

**CHICANO Y CHICANA: INCOME DIFFERENCES AMONG THE LARGEST  
U.S. HISPANIC POPULATION**

A Thesis by

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I have examined the final copy of this *Thesis* for form and content and recommend that it be accepted in partial fulfillment of the requirement for the degree of *Master of Arts* with a major in *Sociology*.

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## **ABSTRACT**

This study focuses on the wage gap between Mexican American men and Mexican American women, and factors contributing to this disparity. People of Mexican descent make up 67% of the U.S. Hispanic population. Previous research tends to lump Hispanics together, masking differences between groups. Even more, studies considering Hispanic subgroups rarely examine gender differences on income. Using secondary data analysis of the March 2005 Current Population Survey Annual Social and Economic Supplement, this study examines a neglected subgroup, Mexican Americans, and the income gap within this group. The sample size is 3,408 with Mexican American men comprising 55.2% of the sample and Mexican American women 44.8%.

This study employs an income determination model composed of three model segments. Theoretical models include an individual component (comprised of variables such as age and education), a structural component (comprised of variables such as occupation and skill-level), and a gender component (comprised of variables such as sex and occupational sex segregation). Univariate, bivariate, and multivariate analyses are used to examine the independent effects of variables on income. Based on mean annual earnings, analysis shows that net of other factors, an 81% wage gap exists between groups with Mexican American men earning \$30,337 and Mexican American women earning \$24,548. When examining different elements of the theoretical model, structural model components account for the most variance explained on income between groups. This suggests that gendered discrimination within institutions may affect inequality in pay between men and women.

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## **1. Introduction**

The Hispanic population in the U.S. reached over 39 million in June of 2004. Mexican Americans, the largest group among Hispanics, make up 66.9 percent of all Hispanic groups (U.S. Census Bureau, 2004). The triple controversy of citizenship rights, immigration, and participation in the U.S. labor market, bring Mexican American issues center stage. Comparisons of Hispanic and Non-Hispanic White wage differentials are abundant in academic and political literature. However, few studies focus on subgroups within this population. Due to rising Mexican American immigration, disparities across income strata for this group are salient. Yet studies comparing wage differentials and success in the U.S. labor market between Mexican American men and women are few.

This study employs an income determination model consisting of three component parts based on theoretical perspectives. At the individual level, human capital theory views individuals as rational actors who make investments in factors such as education and job training that directly affect potential economic return in the labor market. However, due to immigrant status, language barriers, and the low socioeconomic status associated with the Mexican population, this group starts in a disadvantaged position. Structural level perspectives, such as segmented labor market, view the labor market as a hierarchy of positions. These positions, determined by economic institutions, determine possible returns, bifurcating the market. Mexican Americans are typically segregated into the secondary labor market, working in jobs typified by physical and service type labor that are not technologically advanced. Gender level perspectives focus on the processes and social affects of gendered institutions. The patriarchal nature of

Mexican culture may influence females' choice of job type, resulting in occupational sex segregation.

Using income as the dependent variable, the effects of independent variables on income related to Mexican American men and women are tested using univariate, bivariate, and multivariate analyses. Examining mean annual earnings, an income gap of 81% exists between Mexican American men and Mexican American women, net of other factors. Mexican American men earn an annual return of \$30,337 while Mexican American women only earn a return of \$24,548.

## **2. Literature Review**

### **2.1 Individual Perspective**

According to human capital theory, individuals are rational actors who make choices to meet their desires. Economic returns and the opportunity to move up the socioeconomic ladder are the impetus for choices. Investments in human capital include education, on-the-job training, and search for information based on prices and income (Becker, 1975). Higher educational attainment allows for vast choices in the job market and more control of financial outcomes. On-the-job training gives workers' new skills increasing their productivity, thus benefiting both worker and employer. The employee earns a higher income, the employer needs fewer workers, and the overall process is streamlined. Additionally, earnings directly correlate to the amount an individual invests in human capital based on rational comparisons of remunerations and costs (Becker, 1975).

According to this theory, the lower earnings of the Mexican American population are attributed to their lower surplus of human capital. Mexican immigrants arrive in the

United States with low levels of job skills, education, and language proficiency, lessening their ability to compete in the labor market (Wilson and Tienda, 1992). The human capital model views these hindrances as motivations for skill procurement, despite possible discrimination. This necessitates migration to acquire essential job skills to render enhanced economic opportunities. Of comparable, if not more importance, is the educational attainment necessary for upward mobility in the labor market. Traditionally, Mexican youth are born into families with low economic status and parental educational attainment. This directly affects the types of schools they attend and the quality of preparation for college. Since education is a nexus for income opportunity; the Mexican American populous begins in a disadvantaged place in society. Mexican Americans, who are sixty-seven percent of Hispanics in the US, have the lowest high school graduation rates among Latinos.

