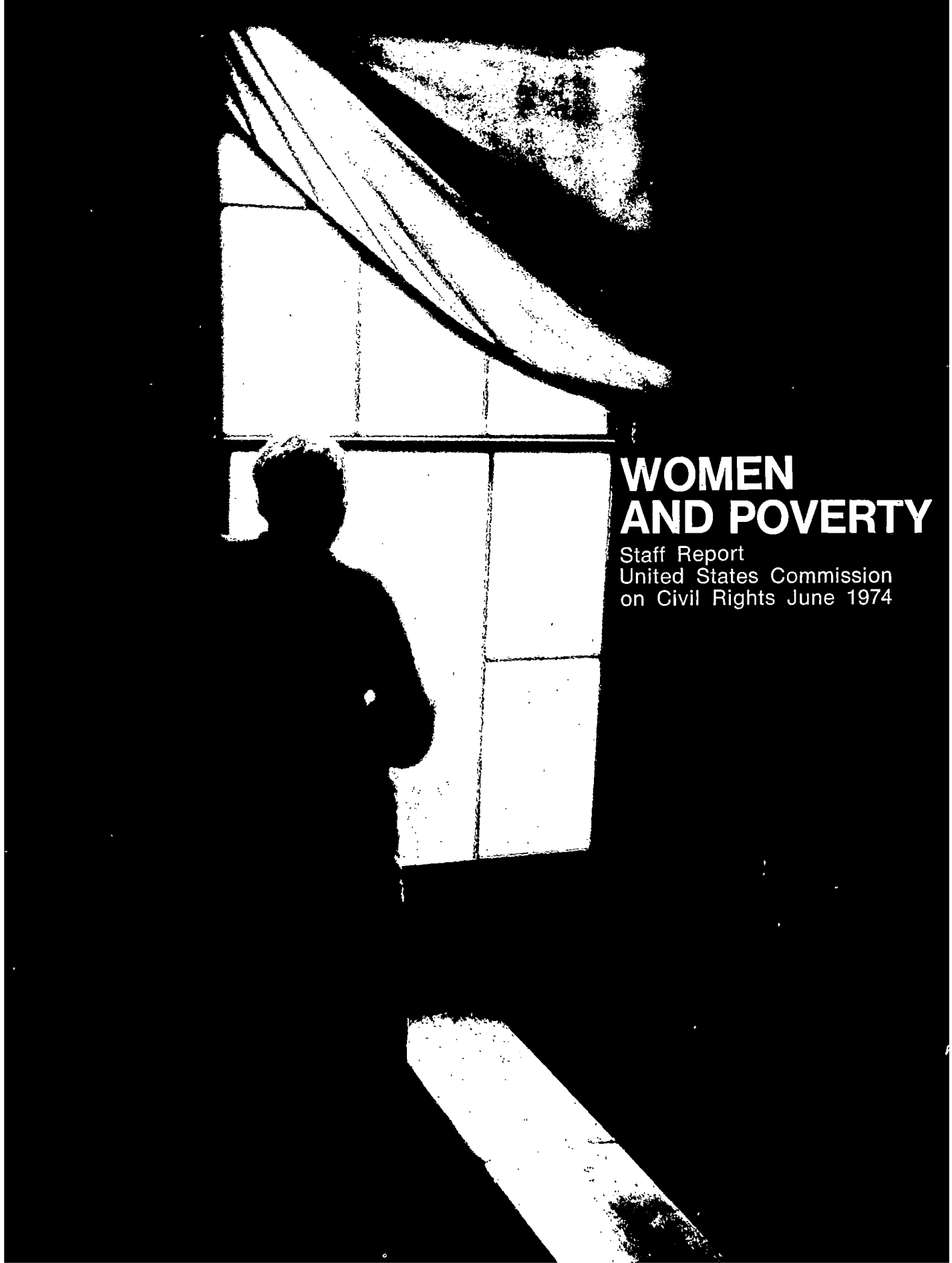


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# WOMEN AND POVERTY

Staff Report  
United States Commission  
on Civil Rights June 1974

## **U.S. COMMISSION ON CIVIL RIGHTS**

The United States Commission on Civil Rights is a temporary, independent bipartisan agency established by the Congress in 1957 to:

