

**Supreme Court news:** President Biden nominated Judge Ketanji Brown Jackson to the Supreme Court. See AAUW's full statement on the nomination here. <https://www.aauw.org/resources/news/media/press-releases/statement-jackson-supreme-court-nomination/>

## **Economic Security**

### **Pay Equity**

**March 15, 2022 is Equal Pay Day**, the day designated each year when all women finally earn what men earned last year. In 2020, the most recent year for which the federal government has released data, women working full time, year-round were paid **83 cents per dollar** that men working full time, year-round were paid. At the current rate of progress, the gender pay gap will not close until 2111.

Compared to the previous year, you might think that we have made progress by narrowing the gap by one cent and having equal pay day almost two weeks earlier. Unfortunately, because of the pandemic and the dramatic shift in the people who make up the labor force, how the gender pay gap is reported has been affected. Women who lost their jobs—a significant portion of whom are low-wage earners—are not included in the 2020 calculation. Therefore, the gap seems to be slightly smaller than it was in years past. In fact, we have not really made progress, and women and their families are more economically insecure.

The number of full-time, year-round women workers declined by 6.2 million (11.9 %) and men's fell by 7.5 million (11.2%) according to the Institute for Women's Policy Research. Job losses and cutbacks in hours most affected those in low-paying service jobs in leisure, hospitality, and retail—jobs that are predominantly held by women and a disproportionate number of Black, Latina, and/or Native American women. Job losses for men were less severe, and less concentrated in low-wage sectors.

The pay gap is more severe for women of color when their earnings are compared with White men's earnings. On average, Latina women earned 57.3 cents for every dollar that was earned by White men. Black women earned just 63.9 percent of White men's median annual earnings in 2020.

The pay gap follows women into retirement: Because of lower lifetime earnings, they receive less in Social Security and pensions. Women collect only 80% of what men collect in Social Security benefits, and just 76% in pensions. In terms of overall retirement income, women have only 70% of what men do. White men over 65 have an average annual income of \$44,200, while white women over 65 must get by on \$23,100, Black women on \$21,900, and Latinas on \$14,800.

**None of this is acceptable. We need pay equity now! See page 4 for how to respond.**

### **Livable Wage**

Governor Tom Wolf included a request in his budget address that the legislature boost

Pennsylvania's minimum wage from where it has been for more than a decade, to \$12 an hour by July 1, with the eventual goal of raising it to \$15 an hour.

However, he is not waiting for the legislature to move on his request. As reported in the February Highlights, the Governor raised the minimum wage to \$15 an hour for all Commonwealth employees. The administration recently moved to raise wages for tipped workers, such as restaurant servers, with an update to the 1977 rules that govern how employers pay them.

The proposed rules increase the amount that a tipped employee must receive monthly from \$30 to \$135 before an employer can reduce their hourly pay from the current \$7.25 an hour to the tipped rate of \$2.83 an hour

The proposed rules, will now go to a state oversight agency for the first part of a long approval process. The rules also include the following changes.

- Align state regulations with federal rules allowing employers to take a tip credit, including that the employee spends at least 80 percent of their time on duties that generate tips. This is familiarly known as the '80-20' rule.
- Update state regulations to allow for tip pooling among employees, but excluding managers, supervisors and business owners
- Ban employers from deducting transaction fees from an employee's tip left on a credit card or other non-cash payment method.
- Require employers to clarify that automatic service charges don't count as gratuities for tipped employees.

Of course, we still have to deal with the fact that all of Pennsylvania's surrounding states have a higher minimum wage. Here's a

state-by-state breakdown, based on data compiled by the Economic Policy Institute:

**Delaware:** \$9.25/hr. to \$10.50/hr., 1/1/22

**Maryland:** \$11.75/hr. to \$12.50/hr., 1/1/22

**New Jersey:** \$12/hr. to \$13/hr., 1/1/22

**New York:** \$12.50/hr., with index raise, to \$13.20

**Ohio:** \$8.80/hr., with index raise starting 1/1/22

**West Virginia:** \$8.75/hr., no increase

In addition, 25 states and 56 cities will raise their minimum wages by the end of 2022. In many areas, the wage floor will meet or exceed \$15 per hour.

