Collection: Barr, William: Files
Folder Title: Chron File, 04/13/1983-05/05/1983
Box: 16

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 13, 1983

FOR: EDWIN L. HARPER

FROM: MICHAEL M. UHLMANN

SUBJECT: Handicapped Infants Regulation and Medicare/Medicaid as Federal Financial Assistance

The Problem

Justice and HHS are at an impasse over the issue of whether Medicare and Medicaid constitute federal financial assistance. This issue is now presented squarely in litigation against our handicapped infant regulation in the Southern District of New York. (In the similar D.C. case pending before Judge Gesell, plaintiff medical groups did not raise this issue.) The district judge in New York has set a preliminary injunction hearing for Monday, and our brief is due Friday. Richard Willard of Justice believes we can avoid taking a position on this issue in the brief, but we must be ready with an answer at the hearing on Monday.

Thus far, we have kept the HHS-DOJ debate over the issue low-key, to avoid any adverse public flare-ups over the civil rights implications.

The non-discrimination requirement of Section 504 of the Rehabilitation Act of 1973 applies to any program or activity that receives federal financial assistance.

The issue therefore implicates not only the anti-infanticide regulation, but every federal civil rights scheme that is triggered by receipt of federal financial assistance: race discrimination, sex discrimination, handicap discrimination. Any change in the scope of coverage of this panoply of regulations is obviously fraught with controversy.

Arguments that Medicare and Medicaid should NOT be considered federal financial assistance to hospitals (as articulated by Civil Rights Division of Justice):

- Federal Medicaid payments are made to the states, not to the health care providers; hospitals participating in Medicaid receive financial assistance not from the federal government but from the states.

- Federal Medicare payments are financial assistance to elderly patients, not to hospitals.

-- As with student loans, a federal payment for the benefit of an individual, which can be used at any institution the individual chooses, should not bring the institution under federal control.

-- Medicare is analogous to food stamps, which are not and should not be considered federal financial assistance to grocery store chains.

-- Moreover, Medicare is a federal funding program for the elderly, and a hospital's receipt of Medicare should not subject the hospital to federal regulation of its program of health services to infants.

Arguments that Medicare and Medicaid SHOULD be considered federal financial assistance:

o This has been the consistent interpretation of HHS since the inception of the Medicare/Medicaid program, and has generally been accepted by hospitals and federal courts.

o It is also the position DOJ has taken in litigation as recently as June 1982, when Baylor Medical Center objected to HHS investigatory jurisdiction and Justice filed a brief in federal court saying the institution was federally assisted because it received Medicare and Medicaid.

o Even though federal Medicaid payments are channeled through the states, we have generally accepted the principle that state distribution of federal moneys does not insulate the recipient institution from federal civil rights jurisdiction: all our block grants have carried federal civil rights strings with them.

o Politically, we could just as easily be attacked for trying to deregulate hospitals from civil rights laws as for trying to deregulate tax-exempt schools in the Bob Jones case.

Arguments that a hospital should not be covered by the handicapped infants regulation unless federal funding goes to its pediatrics ward:

o Following the Supreme Court's North Haven decision, we have taken the position in litigation that only the specific program or activity receiving federal financial assistance is covered by civil rights laws.

o For example, we have said that federal payments to one program of a university do not subject all programs of the university to civil rights coverage.

Arguments that the entire hospital should be covered if federal funds go to part of the hospital:

- o It is not clear that a hospital can be divided into a "pediatrics program" distinct from other parts of the hospital, since many types of care are often given within a single hospital building, administered as a single program of care for patients.

- o HHS has considered the entire hospital to be the relevant program or activity since the 1960s.

- o The Justice Department brief in the Baylor case follows the view of the entire hospital as the relevant program or activity.

The argument against holding Medicare and Medicaid to be federal assistance has legal and logical merit. The analogy to food stamps and student loans has merit. However, we have departed from a thoroughgoing logical approach in this area by admitting that Pell grants are federal assistance in the Grove City case.

Analysis

A major complicating factor in this decision is the brief filed by Justice in the Baylor case. A copy of the Table of Contents from this brief is attached. However strong our legal arguments for saying that Medicare and Medicaid payments do not bring an entire hospital under federal civil rights coverage, we must be ready to meet the accusation that we are changing our position.

Politically, we could expect opposition from handicapped groups, women's groups, civil rights groups, and right to life groups. Without Medicare/Medicaid as a civil rights handle, a number of hospitals would drop out of civil rights coverage, especially with regard to handicap discrimination, since the Hill-Burton program expired around the time the Rehabilitation Act was enacted. As for potential political support, we should consider whether hospitals and medical associations would want to give public support to an effort that would take many of them out from federal civil rights coverage.

Recommendation

- o All deliberations over this issue should involve White House Counsel's office, since the matter concerns pending litigation.

o Convene meeting as soon as possible. Recommended participants:

- -- Fred Fielding
- -- Ed Meese, Jim Baker
- -- HHS (Heckler, del Real)
- -- DOJ (Schmults, Reynolds, Willard)
- -- OMB (Horowitz, Clarkson)
- -- OPD (Uhlmann, Carleson, Bradley)

TABLE OF CONTENTS

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 27, 1983

FOR: EDWIN L. HARPER

FROM: MICHAEL M. UHLMANN

SUBJECT: Political Indoctrination in the Public Schools

Two weeks ago, the Washington Post ran an editorial denouncing public school curriculum materials designed by the NEA to indoctrinate students on the nuclear freeze issue. Albert Shanker has joined in with a strong denunciation of propaganda in the public schools.