- Investigate complaints alleging denial of the right to vote by reason of race, color, religion, sex, or national origin, or by reason of fraudulent practices;
- Study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution because of race, color, religion, sex, or national origin, or in the administration of justice;
- Appraise Federal laws and policies with respect to the denial of equal protection of the laws because of race, color, religion, sex, or national origin, or in the administration of justice;
  - Serve as a national clearinghouse for information concerning denials of equal protection of the laws because of race, color, religion, sex, or national origin; and
    - Submit reports, findings, and recommendations to the President and Congress.

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TABLE 3

## POVERTY INCOME LEVELS FOR MALE- AND FEMALE-HEADED FAMILIES

Family Size	Number of Dependent Children under 18	Poverty Threshold for Families with Male Heads	Poverty Threshold for Families with Female Heads
2	0	\$2,469	\$2,282
	1	2,766	2,491
3	1	2,968	2,651
	2	3,137	2,931
4	1	3,847	3,771
	2	3,715	3,753
	3	3,902	3,715
5	1	4,630	4,500
	2	4,481	4,481
	3	4,368	4,444
	4	4,462	4,294
6	1	5,265	5,191
	2	5,153	5,153
	3	5,041	5,115
	4	4,891	4,948
	5	4,967	4,798
	6	6,665	6,497
7 or more	1	6,665	6,497
	2	6,535	6,478
	3	6,422	6,422
	4	6,274	6,255
	5	6,049	6,124
	6	5,994	5,825

Source: U.S. Bureau of the Census, Dep't of Commerce, *Public Use Samples of Basic Records from the 1970 Census: Description and Technical Documentation 122* (1972).

whose incomes ranged between \$5,000 and \$7,000. Thus, without the wages of the female partners, an additional 7 million families would have been living below the poverty level.

These data reveal not only that older women and female heads of families are disproportionately represented among poverty-level persons, but also that these women receive income from both public assistance and earnings.

## EMPLOYMENT

### Participation of Women in the Labor Force

In the first three quarters of this century, there has been an overall increase in women in the labor force, with a peak occurring during World War II. In 1900 women represented 20 percent of the country's work force.<sup>18</sup> During the Second

World War, women's participation in virtually every industry increased dramatically in response to the wartime loss of male civilian employees; the total number of women working increased from 25 to 34 percent of the female population between 1941 and 1944, an increase of 3 million women.<sup>19</sup>

At the close of the war these women employees were either fired or discouraged from continuing in their careers in order to make room for the returning male veterans. In New York State, for example, women comprised 33 percent of the work force during the war; by 1946 this figure had dropped to the prewar level of 25 percent.<sup>20</sup> The postwar years saw an increase in the

<sup>18</sup> All statistics refer to tables 21-23, app. I, *infra*, unless otherwise noted.

<sup>19</sup> Tobias & Anderson, *Whatever Happened to Rosie the Riveter?* Ms., June 1973 at 92-94.

<sup>20</sup> *Id.* at 93.

Native American men, while white women earn 47 percent of the amount earned by white men. Japanese American women's earnings comprise merely 43 percent of the earnings of Japanese American men, while Cuban women earn only 41 percent of the amount earned by Cuban men. Mexican American women earn just 40 percent of the amount earned by Mexican American men.

### Poverty Income Analysis

For women as a class, both "old age" and status as "head" of a family have a high correlation to poverty status; this poverty status is even far more frequent for women who are members of racial and ethnic minority groups.<sup>16</sup>

There were 53,296,000 families in the United States in March 1972, of which 6,191,000, or 12 percent, were headed by women alone. Of the female-headed families, 2,100,000 were living in poverty compared with 3,203,000 male-headed families. There has been an increase of 33 percent in the number of female-headed families living in poverty in the last decade. These female-headed families represent 40 percent of all families below the poverty line. Further, 34 percent of all female-headed families are below the poverty level, while 7 percent of all male-headed families are poor.

