting to stay in the labor force for a longer period of time are getting more training and are doing better than other women—who seem to be getting less training and lower pay—

Senator McCLURE. Certainly that would have to do with their expectations and perhaps something else about their determination. But I was wondering if it is because of their perception that they cannot do it, that women were for some reason not seeking the additional training. Is that a reinforceable factor to the problem?

Ms. MACLEOD. I would certainly say it is because nobody is really stupid enough to prepare themselves for an occupation that they know they are going to be excluded from and, of course, that has been one factor.

There was no point a few years ago in a woman getting an MBA because she knew she would still only get a typing job. Then employers would say, we do not have any women qualified because they do not get MBA's. It is a vicious circle and it keeps going on.

I would like to make one other point. That is, if you examine the female dominated jobs and compare with them the male dominated jobs, such as factory work, say a lathe operator, factories do not expect—employers do not expect—a lathe operator to come into the job already trained. They teach them at their own expense.

However, with women's jobs, based on the outdated assumption that they are in the labor force for a little bit of time, the woman is expected to train herself at her own expense before she applies for the job. This kind of situation has to change.

Senator McCLURE. A comment was made earlier which intrigued me. I want to know the background for it, that is, that black women have a generally better perception of their future job earning capacity than white women. Is that because they have lower expectations of future earnings?

Ms. CANELLOS. If I could comment on that. I think perhaps a more broad-based correlation would be that of women who have mothers who worked for an extensive period of time. Those girls of such

mothers have higher expectations that they, too, will also work for the major part of their adult life.

Now, with a black woman, perhaps it is that more black women have had to work outside of the home because of their economic status, and so it is a very clear observation. But, while I cannot give you specific citations, I think there are studies that have been done on the expectations of girls whose mothers worked outside of the home, and that those girls, when they grew up to be women, prepared themselves better and had the expectation that they will have a career outside of the home.

Mr. SANDELL. On the question of the work expectations of black women—from my paper in the compendium—the previous panel member is quite right. Black women's expectations are high both because their mothers were actually in the labor force and their projected economic needs are greater. Black women are aware of this and are more realistic in their work expectations.

Unfortunately, however, black women do not seem to benefit from private employers for this increased expectation of their work. So there is at least some racial discrimination going on as well as sex discrimination. Furthermore, as to the question of why certain women go into atypical occupations and typical occupations, another recent use of NLS is by Carol Jansen and Pat Bredoux showing that those women whose mothers worked when the young women were aged 14 were much more likely to choose to go into atypical occupations and as women enter those occupations it will become easier for women 20 years from now to achieve full equality in the labor force with men.

Senator McCLURE. There has been testimony that future wages are determined by the amount of investment in human capital, particularly at least of postschool work experience. I want to refer to that testimony for a moment and concentrate on the postschool work experience as an investment in human capital that determines future wages. First of all, I might ask whether there is substantial disagreement because I see a puzzled look on your face, Ms. Macleod.

Ms. MACLEOD. Perhaps I am interpreting what you are saying incorrectly. But when people talk like this I begin to get the feeling that there is a tendency to blame the victim of discrimination for that discrimination.

Senator McCLURE. That certainly is not in the question I am asking.

Ms. MACLEOD. That is why I was looking a little puzzled. I think there is also a tendency still to assume that women go to work only for 2 or 3 years and then leave and have babies and stay out of the work force for years. That is one pattern. But there are more and more women every year who are permanently in the work force. They may go on to a part-time schedule perhaps, and only perhaps, for 1, 2, 3, or 4 years, if they have children. But even that is not necessarily so any more.

I believe the figures are, the typical women who has children has children under school age for only 13 percent of her adult life. So, people think of mothers—well, there is a mother and a little infant baby in her arms. But that represents a very small portion of her adult life, and when you consider the fact that women live longer, they have just as much time.

Senator McCLURE. I do not want to get into the reasons why women live longer than men.

Ms. MACLEOD. I am not sure we are going to keep living on longer.

Senator McCLURE. What I was trying to focus on, is if, indeed, future wage levels are determined by how much training, education, or work experience an individual receives and if more and more of that future wage level will be determined by postschool work experience, how does that relate to the problem of gaining entry into the labor force? One of the things that we have been very concerned about is the growing problem of youth unemployment.

Fifty percent of our unemployment is concentrated in the age group under 25, although they are only 25 percent of the labor force. It is a very, very serious problem. If, as a matter of fact, work experience is determinative of future wage levels, does this mean that teenagers will face a situation in which a permanent wage gap will be created that will never be closed or recaptured? How do we solve that problem, whether it be for a teenager—well, let me get an answer to that, and I will ask the next question later.

Ms. SAWHILL. I think it is a very good question you are raising. First of all, I think we need to make the point that most studies on male-female wage gaps have shown that one of the reasons is difference in work experience between the two groups.