Evidence suggests that deliberate indoctrination on political issues by NEA and other ideologically motivated educators is not an isolated problem:

- Earlier this month, at a conference at the University of Maine, Educators for Social Responsibility held a day-long workshop on how to train teachers to instruct children on the virtues of a nuclear freeze.
- A program disseminated by the Department of Education's National Diffusion Network, called "Facing History and Ourselves," promotes the theme of unilateral disarmament and nuclear freeze.
- Blatantly ideological teaching materials on other topics have also appeared in the public schools, especially in "values education" curricula.

We should devise a way to bring these facts to public attention. The American people do not want to see their public schools turned into indoctrination centers.

This is an excellent opportunity to make the President's basic point about American education: We need to get back to the basics, restore quality education, and do away with the social engineering fluff that parents have never chosen in the first place. Simply getting the facts out to the public could galvanize majority support behind the President's position.

We should have the Department of Education undertake a two-prong strategy:

- Put someone to work collecting the evidence of whatever degree and extent of indoctrination is being conducted in public schools. Identify those indoctrination programs that are federally funded or supported by lobbies such as NEA. Build evidence about the worst instances of political indoctrination.

- Have someone at Education take the lead in putting this evidence before the public and stating forcefully that indoctrination in the public schools is wrong.

Recommendation

- See if Secretary Bell would be willing to implement such a strategy with Gary Bauer as point man. Gary holds the crucial slot for this task -- evaluation. He has also proven an effective public spokesman. At the White House, he worked with a number of conservative groups that would be interested in this subject and that need to be geared up for enthusiastic support of the President.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 29, 1983

FOR: EDWIN L. HARPER

FROM: MICHAEL M. UHLMANN

SUBJECT: Short Memo on Wage Gap

As a follow-up to the March meeting with Republican Congresswomen, it was determined that CEA was to do a comprehensive study of wage discrimination. In addition, you asked for a 3-4 page memo on "background and other wage gap studies." Attached are two CEA reports, either or both of which seem to fit the bill. The first is a three-and-a-half-page memo which was sent to you last September; the second is a six-page memo (with attachments) sent to you earlier this month.

CEA is obviously more competent than the legal office to prepare a survey of economic studies. If something other than these two memos is needed, I will be glad to work with CEA to develop what is necessary.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

September 3, 1982

MEMORANDUM FOR EDWIN L. HARPER

FROM: ERIC I. HEMEL EIH

SUBJECT: Male-Female Wage Differences

Attached is a copy of Tom Kneisner's report on male-female wage differences in the United States, Please contact either Tom or myself if you have any further questions.

SEX DIFFERENCES IN WAGES AND DISCRIMINATION IN THE U.S.

I. The Issues

Why are some women wearing buttons that say "59¢"? The reason is that recent data indicate that among full time workers, women earn only about 59% of what men earn.[1] Two factors make this quite disturbing. First, the roughly 40 percent wage differential between the sexes has existed for a long time.[2] Second, there is very little difference in the average number of years of schooling completed by men and women.[3]

The over 40 percent difference in earning power between the sexes in the U.S. can be decomposed into two sources: (1) within a given occupation women earn less per hour than men, and (2) women tend to have relatively low paid occupations. Let us look at these two topics in more detail.

II. Differences in Male and Female Earnings With a Given Occupation

The ratio of the earnings of females who were never married to those of males who were never married is approximately 0.85.[4] Put differently, the data show a much less dramatic gap in earnings between single men and single women than between married men and married women. This suggests that marriage is crucially involved in determining relative male/female earnings. In particular, to understand earnings differences between the sexes one must consider how marriage and children are involved.

Women typically leave the labor force at sometime in their lives in order to bear and raise children. Part of the reason for the gap in earnings between the sexes is the intermittent labor force participation of married women compared to married men. Recent estimates show that the long-run effect of exiting the labor force is to reduce a woman's wages by about 1.5 to 2.0 percent for each year of her nonparticipation.[5] This loss in earnings may be due both to atrophy of skills as well as foregone work experience during the time a woman is out of the labor force.[6]

In light of this, approximately one-fifth to one-half of the 41 percent wage gap between the sexes has been attributed to differences in job experience and other personal characteristics related to labor market productivity.[7] This leaves about one-half to four-fifths of the 41 percent gap unexplained by sex differences in labor market (productive) characteristics. Put differently, when economists adjust for career interruptions and sex differences in personal characteristics believed to be related to job productivity, the male/female earnings gap shrinks to between 20 and 32 percent.

What causes the remaining 20-32 percent earnings difference between men and women?

Many factors are involved, including sex differences in type of schooling and discrimination.

III. Male/Female Differences in Occupations

Recent data show that a large percentage of women (55 percent in 1980) are employed as clerical and service workers. In contrast, a large percentage of men (51 percent in 1980) are employed as professionals, managers, and craftworkers -- relatively higher paid occupations.[8] Because the average levels of schooling differ little between men and women, we must look for differences in type of schooling and discrimination, among other things, to help us understand these notable differences in occupational attainment.

Recent research indicates that sex differences in college major and occupation are consistent with the notion that women foresee the career interruptions associated with raising children. As a result, they often choose certain careers (such as a secretary or an elementary school teacher) where their job skills do not decline very much from disuse.[9] The cost of this, as one should expect, is a lower average level of earnings during a woman's lifetime than if she had taken a career path (such as a research chemist or a computer programmer) where earnings are high but job skills decline quickly from nonuse. Thus, one of the causes of a relatively lower average lifetime earnings profile for women can be a difference in type of education or on-the-job training.