When these data are analyzed by race and ethnicity, it is clear that, while female-headed families of all races and ethnicities have disproportionately high rates of poverty, families headed by minority women suffer most severely. For example, while 32 percent of black families are female headed, 54 percent of these are in poverty. Fourteen percent of Mexican American families are female headed; 66 percent of these live in poverty; while 28 percent of Puerto Rican families have female heads, 65 percent of these live below the poverty level. Nine percent of white families are female headed, with 27 percent of these living in poverty.<sup>17</sup>

Of these female-headed families in poverty, 50 percent receive earnings (compared with 73 percent of male-headed families in poverty), while 56 percent receive public assistance (com-

pared with 20 percent of male-headed families), and 21 percent receive social security (compared with 30 percent of male-headed families).

There are probably more female heads of families living in poverty than the Census reports, since differential poverty cut-off levels were established for families with female as compared with male heads. For example, the poverty cut-off level for a female-headed family with two dependent children is \$2,931, while for a male-headed family of the same type it is \$3,137. Thus, a woman who heads a family with two dependent children and earns only \$3,137 would not be considered to be living in poverty, although a similar male-headed family would be classified as living in poverty.

Of female "unrelated individuals," 3,611,000 are living in poverty, compared with 1,543,000 of the male unrelated individuals. Additionally, while these men are fairly evenly distributed by age, the women are not; 59 percent of the women are over 65 years of age, compared with 29 percent of the men; 30 percent of the women are 25-64 years old, compared with 40 percent of the men.

"Older" women (age 65 and over) receive the lowest median annual income of any age or sex group; this income of \$1,899 is approximately half the amount received by men in the same age group (\$3,476).

The current economic status of older women is determined by disparate benefits from social security and pensions and disparate dependence on public assistance. In 1970, for instance, 68 percent of the recipients of Old Age Assistance were women. Social security benefits are paid to 13.8 million women; of these, half receive benefits based on their own work, while half receive wives' or widows' benefits. The average monthly social security benefit paid to women is only \$100. Further, the average benefit paid to retired women represents between 75 to 80 percent of the average benefit paid to retired men.

A married woman's income can often account for her family's not living in poverty. As of March 1972, 4.1 million female workers were married to men who had incomes below \$5,000 in 1971. In addition to these families, another 3 million working women were married to men

<sup>16</sup> See tables 19-20, app. 1, *infra*.

<sup>17</sup> Data for black and white women are for 1971 (U.S. Women's Bureau, Dep't of Labor, *Facts About Women Heads of Household and Heads of Families*), and data for Puerto Rican and Mexican American women are for 1970.

women have consistently higher incomes than either white women or women of Spanish origin.

Black women with 4 years of college earn less than white men with 1 to 3 years of high school; women of Spanish origin with 4 years of college earn less than white men with 8 years of elementary school; and white women with 4 years of college earn less than white men with 8 years of elementary school.

The gap is smaller but significant, nonetheless, for minority men. For example, black men with 4 years of college earn less than white men with 4 years of high school; however, they earn slightly more than white men with 1 to 3 years of college. Men of Spanish origin with 4 years of college earn less than white men with the same educational attainment; but men of Spanish origin with 4 years of high school earn less than white men with only 1 to 3 years of high school.

White men, in fact, have the highest median income in all occupational categories, regardless of educational attainment. As noted earlier, Galbraith has pointed out that white men held 96 percent of all jobs paying \$15,000 or more in 1969. Women of all races and minority men, therefore, held only 4 percent of these high salary positions.

