



The Pathways Advancing Career Training (PACT) Act is Good for Women

Despite decades of progress, economic equity remains an elusive goal for women in the United States. Millions of women live paycheck to paycheck, working in low-paying jobs without benefits and with few prospects for advancement. The U.S. job training system could play an important role in advancing women's economic opportunities, but so far it has not made a serious commitment to do so. The PACT Act addresses this failure by targeting low-income women for education and training in high-paying occupations and uses proven methods to help them achieve economic success.

Women in the United States face significant challenges to achieving economic security for themselves and their families.

- Sixty percent of adults living below the poverty line are women.¹
- As a group, women continue to be paid an average of 77 cents for every dollar men are paid.² Women who are parents face even greater economic inequity: mothers earn 10 percent less than childless women and 27 percent less than men, who do not experience a similar “child penalty.”³
- Women remain segregated in some of the lowest-paying professions in our country;⁴ two out of every three minimum wage workers are female.⁵
- Accessing family-supporting employment is particularly difficult for America's 14 million single mothers and 7 million displaced homemakers – widowed or divorced women who face obstacles to workforce re-entry after leaving to care for their families. Thirty-seven percent of single mothers and their children and 42 percent of displaced homemakers are living in poverty.⁶

The U.S. job training system can and should be an effective tool for promoting women's economic security – but to date, it has not met its commitment to women who have barriers to employment.

- In 1998, Congress eliminated \$100 million in career and technical education funding for training specifically geared to women with barriers to employment.
- Between 1998 and 2003, the share of single parents receiving training under the Workforce Investment Act declined from 43.7 percent to 24.6 percent.⁷ In Program Year 2003, only 1.5 percent of dislocated workers provided services under WIA were displaced homemakers.⁸
- In PY2004, only 2.9 percent of adult women exiters of WIA programs were employed in higher-paying nontraditional jobs in the quarter after their exit.⁹ On average, wages for female exiters of WIA programs lag behind wages for male exiters by \$1,000 per quarter.¹⁰

The PACT Act actively promotes women's economic security by specifically combating those barriers that prevent women from accessing family-supporting jobs.

- Research confirms that low-income women are likely to experience employment barriers that stem from their gender-specific family responsibilities, such as child care obligations, lack of transportation, and lack of job readiness skills.¹¹
- The PACT Act targets populations most likely to experience barriers and who are traditionally underserved by workforce investment activities – single parents and displaced homemakers.
- PACT provides funding to States for employment, training, and career and technical education programs specifically designed for women with barriers, and advances a holistic job training model that incorporates individualized case management, peer support, and supportive services such as transportation and child care.

PACT raises women’s incomes and works against gender segregation in the workforce by training women for high-wage, high-growth fields in which they are currently underrepresented.

- PACT also promotes women’s participation in nontraditional fields, in which at least 75 percent of workers are male. These jobs tend to pay wages 20 to 30 percent higher than traditionally female jobs¹² and are a compelling strategy for decreasing women’s poverty.
- However, women are often barred from these jobs due to biased career counseling and recruiting. Even once they enter nontraditional training programs, they may experience sexual harassment and differential treatment in the classroom.¹³ PACT addresses these problems by funding programs that provide outreach, education, training, support, and job placement assistance to encourage and prepare women for nontraditional careers.

PACT scales up the success of women’s training and employment programs throughout the country, utilizing proven methods to help women achieve economic self-sufficiency.

- Many successful job readiness programs for women make use of individually tailored preparatory and supportive services specific to women’s needs. The PACT Act would scale up the success of these programs to a federal level.
- For example, a program in Ohio that trains women in nontraditional careers has helped half of its graduates to increase their incomes by over 50 percent, and 4 out of 10 to double or even triple their incomes.¹⁴
- A statewide network of women’s employment and job training programs in Pennsylvania successfully placed almost 90 percent of its clients into jobs or training in each of the past 4 years.¹⁵
- Research also bears out the effectiveness of the PACT strategy. A multi-year University of Michigan study of low-income women concluded that successful job training programs must directly address women’s barriers to employment.¹⁶ Other studies have found that financial assistance and supportive services such as child care and counseling have a significant impact on the college retention rates and academic achievement of single mothers.¹⁷

¹ U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States, 2006*. Detailed and Historical Tables: Age and Sex of All People, Family Members and Unrelated Individuals Iterated by Income-to-Poverty Ratio and Race.

² U.S. Census Bureau, *Median Earnings in the past 12 months (In 2006 Inflation-Adjusted Dollars) of Workers by Sex and Women’s Earnings as a Percentage of Men’s Earnings by Selected Characteristics*. 2006.

³ Jane Waldfogel, “Understanding the ‘Family Gap’ in Pay for Women with Children.” *Journal of Economic Perspectives* Vol. 12, No. 1 (1998), pp. 137–156.

⁴ U.S. Department of Labor Women’s Bureau, “20 Leading Occupations of Employed Women: 2006 Annual Averages.” www.dol.gov/wb/factsheets/20lead2006.htm.

⁵ U.S. Bureau of Labor Statistics, *Women in the Labor Force: A Databook*. September 2007. <http://www.bls.gov/cps/wlf-databook-2007.pdf>.

⁶ “Chutes and Ladders: The Search for Solid Ground for Women in the Workforce.” *Women Work!*, 2005; U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States, 2006*. Detailed Tables: Age of Householder, Number of Children in Family, Marital Status, Work Experience for people 16 Years and Over.

⁷ Frank, Abbey and Elisa Minoff, “Declining Share of Adults Receiving Training Under WIA are Low-Income or Disadvantaged.” Center for Law and Social Policy, December 14, 2005. http://www.clasp.org/publications/decline_in_wia_training.pdf.

⁸ *2004 WLASRD Data Book*. Social Policy Research Associates, February 2, 2006.

⁹ *2004 WLASRD Data Book*. Social Policy Research Associates, February 2, 2006.

¹⁰ *2004 WLASRD Data Book*. Social Policy Research Associates, February 2, 2006.

¹¹ “The Women’s Employment Study: A Brief Review of Findings from a Panel Survey of Current and Former Welfare Recipients.” University of Michigan Gerald R. Ford School of Public Policy, December 2004.

¹² “Women and Nontraditional Work.” *Wider Opportunities for Women*, 2003.

¹³ Annexstein, Leslie, “Opening the Door to Career and Technical Education Programs for Women and Girls.” *Equity Issues in Career and Technical Education*, No. 390 (2003), pp. 5-16.

¹⁴ “Hard-Hatted Women: Adult Education.” <http://www.hardhattedwomen.org/adulted.asp>.

¹⁵ Pennsylvania New Choices/New Options Programs Statistics 1998-2007.

¹⁶ Danziger, Sandra K. and Kristin S. Seefeldt, "Barriers to employment for the 'hard-to-serve': Implications for services, sanctions, and time limits." FOCUS, Vol. 22, No. 1 (2002), pp. 76-81.

¹⁷ See for example Brock, Thomas and LaShawn Richburg-Hayes, "Paying for Persistence: Early Results of a Louisiana Scholarship Program for Low-Income Parents Attending Community College." MDRC, May 2006.