This brings us to the issue of how much of the sex difference in the occupational distribution is due to the choices of women versus so-called occupational segregation -- an inability of women to obtain certain types of higher level training both in school and on the job. (For example, women often perceive a special difficulty in getting admitted to professional schools.) Recent research, however, has been unable to find what could be called a signficant role for quantitative measures of occupational segregation in explaining sex differences in occupation and earnings.[11] Occupational segregation seems to have a much smaller part in determining male/female earnings differentials than is popularly believed.

III. Summary and Conclusions

There are two general factors underlying why women, on average, earn a wage that is roughly 60 percent that of men. (1) Within a given occupation women are paid less then men. (2) Women are overrepresented in the relatively low paid occupations.

Women's earnings would rise to approximately 68 to 80 percent of men's earnings if women had comparable life time work histories. This leaves a 20 to 32 percent sex difference in earnings to be explained. This remaining gap in earning power results from the different types of careers characterizing males versus females in the U.S.

A second key question, then, is how much of the remaining 20 to 32 percent difference in earnings is due to occupational segregation versus differences in the occupational choices made by women in light of their more complicated requirements for balancing family versus career? Much of the second part of the male/female earnings gap can be explained by what seems to be women foreseeing career interruptions and, as a result, choosing different types of schooling and training than men over their lifetimes.

In conclusion, although sex discrimination certainly exists, the economic literature can be interpreted as saying that no <u>more than 5 to 15 percent</u> of the wage gap between men and women is attributable to discrimination, as commonly measured by economists. This is certainly not trivial, and any discrimination is unfair to the individuals affected. However, it is important to note that sex discrimination is not the <u>primary</u> reason for the earnings gap between the sexes in the U.S.

cc: GC, AW

FOOTNOTES

1 Statistical Abstract of the U.S., 1981, Table 679, p. 405.

2 It even appeared in ancient times. Consider this passage from the Bible. "And the Lord spake unto Moses saying, and they estimation shall be of the male from twenty years old even unto sixty years old, ...fifth shekels of silver... . And if it be a female, then they estimation shall be thirty shekels." Leviticus 27:3-4

3 Statistical Abstract, Table 232, p. 142

4 Ibid., Table 681, p. 407.

5 Jacob Mincer and Haim Ofek, "Interrupted Work Careers: Depreciation and Restoration of Human Capital," Journal of Human Resources, XVII, 1 (Winter 1982), pp. 3-24).

6 Solomon W. Polachek, "Discontinuous Labor Force Participation and Its Effect on Women's Market Earnings," in Cynthia B. Lloyd, ed., Sex, Discrimination, and the Division of Labor (New York: Columbia University Press, 1975).

7 Mincer and Ofek, "Interrupted Work Careers."

8 Statistical Abstract, Table 673, p. 401

9 Solomon W. Polachek, "Sex Differences in College Major," Industrial and Labor Relations Review, 31, 4 (July 1978), pp. 498-508 and "Occupational Self-Selection: A Human Capital Approach to Sex Differences in Occupational Structure," Review of Economic and Statistics, LXIII, 1 (February 1981), 60-69.

10 Statistical Abstract, Table 663, p. 393.

11 See Andrea H. Beller, "Occupational Segregation by Sex: Determinants and Changes," Paula England, "The Failure of Human Capital Theory to Explain Occupational Sex Segregation," and Solomon W. Polachek, "Occupational Segregation: A Defense of Human Capital Predictions." All are forthcoming in the Journal of Human Resources.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

April 22, 1983

TO: Roger Porter
Director, Office of Policy Development

FROM: Thomas Kniesner

SUBJECT: Update of the 1973 CEA Study of Sex Differences in Wages Requested by Edwin Harper

I. The Issue

Women's median weekly earnings average about 60 percent of men's median weekly earnings. This 40 percentage point differential is especially disturbing to women because it has existed for a relatively long time. Data presented in Table 1 for full-time, year-round workers show a virtually constant ratio of women's to men's median weekly earnings since 1939.

The male-female earnings gap can be decomposed into a number of sources. (1) Women work fewer hours per week than men. Table 2 shows that the earnings ratio rises to about 70 percent for whites and to about 80 percent for blacks in 1982 once adjustments are made for the fact that women work fewer hours per week. (2) Within a given occupation women earn less per hour than men. (3) Women tend to be segregated into relatively low paid occupations.

There are several policy issues here: How much of (2) is due to differences in personal characteristics thought to be related to job productivity (i.e. schooling and experience) versus wage discrimination? How much of (3) is due to choice versus unequal access (discrimination) in acquiring schooling and training? Are activist women's groups correct in their belief that (3) has a "double" impact because women's occupations are essentially "underpaid?"

This memo seeks to accomplish three things -- (1) it summarizes the findings of the 1973 and the 1974 ERP on these issues, (2) it presents additional results, summarizing what we know now that we didn't know in the early 70's, and (3) it points out some related policy issues that should be of interest to the Administration.

II. Results from the 1973 and the 1974 ERP

- Women typically leave the labor force at some time in their lives in order to bear and raise children. Part of the reason for the sex gap in earnings seems to be the intermittent labor force participation of married women.

- As of January 1968, median years of continuous employment with the same employer was 2.4 years for women and 4.8 years for men. The sex gap in labor market experience grows with age. In January 1968, women 55-64 years old had 6.1 fewer years of experience than men who were 55-64 years old. (See Table 3)

- Some studies suggest that if women had the same number of years of labor market experience as men, they could expect to earn about 80 percent as much per hour as men.

- The CEA found in 1973 that there had not been much change in the occupational distribution by sex during 1960-1970.

- They also found evidence that if women had the same occupational distribution as men during the early 1970's and existing occupational wage differences stayed the same, women's relative hourly earnings would have been about 11 percentage points higher.