But if you were to ask me what the general consensus of those studies is, about what portion of the total wage gap is explained by the fact that in the past women have had typically less work experience, it certainly does not explain all of it.

As a matter of fact, if one looks at work experience and everything else you can possibly think of that might account for women's lower earnings, you are still left with maybe 30 or 40 percent of this wage gap that is unexplained and which can only be attributed to something like labor market discrimination or attitudes.

There is also evidence along the same lines, just another way of making the point, that the payoff to work experience for women is less than it is for men. They get some payoff. The more years that a woman works, the higher her wages are, but she does not increase her income as much with experience as a man with the same education would, or at least that has been true in the past.

I suspect, though, it may be less true in the future. I once did a study in which I looked at the income of single women, single women through their adult lives, who had never married, and these women we know have fairly continuous work experience. Their worklife patterns are very much like those of men and yet their earnings increased with age almost not at all, whereas men with similar education levels had rather steep increases in earnings over time.

So we come back to that vicious circle—if women do not think they are going to get any pay increase from training or work experience or education, why then they are less motivated to undertake those activities.

Senator McCLURE. Let me ask the second question; we are running out of time. I wanted to talk for a moment about the first entry difficulty into the labor market, whether it be the teenager or the married woman whose children have now left the home. You get into the question of work experience and age discrimination. Some women are middle aged and have not the traditional work experience. There is

not a work experience credit for having successfully run a home and oftentimes taking care of the books for the family business.

The woman whose husband suddenly dies, is forced into the labor market precipitously, and first labor market entry becomes a very, very real problem exacerbated by all these problems. What do we do for the already difficult entry of women of all ages and how does it relate to, or is there a similarity in the first entry for teenagers who find it difficult?

Mr. SANDELL. Well, first of all, I would like to say that most women have had some labor market experience when they were younger. So it is sometimes a question of reentry. Some of these women would perhaps find it easier to enter or reenter through part-time jobs possibly.

Senator McCLURE. Is it not true for many women, in looking back a number of years to an earlier job experience, that those jobs were even more stereotyped than they are today, and that their experience is more confined in certain lines of work than would be the case today?

Mr. SANDELL. The availability of retraining programs and certain adult education programs and perhaps extra help in job counseling through the employment service could probably help some of these women who are entering the labor market or reentering.

Ms. CANELLOS. I would like to further comment because I think it is an excellent point and a very serious problem. Take the case, for example, of two people just getting out of school for a pure case, without looking at the problem of displaced homemakers and all of that.

Take a Radcliffe graduate and a Harvard graduate and look at the kinds of job offers which are extended to each of them by employers in the labor market. I think a problem in counseling is to counsel some of the employers as to what sort of job offers they are making.

Again, studies have been done on the types of offers which women get, ridiculous, and with equal education getting much, much lower offers. Again, on education principles, the vast statistics show that a woman with a college degree earns less than a man with an eighth grade education.

Senator McCLURE. Comments have been made to me in a number of colleges that I have gone to where women are enrolled in non-traditional curricula. I talked to a girl who is an engineering student at the University of Idaho, and her friends around her are saying she has it made because women graduates in nontraditional courses are very much in demand and potential employers want to point that fact out.

Do you find this to be untrue?

Ms. MACLEOD. I think in a few isolated incidents, and engineering is one of them, the studies indicate that those women are indeed and are in fact getting offers slightly higher than men. This, however, remains very much of an isolated situation and it does not mean that once she gets that job, her opportunities to advance will be equal.

If she is hired as a token she will be treated as a token, and will be a token forever, and will not advance as rapidly as her brother would. So you have to take that into consideration.

When people talk about reverse discrimination among fresh, new college graduates, if you really look at what actually happens you will

find that this is very rare indeed, that plain ordinary discrimination is much greater in quantity than reverse discrimination.

I do not mean to imply that reverse discrimination, the impact, is any less awful. But in terms of quantity and the depth of impact that it has, ordinary discrimination is much worse. This is for a woman or minority who gets discriminated against. It is not just once. It may be every year.

Others may be subjected to reverse discrimination maybe once in his lifetime, but he can go somewhere else or the next year he will still have the advantage and in the long run——

Ms. HEAGSTEDT. I wanted to comment on the problem of displaced homemakers. You asked what could be done about these women who have been at home these 25, 30, or more years, and then find themselves divorced or widowed and without a job that pays. I would reject the idea that their work in the labor force prior to marriage was of any value at that time or certainly as valuable as their work has been in the home.

There is a bill pending in the Senate Human Resources Committee, S. 418, on displaced homemakers, setting up a minimum of 50 multipurpose service centers across the country which would help women who are in this problem or, I might point out, this helps women or men move themselves into the market through job counseling and training and assertiveness—all sorts of programs that are multipurpose.

