

By Georgina Dent / Feb 11, 2014 12:27PM / Print / (3)

Last week The Daily Beast published an article claiming women do not make less money than men.

The author, Christina Hoff Sommers, took issue with President Barack Obama citing the fact a woman still earns just 77 cents for every dollar a man does, in his most recent State of the Union address.

"Today," the US President said, "women make up about half our workforce. But they still make 77 cents for every dollar a man earns. That is wrong, and in 2014, it's an embarrassment."

By contrast, Hoff Sommers says what is wrong and embarrassing is "the President of the United States reciting a massively discredited factoid".

She writes:

"The 23-cent gender pay gap is simply the difference between the average earnings of all men and women working full-time. It does not account for differences in occupations, positions, education, job tenure, or hours worked per week. When all these relevant factors are taken into consideration, the wage gap narrows to about five cents."

The Washington Post also questioned the validity of the President's claim in a fact-checking column concluding "[t]here is clearly a wage gap, but differences in the life choices of men and women... make it difficult to make simple comparisons."

This argument echoes an article Hanna Rosin published on Slate last year saying that the oft-quoted line about women earning 77 cents to the dollar is a lie.

Rosin writes:

"...The point here is not that there is no wage inequality. But by focusing our outrage into a tidy, misleading statistic we've missed the actual challenges. It would in fact be much simpler if the problem were rank sexism and all you had to do was enlighten the nation's bosses or throw the Equal Pay Act at them. But the [more-accurate] 91 percent statistic suggests a much more complicated set of problems. Is it that women are choosing lower-paying professions or that our country values women's professions less? And why do women work fewer hours? Is this all discrimination or, as economist Claudia Goldin likes to say, also a result of "rational choices" women make about how they want to conduct their lives".

In Australia the equivalent of America's "77 cents to the dollar" disparity is what is usually referred to as the 17.5% pay gap. It is, as Rosin and Hoff Sommers point out, the difference between the total full-time earnings of men and women expressed as a percentage of male earnings. It is a high-level extrapolated figure. It does not mean that

every female working fulltime earns exactly 17.5% less than her full-time male colleague doing the same job. It is more complicated than that.

However, it is clear, in Australia at least, that men and women who graduate in the same fields do not necessarily start on equal footing in terms of pay. The Workplace Gender Equality Agency has been reporting figures on the gender pay gap at the graduate level since 1997 and during that time there has always been some discrepancy between what female and male graduates earn. At its best, this gap was 2.5% in 2005 but it has grown since then. In 2012 the gap was almost 10%, the biggest gap in 15 years.

In light of that, it's alarming that, last year, for the first time, Graduate Careers did not release data pertaining to gender.

If men and women who graduate in the same field do not even start on equal salaries it seems unlikely that disparity will not persist over the course of their careers, which seems to be borne out in the available data.

So while it's not accurate to say a woman always earns 17.5% less than a man doing the same job, it is accurate to say women earn less than men, even in the same fields, with the same qualifications. And the 17.5% figure, high level as it is, indicates very clearly that women, on the whole, still earn substantially less than men.

In Hoff Sommers piece she says the difference is explained by the fact a greater proportion of women are attracted to the 10 lowest paying industries while a greater percentage of men seek out employment in the 10 highest paying roles. Our choices at university make the pay gap inevitable.

Doesn't that seem a rather extraordinarily fortunate, or unfortunate depending on your gender, coincidence? That men happily chase the big bucks and the bright lights while us women are happy to settle for being underpaid in more menial roles?

It's a bit like being told that the fact there are 18 men and just one woman in the federal Cabinet is because those men are more meritorious than the other potential candidates. Doesn't that seem another extraordinary coincidence? That so much of this "merit" sits with one particular group? That the other group barely gets a look in. I mean, it's almost as if the system's been rigged.

Oh that's right! It is! You see I don't accept, not for one moment, that it's some fantastically fortunate coincidence that men get all the merit, and that men, just conveniently, happen to seek out better paying jobs.

I absolutely accept that women and men make different choices that inform these factors. But those choices are not made in a parallel universe where all things are equal. Our choices – and the consequences that flow from them -- reflect the status quo. Our "rational" choices are not made independently of the very factors that contribute to the pay gap in the first place.

Do women just happen to like industries that pay less? Or is it driven in some part because they believe, subconsciously even, that those paths will give them a better shot at career success? A better chance of combining their career ambitions with any desire they might have to have a family? Are they put off highly paid fields that remain heavily dominated by males because they can't envisage taking that on?

Why do women, who work full-time, work fewer hours than their full-time male colleagues? Is it because women still do significantly more of the childcare and the household work? If they were freed up from some of that unpaid labour would they not be more readily available to work longer hours out of the home?

Of course, if women were freed up from a portion of the unpaid work they currently do, someone – or many someones -- would need to step up and fill in. That might mean those someones, a large proportion of whom would be men, would have less time to work outside of the home. That, in turn, would mean a greater number of men would have visible caring responsibilities in the workplace. That would shift the status quo in two ways: the expectations on men and women.

If childcare was more readily available and affordable perhaps more women wouldn't "choose" to take longer breaks from the workforce to have children. Perhaps if women were paid as much as men in the first place, then more often than not, or at least in equal number, it would be the male partners for whom it makes financial sense to take a break from their career to look after any children.

The gender pay gap is representative of all the factors that contribute to inequality between men and women in the workplace. It is indicative of indirect and direct gender discrimination. The pay gap exists because women are over-represented in lower-paid roles and in lower-paid industries. The pay gap exists because women are under-represented in leadership positions. The pay gap exists because women's skills are undervalued. The pay gap exists because women are still financially penalised, directly and indirectly, for taking career breaks to have children.

I accept the gender pay gap is complex but it is not a myth. Saying it is, is embarrassing and wrong.