- To summarize the most important findings from the 1973 and 1974 Economic Report to the President, pay differences within an occupation are much more (twice as) important as occupational differences in explaining the sex gap in earning power. Second, about half of the 30 percentage point sex gap in hourly earningswould disappear if women had the same work histories as men. The remainder - the unexplained residual - could be due to a variety of unmeasured factors. Examples include unmeasured differences in other labor market investments (such as migration), unmeasured differences in the quality of training or schooling, or discrimination.

III. Additional Results

- New sources of data have increased our understanding of the relationship between labor market experience and earning power. Recent estimates suggest that the average long-run effect of temporarily leaving the labor force is to reduce a woman's wage by 1.5 to 2.0 percent for each year of her non-participation. The loss in earning power is due both to foregone experience and atrophy of skills. The link between labor market experience and earning power is suggested by the data of Tables 3 and 4, which show that the sex difference in labor market experience grows with age while the ratio of women's to men's earning power falls with age.

- Based on the estimates of the effect of foregone experience cited in the previous paragraph, a woman could expect to earn between 80 and 90 percent of an otherwise similar man's wages if she had that man's job experience and occupation.

- Promising signs exist for the occupational prospects of younger women. Table 3 shows less than a 1 year experience gap in 1981 for persons 25-34; this is down from 1.5 years in 1963. During 1972-78, about 69 percent of women's employment growth was in the higher earnings male-dominated or sex-integrated occupations. Only 39 percent of employment growth was in female-dominated occupations. (See Table 5) The dramatic increase in female employment in certain key professional occupations is documented in Table 6. Finally, male employment fell by 1.3 million during the recent recession while female employment increased by 2.1 million. In 1979, male civilian employment was 57.6 million compared to 56.3 million in 1982. In 1979, civilian female employment was 41.2 million compared to 43.3 million in 1982.

- A recent comprehensive analysis examined the relative importance of job experience and occupational segregation on the sex gap in earnings. White women 24-34 earn approximately two-thirds of the average white man's salary in that age group. Were they to have the same experience in the labor market and other productive traits, their relative earning power would rise by about 16 percentage points (to 82 percent of a similar males' earning power). If the detrimental effects of occupational segregation were eliminated, their relative earning power would rise by 9 more percentage points (to 91 percent of men's hourly earnings). Thus, the wage depressant effects of occupation segregation seem to account for at most 9 percentage points of the 33 percentage point sex gap in earning power for younger workers. A far larger difference (16 percentage points) is due to differences in experience and other characteristics thought to be related to productivity on the job. The results of this analysis are summarized in Table 7.

- It is important to recognize that economists really have no way of measuring possible discriminatory barriers that prevent women from entering an occupation. Casual observation suggests that women now have reasonably equal access to colleges and professional schools but still have difficulty obtaining access to certain apprenticeship programs, such as in the union-controlled skilled trades.

- Preliminary evidence indicates that women who plan to have irregular work patterns tend to choose occupations with short training periods, low atrophy, and relatively low potential for advancement. Preliminary evidence also suggests that women tend to choose occupations with short hours and flexible schedules. These job characteristics are apparently "paid for" with lower levels of hourly earnings.

- The recent economic literature can be interpreted as indicating that no more than 5 to 25 percentage points of the wage gap between men and women is attributable to the concept of discrimination as used by economists.

- As economists come to understand more about how the labor market functions and get better sources of data about jobs, the unexplained difference in wages between the sexes falls. Here are some examples of how better data might reduce the wage gap even farther. Women use about 50 percent more health care than men over their lives. Thus, a firm with more women workers will have higher costs of providing health insurance. To remain competitive, such a firm would pay lower wages to its workers. Thus, some of what are currently thought to be discriminatory wage differences may simply be differences in the rate of pay that are necessary to offset sex differences in health care costs among firms with different numbers of women workers. Similarly, women live longer upon retirement than men (about 4 extra years). Part of the wage difference between men and women may simply reflect the need to offset the higher pension costs for women in order to remain competitive. Economists do not yet have enough data on pension or health insurance costs to really examine these issues just raised.

IV. Policy Issues

- Comparable worth has become an important policy issue for activist women's groups because women would like to have equal pay with men but maintain their current career plans. Comparable worth is seen as a way of circumventing the market by establishing what amounts to separate minimum wages for each occupation in each firm. Occupations where there are currently low wages due to career interruptions, short work schedules, and low work experience requirements would be more highly remunerated by mandate than they are now if comparable worth schemes are adopted. Comparable worth would be an administrative nightmare. In addition, comparable worth laws would have effects similar to those of the current minimum wage -- people who keep their jobs at the higher wages will gain while those who become disemployed will lose. It would also actually impede women's real economic progress because it would remove the incentive to become a plumber rather than a secretary, an engineer rather than a grade school teacher.

- The relatively low wages for women are sometimes blamed for the "feminization of poverty." This term basically refers to the increase in the number of female-headed (female householder) families living in poverty. The data in Table 8 show us that the poverty rate among such families has actually declined since 1959. The poverty data in Table 9 and 10 suggests that a major cause of the increase in the number of female-headed families is marital disruptions that move people into different categories within the poverty population. Put differently, the number of families in the female householder category of the poverty population has been growing because when poor families break up, the female keeps the children and tends to stay in poverty while the male either moves into a different category of poverty or leaves poverty altogether. There has been no increase since 1970 in the relative number of poor adults who are women, however. (See Table 10)

V. Issues to Confront

- I do not think that many of the conclusions in this report lend themselves readily to a fact sheet. Both the findings in the 1973 ERP and the additional ones presented here are the result of examining a large amount of statistical work. In this regard they are interpretations rather than official statistics published by a respected government agency such as the Census Bureau. This means that some of the conclusions can be the subject of debate and reinterpretation . Also, I'm not sure how well a fact sheet telling women "you really don't know how well you have it" would go over. It could be rubbing salt in the wrong people's wounds and just serve to stir up trouble.