The displaced homemaker has been exempted from every social program that Congress has ever dealt with. There are 11 States that have passed displaced homemaker laws. I am not sure of the exact number of centers that have been established, but there are several very successful ones. The one closest to District of Columbia is in Baltimore.

Senator McCLURE. Assistant Secretary Porter, I think you wanted to make a comment.

Ms. PORTER. Well, I was reacting to the earlier comment about tokenism, particularly women who are training in fields where there are not very many women. I think that that is prevalent and growing; particularly in high income occupations.

The competition between men and women is severe, although corporations particularly, and organizations which must meet the requirements imposed by the EEOC guidelines, will go out and hire women. When you go to a New York law firm, for example, or a Washington law firm, or a brokerage house, you will find women lawyers and women brokers from the best schools in the country, but they will not be up front and visible. They will be in the back room and they will be assigned to the less public jobs.

Again, it is out of sight, out of mind, and discrimination continues.

Senator McCLURE. I think on the part of the employers, some fear of public reaction as well exists, which does reinforce this lack of opportunity. I think the point you make is valid.

I think we have run out of time. You have all been very patient and very helpful. I have a whole host of questions I wanted to ask, and I am sure the staff has some questions.

Would you be willing to file answers in writing to the questions that are submitted? If so, we will leave the record open for those responses.

Are there any closing comments that any of you would like to make? If not, let me again thank each of you for your patience and your participation here this morning.

The subcommittee will stand adjourned.

[Whereupon, at 12:10 p.m., the subcommittee adjourned, subject to the call of the Chair.]

[The following information was subsequently supplied for the record:]

REPOSE OF HON. ELSA A. PORTER TO ADDITIONAL WRITTEN QUESTIONS
POSED BY THE SUBCOMMITTEE

Question 1. Despite the fact that the Federal Government has been an "equal opportunity employer" for many years, its record is appalling. Not only have women not made progress in the upper grades of civil service, but their participation in the Federal workforce—35 percent of the total white collar Federal workforce in 1975—has failed to keep pace with their growing role in the economy as a whole.

Answer. It is hard to realize that as recently as 1961, a major obstacle to employment of women in the Federal service was the fact that agencies were permitted to request from the Civil Service Commission men only or women only to fill job openings. A 1960 study showed that agencies requested "men only" for 29 percent of all jobs; and, at policymaking levels GS-13 to GS-15, 94 percent of the requests were for men only!

It was not until three years after passage of the 1964 Civil Rights Act that Executive Order 11375 finally prohibited sex discrimination in Federal employment. This year, we are observing the ten-year anniversary of the Federal Women's Program. And while we are far from satisfied with the status of women in the Federal work force, some significant progress has been made in these ten years. Attitudes toward working women and sex discrimination have begun to change, and there has been an increase in the number of women in professional and technical jobs at grades GS-7 to 11 (from 24.5 to 33.3). Yet, at grades GS-12 to 15, representation of women remains at a mere 7.6 percent (up from 5.0); and, more distressing, representation at grades GS-16 to 18 is only 2.8 (up from 1.7). Certainly, we recognize that the gains of the past ten years are truly only a beginning.

This administration has not only expressed a strong commitment to insure that the Federal Civil Service serves as a model for the private sector in the area of equal opportunity, but this commitment is well in process of being translated into substantive programs.

Two major efforts now underway deserve special note: 1) the establishment of a major project to reform the basic Federal personnel system, as part of the President's Reorganization Project. Through the work of nine task forces, the Federal Personnel Management Project is conducting a bottom-to-top examination of the entire Federal personnel management system. Each of the nine task forces is considering ways in which their recommendations affect equal opportunity; and one group in particular has focused its attention to equal employment opportunity program itself. They have considered such issues as central leadership agency management of EEO, the planning process, management flexibilities in hiring and upward mobility, monitoring, evaluation and enforcement, and the discrimination complaint system. The work of these task forces is nearing completion. Ideas have been sought from a wide range of constituencies, including the interested public; and recommendations will be presented to the President very soon. Many of the policy options under consideration are highly innovative and will undoubtedly have far reaching impact on the composition of the Federal workforce and modes of entry into the civil service.

In addition, a Presidential Memorandum of August 26, 1977, requested heads of all Federal agencies and departments to initiate a comprehensive review of all programs which they administer in order to identify any regulations, guidelines, programs or policies which result in unequal treatment based on sex. Where statutory revision or repeal is necessary the President intends to recommend to the Congress that appropriate legislation be enacted. Where executive action will suffice, the President will take appropriate steps to ensure that benefits and opportunities are equally available to all.

A number of other actions related to employment of women are underway. The Chairman of the Civil Service Commission has taken a leadership role in forcing

reexamination of the manner in which the Veterans Preference Act is administered, given the severe impact that it is shown to have had on the employment opportunities of women. The administration is also supporting legislation which would expand permanent part-time employment and which would promote the use of Flexitime and compressed work week schedules in Federal agencies. Both of these proposals would enhance significantly opportunities for women whose pursuit of careers might otherwise be inhibited by family responsibilities.

