

worked full time.⁴ An hourly wage was calculated for all workers based on the following: if a valid hourly wage was available it was used in the analysis. An hourly wage was estimated for salaried workers who typically report a weekly wage by dividing it by their hours worked in the week.⁵ One limitation of this survey data is that the Census Bureau chooses to record incomes only up to a maximum, “top-coded” ceiling; ie., it does not record the actual incomes of the relatively small numbers of millionaires. Using these top-codes as wage estimates leads to a downward bias in the average wage. To alleviate this bias, a common statistical method is used here to replace the CPS provided top-codes of high earners with more realistic average high-wage estimates.⁶ The estimated hourly wage series was then converted to 2006 dollars by using the government’s main inflation-adjustment index (CPI-U) for New York, Northern New Jersey and Long Island.

Trends in the Wage Ratio: 1986-2006

The most often quoted measure of the national wage gap is the ratio of median earnings of women to men, currently 0.78. This ratio stood at a mere 0.58 in 1963, when Congress passed the Equal Pay Act, making it illegal to pay men and women employed in the same establishment different wages for "substantially equal" work. The increase in wage equity has been brought about by the direct impact of Civil Rights Legislation on the American workplace as well as more broad-based sociological changes over time. Over the last 45 years, there has been a considerable shift in the occupational distribution of women, with more and more women working in what were once considered traditionally male dominated jobs. Decreasing fertility rates and an increase in the age at which women have children has also increased the labor force participation among women. Regional wage ratios for New York City and Long Island show a similar upward trend and are presented for the years 1986-2006 in Figure 1.

We see a gradual trending upwards of the wage ratio for both Long Island and New York City reaching

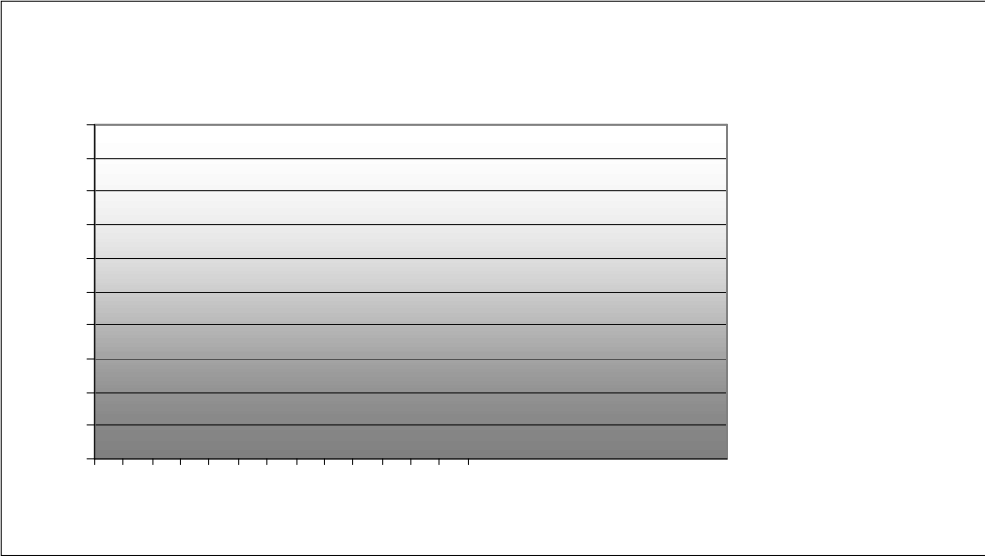
period, while these rates have fallen for both men and women in New York City and for men in Long Island. Non-unionized women in Long Island face the biggest wage gap all the subcategories. The remarkable catch-up of wage ratios of Long Island to New York City that has been unfolding over the last 20 years may at least be partly explained by how well Long Island unions have performed in reducing the wage gap, as well as the increased participation rates of women in unions in Long Island.