Within each age group, women consistently earn less than men. For white women, the earnings gap is greatest between ages 35 and 54; white women's median earnings (\$4,172) are 44 percent of white men's earnings (\$9,392). The earnings gap is smallest between ages 55 and 64; white women's median earnings are \$4,312, which represents 53 percent of the amount earned by white men of the same age group (\$8,145). For black women, the gap is greatest between ages 55 and 64; black women in this age group have median earnings of \$2,517, representing only 50 percent of black men's median earnings (\$5,051). The gap is smallest between the ages of 25 and 34, in which black women's median earnings (\$3,663) are 62 percent of black men's (\$5,893).

The earnings gap between women and men of Spanish or Asian origin increases with age, with the exception of Cuban women and men. For Puerto Rican women, the gap is greatest between ages 45 and 64, when they earn 54 percent of the amount earned by Puerto Rican men. The gap is smallest between 25 and 34; Puerto Rican

women in this age group earn 75 percent of the earnings of Puerto Rican men.

For both Mexican American and Native American women the earnings gap is greatest between ages 45 and 64. Within this age group, Mexican American women earn only 38 percent of Mexican American men's earnings, and Native American women earn 43 percent of Native American men's earnings. However, between the ages of 25 and 34, Mexican American women's earnings climb to 64 percent of Mexican American men's earnings, and Native American women's earnings total 70 percent of the amount earned by Native American men.

The age differential is perhaps most dramatic among Chinese and Japanese American women. Between the ages of 20 and 24, Chinese American women earn 95 percent of the amount earned by Chinese American men, and Japanese American women's earnings total 93 percent of the amount earned by Japanese American men. However, in the age group 35 to 44, Chinese American women's earnings drop to only 46 percent of Chinese American men's, and Japanese American women earn only 40 percent of the amount earned by Japanese American men.

In contrast, the earnings gap between Cuban women and Cuban men is greatest in the age group 25 to 34, where women earn only 49 percent of men's earnings. The gap is smallest in the age group 20 to 24, in which Cuban women earn 72 percent of the amount earned by Cuban men.

The earnings gap between women and men of each racial or ethnic group, computed over a lifetime of work, further illustrates the disparity between female and male income. In no case do women earn more than 60 percent of the amount earned by men of their racial or ethnic group. The smallest earnings gap is between Puerto Rican women and men, with Puerto Rican women earning 58 percent of the amount earned by Puerto Rican men. Similarly, black women earn 56 percent of the amount earned by black men. Chinese American women earn only 51 percent of the earnings of Chinese American men.

The earnings gap for Cuban, Japanese, Mexican American, Native American, and white women is even greater. Native American women's earnings total only 48 percent of the earnings of

TABLE 2  
 MEDIAN INCOME OF FULL-TIME, YEAR-ROUND WORKERS, BY SEX AND  
 MAJOR OCCUPATIONAL GROUP, 1970

Major occupation	Median wage or salary income		Women's median wage or salary income as percent of men's
	Women	Men	
Professional and technical workers .....	\$7,878	\$11,806	66.7%
Nonfarm managers, officials, and proprietors ....	6,834	12,117	56.4
Clerical workers .....	5,551	8,617	64.4
Sales workers .....	4,188	9,790	42.8
Operatives .....	4,510	7,623	59.2
Service workers (except private household) .....	3,953	6,955	56.8

Source: U.S. Women's Bureau, Dep't of Labor, *Fact Sheet on the Earnings Gap*.

income jobs. But even among service workers—low-paying occupations in which women are heavily concentrated—their earnings are substantially lower than men's. While the earnings of male service workers in 1972 were \$7,630, female service workers earned only \$1,833, or 24 percent of men's earnings.

Thus, the inequity is due in large measure to the fact that, even within occupations, women tend to occupy the jobs which are the least valued and which pay the least. These include jobs as cooks, nurses' aides, and waitresses, which pay less than jobs as chefs, bartenders, guards, custodians, and maitres d'hotel which are generally held by men.

A similar situation obtains within *clerical and kindred* occupations, in which men's median income was \$9,716 in 1972 and women's was \$4,290, or only 44 percent as high. Again, women are more likely to be employed in lower-paying positions as typists, stenographers, secretaries, and file clerks, while men tend to be employed as administrative assistants—a higher-paying clerical occupation.