With respect to employment goals, the Civil Service Commission is now producing substantial amounts of data on employment of women and minorities in sufficient detail that we do not need to generalize as was sometimes necessary in the past. We know that the state of affirmative action varies enormously from occupation to occupation. In order to accelerate accomplishment of EEO objectives and correct the gross under-representation of minorities and women in certain occupations, the Civil Service Commission recognizes that alternative selection methods might lessen the adverse impact which minorities and women have historically suffered under present systems. The Commission Chairman is currently circulating proposals for the use of excepted appointing authority and a variety of special selection methods for those occupations where evidence of adverse impact has been developed on an agency-by-agency basis. The Civil Service Commission is proposing a five-year research program designed to assess the validity of the selection methods and to measure their effect on adverse impact.

In another effort to establish alternative selection modes, the President signed, on August 25, Executive Order 12008 creating the Presidential Management Intern Program which is designed to attract to Federal service highly promising men and women who are trained in public management skills. Each year new graduate degree holders will enter two-year internships on excepted appointments. With satisfactory completion of the internships, participants will be eligible for conversion to competitive civil service status. The Executive Order makes it clear that affirmative action will be an important aspect of the program.

Another similar initiative currently under review is a graduate level work experience program which will enable Federal agencies to employ graduate students under excepted appointment while they complete their graduate studies. Here again, successful completion of the program will lead to the opportunity for conversion to competitive civil service status, representing an important new avenue to top managerial jobs in Government for qualified women and minorities.

We recognize that the current status of women in Government is the product of many historical forces, obviously including discrimination; we realize that it is also caused by current policies and practices, neutral on their face perhaps, but which have a disparate and adverse impact on women. So in addition to the aggressive efforts to locate talented women for key appointments in the administration, a desire to eliminate the institutional and systemic barriers to employment and advancement of women at all levels of the Federal service is paramount.

Question 2. Perhaps the most important Federal Government program for millions of working women is the Equal Pay Act, which requires equal pay for equal work. In recent years, enforcement of this law has lagged—the backlog of cases as well as backpay settlements agreed to but unenforced has risen sharply. Has this administration undertaken a commitment to end the backlog? How soon will adequate staff be provided to eliminate the backlog?

Answer. Equal Pay enforcement has not lagged. On the contrary, early last year a special program was inaugurated and monitored by the Wage and Hour Division's national office in Washington, D.C. This program resulted in a decrease in the complaint backlog despite the fact that FY 1977 had the second highest complaint inflow since enactment of the Act. At the end of FY 1976, the complaint backlog was 1,890, and at the end of FY 1977 it had been reduced to 1,717. As a result of the Division's monitoring program, the number of unopened complaints over 90 days old was reduced from 394 at the beginning of FY 1977 to 259 by July 1977. Furthermore, antidiscrimination specialist positions have been established within the past year to provide a higher level of expertise in the field. These actions and the continuing vigorous enforcement of the Equal Pay Act both administratively and through litigation refute, the Department of Labor believes, the contention that enforcement of this law has lagged.

Question 3. At this time, the Executive Branch lacks a review procedure that considers the effect of pending legislation on women's economic status. Can you suggest what form these procedures should take? Do you view this as a reasonable method to prevent inequities from occurring? Do you have any alternative suggestions for other review mechanisms?

Answer. At the present time there is no government-wide system of reviewing legislation in order to consider the effect of pending legislation on women's economic status. Much existing and proposed legislation has been drawn with little recognition of its impact on women's economic status. In particular, legislation that assumes that most women are adequately cared for by a husband's salary or pension takes no account of the dramatic increase in the number of women who must support themselves or their families. "Blind spots" in policies and programs can cause almost as much damage as outright discrimination. The Women's Bureau at the Department of Labor reviews legislation that comes to the Department for comment, and the Commission on Civil Rights has suggested OMBA-19 as a vehicle for providing a government-wide system to review legislation from a civil rights perspective.

In 1920 Congress established the Women's Bureau in the Department of Labor "to promote the welfare of wage-earning women. . . ." The Bureau has provided an information base and policy guidance relating to the employment opportunities and employability of women and many related economic issues.

In more recent years the Secretary of Labor has provided several ways in which the Bureau has direct impact on policy and legislation:

(1) The Solicitor's Office asks the Bureau to prepare legislative comment on a number of the bills that come to the Department for review.

(2) Agency heads within the Department have been directed to involve the Women's Bureau in the policy making processes concerning matters pertaining to women's interests, utilizing the Bureau's expertise through staff consultation, task forces, training sessions, and clearing regulations, surveys and proposed legislation with the Bureau.