- What to do about comparable worth? It would be an administrative nightmare as well as extremely disruptive to the labor markets. It represents a wholesale expansion of the minimum wage laws. The problem is to come out against comparable worth laws without sounding "for" discrimination.

- The second issue is one on which the Administration can be proactive (rather than reactive as with comparable worth) and therefore sound more "upbeat" in terms of solutions. In particular, if our initial examination is correct and the "feminization of poverty" is largely due to marital disruptions, then there are a number of potential policies to mitigate the increase in female householders (female-headed families) living in poverty. These include attempts at a more equal sharing in the distribution of household wealth upon marital breakup (change in alimony laws), stronger regulations requiring husbands to make their child support payments, and the reform of welfare and other government support programs that currently provide some incentives for marital disruptions. I understand that some of these are currently under consideration.

Table 1

Female/Male Ratios of Median Earnings of Full-Time, Year-Round Workers, 1939-1980[1]

1939	.581
1956	.639
1957	.633
1958	.630
1959	.613
1960	.608
1961	.594
1962	.595
1963	.596
1964	.596
1965	.600
1966	.580
1967	.578
1968	.582
1969	.605
1970	.594
1971	.595
1972	.579
1973	.566
1974	.572
1975	.588
1976	.602
1977	.589
1978	.600
1979	.596
1980	.600

1 For 1939 through 1966 data include wage and salary income only; for 1967-1980 data include in addition, self-employment earnings.

Source: 1955-1977, Women's Bureau (1979) The Earnings Gap Between Women and Men; 1939 is reported in Current Population Report, Money Income in 1974 of Families and Persons in the United States (Series P-60, No. 101); 1978-1980 are from subsequent CPS reports in series P-60.

Table 2

Female-Male Ratios of Median Usual Weeky Earnings: Full-Time Wage and Salary Workrs, by Race, With and Without Adjustment for Hours Worked, 1967-1980

	Unadjusted Ratios		Adjusted Ratios	
	White	Black	White	Black
1967	.608	.700	.676	.738
1971	.607	.707	.669	.747
1973	.606	.718	.669	.756
1974	.598	.731	.659	.768
1975	.613	.751	.672	.789
1976	.615	.738	.676	.781
1977	.606	.731	.669	.775
1978	.599	.732	.660	.773
1979	.609	.726	.671	.768
1980	.627	.760	.686	.800

Source: Unpublished tabulations from the Current Population Survey, U.S. Department of Labor, Bureau of Labor Statistics.

Table 3

Tenure with Current Employer, by Sex and Age, 1963-1978

	Percent with 6 months or less with current employer		Median years with current employer	
	Men	Women	Men	Women
All				
1963	14.7	21.8	5.7	3.0
1968	16.3	23.9	4.8	2.4
1973	15.1	20.8	4.6	2.8
1978	16.6	22.5	4.5	2.6
1981			4.0	2.5
25-34 Years Old				
1963	16.2	27.3	3.5	2.0
1968	17.4	29.6	2.8	1.6
1973	15.9	22.8	3.2	2.2
1978	17.4	23.6	2.7	1.6
1981			2.9	2.0
35-44 Years Old				
1963	10.5	18.6	7.6	3.6
1968	11.0	19.3	6.9	2.9
1973	8.4	15.7	6.7	3.6
1978	9.8	16.7	6.9	3.6
1981			6.6	3.5
45-54 Years Old				
1963	8.1	12.2	11.4	6.1
1968	7.9	12.5	11.3	5.1
1973	5.9	8.9	11.5	5.9
1978	6.1	10.6	11.0	5.9
1981			11.0	5.9
55-64 Years Old				
1963	7.2	8.8	14.7	7.8
1968	6.2	10.1	14.8	8.7
1973	4.6	5.8	14.5	8.8
1978	5.2	7.7	14.6	8.5
1981			14.8	9.1

Source: Occupational Mobility and Job Tenure Survey, U.S. Department of Labor, Special Labor Force Reports Nos. 36, 112, 172, 235.

Table 4

Female/Male Ratios of Median Usual Weekly Earnings of (Full-Time Wage and Salary Workers), Adjusted fo Differences in Hours Worked Per Week, by Age, 1971-1982[1]

Age	May 1971	May 1973	May 1974	May 1975	May 1976	May 1977	May 1978	Second Quarter 1979	Annual Average 1979	Annual Average 1982
Total	.68	.67	.67	.68	.68	.67	.67	.68	.68	.71
16-19	.94	.86	.87	.90	.90	.92	.91	.90	.92	.91
20-24	.85	.83	.82	.82	.86	.84	.80	.81	.82	.88
25-34	.73	.72	.72	.73	.74	.72	.73	.74	.73	.79
35-44	.66	.61	.61	.63	.61	.62	.59	.64	.64	.66
45-54	.62	.62	.62	.63	.62	.61	.59	.63	.61	.64
55-64	.67	.69	.65	.67	.67	.65	.65	.66	.64	.65
65 and over	.65	.64	.65	.74	.67	.64	.63	.76	.83	.72

1 Female/male earnings ratios were adjusted by multiplying age-specific male/female earnings ratios by ratios of average hours worked per week by nonagricultural workers on full-time schedules. (Hours data from U.S. Bureau of Labor Statistics, Employment and Earnings series, January issues, annual averages). See Table 1 for unadjusted female/male earnings ratios.

