



# GET THE FACTS | WAGE GAP

## INDEPENDENT WOMEN'S FORUM

You may have heard that on average women make only 77% of what men make. The 77% stat is an average that compares the salaries of all men and women with full-time jobs. But it doesn't consider apples to apples, doctor to doctors, and teachers to teachers. It doesn't take into account that more men choose to be engineers and more women choose to be social workers. Or that many women take time out of the workforce and men tend to put in longer hours.

**The U.S. Department of Labor found that when educational and career choices are part of the equation, women make nearly the same amount as men - 94 percent.**

Left-leaning Feminist groups point to the 77% statistic as evidence of sexism in the work force and continue to call upon the government to push measures to equalize pay for the two sexes. But importantly, **discrimination in the work place is already against the law.**

The Equal Rights Act of 1963 and the Civil Rights Act of 1964 both protect women from harassment and baseless gender discrimination in the workplace.

### **What are the consequences of passing legislation like the Paycheck Fairness Act?**

The Paycheck Fairness Act would try to solve the wage gap "problem" by changing the legal system to encourage more lawsuits and increasing government oversight over businesses' compensation decisions. Ultimately, the Act would create more headaches than it cures. It would:

- Invert our justice system by requiring employers to prove that salary decisions are all "job related" and "consistent with business necessity."
- Limit the salary decisions of employers, preventing them from rewarding more productive workers for fear of discrimination allegations.
- Make paychecks less fair by encouraging employers to pay all workers the same, regardless of work environment, shift, location, or performance.
- Allow women to sue for unlimited compensatory and punitive damages, even if there was no proof that any intentional discrimination had taken place.
- Harm small businesses by exposing them to potentially bankrupting lawsuits.
- Promote class action lawsuits by automatically including plaintiffs in a class unless they specifically opt out.
- Lead to lower wages for men and women, as employers divert money toward expanded legal liability insurance instead of increasing workers' pay.
- Lead to fewer jobs for women: Employers will be discouraged from hiring women when they see women as legal risks rather than valuable workers.

**The Paycheck Fairness Act - like many bills considered by Congress - has a nice name. It is a good opportunity for politicians to talk about their interest in workplace fairness. But sadly, the bill is based on the misguided assumption that all employers are sexist, and it creates hurdles to employment and wage growth. Ultimately, it has the potential to backfire on women.**

For more information, visit [www.iwf.org](http://www.iwf.org).