(3) An Intradepartmental Coordinating Committee on Women, chaired by the Director of the Women's Bureau has been established to review programs and policies that impact upon women in the labor market and to recommend appropriate action to agency heads. Members of the committee are policy-level appointees or have immediate access to them. Thus a number of persons throughout the agencies of the Department have taken initiative to sensitize policy makers to issues where stereotypical thinking may have an adverse impact on women in today's economy. On the basis of this experience the Women's Bureau believes that a mechanism like the ICCW would be valuable in other agencies.

The latter system, still only a few years old, has had real impact in some of the agencies and is gaining strength in others. It is anticipated that with the recently announced move of the Women's Bureau into the Office of the Secretary, the policy impact of both the Bureau and the Intradepartmental Coordinating Committee on Women will be strengthened.

RESPONSE OF STEVEN H. SANDELL* TO AN ADDITIONAL WRITTEN QUESTION
POSED BY REPRESENTATIVE HECKLER

Question. In spite of the widespread belief that equal pay for equal work exists in our society, equality in the economic sector has not been achieved. Would you please give us your comments on whether the Equal Pay Act has been a success or a failure? If it has been a failure, detail reasons why. Should the present effectiveness or ineffectiveness of the Act be tolerated? Are there any specific recommendations you would make?

Answer. The Equal Pay Act of 1963 requires that employers pay men and women the same wages "for equal work on jobs the performance of which requires equal skill, effort, and responsibility and which are performed under similar conditions."¹ Even if equal pay for equal work were realized, equality in the economic sector would not be achieved because the jobs women hold are very different than those held by men. Not only are the economy-wide male and female occupational distributions different, but job assignments in individual firms differ by sex. Thus, in discussing the effectiveness of the Equal Pay Act we must not only examine the provisions and enforcement of the law itself, but must consider occupational segregation by sex, job assignment and other determinants of pay.

*Assistant professor of economics and research associate, Center for Human Resource Research, the Ohio State University. The assistance of Pete Koenig and Julie Zavakos in doing background research and formulating this answer is gratefully acknowledged.

¹ *Corning Glass Works vs. Brennan*, 417 U.S. 188, 195 (1974). Johnson, Janet, "The Equal Pay Act of 1963: A Practical Analysis" 24 *Drake Law Review* 570 p. 591 (1975). Marcia Greenberger and Diane Gutmann, "Legal Remedies Beyond Title VII to Combat Sex Discrimination in Employment", in *American Women Workers in a Full Employment Economy*, (Washington, D.C., U.S. Government Printing Office, 1977) p. 80.

While there are virtually no empirical studies that isolate the impact of the Equal Pay Act on male-female earnings differences, research on changes in pay differentials by sex within detailed occupational groups and the effectiveness of Title VII of the Civil Rights Act of 1964 are relevant to our inquiry. Robert Strauss and Francis Horvath found earnings for women substantially lower than for men within industry² occupation groupings and found no evidence of improvement of women's position between 1960 and 1970 despite the existence of the act.² Andrea Beller, however, concluded that "enforcement of sex discrimination charges under Title VII reduced the male/female earnings differential between 1967 and 1974 by about 7 percentage points overall and 14 percentage points in the private section."³

The effectiveness of the Equal Pay Act was initially impaired by its limited applicability. Before the Education Amendment of 1972 which extended coverage of 15 million upper level positions, the Act applied only to simple low wage jobs. Furthermore, until 1970, courts construed the Equal Pay Act's provisions in a narrow manner.⁴

The Equal Pay Act is enforced by the Wage and Hour Division of the Department of Labor. There are currently approximately 1,000 compliance officers who spend only 15-20 percent of their time on enforcement of the EPA.⁵ That, as of February 1976, the wage and hour division had a backlog of 18,000 unresolved complaints received under EPA points to the need for more vigorous enforcement;

Perhaps the most telling reason for the failure of the Equal Pay Act to achieve equality in the economic sector is the act addresses one of the (quantitatively) least important manifestations of sex discrimination. The act prohibits sex discrimination within firms for persons performing similar jobs. Differences in occupational pay for the sexes have been shown to be considerably larger when compiled for several business establishments than within individual firms.⁶ Thus, even if no firm paid women less than men, if women continue to work in lower paying establishments their earnings would be less than men. Furthermore, there is substantial evidence that within firms the low pay women receive is associated with their low position on the occupational ladder. Several studies have shown that within job categories there have been virtually no male-female wage differences, although large pay differences have been found for men and women with equal employment characteristics.⁷ Thus assignment to job levels can be a mechanism that facilitates discrimination if the job duties for men and women differ. This practice takes sex discrimination beyond the purview of the Equal Pay Act itself, since the act is concerned only with jobs that are essentially equivalent.