Educational Attainment. The role of human capital, which is a composite of education and work experience, has an undisputed effect on wages. While the lower accumulation of work experience of women (due to low labor force participation in their child-bearing years) can explain away a third of the wage gap, the educational attainment of men and women are at comparable levels

average wage paid to Management, Professional and related occupations, followed by Construction and Maintenance Work, Sales and Office Administration, Production, Transportation and Material moving and Service. The average wage for these occupational groups is presented in Figure 10. While women are almost entirely absent from two of these three sectors (Construction and Production), the distribution of men is more

Conclusion

This study analyzed government survey data on gender pay differences for New York City and Long Island in each year since the mid-1980s. Our results generally conform to broad patterns found at the national level. For every demographic where women had a higher rate of educational attainment than men, they were also



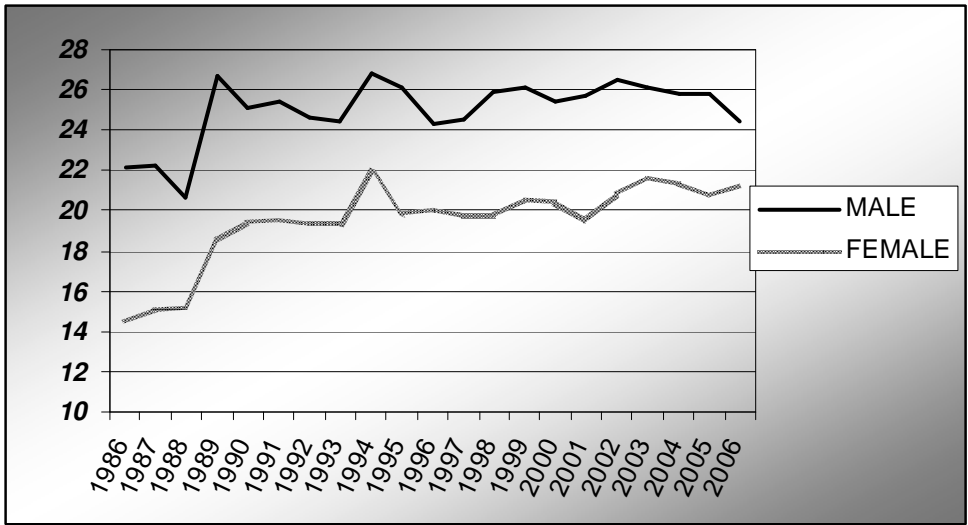


Figure 3: Male and Female Average Hourly Wage (in 2006 dollars) in Long Island 1986 – 2006

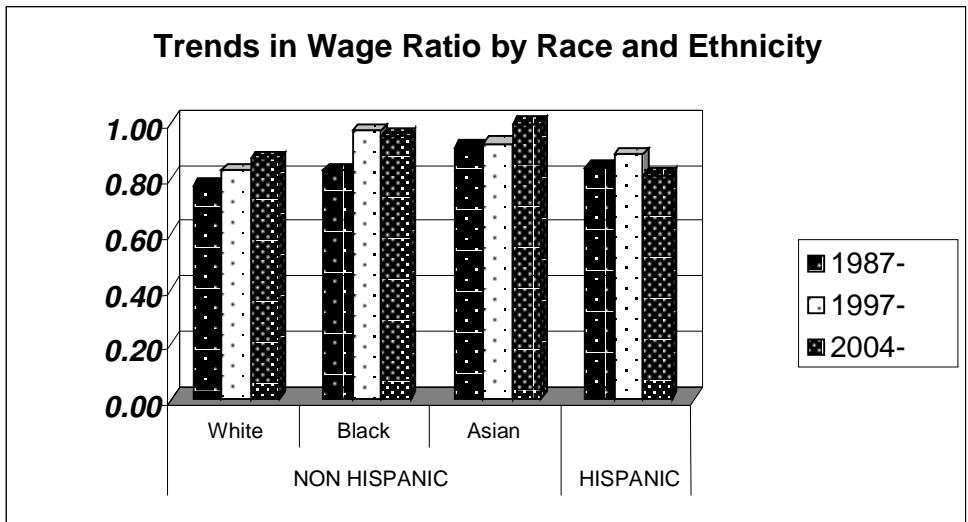
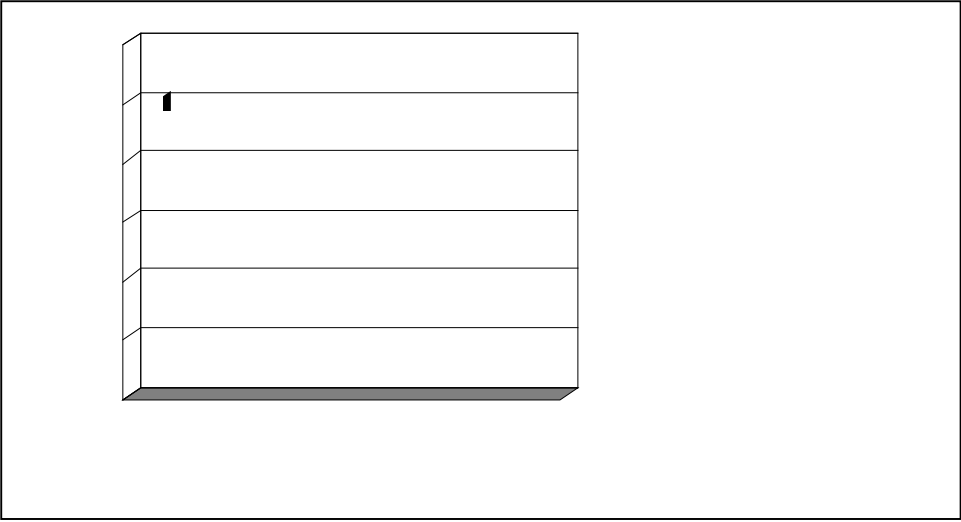


