AN EXAMINATION OF COMPARABLE WORTH

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ABSTRACT

The concept of comparable worth is attracting more attention around the country as diverse groups bring pressure for an evaluation of the methods by which an employer or society as a whole determines the value of a particular job. Because comparable worth addresses the inverse relationship between the percentage of women in an occupation and the compensation of the workers, and because the overwhelming majority of librarians are women, librarians have often been in the forefront of efforts to implement comparable worth studies. With the introduction and subsequent defeat in committee of LRX06, a bill which would have instituted a pay equity study of state jobs, comparable worth is an issue of immediate concern to Nebraskans and especially to the Nebraska Library Association. The authors explore the concept of pay equity/comparable worth by examining several cases involving librarians and others and by analyzing the arguments on both sides of the issue.

"In American libraries we set a high value on women's work. They soften our atmosphere, they lighten our labour, they are
equal to our work and for the money they cost - if we must gauge such labour by such rules - they are infinitely better than 1 equivalent salaries will produce of the other sex." So spoke Justin Winsor, first president of the American Library Association, at the conference of librarians held in London in 1877, pointing out the value of the work performed by women within the profession and underscoring the fact that women would perform the same or better work than men - for less money.

With that historical antecedent, we begin our examination of comparable worth or pay equity. We will attempt to define it and explain how it works, examine some of the social issues which have led to it, present a brief history of some of the important cases, explain why it is of concern to Nebraskan librarians, and analyze the pros and cons.

In simplistic terms, comparable worth calls for employers to base the compensation of their workers on the inherent value of a job to the organization rather than on prevailing market considerations. It is distinct from equal pay for equal work, which was legislated in the federal Equal Pay Act of 1963. Rather, comparable worth proponents seek to establish a system whereby equal pay is received for work of comparable value to the firm. It is based on a social philosophy which asserts that earnings from employment ought to be proportional to the contributions made through employment. Economists from Adam Smith's day to the present have been concerned with how to assess value and they have not been able to come to a consensus on the issue. This difficulty over how to determine
worth is at the heart of part of the controversy surrounding pay equity.

As well as being controversial from an economic standpoint, comparable worth creates dissension because it also addresses a very real and continuing societal problem - the wage differential between men and women. The figures vary slightly from one study to another but the essential fact remains: female workers earn considerably less than their male counterparts and the gap between male and female earnings is widening. In 1955, women full-time workers earned an average of 64 cents to the dollar for what men earned. In 1980, according to U.S. census figures, women earned an average of 55 percent of what men earned. More recent studies place the figure at 55-60 percent of what men earn. The fact is that the average female college graduate earns less than the average male high-school dropout. These figures assume a greater significance when one considers the changing nature of the American household. People tend to assume that men are generally the primary support of American households. In 1950, men were the heads of 56 percent of all American households. By 1977, that figure had declined to 44 percent. The trend continues, with women bearing primary responsibility for support of themselves and their families more often than men.

Another factor which needs to be considered in the discussion of the earnings gap is the increasing feminization of poverty. Women and children are comprising a larger percentage of the total number of Americans living in poverty. Twice as many women as men
live below the poverty line. The National Advisory Council on Economic Opportunity stated that, if present trends continue, by the year 2000 the entire group of those falling below the poverty line will be women and children.

How can the earnings gap between men and women be explained? The Equal Pay Act has opened many doors that were traditionally closed to women. Violations of the Equal Pay Act now account for only a small part of the earnings gap between men and women. A larger portion of the pay gap can be attributed to the distribution of men and women in various occupations. Women workers are clustered in a small number of all possible occupations. In 1982, 50 percent of the female workforce in the United States worked in only 20 of 107 census occupations. People who work in predominately male occupations are paid more than those in predominately female occupations. There is an inverse relationship between the percentage of women in an occupation and the amount of compensation received. As the National Research Council of the National Academy of Sciences concluded in 1981: "Not only do women do different work than men, but the work women do is paid less, and the more an occupation is dominated by women, the less it pays." An occupation is considered either male- or female-dominated if 70 percent or more of all the people in that occupation are of one sex. Earnings in male-dominated jobs are consistently 30-50 percent higher than earnings in either predominately female or integrated occupations. Comparable worth proponents maintain that the differential wage rates are the result of a subtle form of discrimination which systematically undervalues
work traditionally performed by women. They assert that salaries in historically female work are artificially depressed and would be higher if the jobs had been and were being performed by men. They maintain that value is being determined not by measurements of output, but rather by the status of the person providing the inputs. Opponents of comparable worth frequently explain the wage differential as the natural functioning of the free market based on lower educational qualifications of women in general and their lack of seniority in the workforce. These arguments will be discussed further at a later point.