Finally, occupational segregation by sex and interrupted work experience are probably more important determinants of low pay for women than pure wage discrimination by the firm. Occupational segregation by sex (irrespective of its cause) currently results in women holding the lower paying jobs. Incorrect low work expectations among some women and potential employers contributes substantially to the lack of training, poor occupational opportunities, and low earnings of women. Withdrawal from the labor force implies lower wages for women because they do not receive wage premiums associated with work experience and their earnings are reduced because of skill depreciation during the child rearing period. Differences in work experience between men and women account for about 25 percent of the male-female wage gap.⁸

While there is a role government can play in reducing the male-female wage gap, women will only experience labor market equality with men when their home and career orientations are similar. To a large degree women's current position in the labor market reflects their acceptance (or their assumed acceptance) of family and household responsibilities. Labor force withdrawal weakens both their employers'

² Robert Strauss and Francis Horvath, "Wage Rate Difference by Race and Sex in the U.S. Labor Market: 1960-1970," *Economica*, August 1976, pp. 287-98.

³ Andrea Beller, "The Impact of Equal Employment Opportunity Laws on the Male/Female Earnings Differential," paper presented at the Conference on Women in the Labor Market, September 1977, p. 29.

⁴ Thomas E. Murphy, "Female Wage Discrimination: A Study of the Equal Pay Act 1963-1970," *University of Cincinnati Law Review* fall 1970, Vol. 39, No. 4, pp. 615-649.

⁵ Marcia Greenberger and Diane Gutmann, "Legal Remedies Beyond Title VII to Combat Sex Discrimination in Employment" in *American Women Workers in a Full Employment Economy* (Washington, D.C.: U.S. Government Printing Office, 1977) p. 78.

⁶ Donald J. McNulty, "Differences in Pay Between Men and Women Workers," *Monthly Labor Review*, December 1967, pp. 40-43.

⁷ Burton G. Malkiel and Judith A. Malkiel, "Male-Female Pay Differentials in Professional Employment," *The American Economic Review*, September 1973, pp. 693-705.

⁸ Steven H. Sandell and David Shapiro, "The Theory of Human Capital and the Earnings of Women: A Re-examination of the Evidence," *Journal of Human Resources*, forthcoming.

and their own incentives to invest in labor market skills concomitant with higher pay.

The most important role government can play is to ensure that today's young women are aware of the consequences of labor force withdrawal and the lack of training and that employers are aware of the dramatically increased labor market commitment of today's woman worker. Also essential is vigilant enforcement of the employment provisions of Title VII of the Civil Rights Act designed to eliminate discriminations against women if they are qualified for available positions in any firm or occupation. Equal opportunity as well as equal pay for equal work is an essential prerequisite for women's equality in the economic sector.

STATEMENT OF BELLA S. ABZUG, PRESIDING OFFICER, NATIONAL
COMMISSION ON THE OBSERVANCE OF INTERNATIONAL WOMEN'S YEAR

Thank you for inviting me to submit a statement for the hearing record on women in a full employment economy. As you know, both as a member of Congress and as Presiding Officer of the National Commission on the Observance of International Women's Year, I have long been concerned about the employment problems of women and do not feel that current programs are of equal benefit to women.

In its capacity as an advisory body to the President, the National Commission on the Observance of International Women's Year (IWY) devoted a great deal of time and effort to examining the employment needs of women. In light of the fact that women comprise the greatest component in the recent growth of the United States labor force and the vast majority of women seek employment outside the home to satisfy real economic need, the Commission determined to adopt recommendations reflective of these trends.

The most glaring barrier to the full and equal participation of women in the paid labor force is that since 1948, with the sole exception of 1958, unemployment rates for women have been consistently higher than for men. And, there has been a growing gap in these unemployment rates over the past years. Clearly, existing programs to create jobs for the unemployed have not been reaching those who it most.

With this situation in mind, the employment committee of the Commission strongly recommended that elected government officials commit themselves to a policy of full employment for every American able and willing to work at a suitable job for decent wages. The Commission, in its report to the President, ". . . To Form A More Perfect Union . . ." (pp. 309-310) called upon him to implement the Employment Act of 1946 and to review federally funded training programs to ensure equitable treatment for women.

At the request of Congress, this Commission recently completed state meetings for women in 56 States and Territories. More than 100,000 people attended these meetings and forcefully expressed their views on the barriers to full and equal participation of women in every aspect of American life. The needs and concerns of women in the paid labor force was the topic which attracted the greatest amount of attention from participants at these meetings. More than 500 separate recommendations on women's employment needs were submitted by 43 States. Thirty-three States adopted in plenary sessions the summary of employment recommendations contained in the Commission's July 1976 report to the President. In addition, a number of States adopted resolutions explicitly calling for full employment legislation. The proposed National Plan of Action approved by the National Commission on October 20, 1977 contains a strong endorsement of a full employment economy. The Plan will be voted on by delegates to the National Women's Conference meeting in Houston November 18 to 21.

