

# The effects of the equal pay act of 1963

Law



**Abstract**

On June 10th, 1963, John F. Kennedy signed the Equal Pay Act, which prohibits wage discrimination based solely on gender. Despite the passing of this bill, women today are still not earning equal pay for equal work. Currently, the Equal Pay Act of 1963 states that an employer in any business cannot discriminate between employees based on gender by paying wages less than an employee of the opposite sex. There are many causes of the gender pay disparity, many can be explained away by level of education, experience, and job tenure. It is the job of a human resource department to protect the employees of the business. Human resource departments may actually hire more women because of the effect of the Equal Pay Act. Men tend to ask for higher wages than women, and it may be more beneficial to the company to hire a woman asking less money. Another way human resource departments can protect female employees is to break the stereotype of "women's jobs" in their companies and businesses.

On June 10th, 1963, John F. Kennedy signed the Equal Pay Act, which prohibits wage discrimination based solely on gender. Despite the passing of this bill, women today are still not earning equal pay for equal work. Some say, at the current rate, women will not achieve equal pay until the year 2050. Even after 50 years, human resource departments are still deeply affected by the Equal Pay Act of 1963 and have yet to overcome many obstacles preventing equal pay. Starting in the early 1940's, due to World War II, there were a large amount of American women taking jobs in war businesses.

In 1942, the National War Board asked the employers to pay women comparable salaries to men when the positions were similar of quality and quantity. This request went virtually unnoticed by the employers as the American men began to return from war and claim their previous positions, leaving women without jobs. After the war was well in the rearview mirror, until the 1960's, jobs were listed in newspapers for men and women separately. The ads that were run were usually for the same positions, but on different pay scales based on gender. According to Brunner (2007), women were paid anywhere from fifty-nine to sixty-four cents for every dollar earned by men in equal positions between 1950 and 1960.

What many people don't know, is that Senators Pepper and Morse introduced a bill called " Women's Equal Pay Act of 1945". This bill was to prohibit unequal pay of men and women in the same positions, but the bill did not pass. Year after year, bills were made but still were not passed. After a substantial amount of time, The Equal Pay Act was passed as an amendment to the Fair Labor Standards Act in order to prevent employers from sexually discriminating in regards to compensation. Currently, the Equal Pay Act of 1963 states that an employer in any business cannot discriminate between employees based on gender by paying wages less than an employee of the opposite sex. Penalties for committing discrimination based on the grounds of this amendment could subject the guilty parties to fines, imprisonment, and/or repayment of wages due to the discriminated employee.

If any employee wishes to dispute unequal pay due to sexual discrimination, they must prove that someone of the opposite sex was paid different wages, the fellow employee that is paid a different wage performs significantly equal

work with comparable skill, responsibility, and effort required, and that both jobs are performed under the same situation. There are many causes of the gender pay disparity, many can be explained away by level of education, experience, and job tenure. A reason for the gender pay gap is the fact that women tend to put their jobs on the back burner in order to raise a family. Women tend to choose to fall from the workforce or only work part time after having one or more children. Women are therefore sacrificing their prime years of earning potential to carry out domestic responsibilities. This causes their pay to suffer in comparison to a man's wages. Because their work has been intermittent, there are sizable wage penalties resulting from a diminished level of education, experience, and job tenure. Another potential cause of wage disparity is the type of position chosen by men and women.

Men are usually considered the "bread-winners" of the family (although this is changing over time) and tend to choose higher paying positions, whereas women tend to choose a care-giving profession and positions that have lower financial risk, which end up being less financially rewarding. Does the Equal Pay Act of 1963 affect men as well as women? Yes. The reason that men may be affected by wage disparity is one that they may not realize. Men tend to expect more money in being hired by a company than women. This may lead to a business hiring a woman over hiring a man because the woman actually asked for a lower salary. This could lead to a higher unemployment rate of men due to the higher pay rate that they may demand versus a woman's needs for pay. This table compares men and women's earnings over the years and the disparity of pay in percentage. Although we have achieved 24.5% gap in wages between men and women,

the table illustrates that we have only diminished the wage gap by 16.6% in 50 years of attempting to make the disparity non-existent.

The Women's Bureau is an agency of the United States government within the Department of Labor. The Women's Bureau works to promote women's rights in the workplace and leads opportunities for their employment. Some specific goals that the Women's Bureau has are to achieve equal pay, expand workplace flexibility, attain higher paying jobs for women, and address and assist women veterans experiencing homelessness. The agency was founded in 1920 by Congress and has been working towards these goals ever since. According to Manzano-Diaz, Women now make up almost 50 percent of the workforce and hold the majority of post-secondary degrees. In spite of these facts, there is still a disparity in the wages between men and women. "Women's Bureau" states that the median weekly earnings of women was 81 percent of men's weekly earnings in 2010. When comparing the median weekly earnings of persons aged 16 to 24 in 2010, young women earned 95 percent of what young men earned. This statistic was interesting to me because although many people ages 16 to 24 have a similar level of education and experience, there is still a 5% disparity due to gender bias.

These are generally menial positions that either men or women could hold, yet women are still being discriminated against, even in these types of positions. The Equal Pay Act was set in place to prohibit discrimination of wages against women, but arguments have ensued to say that it offers little to no protection to female workers. This may be because the act applies only to job positions that men and women both do. This does not protect women in a specific position that only women hold. This is because the most serious

form of wage discrimination happens to be when women bring education, training, and ability equal to that of men and are given lower paying positions that are stereotypically held primarily by women. So how does The Equal Pay Act of 1963 relate to human resource departments? There are many different ways. Firstly, it is the job of a human resource department to protect the employees of the business. This includes protecting women from wage discrimination based on gender. It is the responsibility of the human resource department to fairly hire employees based on their education, training, and ability, and to be able to ignore the gender of said potential employee. Also, it is the job of the human resource department to listen to the opinions and complaints of the employees. If an employee approaches the human resource department about their own position or a position held by another employee and they are suspicious of wage discrimination based on gender, it is the human resources job to investigate the claim fully and determine whether or not the wage discrimination is occurring or not.

Human resource departments may actually hire more women because of the effect of the Equal Pay Act. As stated earlier, men tend to ask for higher wages than women, and it may be more beneficial to the company to hire a woman asking less money. Human resource departments can save the company money by hiring an employee asking for a lesser salary than another employee who is equally qualified for the position and asking for more money.

Another way human resource departments can protect female employees is to break the stereotype of “ women’s jobs” in their companies and businesses. Women are often placed in positions based on the fact that a

woman held the position before them. By placing women in positions based on education, experience, and ability, human resource departments may be able to place women in positions that they deserve rather than positions that have previously been held by women. This could help women tremendously by breaking the mold that is so often run by men in corporate situations and protect females in the workplace.

The Equal Pay Act of 1963 is effecting the workplace, women in the workforce, and human resource departments of all companies and businesses. Businesses can avoid discrimination towards women by hiring employees based on levels of experience, education, and aptitude, rather than basing their employee choices on a gender bias. Women are slowly overcoming this struggle to have equal pay to men, but it is a slow process that takes time for women to gain equal pay. It is a worthwhile struggle that we continue to fight for the right to have the same pay as men. It is the job of the human resource departments to protect women from this discrimination and to do everything in their power to help women with this ongoing struggle, and eventually women will prevail.

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