New England Journal of Public Policy

Volume 6

Issue 1 Special Issue: Women and Economic

Empowerment

Article 21

3-20-1990

Women and Economic Empowerment

Kitty Dukakis

Vivian Li

Follow this and additional works at: http://scholarworks.umb.edu/nejpp

Part of the <u>Economic Policy Commons</u>, <u>Public Policy Commons</u>, <u>Social Welfare Commons</u>, and the Women's Studies Commons

Recommended Citation

Dukakis, Kitty and Li, Vivian (1990) "Women and Economic Empowerment," New England Journal of Public Policy: Vol. 6: Iss. 1, Article 21.

Available at: http://scholarworks.umb.edu/nejpp/vol6/iss1/21

This Article is brought to you for free and open access by ScholarWorks at UMass Boston. It has been accepted for inclusion in New England Journal of Public Policy by an authorized administrator of ScholarWorks at UMass Boston. For more information, please contact library.uasc@umb.edu.

Women and Economic Empowerment

Kitty I	Dukak	is and	Vivian	Li
---------	-------	--------	--------	----

This article proposes a women's economic agenda to help fulfill the needs of working women. The first component outlined is the appointment of women who are sensitive to the needs of all women, including the poor, to key decision-making positions. The agenda then calls for employers to recognize changing work force demographics by initiating programs that can accommodate the needs of single-person as well as dual-income households. The final component is an argument for the implementation of pay equity.

t few times in our history have women played a more important role in our economy than they currently do. They are entering the work force in unprecedented numbers. Since 1987, 60 percent of the women in New England have been in the work force, a number exceeded only during wartime. Three out of every five women over the age of sixteen are either employed or actively seeking work. This is up considerably from only a decade ago, when one out of every two women were in the work force. It is estimated that by the year 2000, women and minorities will make up 75 percent of new entrants into the work force.

In spite of the enormous contributions women make to the economy, most employers still structure the workplace as though the *Leave It to Beaver* family were the norm. Otherwise, why is our country one of only two industrialized countries (the other being South Africa) that doesn't provide paid parental leave for parents and doesn't have an adequate child-care system? Women continue to be paid less than men in spite of the fact that they do comparable work and are in many cases single head of household.

Based on our discussions and experiences around the country during the 1988 Presidential campaign, we believe that a women's economic agenda must be developed to help further the needs of working women. Such an agenda must incorporate several components: appointment of women to key decision-making positions; establishment of family-responsive programs that recognize the changing family structure; and aggressive implementation of pay equity. It is in the interest of elected officials as well as employers to adopt such an agenda.

Kitty Dukakis is the First Lady of the Commonwealth of Massachusetts. Vivian Li is the adviser on women's issues to Massachusetts Governor Michael S. Dukakis.

Appointment of Women to Key Positions

Crucial to the economic empowerment of women is the appointment of women to key policy as well as judicial positions. We are encouraged by both the number and caliber of women appointed to top management positions in Massachusetts state government and in the courts.

In 1989, for the third year in a row, Massachusetts was commended by the National Women's Political Caucus on its appointment of women to cabinet positions. As an example of Massachusetts's commitment to women appointments, Deborah Prothrow-Stith, a Harvard-trained internist from Boston City Hospital, in 1987 became the first woman (and first black woman) ever to head the \$300 million state health department. Carmen Canino-Siegrient in early 1989 became the first woman (and woman of color) to head the state's largest agency, the \$3 billion Department of Public Welfare.

Maria Lopez became the commonwealth's first female Hispanic judge when Governor Michael Dukakis appointed her in 1988. She sits on the Chelsea District Court, listening to cases in a heavily Spanish-speaking community. Barbara Dortch became the first black woman to be appointed to the Superior Court, making her a credible candidate for a future appointment to the state's highest court, the Supreme Judicial Court.

Such appointments are significant not only because they are of women but, more important, because these women are committed to furthering the agenda of other women, including the poor and those who are just getting by. We know all too well that appointment of women solely on the basis of sex can result in little more than the status quo at best. Witness the much-heralded appointment of Sandra Day O'Connor to the U.S. Supreme Court. Women as a group come out ahead only when women appointees to key positions can empathize and help those still striving to meet basic needs.

A second reason to applaud the appointments in Massachusetts is that women are found in increasing numbers in "nontraditional" areas. The appointment of Jane Garvey to head the state's \$130 million Department of Public Works is a clear signal that women have finally overcome the barriers to managing historically male-dominated agencies.

