



Reducing the gender pay gap through the participation of women in high-wage, high-demand nontraditional work

**HF2291 (Morgan)/SF2274 (Franzen)
HF2243 (Selcer)/SF2158 (Jensen)**

- Bring a “women and nontraditional work” perspective to the Governors Workforce Development Council.
- Expand support for employers; workforce organizations; job counselors and case managers; secondary and post-secondary educational institutions (ideally partnerships of these) to recruit, prepare, place and retain women in nontraditional occupations and apprenticeships, especially low income and older women.
- Track the impact of state workforce development programs on workforce segregation and the pay gap.
- Support the development of high economic impact women-owned businesses in nontraditional industries.

The Facts

- **Approximately 40% of the gender pay gap is attributed to women doing different work** than men (occupational segregation) and the lower value placed on female dominated work.
- **Desegregation of the workforce stalled in the 90’s and is now increasing among younger workers.** Only 29% of Minnesota men work in sales & service occupations, compared to 63% of African American, 62% of American Indian and 57% of Latina women. While women-owned businesses are growing rapidly, most are in traditional, lower revenue industries (such as education and caring services).
- **Women are under-represented in high-wage, high-demand occupations.** According to DEED the Minnesota construction industry will generate 34,400 new jobs by the end of the decade (a growth rate of nearly 40%) but in 2011-12 only 3% of construction program completers at Minnesota’s technical colleges were women and 3% of construction laborers, 1.8% of plumbers, 3.3% of electricians and 1.9% of carpenters were women. And only 6% of construction companies are owned by women.

- **Current state and federal workforce development programs reinforce occupational gender segregation and the gender wage gap.** Nationally, half of women participating in the Workforce Investment System

Occupational Distribution after Enrollment	Minnesota’s Dislocated Worker Program		Minnesota’s Workforce Investment Program (Adult)	
	% Female	Average earnings six months after exit	% Female	Average earnings six months after exit
Service	67%	\$11,030	79%	\$8,532
Natural resources, construction, maintenance	5%	\$19,980	3%	\$14,780

receive training in clerical, office or service occupations, compared to just 14.6% of men; over half of men in production, transportation, construction, extraction occupations compared to just 6% of women.

- **Women’s earnings as a percent of men’s drop after enrollment** in Minnesota’s Dislocated Worker Program, from 85% before enrollment to only 80% after enrollment.
- **Minnesota ranks 39th in the country for % growth in # of women owned firms and 32nd in revenue growth.** Minnesota’s unincorporated, full-time self-employed women earn just 46¢ on a comparable man’s dollar. Average revenues of majority women-owned businesses nationally are only 27% of the average of men-owned businesses. In a 2013 SBA study of access to capital, women owners of new businesses were found to be significantly less likely than men with similar credit profiles and legal forms of organization to be approved for loans.