### **Paid Leave**

If you missed our paid leave webinar on February 24, here is the link It does not contain the video because of copyright rules.

[https://youtu.be/\\_0IBntVjKfk](https://youtu.be/_0IBntVjKfk)

Following up on the event, here is some additional information about paid leave from the Family Care Act Coalition.

- Only 14% of the U.S. workforce has access to any type of paid family leave, with just 6% of the lowest wage earners receiving paid family leave compared to 22% of top sector earners. Many of our rural Pennsylvania residents are in that lowest quartile of wage earners.
- Every working Pennsylvanian who works at least 18 weeks and earns at least \$2,718 during the 12-month period prior to submitting a claim for paid family leave benefits is eligible. Each worker would pay into the system via a small payroll deduction that amounts to one-half cent on the dollar. This amount is subject to future adjustment by the Department of Labor & Industry using a statutory formula to ensure adequate financing and support for the program.

- Self-employed Pennsylvanians can opt into the program.
- The Family Care Act of Pennsylvania differs from the federal Family and Medical Leave Act (FMLA), because the FMLA only guarantees *unpaid* time off to care for a new child or ill family member in companies that employ 50 or more people. Most Americans cannot sustain their families for more than two weeks without a paycheck.
- The Family Care Act does not put the financial burden for providing leave on businesses, and in fact will allow small businesses to compete with larger employers who do offer paid leave.
- Similar laws are already in place in New York, New Jersey, Massachusetts, Connecticut, Rhode Island, California, Colorado, Oregon, Washington, and Washington D.C.

## Education

### Student Loans

The attached PA Student Debt Report from TICAS, The Institute for College Access and Success provides a look at tuition costs and student loan debt for students graduating in June 2020 from Pennsylvania colleges.

The Governor's budget once again includes \$200M for the Nellie Bly Tuition Program for Pennsylvania State System of Higher Education (PASSHE) or Community College by transferring \$100M from the Race Horse Development Fund and \$100M in Federal funds. This will help more students earn a degree with less debt and encourage them to remain in PA. PA has the highest tuition in the country relative to median income. The Education Department will also [cancel loans](#) for students defrauded by DeVry University.

**Education Voters PA:** We need the state legislature to step up for Pennsylvania's public schools.

- 86% of students attend school districts that are not adequately funded under Pennsylvania state law.
- The state's share of total district spending is 38%, which ranks the state **45th** in the country. The national median is 48%.
- 277 PA school districts need more than \$2,000 more per student to adequately support their students' learning needs, enabling them to graduate ready to compete in today's economy.
- Pennsylvania is underfunding its public schools by \$4.6 billion.
- Graduation rates are 20% higher in the wealthiest districts (94% vs. 74%).
- The growing funding gap averages \$4,800 per student between poor and wealthy districts.

You are invited to join **Spotlight on Education Justice: A Vigil for Fair Funding** to shine a light on education justice on Tuesday, March 15th to mark the end of the historic trial on education funding and support fair funding. This is a statewide action that will take place in living rooms and public spaces throughout the commonwealth. Find details and resources at <https://thoroughandefficient.org/>

### **Did You Know** – A History Moment

In 1919 AAUW urged the creation of the U.S. Department of Education. In 1920 members raised \$156,413 toward the purchase of one gram of radium for Professor Marie Curie's research.

Questions? Contact Barbara Price, [aauwpapp1@gmail.com](mailto:aauwpapp1@gmail.com) or Jacqui Rogers, [aauwpapp2@gmail.com](mailto:aauwpapp2@gmail.com).