Programs That Recognize the Changing Work Force

Changing demographics, the increasing importance of women in the work force, and the shortage of labor in the workplace make it imperative that employers initiate programs to accommodate the needs of single-person as well as dual-income households. Such measures as job training programs, affordable quality child care, dependent-care leave, and universal health care must, at a minimum, be provided so that women can participate fully in the work force.

Training Programs

Given the smaller pool of workers in the generation now in high school (known as the "baby bust" generation), it appears to us good public policy to focus on job training programs, particularly those which might help underutilized groups, for example, public assistance recipients. That is why, beginning in 1983, Massachusetts initiated its innovative Employment and Training (ET) Choices program. The program, which has served as a model for national welfare reform, is noteworthy because it incorporates a comprehensive approach to employment. Not only does it provide job training for participants, but it

also guarantees participants child care, health care, and other services. ET graduates automatically receive four months of Medicaid coverage, which can be extended to fifteen months, depending on individual circumstances.

The program has made a significant difference to poor women, helping to put more than 57,000, many of whom were on welfare, in jobs.³ The jobs, moreover, are not just unskilled jobs. Of those obtained through the state, 18 percent were in the service sector, 17 percent in word processing/secretarial, 12 percent in manufacturing/mechanic trades, 11 percent in the professional/managerial area, 10 percent in data entry operator/cashier jobs; the rest were in nine different occupational categories, ranging from construction (4 percent) to farming (one percent).⁴ The earnings from these jobs are impressive. As of 1988 the average full-time wage for ET graduates was \$15,000 annually, more than twice the maximum yearly welfare grant for an AFDC family of three.⁵

Of those who graduate from the ET program, 85 percent who leave welfare are still off welfare a year later. The incentive to stay off public assistance is compelling: besides earning wages higher than welfare benefits, ET participants receive services designed to ease the transition from welfare to work. Programs such as ET, which couple training with other support services, are key in helping women get off public assistance and on the road to economic stability.

Child Care

Women's participation in the work force is increasing steadily. Those with children under the age of six form the largest growing segment of women, with 51 percent of mothers of newborns returning to work before the baby's first birthday. Without available child care or preschool programs, many of these women so important to the work force cannot participate adequately. Massachusetts became the first state to address this problem by establishing a state-supported child-care program, the Governor's Day Care Partnership, in 1985. The program, involving close public and private sector cooperation, has helped to strengthen and expand affordable quality child care.

Beginning in 1985 the commonwealth committed \$67.1 million to the purchase of day-care services for low-income families and families in crisis. During the fiscal year ended June 1989, the state was providing \$150 million for day care for low-income families out of a total \$162 million spent by the state for child-care programs. Overall, the number of children in state-supported day care has nearly doubled in just six years, from approximately 18,600 in fiscal year 1983 to a projected 31,600 at the end of fiscal year 1989. The bulk of state funds for child care is used to help ET graduates during the critical first year after job placement. After that the state provides subsidized day-care coverage under its contracted day-care system, which offers payment on a sliding fee scale based on ability to pay.

Poor women, in particular, find the lack of affordable child care a barrier to employment. The major reason given by ET graduates not employed a year after they first found a job was their problems with child care. The fact that child care is an integral part of the ET program may also help explain why 57 percent of ET participants are women with children under the age of six. Although women with young children who receive public assistance are exempt from work requirements, many still chose to participate in the ET program because the availability of affordable day care makes it possible for them to earn higher wages.

But this is just the beginning. We must see an increase in the supply of child care not only for low- and moderate-income families, but also for middle- and upper-middle-class households. According to data generated by the state's Corporate Child Care program, there are only 97 near or on-site day-care centers in the entire state, with 70 percent operated by government, universities and colleges, hospitals, and nursing homes. Statewide, only 302 private employers of 158,343 companies, or fewer than one percent, provide any child-care assistance.¹⁰

One recommendation for increasing the availability of child-care slots is requiring developers either to provide child care or to contribute to a day-care fund as a condition of development. This concept, known as child-care linkage, was adopted by the Boston Redevelopment Authority for Boston's Midtown Cultural District in 1988. Already, two projects planned for the Cultural District will set aside 24,000 square feet for 282 children in day-care centers. The Boston Redevelopment Authority projects that a total of 630 child-care centers will be created in the next few years as the Cultural District is developed. In San Francisco, one of the first cities to implement the child-care linkage concept, three projects will begin contributing \$1 million into a linkage fund in 1990.