The comparable worth strategy calls for a reevaluation of the absolute and relative worth of the jobs that women have traditionally performed and, in so doing, raises the question of how correctly to determine value. Advocates of comparable worth propose a system of job evaluation to determine whether or not pay equity exists within a firm or municipality. Such a job evaluation system seeks to accomplish three things:

1) describe job content accurately, comprehensively, and consistently;

2) assign to each specific content factor a standard of worth or point value that can be systematically applied to all jobs in the specified work force;

3) compare jobs with similar point values to see if compensation rates are similar.

Job content information considers such factors as skill or knowledge necessary to perform a job; effort or problem-solving requirements
requirements of the position; degree of responsibility, accountability or interpersonal skills required and working conditions.

PropONENTS RECOMMEND AN EVALUATION COMMITTEE COMPOSED OF AN OUTSIDE PERSONNEL FIRM AND A BROAD RANGE OF EMPLOYEES FROM WITHIN THE FIRM. EACH GROUP CAN THEN ACT AS A CHECK AGAINST THE POSSIBLE BIAS OF THE OTHER AND WORK TOGETHER TO ENSURE GREATER OBJECTIVITY.

HUNDREDS OF COMPARABLE WORTH STUDIES HAVE BEEN CONDUCTED BY A VARIETY OF CONSULTANT FIRMS AROUND THE COUNTRY. A CONSISTENT PATTERN EMERGES FROM ALL OF THEM. FEMALE-DOMINATED JOB TITLES HAVE BEEN FOUND TO RECEIVE BETWEEN 5 AND 20 PERCENT LOWER PAY THAN MALE-DOMINATED JOB TITLES ASSIGNED THE SAME POINT VALUE. THE WASHINGTON STATE STUDY OF 1974/75 REVEALED THAT STATE EMPLOYEES IN FEMALE JOB CLASSIFICATIONS RECEIVED, ON THE AVERAGE, 20 PERCENT LESS COMPENSATION THAN STATE EMPLOYEES IN MALE JOB CLASSIFICATIONS.


IT NEEDS TO BE EMPHASIZED THAT THIS STUDY EVALUATED THE JOB AND NOT THE INDIVIDUAL CURRENTLY HOLDING IT AND THE SALARIES WERE BASE SALARIES AND DID NOT REPRESENT AN INDIVIDUAL'S YEARS OF SERVICE ON THE JOB. THESE FINDINGS ARE REPEATED AROUND THE COUNTRY.
Comparable worth or pay equity is not a concept which sprang wholesale from the women's movement of the 1960's and 70's. The country experimented with it during World War II when the male workforce was severely depleted and industry was forced to rely on women and minorities to fill the gap. Employers were initially reluctant to hire women for many jobs traditionally filled by men and frequently sought to pay lower wages to the women than they had been paying their male counterparts. The National War Labor Board was created in 1942 in part to deal with these problems. In a 1945 decision against General Electric, the NBLB ruled that "community sanction" did not justify discriminatory practices. GE argued that the wage differentials were of long standing, that the wage rates were similar to those prevailing in the marketplace, and that to alter the wage structure would place companies at a serious economic disadvantage. Many opponents of comparable worth today are using similar arguments. Yet, the importance of women's contribution to the war effort mandated that they be treated in a most unusual manner for the times. After the war, the very organizations that had promoted women's full participation in the workforce, the Office of War Information and the War Advertising Council, launched a massive campaign to persuade women to return to the home or to less lucrative female jobs. Women who had performed competently in challenging war jobs were depicted in ads and magazine stories as yearning for domesticity. By April of 1947, the pre-war employment pattern had been reestablished and most employed women were once again clerical workers, domestics, and service workers.
Employment patterns for women were essentially unaltered in the 1950's. Change began in 1963 with the Equal Pay Act mandating equal pay for equal work. In 1964, Title VII of the Civil Rights Act prohibited discrimination of any kind in employment and in 1965 the Equal Employment Opportunity Commission was established to monitor the implementation of the legislation. This legislation has apparently made some inroads in breaking down occupational segregation along sex lines. During the 1970's, women entered jobs that had been traditionally male-dominated at an increasing rate, especially younger women. Yet the decrease in occupational barriers has not yet brought about a corresponding increase in women's wages. Women's earnings continue to hover around the 60 percent mark of what men earn.