Finally, it is often suggested that women earn less than men because women have less education and training. However, even when education is held constant, the disparity between female and male earnings remains.

In all instances in which women and men share the same educational attainment, men have

higher incomes than women, regardless of race or ethnicity. In addition, women consistently have lower incomes than do men with less education. For example, women with 5 to 7 years of elementary school earn less than men with fewer than 5 years of elementary school. Furthermore, women who have completed 1 to 3 years of high school have lower median incomes than men with less than 5 years of elementary school education.

Within each racial or ethnic group, the figures are similar. For example, white women with 5 or more years of college have lower median annual incomes than do white men with 4 years of high school. Similarly, women of Spanish origin who have completed 5 or more years of college have lower median annual incomes than men of Spanish origin who have completed 4 years of high school. Black women with 1 to 3 years of college have lower median annual incomes than black men with 5 to 7 years of elementary school.

Of women with education ranging from less than 5 years up to 8 years of elementary school, women of Spanish origin earned a higher median annual income than both white and black women. However, among women with 1 to 4 years of high school education, white women earned slightly more than either black women or women of Spanish origin. Among women with college educations of up to 5 years or more, black

ently earn less than white men. Minority women earn less than men of their own racial or ethnic group; minority women also have lower incomes than white women. But white women's earnings are significantly lower than white men's and are also lower than the earnings of minority men (with the exception of Native American and Filipino men).

For example, in 1969 the median earnings of white women represented 47 percent of white men's; additionally, white women earned 82 percent of the amount earned by Puerto Rican men, 72 percent of the amount earned by black men, and 55 percent of the amount earned by Japanese men.

Black working women had median earnings of \$3,280, which represented 78 percent of white women's median earnings, 56 percent of black men's median earnings (\$5,809), and 37 percent of white men's median earnings (\$8,870). Minority women of other racial and ethnic groups also earned less than white women, men of their own racial or ethnic background, and white men.

Tables 16 and 17<sup>15</sup> depict these disparities and reveal that the disparity is generally greatest between the earnings of minority women and white men. The smallest gap is between the earnings of minority women and white women.

Puerto Rican women earned 58 percent of the amount earned by Puerto Rican men; the median earnings of Puerto Rican women, however, represented only 33 percent of white male median earnings. Similarly, the median earnings of Mexican American women represented only 21 percent of the earnings of white men and 40 percent of the earnings of Mexican American men. Cuban women earned 51 percent of the amount earned by Cuban men but only 32 percent of the amount earned by white men.

The median earnings of Native American women were 48 percent of the earnings of Native American men; but Native American women earned only 19 percent of the amount earned by white men. Chinese American women earned 51 percent of the amount earned by Chinese American men and 30 percent of the earnings of white men. Japanese American women earned 43 percent of the amount of

Japanese American men's earnings; the median earnings of Japanese American women, however, represented only 36 percent of white male median earnings.

**The Earnings Gap Within Occupations and Industries.**—The extent of the earnings gap between women and men also varies depending upon the *occupation* and the *industry* in which they are employed. In 1970, for example, the largest salary differential existed among *salesworkers*, with female salesworkers earning only 43 percent of the amount earned by male salesworkers. Although the gap is still large, the smallest salary difference between female and male workers was in the *professional-technical occupations*, where women's earnings were 67 percent of men's earnings. Among *service workers*, men earned \$6,995 while women earned \$3,953 or 57 percent of men's earnings.

The income disparities between women and men employed in the same industry are often as significant as those within occupational categories. Women craftworkers and operatives working in *manufacturing* industries, for instance, earned \$4,641, compared with \$10,069 for men. Thus, women's earnings are 46 percent of men's. In *entertainment and recreation services*, women earned \$6,318, or 87 percent of men's earnings (\$7,240). Within *construction* industries, women earned 49 percent (\$3,761) of the amount earned by men (\$7,717).