Aside from increasing the supply of child care, employers are also helping employees defray the cost of child care through a variety of options, ranging from cash subsidies to fringe benefits. The commonwealth is helping its employees through the latter approach by implementing a Dependent Care Assistance Plan (DCAP). Utilizing changes in the federal Tax Reform Act of 1986, Massachusetts will establish a payroll deduction system that lets employees use pretax dollars for child care. Currently, income used to pay for child care is first taxed and also subject to social security withholding. Under the DCAP plan, an employee who, for example, spends \$3,000 per year for child care would not have to pay income tax on this amount (up to \$5,000 spent for child care is eligible for income tax exemption).

In addition, we need to continue to work to increase the salary of day-care workers. While we in Massachusetts have increased the average salaries for these employees by 50 percent in the past five years, more must still be done to enable such providers to recruit and retain quality staff. It is a sad commentary on our society that many day-care workers are paid the same hourly wages as people who scoop ice cream at a local soda fountain and considerably less than those who pick up garbage.

Maternity Leave and Dependent-care Leave

More and more often, employers are confronted by employees distracted by family responsibilities such as caring for a sick child, spouse, or parent. In an overwhelming majority of cases, women are still the ones who must attempt to juggle work and family responsibilities and forgo work to care for sick family members. Employers, recognizing the impact on productivity and morale that such responsibilities create, have begun to reshape their policies to help employees better balance conflicting responsibilities.

In Massachusetts, we have seen more flexible maternity and adoptive leave policies initiated. By law, women who work for an employer with six or more employees are entitled to eight weeks of unpaid maternity leave with job security and a continuation of benefits. The Commonwealth of Massachusetts, the state's largest employer, has gone one step further by providing its female and male employees with parental-leave benefits. A parent of a newborn or a newly adopted child may take eight weeks of parental leave, with job security and a continuation of benefits, subject to the approval of the supervisor (to date,

all requests for parental leave have been approved). Vacation and personal time may be used for such leave. Thus mothers of newborn children can, by combining maternity and parental leave, take up to sixteen weeks of leave.

Increasingly, employers are also recognizing that their employees have caregiving responsibilities for an elderly population. Demographic information indicates that the proportion of persons aged sixty-five and older is increasing relative to the rest of the population, and that for persons sixty-five or older, the population is aging. ¹³ By 1990, it is estimated, 14 percent of the population in Massachusetts will be sixty-five or older. ¹⁴ Furthermore, those eighty-five years or older are the fastest growing segment of this group. In 1980 the proportion of males over sixty-five who were at least eighty-five years old was 7.4 percent, and the proportion of females over sixty-five who were at least eighty-five years old was 11.8 percent. ¹⁵

Given the advances in medical technology and the standard of living, more and more people are living longer. However, between a quarter to a third of the elderly need assistance in activities of daily living, such as bathing, dressing, and eating. ¹⁶ For those aged sixty-five to sixty-nine, the person providing the assistance is likely to be a spouse. For those older than that, however, the care is usually given by other family members or agencies. ¹⁷

Women, who by and large are the primary providers of such care, spend an average of eighteen years caring for an aging parent, compared to seventeen years caring for a child. State Representative Mary Jane Gibson has introduced landmark legislation that would allow employees to take time off, with some wage replacement, to care for sick family members. She describes her proposal elsewhere in this volume, but suffice it to say that the idea of paid dependent-care leave must be on the agenda of public officials in the 1990s.

Universal Health Care

We believe that health care must be considered a right, not a privilege. Those who have stable employment, good health, and adequate health coverage often take the importance of health care for granted. Sadly, 37 million Americans, including 12 million children, do not have any health insurance nearly forty years after Harry Truman first proposed the idea of national health insurance.¹⁹

The United States and South Africa are the only two industrialized countries in the world that do not provide basic health insurance for their people. In Massachusetts approximately 600,000 residents, a majority of whom are women, do not have health insurance. While some of these residents are unemployed, over two thirds of them are in families whose head of the household is employed but whose employer does not provide any coverage. 1

Women who leave welfare for jobs with small-business employers who don't provide health coverage, poor pregnant women and mothers with children under the age of five, and disabled children in families without health coverage must be freed from worry about access to the health care system because of a lack of health insurance.

Pay Equity

A key element in the economic empowerment of women must be equal pay at the workplace. It is unacceptable that wives on average still earn less than half as much as their husbands do; that women, on the whole, earn just 65 cents for every dollar earned by men; and that women of color, on average, earn even less. ²² During the 1988 Presidential campaign we talked time and again about the fact that the time had come for paycheck justice. We must do more than just give lip service to pay equity: we must institute changes to be sure that women no longer receive lower wages for jobs requiring skills comparable to higher-paying jobs held disproportionately by men.

