Becoming The Majority Of The Workforce Is Not A Positive Step For Women

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Diversity & Inclusion
Providing practical advice to break through workplace gender bias

After the Bureau of Labor Statistics reported that women now make up the majority (50.04 percent) of nonfarm workers, Joe Brusuelas, chief economist at RSM, commented, “The [jobs] report strongly suggests that the labor market dynamics are tilting in the direction of women.” This “tilt” is a decidedly negative development for women. To understand why, we need to look at why it is occurring.

Reason for the “Tilt”
The labor market is tilting toward women for only one reason: female-dominated occupations—those in which 60 percent or more of the jobs are filled by women—are growing faster than other occupations. For example, in December 2019, education and health services, overwhelmingly female economic sectors, added 36,000 jobs; while mining and manufacturing, overwhelmingly male economic sectors, lost 21,000 jobs. Of all the new jobs created in December of 2019, 95 percent went to women, and over the years ahead, female-dominated economic sectors are projected to grow faster than the economy as a whole.

Problem with the Tilt

The rapid growth of female-dominated occupations means that an ever-increasing number of women will be concentrated in dead-end, low-paying jobs. Twenty-five percent of all employed women have jobs involving traditional “women’s work,” such a teaching and caring for young children, cleaning, serving, and providing elder care. On average, 80 percent of these women earn only $11.30 per hour. As a result, about 40 percent of women in these jobs live in or near poverty. This is because, as Amanda Weinstein, Assistant Professor of Economics at the University of Akron, points out, “Historically, we have undervalued care work because it has been seen as very feminine. And we tend to undervalue feminine jobs that involve care.” In other words, the labor market’s tilt toward women is simply a tilt toward more women in low-paying, no benefits jobs.

Gender Segregation

Women’s concentration in occupations involving “women’s work” or other low-paying service activity is a reflection of the pervasive gender segregation of our economy. For example, 41.9 percent of women (but only 15.6 percent of men) work in the 20 most common occupations for women, while 33.2 percent of men (but only 16.5 percent of women) work in the 20 most common occupations for men. In the economy as a whole.
39.0 percent of women work in female-dominated occupations, while 48.0 of men work in male-dominated occupations. Only 7.2 percent of women work in male-dominated occupations, and only 5.1 percent of men work in female-dominated occupations.

This gender segregation has severe economic consequences. With very few exceptions, female-dominated occupations have lower median earnings than male-dominated occupations. For example, of the 30 highest paying occupations, 26 are male-dominated, and of the 30 lowest-paying occupations, 23 of them are female-dominated. Indeed, almost 4 million women work full-time in occupations with median weekly earnings for women lower than 100 percent of the federal poverty threshold ($490 per week) for a family of four, but only 740,000 men work in occupations where the median weekly earnings for men are below this poverty threshold. These numbers rise to 13.8 million women and 8.6 million men when the benchmark is the slightly higher eligibility threshold for SNAP (formerly known as food stamps) of $628 per week for a family of four.

According to Oxfam America, matters will only get worse. “In the next decade, low-wage women’s jobs will increase at one and a half times the rate of all other jobs. Even more women will need to take jobs that undervalue their education and skills, undercompensate their contributions, and exact heavy physical and emotional costs.”

**Reasons for Gender Segregation**

The extent and costs of occupational gender segregation are clear. But the reasons for such segregation are not. Claudia Goldin at Harvard argues it is due to her “pollution theory of discrimination:” men resist working with women because they believe increased female representation will lower their occupations’ overall productivity. George Akerlof at Georgetown and Rachel Kranton at Duke argue that gender segregation occurs because men want to protect their masculine social power. William Darity at Duke and his colleagues see gender segregation as part of a more general phenomenon: members of dominate social groups create and reinforce barriers to protect their economic, political, and social advantages. And Paula England at Stanford argues that gender essentialism—the belief that women’s and men
social, economic, and familial roles are and should be fundamentally different—is responsible for the persistence of occupational gender segregation.

**What Needs to Be Done**

There is undoubtedly some truth to all of these theories, for they all point to the systemic devaluation of women’s workplace contributions. This devaluation is responsible not only for gender segregation but also for the “wage penalty” women pay in all occupations.

Gender segregation and women’s wage penalty need to be attacked on two fronts. The first involves raising the compensation of women in female-dominated occupations. This will require increasing the minimum wage, eliminating the tipped minimum wage mandating paid sick and maternity leave, and strengthening collective bargaining rights. The second involves moving more women into occupations that are not female-dominated. The focus here should be on well-paying middle skill occupations—occupations that require more than a high school diploma but less than a bachelor’s degree. Over the next decade, there will be 533,000 new middle-skill jobs in manufacturing, 240,000 in information technology, and 1.3 million in transportation, distribution, and logistics. At present, women hold only 7, 29, and 9 percent of the jobs in these fields.

Although women already hold the majority of middle-skill jobs, they don’t hold the better-paying ones. Yet women are just as likely as men to have the prerequisites for performing well in these better-paying jobs—they are simply not being given the opportunity to prove they can. Keeping women out of occupations because of stereotypical views of feminine and masculine jobs hurts not only women, but the economy as a whole. Once again, to improve women’s economic prospects, we need to find ways to break through gender bias.

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