On the basis of its previous deliberations and in response to its extraordinary experiment in grass roots democracy, this Commission stands firm in its belief that the full employment needs and concerns of American women must become a top priority of this Congress.

STATEMENT OF THE COALITION OF LABOR UNION WOMEN

The Coalition of Labor Union Women is a national membership organization of over 5,000 trade union women. It was founded in 1974 as a response to the growing need for the more active involvement of women within and without their

unions on such issues as affirmative action, health care, labor law reform, full employment and equal rights. The organization works within the framework of the labor movement toward the achievement of four main goals:

1. To strengthen women's participation in their unions at every level.
2. To seek affirmative action in the workplace and to obtain equal rights for women in hiring, promotion, classification and pay.
3. To encourage women's involvement in the political process, including election to office.
4. To organize the millions of unorganized women workers in this country.

Because of CLUW's special membership, statement of purpose, and programs, we are uniquely qualified to testify on the question of women in a full employment economy. We have realized the critical necessity of a full employment economy since our inception, and we have made full employment a priority legislative issue for our members. As union members, employment is an issue at the heart of our survival. We know only too well that unemployment is a burden on all, not just on those who suffer its effects directly. No possibility of real improvement in living standards for employed people is attainable unless there is enough work for all. Until we enact a meaningful, effective program for all workers, the employment problems of women workers will not be resolved.

The Compendium of Papers submitted to the Joint Economic Committee more than adequately presents the statistical and historical evidence essential to an understanding of the need for a full employment economy in the United States and of its impact on women. We need not reiterate the many relevant points raised in that compendium regarding the immense stake women have in the achievement of full employment. A careful reading of the papers presented highlights the pronounced effects of unemployment and inflation on women.

The status of women workers points explicitly to their inferior position within the workforce and in society at large. The mere fact that the rate of unemployment for women has been greater than that for men since the late 1940's indicates the constant difficulty women have had in entering the labor force and staying there. This disadvantaged position of women in the economy is even more shocking because of the fact that women's participation in the labor force has increased so rapidly since the 1940's. While women have comprised more than three-fifths of the growth of the civilian labor force, they have accounted for an increasing proportion of all unemployed persons and they have generally moved into the lower paying, less skilled jobs. Within this category of unemployed women workers are the minority women who suffer even more severely at the hands of the economy. The average unemployment rate for minority race women in 1973 was twice as high as the rate for white women.

Furthermore, there is strong evidence that women comprise a substantial portion of the "unreported" unemployment in this country. Official figures grossly understate the amount of unemployment in this country. Two examples of mishandled influences on the employment statistics are part time workers and discouraged workers. As part time workers, women comprise an overwhelming majority of that statistical category. Many would prefer to be working full time but are unable to do so because of family needs relating to child care or because of the unavailability of full time employment. Yet these women are considered employed within the "official" search for unemployed. In fact, they are seriously underemployed.

The unemployment dilemma is only one part of the need for full employment. CLUW believes that the opportunity to work is a fundamental right of all Americans—a right which is being denied millions of workers every day that we continue in our present economic situation. Yet, even within a potential "full employment" economy, there are many issues which must be addressed in order to insure that women will not be thrown once again to the bottom of the employment barrel. CLUW looks not just to a full employment program, but to one geared toward meeting the needs of the women workers in this country. To reiterate, full employment is not only an issue which affects those people outside labor unions. It is a program of the greatest practical consequence to all union members. Multitudes of problems face the organized as well as the unorganized women workers, and only full employment with equal opportunities and accompanying social programs can begin to solve those problems.

Despite the equal employment legislation of the past decade and other legislative gains, the wage gap between earnings of full time working men and women continues to widen with time. Women workers continue to be concentrated in a few occupational classifications. They continue to constitute 78 percent of all

clerical workers, 90 percent of all private household workers, 73 percent of all teachers and 60 percent of all service workers. As one economist at the University of Maryland has written, "the increase of women in the work force is doing little more than increasing the size of the traditional women's occupations—more women clerks than ever before and more women underpaid than ever before." Too often the working woman is still hired into low-paying dead-end jobs with little if any opportunity to advance. And, despite laws on the books, there are still many jobs in this country in which women have not been hired or promoted. Inherent in the national effort to reach full employment must be a commitment to equal opportunity.

Another major problem that working women continue to face is the unavailability of adequate child care. Despite the fact that more mothers who need child care are entering the work force, more than six times as many children as have child care need it. About 14.1 million mothers with children work and about six million of these have children under six years of age. Most of these working mothers work because they have to. The Women's Bureau notes that the financial contributions of working wives raises family income above the poverty level or from low to middle income. Another five million children live in homes headed by women; 1.1 million of these children are under the age of six. These are women who must either work to support their families or collect welfare benefits. Yet there is simply no adequate child care for these working mothers and their children.