The gender gap in earnings can be directly attributed to women's lack of experience and acquired aptitude in the labor market over time (Bielby and Bielby, 2002). Women have been in the labor market fewer years than men. Therefore, their depth of human capital investment in this sector is deficient. Women tend to choose more flexible jobs that allow for domestic responsibilities to be met. This logic typifies Mexican patriarchal attitudes towards women in the labor market. Mothers and wives that work are looked down on in the Chicano/Mexican culture that emphasizes the idealized mother and patriarchal ideology (Gowan and Trevino, 1998; Meier and Ribera, 1993; Segura, 1992). Additionally, these pressures reduce educational aspirations that would result in success in the labor market.

On average, women's occupational choices require broad skills compared to unambiguous skills learned by men. Sex disparities in earning capacity are tied to this low investment and decay of human capital (Ward and Mueller, 1985). Additionally, human capital theory views motherhood and the possible reduction of women's market earnings as an investment of human capital of the family (Mincer and Polachek, 1974). Women are more likely to invest in this type of human capital regardless of loss of earnings in the labor market.

Another individualist approach, comparative advantage, views individuals or groups making investments in the labor market resulting in production at the lowest possible cost. These choices, based on personal tastes in accordance with an individual's perceived strength in skill, directly influence workers choice of job type (Gould, 2002). In other words, workers choose job fields that enable economic success based on innate and acquired talents. These choices result in a heterogeneous workforce yielding balanced distribution across job sectors in the labor market (Gould, 2002).

The division of household labor can be linked to job selection. Based on comparative advantage, this partition transpires due the differential capacities and earning power of men and women (Mincer and Polachek, 1974). Women may choose particular professions that enable duality in the labor market and domestic sector. Additionally, woman put less effort into jobs in the labor force to reserve energy to be expended in the home. This occurs regardless of comparability of skill and market experience compared to men (Becker, 1975). Close to thirty percent of Mexican family households have five or more people (Ramirez and Cruz, 2002). Additionally, the likelihood for a Hispanic women to give birth to a fourth child is double that of white mothers (Unger and Molina,

1997). Due to large family size, it is imperative that Mexican mothers work in the home. However, the low socioeconomic status associated with Mexican families almost requires Mexican woman to also participate in the labor market for economic survival.

When considering compensating differentials, it is thought that women may view their position in the household division of labor as a result of gender role socialization (Smith, 2002). As a result, they may choose lower-wage, less authoritative jobs to allow further commitment to the family. Biological differences between men and women affect job choice. Men typically boast more corporeal strength than women. Because of this, employers fill jobs that are physically challenging, or high-risk, with men. U.S. Mexican American immigrants typically find work in occupations requiring menial skills and physical labor. These job fields include construction, trucking, garment industries, farming, and domestic service (Meier and Ribera, 1993). For men, these occupations may yield higher earnings. The rationale for this lies in men's high skill attainment, biological superiority of strength, high levels of replaceability, and lack of participation in the household of labor.

## **2.2 Structural Perspective**

While individual-based theories view people as rational actors that make choices tied to their social and economic success in the labor market, structural perspectives focus on organizations or systems, and the resulting segmentation of the labor force. Within these organizations, the individual does not exist. Instead, workers occupy "positions" that directly determine earnings and social/capital mobility. Furthermore, structural positions determine the actions of workers and employers (Coverdill, 1988; Ritzer and Goodman, 2004; Sakamoto and Chen, 1991).

Two prominent structural theories in labor market supposition are dual economy and segmented labor force. The segmented labor market/dual economy approach can aid in understanding inequality in earned wages at an amassed, structural level. Both of these theories originated due to needs in understanding inequalities of structures despite varying levels of accumulated human capital. Research shows positions within in the labor market and the divisions within the economy affect income inequalities, regardless of human capital and ascribed characteristics such as race and gender (Reid and Rubin, 2003).

The Dual Economy theory developed in the 1960's due to the rise in poverty, racial/ethnic, and gender inequalities in the labor market (Hodson and Kaufman, 1982). Much of the original theory reflected the Marxian views on labor dynamics and the work force concentration and centralization of classes into sectors within the economy (Edwards, 1979; O'Connor, 1973; Reich, Gordon, Edwards, 1973). The Dual Economy model consists of bifurcated economies referred to as the core or monopoly sector, and the periphery or competitive sector. Marxism sees the economy being controlled by capitalists who manipulate the resources and surplus of labor creating competition among each other. This process eventually causes the accumulation of capital to become concentrated in a core sector with few monopolists/capitalists dominating the labor arena. Additionally, groups/businesses in the periphery are left to compete for resources and surplus with less capital than those dominating the core (Hodson and Kaufman, 1982).