**Explanations of the Earnings Gap.**—Several explanations have been offered to account for the earnings disparity between women and men workers. For example, the disparity has been attributed to the fact that *women generally work part time*. However, the available data reveal that female part-time employment is too limited to account for the earnings gap. Of the total female civilian labor force that worked in 1970, only 30 percent of the women worked part time, compared with 14 percent of employed men. The great majority of women workers—70 percent—work full time.

In addition, the figures in table 2 (which apply only to full-time year-round workers) reveal that the earnings gap persists between women and men similarly employed.

Another reason given for the earnings gap is that women are employed in low-skilled, low-

<sup>15</sup> See app. 1, *infra*.

In March 1973, approximately 46.3 million families had both a husband and wife present, whereas 6.6 million families were headed by a woman alone. The median income of husband-wife families was \$11,900 in 1972, compared with a median income of only \$5,340 for families headed by a woman alone. About 37 percent of the families headed by a woman had incomes below \$4,000 in 1972, compared with only 8 percent for husband-wife families. The proportion of families in the lower income group that are headed by women has increased by 24 percent in recent years, from 5.3 million in March 1968 to 6.6 million in March 1973.<sup>8</sup>

At the upper end of the income distribution, only 9 percent of families headed by a woman had incomes of \$15,000 or more, compared with 34 percent of the husband-wife families. The median income in 1972 of husband-wife families with wife in the paid labor force was \$13,900, or 32 percent higher than the median income (\$10,560) for families in which the wife was not in the paid labor force.<sup>9</sup>

In 1972, the median income for black and white persons 25 years of age and over was as follows: white men, \$9,378; black men, \$5,648; white women, \$3,073; black women, \$2,730.<sup>10</sup>

The median income earned by white female heads of families (\$6,205) was 62 percent of that earned by white male heads (\$11,504) where the wife was not in the labor force. White unrelated females had a median income (\$3,282) which was 71 percent of that earned by similarly situated white males (\$4,607). Black female heads of families had a median income of \$4,335 or 67 percent of that of black male heads of families (\$8,072) where the wife did not work. Spanish speaking female heads of families had a median income of \$4,501 or 54 percent of that of Spanish speaking male heads, whose median income was \$9,192.<sup>11</sup>

Unrelated white males had a higher median income (\$4,800) than black or Spanish speaking female heads of families (\$4,335 and \$4,501, respectively) as well as all unrelated females (\$3,282). The lowest median incomes were those

of unrelated black and Spanish speaking females (\$2,232 and \$2,619, respectively). White "male-headed" families with wife in the labor force have the highest median income (\$13,186) of any group. This compares with \$9,857 for similarly situated black families, and \$11,105 for similarly situated Spanish speaking families.

## Earnings

**The Earnings Gap.**—A significant income disparity exists between women and men workers; women who work full time throughout the year earn \$3.00 for every \$5.00 earned by men who are similarly employed.<sup>12</sup> Although the amount of the earnings gap has varied over time, women today fare worse than they did 20 years ago. In 1955, for example, women's median wage or salary income totaled 64 percent of men's income. By 1970, the gap between women's and men's earnings had increased; women earned a median income which was only 59 percent of men's. The Women's Bureau of the Department of Labor estimates that in 1973 women's earnings were between 58 and 60 percent of men's earnings.<sup>13</sup>

The disparity between the earnings of women and men is also illustrated by the number of female and male full-time year-round workers at low and high earnings levels. For example, in 1970, 12 percent of all women employed full time earned less than \$3,000, compared with only 5 percent of men. Moreover, almost half of all full-time working women (45 percent) earned less than \$5,000, compared with only 14 percent of men. In the higher earnings level, the figures are reversed; only 7 percent of women earned \$10,000 or more in 1970, while 40 percent of men earned more than \$10,000. Additionally, 96 percent of the jobs paying \$15,000 or more in 1969 were held by white men. Only 2 percent of all full-time employed women had incomes over \$15,000.<sup>14</sup>

**Racial and Ethnic Differentials.**—Wage and salary differentials between women and men vary when analyzed by race and ethnicity. However, women of all races and ethnicities consist-

<sup>8</sup> *Id.* at 2.