We totally concur with the premise cited by Ann Foote Cahn in her overview of the Compendium submitted to the Committee which states "A full employment guarantee for women, if it is to be more than an empty promise, would make available a system of child care which is both economically efficient and effective in meeting the needs of young children and their parents."

In conclusion, the Coalition reiterates its support of a full employment economy and notes the particularly severe problems facing women in our present unemployment economy. We must attain universal recognition that a person is entitled to a job at a decent wage as a matter of right. We would cite to a statement made by the Catholic Bishops of the United States at the United Catholic Conference in Washington, D.C., 1975: "This unemployment returning again to plague us after so many repetitions during the century past is a sign of deep failure in our country. Unemployment is the great peacetime tragedy of the nineteenth and twentieth centuries and both in its cause and in the imprint it leaves on those who inflict, those who permit it, and those who are its victims, it is one of the great moral tragedies of our time."

We hope that this will be the last testimony which must be given on the American Woman Worker in a Full Employment Economy. The next step is begin the implementation of a program to achieve full employment and equal opportunity, adequate child care and an end to poverty throughout the United States.

STATEMENT OF ELIZABETH D. KOONTZ, CHAIRMAN, NATIONAL COMMISSION
ON WORKING WOMEN

The National Commission on Working Women and its secretariat, the Center for Women and Work, appreciate having an opportunity to transmit this statement to the Subcommittee on Economic Growth and Stabilization of the Joint Economic Committee of the Congress.

We hasten to commend the Subcommittee and its staff for the initiative taken in preparing the thought-provoking compendium of papers on "American Women Workers in a Full Employment Economy," and for holding hearings on this vital subject. These efforts represent not only a contribution to current thought, but also provide needed follow-up to the Committee's 1973 hearings on the "Economic Problems of Women."

The current phenomenon of the massive entry of women into the labor force is almost paralleled by the disgraceful lack of attention paid to the needs of working class women. In the early 1900's the plight of these women—for example, in the garment industry—captured the interest of social reformers. However, that interest was short lived. Since the 1920's most research concerning women has been aimed either at professional/technical occupations or at unemployed welfare recipients. Meanwhile, the needs of approximately 80 percent of the women in the labor force have fallen through the cracks. These are the working women concentrated in low-paying, low-skilled female occupations in service industries,

offices, retail stores, factories and plants. They represent 29 million of the 36 million women in the labor force. For them equal opportunity on the job is by and large still a dream, not a reality.

Despite the progress made in the last decade through federal legislation and affirmative action programs, the work that most women do is still undervalued. Moreover, it remains practically impossible for them to move up into higher-paying, more satisfying occupations. While socio-economic forces continue to channel women into "female" jobs, the earnings gap between men and women continues to widen. The average wage differential between the sexes is actually wider today than it was 20 years ago. In essence, occupational segregation means not only low earnings, but also that opportunities for training and upward mobility are severely limited. With no advocacy body at the national level, these working women as a group have been isolated and underrepresented, while their needs have been sorely neglected.

That is precisely why the National Commission on Working Women, a non-governmental, action-oriented body, was created. We agree whole-heartedly with Senator Javits who on September 16 said in his opening statement before this Subcommittee, "... social and economic policymakers do not have time to luxuriate in theoretical discussions—we need to learn hard facts and espouse realistic solutions." In fact, our Commission will focus on the development of realistic policies regarding the educational, economic and social concerns of women in blue- and pink-collar jobs. Commission members include working women themselves from various female-intensive occupations. Other Commissioners are women and men from the Congress, corporations, the labor movement, academia and the media. Our secretariat, the Center for Women and Work, serves as a national exchange for ideas, research and information related to the world of working women. The Center is a separate operational unit within the National Manpower Institute, a private, non-profit organization dedicated to "the fullest and best use of the human potential."

The principal goals of the Commission and the Center are simple and practical: Explore and publicize the problems and needs of working women; design and carry out action programs to help solve these problems in innovative ways; and raise public awareness about the status of women.

To achieve this the Commission will: Support the efforts of, and work in coalition with, any individual or organization dedicated to improving the lives of working women; carry out pilot projects in selected companies; develop model legislation; publish news and program reports; and carry out a public information campaign.

Through active collaboration with legislators, employers, unions, educators and women workers, and by stimulating others to action rather than working in isolation, the National Commission on Working Women seeks to make a real difference in the lives, hopes, and dreams of this crucial one-sixth of our population.



The first part of the report is devoted to a general survey of the situation in the country. It is followed by a detailed account of the work done during the year. The report then discusses the financial position and the results of the various projects. Finally, it contains some suggestions for the future.

The work done during the year has been very satisfactory. It has been possible to complete a number of important projects and to make considerable progress in other directions. The financial position is also very satisfactory.

It is hoped that the suggestions made in the report will be of some use to the organization. It is also hoped that the work done during the year will be of some use to the public.