Table 5

Distribution of Employment and Employment Growth by Sex Typing of Occupation, 1972 and 1978

Employed Persons by Sex

Sex Typing of of Occupation[1]	1972			1978			Net Change, 1972-1978		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Employment in Thousands:									
Male Occupation	40,128	37,443	2,685	42,713	38,868	3,845	2,585	1,425	1,160
Female Occupation	28,226	4,671	23,555	31,046	4,420	26,626	2,820	-251	3,071
Integrated	13,350	8,515	4,835	20,617	12,208	8,409	7,267	3,693	3,574
Total	81,704	50,632	31,072	94,376	55,494	38,882	12,672	4,868	7,810
Percentage Distribution:									
Male Occupation	49.1	74.0	8.6	45.2	70.0	9.9	20.4	29.3	14.9
Female Occupation	34.5	9.2	75.8	32.9	8.0	68.5	22.3	-5.2	39.3
Integrated	16.4	16.8	15.6	21.8	22.0	21.6	57.3	75.9	45.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1 In 1972, female occupations have a female share of employment over .532; female share in male occupations is less than .228. The comparable shares for 1978 are .577 and .247 respectively.

Source: Current Population Survey, and calaculations by Dr. June O'Neill of the Urban Institute.

Table 6

Women as a Percent of Persons in Several Professional and Managerial Occupations
1919-80

Occupational Group	1910	1920	1930	1940	1950	1960	1970	198
Clergymen	0.6	1.4	2.2	2.4	4.0	2.3	2.9	4.
College presidents, professors, and instructors[1]	18.9	30.2	31.9	26.5	23.2	24.2	28.2	33.
Dentists	3.1	3.3	1.9	1.5	2.7	2.3	3.5	4.
Engineers	([2])	([2])	([2])	.4	1.2	.8	1.6	4.
Lawyers and judges	.5	1.4	2.1	2.5	3.5	3.5	4.9	12.
Managers, manufacturing Industries	1.7	3.1	3.2	4.3	6.4	7.1	6.3	12.
Physicians	6.0	5.0	4.4	4.7	6.1	6.9	9.3	13.

1 Data for 1920 and 1930 probably include some teachers in schools below collegiate rank. The Offi of Education estimates the 1930 figure closer to 28 percent.

2 Less than one tenth of 1 percent.

Note.--Data are from the decennial censuses. Data for 1910 and 1920 include persons 10 years of age and over; data for 1930 to 1970 include persons 14 years of age and over.

Source: Economic Report of the President, 1973 and Department of Labor, Employment and Earnings, January 1981.

Table 7

Effect of Explanatory Variables on Female/Male Hourly Earnings Ratios

	Gross ratio of hourly pay	Net ratio adjusting for sex differences in labor market experience and other production traits, other than % female in an occupation	Net ratio also adjusting for % Female in an an occupation
All blacks, ages 24-34	81.7	85.2	91.2
All whites, ages 24-34	66.6	82.0	89.2
24-29	71.1	79.3	87.7
30-34	61.1	82.1	86.5
12 years of school or less	64.1	76.5	84.2
1 year of college or more	72.1	79.1	86.7

Source: June O'Neill, The Determinants and Wage Effects of Occupational Segregation, The Urban Institute, March 29, 1983, p. 76.

Note: The variable % female in an occupation is used to capture the detrimental effects of occupational segregation on women's wages.

Table 8

Trends - Poverty Rates of Female Headed Families
(Percent of group in poverty)

Poverty Rates	1959	1969	1974	1979	1980
All female headed families (FHF)	42.6	32.7	32.5	30.2	32.7
FHF with children	59.9	44.9	43.8	39.4	42.9
FHF with work experience	33.3	23.5	21.9	18.9	20.2
FHF worked full-time year-round	16.6	8.5	8.3	5.4	5.4
FHF, head did not work	54.1	45.9	48.2	49.5	53.5
FHF with Public Assistance			61.9	68.7	

Table 9

Poverty Status of Unrelated Individuals, and Families, by Family Type: 1960, 1970, 1980, and 1981
(Numbers in thousands. Persons as of March of the following year)

Number Below Poverty Level (000's)	1981	1980	1970	1960
Total	13,341	12,444	10,237	13,169
Unrelated individuals	6,490	6,227	5,023	4,926
Male	2,239	2,109	1,431	1,510
Female	4,251	4,118	3,592	3,416
Families	6,851	6,217	5,214	8,243
Married-couple families	3,394	3,032	3,132	
Male householder, no wife present	205	213	147	6,289
Female householder, no husband present	3,252	2,972	1,934	1,955

Source: U.S. Bureau of the Census.
March Current Population Surveys.

Table 10

Persons 16 Years Old and Over Below the Poverty Level, by Sex: 1966, 1970, 1980, and 1981
(Numbers in thousands. persons as of March of the following year)

	1981	1980	1970	1966
Total	20,600	18,961	15,855	17,266
Male	7,708	6,970	5,908	6,681
Female	12,892(63%)	11,991(63%)	9,947	10,585(61%)

Source: U.S. Bureau of the Census.
March Current Population Surveys.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 29, 1983

FOR: EDWIN L. HARPER

FROM: MICHAEL M. UHLMANN

SUBJECT: Response to Congresswomen

As I mentioned to you, Legislative Affairs does not think it would be useful to respond in writing at this stage to Republican Congresswomen about the issues they raised in their March meeting with the President.

Nevertheless, we thought it might be useful to have for internal purposes some writing showing our responses to the issues raised. The attached reflects my understanding of where we stand today.