There have been numerous cases relating to comparable worth around the country. Many, but not all, of these have directly involved librarians and other library workers. One of the most significant cases currently pending concerns the state of Washington and its municipal and state employees. In 1981 and 1982 the American Federation of State, County and Municipal Employees (AFSCME) and the Washington Federation of State Employees (WFSE) filed complaints with the EEOC alleging that the state compensated workers in female-dominated job classifications "at lower rates of pay for work of comparable, equal or greater value than work performed by men and women in predominantly male classifications." Three trials were held from August through December 1983 at the end of which the district court decided that the state had discriminated against its
employees on the basis of their sex, in violation of Title VII.
The court ordered the state to award back pay and to implement a comparable worth plan as quickly as possible. That decision is currently being appealed although the state has begun to award the back pay. This case is considered vital because it hinges on the scope of Title VII. An earlier case directly involving librarians occurred in 1977 when employees of the San Diego Public Library filed a complaint with the city alleging that librarians earned less than other city employees of the same rank, even though they were required to have more education and experience. A survey revealed that 60 percent of the librarians were in the lowest third of the pay range for all professionals in the city and none of them were in the highest third. In 1978, librarians at Temple University filed a pay equity complaint with the EEOC but settled with the University for a ten-month contract and a small pay increase. In 1981, librarians and other library workers were among those who went on strike against the city of San Jose. The results of a comparable worth study done there by the Hay Associates of San Francisco revealed that library workers were paid 20 percent below the average salaries paid by the city. The study further showed that in female-dominated jobs, pay ranged from 2 to 10 percent below the city average while in equally male-dominated jobs, pay ranged from 6 to 15 percent above the city average. The strike won $1,500,000 dollars in extra compensation for approximately 750 employees in female-dominated job classifications. Complaints continue to be filed with the EEOC and with various municipalities around the country. Comparable worth
lawsuits are pending in Hawaii and Wisconsin, as well as in Washington State. 22 states have recently initiated legislative measures to consider pay equity and at least 25 states had begun or completed job evaluation studies by May 1981. Several have acted to implement comparable worth. The Iowa legislature passed a bill in April of last year to begin comparable worth salary adjustments in July. They appropriated 10 million dollars for fiscal year 1981-82 and the goal is to complete comparable worth pay adjustments by June 1987.

Why is this issue of interest to the Nebraska Library Association? Comparable worth merits discussion by all librarians, pro or con, because the profession is numerically dominated by women. In 1973, 83 percent of librarians were women. In 1983, that figure had increased to 87 percent. Studies have repeatedly shown that female-dominated occupations receive less compensation than comparable male-dominated occupations. It is therefore possible that our salaries could be improved through comparable worth studies. It is also of interest to us as Nebraskans because of recent activity in the Nebraska legislature concerning comparable worth. Last year a bill was introduced in the legislature calling for a pay equity study of state employees, excluding university employees. The bill was defeated, but it laid the groundwork for this year's legislative effort, LB206, which was broadened to include university employees with other state employees to be studied. LB206, which called only for a pay equity study, carried an estimated cost of 300,000 dollars. It was defeated in committee before it could
become part of the general file of bills to be discussed by the entire legislature. However, an interim study on pay equity is planned for this summer which will provide an opportunity for both supporters and detractors to have input.

What are some of the arguments most frequently advanced by opponents of comparable worth? The most commonly heard criticism is that it would interfere with the free functioning of the marketplace. The market functions in response to supply and demand. In the ideal market system, a shortage of workers in one occupation would force wages up in order to attract the needed people. Critics maintain that comparable worth would create artificially high wages in some jobs and would thereby attract more people than the field could absorb. They also assert that if a wage board were to determine that a specific job merited a certain salary, employers would be unable to change the salary level if a sudden shortage of workers were to occur and they needed to attract more people.

Another criticism frequently levelled against comparable worth is that the rankings of jobs would inevitably be subjective and arbitrary. Opponents maintain that the rating would be based on an individual's assessment of the components of the job and would reveal more about the evaluator's perceptions than about the job itself. They also contend that it is impossible to compare jobs that are completely dissimilar - it would be like comparing apples to oranges. In addition, the enormity of the task - evaluating every job within an organization - would require an excessive amount of time and would simply not be feasible.
Opponents of pay equity explain the earnings gap— one of the basic justifications for comparable worth—in several ways. They maintain that women pursue certain low-paying jobs because these jobs offer a greater degree of flexibility and allow them to take time off to raise a family and handle domestic problems. They also affirm that lower salaries in female-dominated positions are, in part, a reflection that women have chosen jobs with less hazardous working conditions. The earnings gap also reflects, they say, that women as a group are less educated than their male counterparts and that they have less seniority and job experience because of their frequent leaves of absence to raise a family or due to relocations to follow their husband’s career moves.

