

## The Importance of Equal Pay in Promoting Societal Growth

United States President John F. Kennedy signed The Equal Pay Act of 1963 into law, amending the Fair Labor Standards Act, to “prohibit discrimination on account of sex in the payment of wages[.]” In 1963, the average female employee was paid .59 cents for every dollar a male employee was paid. This gap has closed to approximately .80 cents for every dollar in 2019, although it is greater in communities of color. While multiple reasons have been presented to explain the lingering discrepancy, the impact of the difference ripples through communities and stifles economic development.

The pay gap does not simply impact people on an individual level, but rather affects society as a whole. Innovation in industry has been found to be six-times higher within companies where the treatment and pay of men and women are substantially equal. The report estimated that increasing the levels of equality within the workplace could result in an estimated increase of \$8 trillion in the global gross domestic product over 10 years.

Within the state of Illinois, experts project that the pay gap will not close until 2065 under the current trends. The damage to quality of life, generational wealth, and the strain on government resources will continue for years past 2065. Erasing the pay gap in Illinois would cut the poverty rate of women in half. Rising out of poverty helps end the cycle of poverty which many families have been trapped in for generations. People living in poverty have less access to health care, education, and employment opportunities. The median annual earnings difference between men and women in Illinois, approximately \$11,000, could cover the cost of three years of community college tuition.

Efforts have been made to identify and address, but the Illinois Commission on the Elimination of Poverty does not recognize pay disparity as a Commission Recommendation. Without creating either new laws or enforcing laws aimed at easing this pay discrepancy, any efforts to eliminate poverty will only result in women remaining in poverty.

This presentation will focus on potential legal actions which could be implemented on different governmental levels to ensure the intention of The Equal Pay Act becomes reality.