Response to Republican Congresswomen's Concerns

1. Equal Rights Amendment

   o The President has taken action to ensure legal equality for women:

   -- 50 States Project

   -- Federal Equity Project

   -- Vigorous enforcement of existing laws

   o The President opposes the Equal Rights Amendment. The President's approach of ensuring legal equity is a better approach.

   o The President believes that fairness requires that the people be given the chance to speak on some other amendments -- balanced budget, school prayer, right-to-life.

2. Economic Equity Act

   o The Administration has already achieved many of the proposals in the original EEA.

   o The CCEA is considering whether the Administration should support the tax measures proposed in the EEA.

   o The President has said that he will be proposing pension equity legislation sometime in 1983.

   o The CCHR is considering whether to recommend establishment of a Presidential Commission on Insurance Equity.

3. Child Support Enforcement

   o The CSEP is already an effective program, and the Administration is considering either legislative or administrative action to improve the performance of state governments in collecting child support payments under the program.

4. Wage Discrimination

   o The CCMA is undertaking to ensure that women in the government have a full opportunity to compete for management level jobs.

   o CEA will do study on pay gap.

5. Day Care

   o 50 States Project working to identify state regulations that inhibit day care.

   o Private Sector Initiatives Office and Women's Bureau, DOL, are working to encourage private sector day care.

6. Budgetary Concerns

   o The Administration will do better job of communicating the "fairness" of its budget proposals.

7. Better Communication/Republican Initiative

   o The President will be speaking on the Administration's achievements on matters of concern to women.

   o The Administration is preparing fact sheets and issue papers explaining its positions and achievements on matters of concern to women.

THE WHITE HOUSE
WASHINGTON

May 2, 1983

NOTE FOR ROGER PORTER

FROM: BILL BARR

Attached are the draft responses that you requested on the flexi-time bill.

THE WHITE HOUSE

WASHINGTON

May 2, 1983

Dear Sandy:

Thank you for your letter concerning Senator Armstrong's flexitime bill. I appreciate the role you have played in focusing attention on this important initiative. As you know, last Congress we supported Senator Armstrong's efforts.

In the next few weeks, the Cabinet Council on Human Resources will be considering whether the Administration should take a leadership role in seeking enactment of this initiative.

Sincerely yours,

James A. Baker, III
Chief of Staff

Alexander B. Trowbridge
President
National Association of
Manufacturers
1776 F Street, N.W.
Washington, D.C. 20006

THE WHITE HOUSE

WASHINGTON

May 2, 1983

Dear Sandy:

Thank you for your letter concerning Senator Armstrong's flexitime bill. As you know, last Congress we supported Senator Armstrong's efforts.

In the next few weeks, the Cabinet Council on Human Resources will be considering whether the Administration should take a leadership role in seeking enactment of this initiative.

Sincerely yours,

Edwin L. Harper
Assistant to the President
for Policy Development

Alexander B. Trowbridge
President
National Association of
Manufacturers
1776 F Street, N.W.
Washington, D.C. 20006

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 2, 1983

FOR: ROGER B. PORTER

FROM: STEPHEN H. GALEBACH SHG

SUBJECT: Public Policy and the Family

As you requested, I have prepared a paper to help in preparation of your talk about public policy, the family, and the Reagan Administration. As it happens, just a week ago I gave an address to a conference of the Christian Legal Society on precisely this topic. I have included some of the discussion points I used in my talk, along with the three-part summary of information that you requested.

To keep the memorandum concise, I have given only a brief description of each policy initiative. I can give supplementary details and citations, if you wish, for any of the initiatives.

I. Introduction

Through most of American political and legal history, the role of the family has been assumed, not debated. So long as a consensus on the role of the family existed among the American people and our opinion leaders, there was no need for debate.

By the 1970s, however, the consensus behind the traditional view of the family as the basic unit of society had eroded, especially among professionals who often preferred government rather than family as the provider of services to children.

President Carter's White House conference on the family highlighted the growing conflict over the most basic questions concerning the family. The White House conference was unable to resolve the most basic question of how to define the family. Pro-family groups preferred a definition of "persons related by blood, heterosexual marriage, or adoption." Others preferred a definition that would include any group of two or more persons who share resources, share responsibility for decisions, and have some undefined commitment to one another, regardless of blood, legal ties, adoption, or marriage.

As pro-family scholar Allan Carlson has commented, "If there can be no definition that excludes any form of human cohabitation, then what is a family policy trying to save, or strengthen, or help?"

The growing political debate over the role of the family in the 1970s led Senator Laxalt to introduce the Family Protection Act in 1979, which was then re-introduced by Senator Roger Jepsen in 1981. This Act included 32 concepts, covering a broad array of issues that have an impact on the family, such as (1) parental rights in education, such as visitation of classrooms and review of textbooks; (2) educational savings provisions; (3) tax deductions for expenses of adoption; (4) home health care -- tax deductions and credits for those who care for elderly relatives in the home; (5) IRA for unsalaried spouse; (6) elimination of marriage tax penalty; (7) parental notification when government grantees give prescription contraceptive drugs or devices to minors; (8) voluntary prayer in the public schools; (9) prohibition on representation by Legal Services Corporation in cases of divorce, homosexual rights, abortion, and busing.

II. Policy Initiatives of Reagan Administration

A number of pro-family initiatives have already been implemented during our term in office, either as explicit proposals of the Administration, or as initiatives in Congress that we supported. It is instructive to see how many ideas from the Family Protection Act have already become law during our Administration.