## Instructions for Equal Pay Day

Call, email, or write to your Pennsylvania Senators and/or Representatives in Harrisburg any time between now and next week. A list of branch legislators is attached to the email with this newsletter. If you need their address or phone number you can find it here.

<https://www.legis.state.pa.us/cfdocs/legis/home/findyourlegislator/>

Use the sample script on the next page for a senator and the one on the following page for a representative, adding the name of your legislator. You may choose to cover all three items, only two, or one. If you choose to use only one, it should be the one about the pay gap.

If you call, ask to speak to the legislator's chief of staff or legislative aide. If asked what the call is about, say you want to offer information on economic issues facing PA women.

While we do not have new pay gap numbers for each congressional district as we did in the past, feel free to substitute the ones for your area. You can find them on the AAUW PA website.

<https://aauw-pa.aauw.net/files/2020/09/2020-Pay-Gap-numbers.pdf>

You may also choose to change the living wage number to reflect the living wage in your county. Find it at <https://livingwage.mit.edu/states/42/locations>

If you choose to send a letter, copy and paste the sample script onto your branch's letterhead and add the legislator's name and address.

Dear Senator \_\_\_\_\_,

The COVID-19 pandemic has had a major effect on women and their economic security. The unemployment rate for women rose more dramatically than for men, and the percentage of women in the labor force fell to the lowest it has been in decades. What's more, existing inequalities exacerbated the problem for certain populations. Women of color, low-wage workers and mothers lost jobs at considerably higher rates than other groups.

As we recognize Equal Pay Day on March 15, the day designated each year when all women finally earn what men earned last year it is imperative that we promote efforts that will help women and their families recover what has been lost. In 2020, the most recent year for which the federal government released data, women working full time, year-round were paid 83 cents per dollar that men were paid. At the current rate, the gender pay gap will not close until 2111. The dramatic shift in the people who make up the labor force is affecting how the gender pay gap is reported. Women who have lost their jobs—a significant portion of whom are low-wage earners—are not included in this calculation of the gender pay gap. Therefore, we do not have new pay gap numbers available by state or congressional district. The 2019 numbers reported in September 2020 show that Pennsylvania had a pay gap of 79% ranking us 32<sup>nd</sup> out of all states and the District of Columbia. Passing SB547 would help to close this gap.

During Covid, we hailed the bravery, commitment, and sacrifice of health care workers, restaurant employees, and many other hourly wage earners. We ignored the fact that they were being paid wages that were not sufficient to provide even basic needs. According to the MIT Living Wage Calculator, a single mother with one child living in Pennsylvania would need \$27.57 per hour just to cover basic expenses. The current \$7.25 an hour minimum wage in Pennsylvania is not a living wage anywhere in the state and is less than the minimum wage in all of our surrounding states. Research estimates 90% of minimum wage workers are adults working full time as their major source of income. Adult women comprise 60% of minimum wage workers. We support raising the minimum wage in the governor's budget and SB12. While neither will provide a living wage for most hourly wage earners in the state, after thirteen years of no increase, it is time for change.

Covid made it painstakingly clear how the lack of paid family and medical leave could result in the economic destruction of families, workforces, businesses, and regional economies. Women, and especially women of color, were more likely to be frontline workers, were at greater risk of catching the virus, and yet continue to have minimal access to paid family or medical leave as they juggle work with caregiving responsibilities. As a result, four times as many women left the workforce in 2020 than men. Only 14% of the U.S. workforce has access to any type of paid family leave, with just 6% of the lowest wage earners receiving paid family leave compared to 22% of top sector earners. Many of our rural Pennsylvania residents are in that lowest quartile of wage earners. Families and businesses in PA cannot afford to wait. We are asking you today to join small business owners, parents, veterans, caregivers, workers, and families across the state in supporting the bipartisan Family Care Act (SB 580).

Closing the pay gap, raising the minimum wage and providing paid leave would go a long way to support women and their families in Pennsylvania in achieving economic security.

Dear Representative \_\_\_\_\_,

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