



# Equal Pay in Montana – Fact Sheet

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## EARNINGS

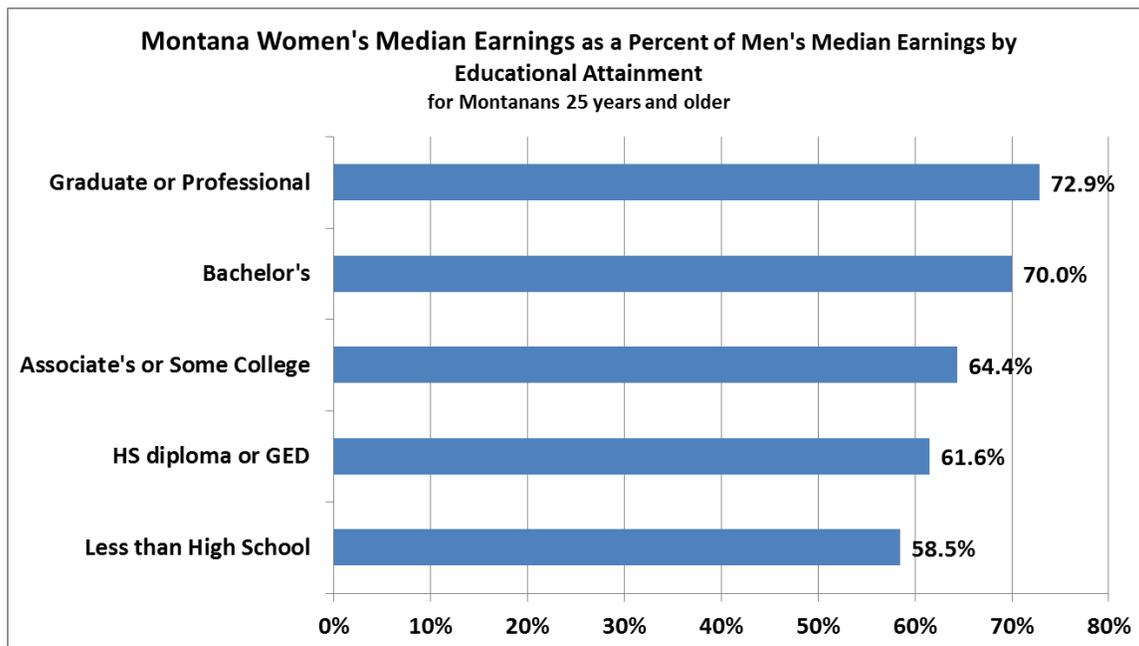
- Nationally, women workers earned 70.6% of men's median earnings in 2013.
- Montana women workers earned 67.5% of the median earnings of their male counterparts (\$20,575 compared to \$30,472).
- Montana in 37<sup>th</sup> place for gender equity among states and the District of Columbia (1 being the most equal pay). Montana's rank has improved from 39<sup>th</sup> to 37<sup>th</sup> since the formation of the Equal Pay Task Force in 2012. Montana's rank has improved in recent years, with Montana being among the worst states in 2007.
- Some of the pay difference between women and men can be explained because women are more likely to work part-time jobs than men. Among working Montanans aged 16 to 64, 81% of men and 64% of women work at least 35 or more hours a week. Of women who work, 36% of women work less than 35 hours per week, compared to 19% of men.
- To account for fewer work hours in measuring gender pay inequity, you can compare only workers employed in full-time, year-round positions. The following statistics compare pay for full-time, year-round workers only:
  - Montana women earned 74.7% of the median earnings of Montana men (\$31,850 compared to men's \$42,625), placing Montana 42<sup>rd</sup> in pay equity when considering full-time workers. Montana has moved from 43<sup>rd</sup> rank to 42<sup>nd</sup> rank since the establishments of the Equal Pay Taskforce.
  - Montana women earn less than men in every occupational category. The occupational groups with the most equal pay were Community and Social Services and Farming and Forestry. The worst occupations for pay equity in Montana were Transportation occupations (women's median pay at 50% of men's median pay) and Legal occupations (51%).
  - No industry paid women more than men. The best industry for pay equity in 2013 was Agriculture (women's wages were 85% of men's), although only 20% of Agriculture workers are women. Pay inequality was the worst in the Mining and Oil and Gas Extraction Industry (women's wages at 56% of men's) and the Financial Activities industry, where women are paid only 65% of men's wages. Women's wages are less than men's even in the Health Care industry, where women comprise over three-quarters of the workers, but earn median wages that are only 68% of men's.



- Montana local government workers have the best pay equity in Montana, with women’s median earnings at 84% of men’s median earnings, followed by federal workers (82%) and state workers (82%). Private for profit workers experienced the greatest pay inequity with full-time women workers earning only 69% of their male counterparts.

## PAY BY EDUCATION AND GENDER

- In Montana, women are slightly more educated than men. More women than men have high school degrees (93.1% compared to 91.9%) and bachelor’s degrees or higher (29.3% compared to 28.5%). A greater portion of men have graduate or professional degrees (8.6% compared to 9.5%).
- The following chart illustrates the pay gap by education level for Montana. Gender pay inequity is greatest among high school graduates with women’s earnings only 58% of men’s earnings. Pay inequity decreases at higher education levels, with women earning 73% of men’s earnings at the graduate level. This chart includes all workers over 25, not just those working full-time.



## LABOR MARKET STATUS

- Women are less likely to be in the labor force than men, largely because women are more likely to take time off to care for their families. However, lower wages for women also play a role because of reduced incentive to work. 60% of Montana women are in the labor force, compared to 69% of Montana men. Montana women are more likely to be in the labor force than



American women (58.7% of American women are in the labor force). Being in the labor force means that you are either working or looking for work.

- Montana women had an unemployment rate of 4.7% in 2013, compared to 6.2% for Montana men. Nationally, the unemployment rates are much closer, with 7.1% of women and 7.6% of men unemployed. Montana's large difference is likely because the male-dominated industry of construction has been slow to re-gain the jobs lost during the recession.

## PAID LEAVE<sup>i</sup>

- An estimated 13,000 Montana parents that could benefit from a paid leave program each year, with potential wages lost due to unpaid parental leave rising to \$44.9 million.<sup>ii</sup>
- Paid family leave provides benefits to employers. Research suggests that providing paid leave improves employee morale, decreases turnover, and may increase productivity levels at little cost to the employer. Paid family leave increases job attachment, and allows the worker to continue essential work functions, to retain skills, and to provide advice and technical support for replacement workers.
- Paid family leave also provides societal benefits by increasing labor force participation, keeping more workers out of poverty, reduce bankruptcies, and improve foreclosure rates. Research suggests that paid family leave reduces the likelihood of mothers needing public assistance.
- Increased access to paid family leave can reduce the gender wage gap by increasing women's wages in the short-run and increasing men's share of household duties in the long-run.

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<sup>i</sup> Paid leave research comes from Gault et al. March 2014. *Paid Parental Leave in the United States: What the Data Tell Us About Access, Usage, and Economic and Health Benefits*. Institute for Women's Policy Research, p.8-16., and from New Joint Negotiating Committee for Higher Education Staff (JNCHES). Feb. 2011. *The Gender Pay Gap- A Literature Review*. Universities and Colleges Employers Association. [www.ucea.ac.uk/en/publications/index.cfm/njeor](http://www.ucea.ac.uk/en/publications/index.cfm/njeor).

<sup>ii</sup> Calculation based on the 2012 ACS 3-year estimates and BLS Current Population Survey 2013; assumes both men and women in the labor force take one month of unpaid leave with average monthly earnings of \$2,618 for women and \$3,922 for men.