Critics of pay equity are wont to predict that economic chaos would follow in the wake of implementation. If salaries for all female employees were to be raised, opponents maintain that it would price some companies out of the market and there would then be fewer jobs for the women the program was supposed to help. They assert that higher unemployment for low-skilled workers would result. Additionally, consumers would be faced with higher prices in order to cover the wage increases. And, finally, they predict an increase in litigation that would cost the taxpayers more money and would tie up the courts endlessly.

Opponents of comparable worth also assert that new legislation is not needed because sex-based discrimination is already illegal. They point to the Equal Pay Act and Title VII of the Civil Rights Act and claim that if society would simply give this
legislation more time, the situation would correct itself. They
state that the earnings gap is actually considerably smaller when
one compares only young, single men and women and that this can be
taken as proof that discrimination has been curtailed and that new
laws will not advance the cause any more quickly.

How do advocates of comparable worth respond to the criticisms
levelled against it? To the argument that we must not interfere
with the free functioning of the marketplace and that we must rely
on market rates to determine salaries, supporters of comparable
worth make several responses. One is to question the essential
fairness and objectivity of the marketplace. They maintain that
market values reflect prior discriminatory practices and are there-
fore suspect. As the judge in Morris vs. the Arizona Governing
Committee commented: "Title VII has never been construed to allow
an employer to maintain a discriminatory practice merely because it
reflects the marketplace." Advocates also suggest that there really
is no such thing as the free market. The government interferes with
the functioning of the market repeatedly, as when private firms
like Lockheed and Chrysler are bailed out, or when the auto indus-
try is protected from the importation of Japanese cars. In addition,
the government interferes with the market when changing social
values demand it, as it did with child labor laws, minimum wage
laws and the Equal Pay Act.

To the assertion that comparable worth would be impossible
to implement because it involves the comparison of apples and
oranges, is simply not feasible, and would necessarily be subject-
ive, supporters frequently point to the Dictionary of Occupational Titles published by the U.S. government for years. The dictionary currently identifies some 20,000 occupations in the country, describes each one and how it is performed and, most importantly, assigns every job an occupational code number. The middle three digits of this number are the "worker functions ratings." As the introduction to the 4th edition states: "Every job requires a worker to function to some degree in relation to data, people and things. A separate digit expresses the worker's relationship to each of these three groups ... The worker functions code indicates the broadest level of responsibility or judgement required in relation to data, people or things." Not only has the government been assigning point values to different jobs for years, but personnel officers have frequently referred to the Dictionary to help them establish compensation policies. Advocates also point out that employers have always relied on evaluation systems that rank jobs within the organization and therefore the concept of evaluation and ranking does not represent a radical departure from current practices. They wonder if existing evaluation systems are any less subjective than opponents fear comparable worth evaluations would be. Additionally, proponents like to point out that, while no apple is exactly equal to any orange, each can be compared based on the number of calories or on the vitamin and mineral content.

Proponents of comparable worth respond in several ways to the argument that the earnings gap between men and women is due to women having chosen jobs requiring less skill, responsibility, or
experience because it provides them with the flexibility to interrupt their work for the demands of motherhood. Even disregarding the blatant sexism, the choice argument is considered one of the weaker justifications for the status quo. The idea that women in lower-paying jobs can take off at a moment's notice to care for a sick child or to take care of some other domestic crisis, is seen as ludicrous. How many people who have worked as waitresses, secretaries or service workers remember their employers as flexible, sensitive people who didn't mind being left short-handed on a moment's notice? Several recent studies, among them one at the University of Michigan's Survey Research Center, have found that self-imposed work restrictions, absenteeism or relocation (to follow a spouse's career change) did not significantly affect earnings for either sex. The study has found, however, that the higher a worker's professional level, the greater that person's flexibility in taking time off or setting his/her own hours. This would seem to refute, at least in part, the idea that women choose lower-paying, less responsible positions because they afford them greater flexibility. Furthermore, proponents of pay equity maintain that many women have little choice in the type of job they hold. They point out that women now head 56 percent of all American households and are concerned first with supporting their families. Many have little opportunity to acquire the advanced degrees which would enable them to choose more lucrative occupations. They are more likely to be concerned exclusively with day-to-day survival than their male counterparts. It must also be remembered that women were tradition-
ally socialized into believing that only certain occupations were suitable for them. Women today are beginning to break out of these molds, but it is estimated that it will take an additional 75 to 100 years before job categories are no longer dominated by either sex. Should the work of teachers, nurses or librarians be less valued now because the professions are dominated by women? Should these people be retrained to go into male-dominated jobs? Who would do their work in the meantime? Must workers abandon jobs they enjoy because the market doesn't acknowledge the value of their work?