A. Policy Initiatives Already Enacted or Implemented

- Alleviation of the marriage tax penalty -- Although we have not eliminated the difference in tax treatment between a married two-worker couple and a similarly situated unmarried couple, we have reduced the amount by which the married couple is more heavily taxed, in the ERTA of 1981.

- HHS parental notification requirement for prescription contraceptive drugs or devices to minors -- Our regulation was enjoined by the lower federal courts, and the issue is now on appeal.

- Child care credit -- We substantially increased the amount of the credit, in order to make it possible for spouses to choose freely whether to work in the home or outside the home, and also to enable single parents to meet family responsibilities.

  -- Next year we are adding a line item on the 1040A Short Form for child care expenses.

  -- Tax incentives for business to provide child care as part of employees' benefit packages.

- Strengthening of the Child Support Enforcement Program -- Forty percent (40%) of divorced spouses entitled to child support payments under court order or agreement do not receive them; our Child Support Enforcement Program is designed to ensure that parents meet familial responsibilities, so that children do not lose essential economic support as a result of family breakup.

- Administrative waivers of Medicaid eligibility requirements, to allow dependents such as Katie Becket in Iowa (for whom the President personally intervened) to receive care at home rather than in an institution, and still be eligible for Medicaid payments.

- The Jobs Partnership Training Act, which phases out CETA, taragets AFDC mothers and disadvantaged youth, thus contributing to their ability to support a family.

- o Encouraging U.S. Attorneys to take more vigorous action to enforce federal laws against pornography, especially child pornography.

- o Mrs. Reagan has headed an effort to encourage mothers to band together to form local support groups to ward off drug use by children.

- o Crackdown by federal law enforcement officials against drug import traffic.

- o Foster grandparent program -- to bring family-like attention to elderly persons who often have no family near them.

- o Tax deduction for expenses of adopting hard-to-place children.

B. <u>Pro-Family Proposals of the Administration</u>

- o Tuition tax credits -- The President has recognized that the family is the basic unit having the right and responsibility of educating children; tuition tax credits are designed to make this right and responsibility a reality for all Americans, not just the well-to-do.

- o Vouchers for Title I education subsidies -- To give lower-income parents greater choice in the type of education for their children, while maintaining eligibility for Title I education subsidies.

- o Family responsibility for part of the expenses of care of elderly parents -- To discourage the idea that elderly relatives are to be cast off from family responsibility into the hands of the government.

III. Existing Pro-Family Aspects of Law That We Support

The most basic question of governmental policy with regard to the family is whether the government recognizes the family as the basic unit providing care, services, nurture, and education to children, rather than seeking to provide government services directly to children as a substitute for the family. Our tax system was set up to recognize the legitimate claims of the family. A tax exemption is provided not only to each individual taxpayer, but also for each dependent. The idea is that government should leave in the hands of families those resources that are essential to meet the basic needs of family members. Erosion of the value of these exemptions erodes the ability of the family to act as the basic unit in society.

The President has acted to prevent further erosion of the value of dependent exemptions, by indexing them along with all other tax brackets. Beginning after the third year of our phased-in tax cuts, the dependent exemption will rise automatically each year to compensate for the effects of inflation.

Unfortunately, during the build-up of the Great Society programs beginning in the mid-1960s, the value of the dependent exemption was allowed to erode dramatically, and a multitude of federal programs to give direct benefits to children began to take the place of the family role. Student loans for college; ever-increasing federal aid for elementary and secondary schools; special programs for women, infants, and children; school lunch programs; and a host of other federal payments were undertaken in place of a policy of leaving resources in the family in the first place. President Reagan has been striving to turn back this tide.

Nothing has had greater impact in restoring the ability of families to meet the needs of family members than the President's tax cuts. Middle-income families had been driven into tax brackets intended for the wealthy, resulting in an inability to provide for family members without incurring greater and greater sacrifices.

Welfare programs can exert an adverse impact on the family. Under President Reagan's leadership, however, federal involvement in welfare programs has been modified in ways that have effectively encouraged families to take a greater role and responsibility in earning the family budget, rather than lapsing into welfare dependency. The report recently released by the Department of Health and Human Services shows that many families have been weaned off dependence on partial welfare payments, and have worked hard to reach the satisfying and rewarding position of self-sufficiency. Having more parents who successfully support their families is an important pro-family step.

IV. Initiatives to be Considered for the Future

- Greater incentives to give family-based care for elderly dependents, handicapped children, orphans, and others whom we have tended to place in institutions rather than in families.

- Increase in the dependent exemption, to compensate for some degree of its erosion in the past.

- Expansion of the idea of education vouchers to give more effective choice to parents at all income levels for the education of their children.

- Making sure that our programs to help the victims of broken families do not end up encouraging the phenomenon of family breakup.

THE WHITE HOUSE

WASHINGTON

April 23, 1983

MEMORANDUM FOR STEPHEN H. GALEBACH

FROM: ROGER B. PORTER RBP

SUBJECT: Public Policy and the Family

Recently I accepted an invitation to address a major national family organization and their annual conference. I want to talk about public policy, the family, and the Reagan Administration.

As part of my preparation, I would appreciate very much if you would pull together a three-part paper.

The first part would outline what policy initiatives the Reagan Administration has proposed with respect to the family or which have major impacts on the family and what new policies we have put in place either administratively or legislatively.

The second part would outline the existing pro-family parts of the law that we support. Together the first two parts should form the basis for our current family policy.

The third part would look at what things we might consider doing beyond what we have already proposed or supported.

I know of your real interest in and familiarity with family issues and look forward to looking at your paper. It would be most helpful to me if I could have it by close of business on Monday, May 2, 1983.

Thank you very much.