Figure 4: Trends in the Wage Ratio by Race and Ethnicity





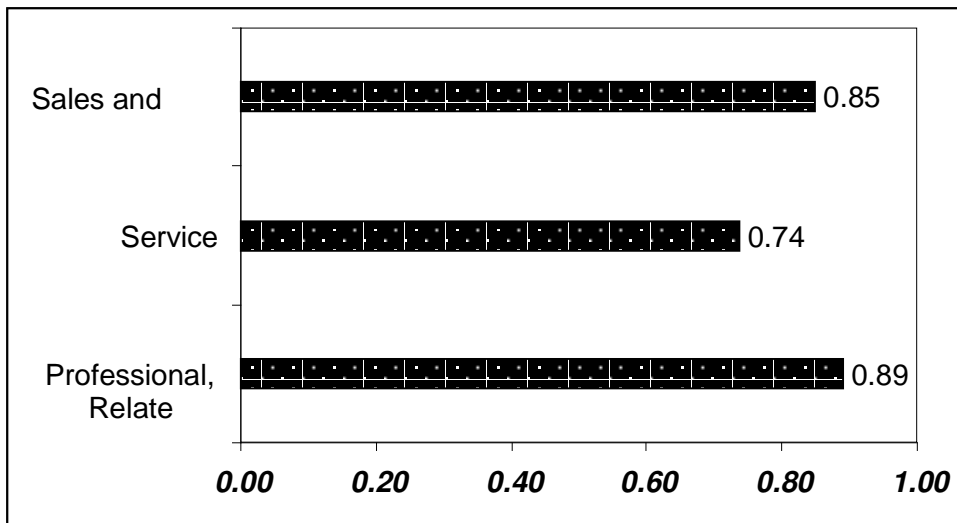


Figure 13: Wage Ratios for the Top Three Occupational Groups for Women: 2004-2006

NOTES

¹ See for example: the national research findings in Francine Blau, Marianne Ferber and Anne Winkler, *The Economics of Women, Men and Work*, 5th ed. (Upper Saddle River, NJ: Pearson/Prentice-Hall, 2005); at the state level, Erica Williams, *The Economic Status of Women in New York State* (Washington, DC: Institute for Women's Policy Research, 2008); and the New York Metro Area findings in Niev J. Duffy, "Recent Trends in the Gender Pay Gap in New York City & Long Island," *Regional Labor Review* (Fall 1999).

² Economists have found that if the industry and occupational distribution of men and women was the same, more than a third of the wage gap would