<sup>9</sup> *Id.* at 2.

<sup>10</sup> U.S. Dep't of Commerce, *supra* note 6 at 124, 128.

<sup>11</sup> See table 15, app. I, *infra*.

<sup>12</sup> U.S. Women's Bureau, Dep't of Labor, *Fact Sheet on the Earnings Gap*.

<sup>13</sup> *Id.*

<sup>14</sup> J. K. Galbraith, "The Galbraith Plan to Promote the Minorities," *N. Y. Times Magazine*, Aug. 22, 1971.



income from dividends, interest, net rental income, income from estates or trusts, and net royalties. Three percent of all women receive income from unemployment and workers' compensation, government employee pensions, and veterans assistance. Over 3 percent of all women receive income from private pensions, annuities, and alimony. A small percentage of women are self-employed and receive income from their farms or businesses; 1.9 percent of the total female population receive income from nonfarm self-employment, while 0.42 percent of all women receive income from farm self-employment.

Although the largest percentage of income received by women in 1972 consisted of wages and salaries, women represented only 41 percent of all persons receiving wages and salaries. Further, 48 percent of the female-headed families which received wages or salaries had income below the poverty level.

More women than men received social security and government retirement benefits; 56 percent of the total number of recipients of such income were women. However, women received only 67 percent of the amount of benefits received by men.

Women also received smaller amounts of income from private pensions, annuities, and alimony than did men; women's income from these sources represented 88 percent of men's income. Overall, slightly more men than women received income from these sources; women represented 49 percent of all persons receiving income from private pensions, annuities, and alimony. However, a larger number of female heads of families than male heads of families received income from these sources. Further, a much larger percentage of these female-headed families were living in poverty (16 percent, compared with 3 percent of male-headed families).

Women received the largest percentage of public assistance and welfare payments; women, in fact, represented 73 percent of all persons receiving income from these sources. The median public assistance payment to women totaled \$1,243, as compared to \$993 for men. However, a much larger percentage of female-headed families receiving public assistance and welfare were living in poverty; 56 percent were in poverty,

compared with 20 percent of male-headed families receiving public assistance and welfare.

Only 32 percent of all persons receiving income from dividends, interest, net rental income, income from estates or trusts, and net royalties were women. Nevertheless, women received a slightly higher median income from these sources than did men; while women received \$384, men received \$366.

Women represented 29 percent of all persons receiving unemployment and workers' compensation, government employee pensions, and veterans assistance. The median income received by women from these sources totaled only \$828, or 81 percent of that received by men (\$1,018).

Although the percentage of the female population receiving income from nonfarm self-employment was quite small (1.9 percent), women represented 25 percent of all persons receiving such income. The earnings gap between women and men receiving income from nonfarm self-employment was extremely large; women earned \$880, compared to \$5,223 for men. These self-employed women, thus, earned merely 17 percent of the amount earned by similarly employed men.

At least six times more men than women received income from farm self-employment; women represented only 13 percent of all persons receiving income from this source. The median income which women received from farm self-employment (\$738) was less than half the income received by men (\$1,614).

### **General Income Analysis**

The median family income of the 54.4 million families in the United States climbed to \$11,120 in 1972, an increase of 8.1 percent over the 1971 median family income of \$10,290.<sup>6</sup> For persons 14 years old and over receiving income in 1972, the median incomes of women and men were \$2,600 and \$7,450 respectively. The rate of increase between 1971 and 1972 for both men and women was 7.9 percent. Between 1971 and 1972, the median income for women working year round full time increased by 6.2 percent, reaching a level of \$6,050. The median income for men working year round full time increased 9.4 percent in that time period, to \$10,540.<sup>7</sup>

<sup>6</sup> U.S. Dep't of Commerce, *Consumer Income*, Series P-60, No 90 at 1 (Dec. 1973).

<sup>7</sup> *Id.*