Beginning in the early 1980s, the state Joint Legislative Committee on Comparable Worth examined the state system and found symptoms of sex-based wage discrimination: a work force segregated by sex along traditional lines, with female-dominated jobs at the low end of the pay scale.²³

In response to this inequity, with the strong support of the governor and the state legislature, Massachusetts in 1984 began an effort to ensure pay equity for state employees. The governor invited the state unions back to the bargaining table to negotiate salary upgrades for the most severely underpaid female-dominated job categories. This effort resulted in 2,800 employees in female-dominated jobs receiving increases totaling approximately \$3.8 million.

In 1985 and 1987, when the state was in the midst of general contract negotiations for state employees, the administration again used the opportunities to incorporate pay equity into the collective bargaining process. As a result of a reclassification study that revised job descriptions, many of which were for female-dominated jobs, nearly 34,000 state employees were upgraded. The cost of these upgrades over a four-year period totaled \$58 million.

In 1988 the administration completed a review of the job evaluation system used for state positions. Based on that study, we are modifying our job evaluation system to give greater emphasis to the skills required for those job categories that are traditionally female dominated. For example, we now incorporate a "human services" factor when evaluating jobs in an effort to capture the job dimensions related to the provision of human services (i.e., accountability for the physical, social, and psychological welfare of others). We also expanded the definition of workplace conditions not only to include physical work effort factors (which appeared oriented to male-dominated jobs) but to take into account the requirement for focused, sustained attention in repetitive situations for prolonged periods. For prolonged periods.

The administration's most recent changes in the job evaluation system will assure that, over the long term, women-dominated job categories will be fairly evaluated. We believe that our efforts to date, ranging from immediate salary upgrades to institutional changes in job evaluation, have made a significant difference for female state employees. Yet those in the private sector still suffer from the inequities we initially identified among state employees. Private sector employers need to be vigilant in their efforts to monitor and correct wage inequities in their work force.

One final thought. Using our voice, our money, and our vote, we can help to bring about the changes outlined above. The year 1990 will mark the seventieth anniversary of women's suffrage, yet women are slow to recognize their collective power at the ballot box. If there was one theme that distressed us during the 1988 campaign, it was that one vote can't make a difference, that the candidates were all the same.

We need to remind our friends, our colleagues, and our neighbors that informed, voting women can change the direction of our society. We know that in 1986 women voters made the difference in nine U.S. Senate elections, no small point during the nomination hearings of Judge Robert Bork to the U.S. Supreme Court. In 1989 many credited the issue of

choice and reproductive rights as decisive factors in our country's only two gubernatorial elections and in the mayoral race in New York City. We must encourage more women to run for office and to embrace an economic agenda that helps all women. And we must continue to support and vote for good men and women who are pushing for the economic equality we seek.

Wouldn't it be a fitting celebration of the beginning of the twenty-first century if women together elected a majority of public officials committed to a women's economic agenda?

Notes

- 1. "Working Women in New England, 1988," U.S. Department of Labor News, June 15, 1989.
- 2 Ibid
- 3. Report to Governor Michael Dukakis on Employment and Training Choices Program, May 1988.
- 4. Ibid., Chart 5.
- Governor's Budget Recommendations for Fiscal Year 1990, Commonwealth of Massachusetts, January 25, 1989, 12.
- 6. Report to Governor Dukakis on ET Program.
- 7. "Work and Family Resource Kit," Women's Bureau, Department of Labor, 1989.
- 8. Governor's Budget Recommendations, 13.
- 9. Report to Governor Dukakis on ET Program.
- Unpublished report on child-care linkage legislation to Governor Michael Dukakis by Serena Satyasai, August 1989.
- 11. Ibid.
- 12. Ibid.
- Bruce Cohen and Robert Danley, "A Demographic Profile and Mortality Among the Elderly," Elders at Risk, 1989, 1.
- 14. Ibid.
- 15. Ibid.
- 16. Paul Scherr, Lawrence G. Branch, et al., "Physical Functions as a Measure of Health Status in the East Boston Elderly," *Elders at Risk*, 11.
- 17. Ibid.
- 18. "Eldercare: An Overview," Women's Bureau, U. S. Department of Labor, 1989.
- 19. Address by Governor Michael Dukakis at Swarthmore College, May 4, 1989.
- 20. Governor's Budget Recommendations, 10.
- 21. Ibid.
- 22. "Earnings of Married Couple Families 1987," U.S. Census Bureau, 1989.
- 23. Report of Joint Legislative Committee on Comparable Worth, 1983.
- Commonwealth of Massachusetts Guide Enhancement Project, prepared by the Hay Group, Boston, 1988.
- 25. Ibid.
- 26. Ibid.