In response to those predicting economic chaos if comparable worth were widely instituted, supporters point out that such predictions were made when child labor laws were proposed, when the abolition of slavery was advanced, and when the Equal Pay Act was introduced. But the country managed to adjust. They also point out that comparable worth does not propose that all women and only women would automatically receive pay increases. They maintain that both men and women would benefit from a more equitable system of compensation. For those who maintain that it would be too expensive to implement such programs, comparable worth advocates point out that the cost of correcting discriminatory practices is not a justification for maintaining the status quo, nor has the EEOC accepted it as a defense for non-compliance with Title VII, for example. They also assert that, in many cases, the costs of litigation to combat comparable worth are greater than voluntary compliance would be. For instance, in Washington State where back pay has been ordered because of non-compliance, costs are estimated
at 500 million dollars to be paid out in one large chunk. However, in Minnesota, where the state is beginning voluntarily to close the pay gap, costs are estimated at 22 million dollars to be paid out over several years. In various states and municipalities that plan to implement comparable worth programs, cost estimates range from a high of a 4 percent increase over the amount currently spent on salaries to a low of 2 percent. The Republican mayor of Colorado Springs has said of his city’s comparable worth plan: “We did something fair and just, and in return we got ourselves great employee morale, lower turnover and higher productivity. Isn’t that what the private sector’s always looking for?”

For opponents who argue that women receive less compensation because they are not as well educated as the male work force, have fewer skills, and less seniority, comparable worth advocates note that women with four or more years of college earn on the average only as much as men with one to three years of high school. Several studies have shown that educational differences can account for only approximately 2 percent of the earnings gap. Differences in levels of experience account for approximately 30 percent. Other measurable factors were found to have little effect on earnings capability. Comparable worth advocates assert that the more than 50 percent of the earnings gap that cannot be explained by productivity-related factors are an indication that sex-based discrimination very likely accounts for at least part of the differential.

Lastly, in response to the argument that either legal recourse already exists to eliminate sexual discrimination and therefore no
new legislation is needed or that Title VII does not cover comparable worth cases, proponents respond in several ways. They acknowledge that the Equal Pay Act has virtually eliminated unequal pay for the same work. Such discrimination is blatant and easily proved. However, neither the Equal Pay Act nor Title VII, as generally interpreted, have had any effect on eliminating the earnings gap between men and women. They see this as evidence of a more subtle form of discrimination that must be dealt with in new ways. As regards the applicability of Title VII to comparable worth claims, no one is yet sure of the legality. In June 1981, the Supreme Court ruled in County of Washington v. Gunther that wage discrimination claims brought under Title VII are not restricted to equal pay for equal work. However, the Court did not elucidate on how far and when Title VII might be applied to comparable worth. Advocates also tend to view the issue more in moral than legal terms. They maintain that if existing laws are not sufficient to rectify the inequities, then it is time to draft new legislation, as we have done in the past to protect various groups of workers with child labor laws, minimum wage and the like.

In 1981, Linda Chavez, the staff director of the U.S. Civil Rights Commission, remarked sarcastically that comparable worth has supplanted the Equal Rights Amendment as "the women's issue of the 80's." While her intent was to belittle, her remark is nevertheless accurate. Librarians, as members of a profession that is heavily dominated by women, at least in numerical terms, and also one that functions to supply and disseminate information of all kinds, have
a responsibility to keep informed on an issue that is of such concern to the public at large and to their own professional well-being.

We have attempted here to present some of the key elements of the comparable worth controversy. While we personally support the concept of comparable worth, we do not see it as a panacea for all the inequities of the American labor system. We believe that it is unjust to rely exclusively on a market system which was developed when discrimination was the norm rather than the exception and which still reflects the centuries-long male bias. But neither do we advocate the formation of a national or state comparable worth board, as critics fear, that would mandate wages for large segments of the country. If comparable worth is to be an improvement over the current market-based system, it must represent a compromise between the two extremes.

We would like to close our presentation with a quotation from Helen Remick:

"Women are showing far more enthusiasm for men's work than vice versa, and for some very obvious reasons. To the degree that cultural values determining salaries are widespread and women's work is undervalued, men can readily see that they maximize their return for education, skills and work done by doing men's work; to change from men's to women's jobs, the men would have to return to school to learn more in order to earn less. Few men are so inclined." 19
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