The core economy, characterized by large monopolistic firms, accumulates substantial capital compared to labor ratio, is technologically advanced, and operates at the national and global level (Reid and Rubin, 2003; Hodson and Kaufman, 1982; Beck,

Horan, Tolbert II, 1978). Advanced technology increases profits of corporations in the monopoly sector resulting in the ability for higher wage structures. Additional characteristics of jobs in this sector are superior benefits and mobility in career advancement due to large market share afforded by large corporations (Averitt 1968; Kalleberg, Wallace, and Althuser, 1981). Another characteristic of the monopoly economy is the existence of an internal labor market. Firms in this sector contain hierarchical positions with entry only obtained from another position within the internal labor market. This works as a safeguard for job stability and access to higher and secure wages, working as an entry barrier to workers outside of the core (Hodson and Kaufman, 1982; Doeringer, 1986). Education and training opportunities are prevalent in the monopoly sector. Workers typically have more education and parents who have had access to educational opportunities (Beck et al., 1978). More current research by Reich terms core workers “symbolic analysts” who are more educationally advanced and able to create and identify problems that aid in the continued economic success and separation of the core and peripheral factions (Reich, 1992).

The periphery or competitive economy is characterized by firms with low numbers of employees and is often associated with high risk, labor-intensive production (Sakamoto and Chen, 1991). Market share is restricted in part because of technological inefficiencies (Beck, Horan, Tolbert II, 1978; Hodson and Kaufman, 1982; Reid and Rubin, 2003). Prospects for career advancement and high wages rarely exist in the competitive economy due to lack of training opportunities and levels of education. Additionally, career ladders hardly exist, benefits are few, and little job satisfaction exists (Averitt 1968; Kalleberg, Wallace, and Althuser, 1981). From the perspective focusing

on production, the competitive periphery is typically linked and sometimes controlled by businesses in the core economic sector. Small firms must compete for contractual relations with monopoly firms in the core (Reich, Gordon, Edwards, 1973). This lack of control leads to less stability in peripheral firms adding to the dichotomization of labor markets into primary and secondary sectors (Gordon, 1972). Reich refers to workers in the periphery as routine producers that are often linked to service work. These production type jobs add to the declination of wages (Reich, 1992), and contribute to unstable work histories for employees.

Minorities and women typically start work careers in the competitive sector and specific jobs are service oriented (Hodson and Kaufman, 1982). However, levels of education in the periphery sector do not affect wage disparities between minorities and women (Coverdill, 1988). Even more, positioning in the labor market is a strong contingency for the earnings of Hispanics (Melendez, 1991). A large percentage of Mexican American women typically are employed in service type industries (Melendez, 1991; Reich, 1992). Compared to non-Hispanic Whites, Hispanics' earnings in the peripheral economy are low. Both Hispanic men and women employed in the competitive, low-skilled market receive almost half the wages of Whites (Melendez, 1991). Additionally, Hispanics are more likely to be employed by smaller firms, and while White men are evenly distributed between the core and periphery, minorities and women are overrepresented in the periphery. Overall, two-thirds of Hispanics are employed in the periphery (Melendez, 1991).

Labor market segmentation works to divide workers in the labor market, enhancing capitalistic domination and hindering worker mobility. This partition further

separates positions of authority from subordinate level workers and may even limit workers' aspirations for career advancement (Reich, Gordon, Edwards, 1973). Characteristics of positions within structures, divide the labor market into two factions, the primary and secondary sectors. The segmented labor market developed due to monopolistic companies' attempts to control productivity in the labor market. The growth of these large corporations elicited market force change that catalyzed and strengthened labor market segmentation. Large companies typify the primary labor market sector. The large size and productive ability enjoyed by capital-intensive companies in the primary sector allow stability, are technologically advanced, and have strong power in the market (Reich, Gordon, Edwards, 1973). Comparing the two sectors, "good jobs" are associated with positions in the primary labor market sector while "bad jobs" are associated with positions in the secondary sector (Reid and Rubin, 2003; Kalleberg, Reskin, Hudson, 2000).

The primary sector of the labor market is characterized by high bargaining power, stability in work positions, on-the-job skill attainment, high wages, and job ladders (Sakamoto and Chen, 1991; Reich, Gordon, Edwards, 1973; Reid and Rubin, 2003). Other factors related to the primary labor market include education, union forming ability, and earnings. In the primary sector earnings are related to productivity (Boston, 1990). Security, partly due to the ability of production, helps protect workers from declining mobility and employment is based on positions available determining income possibilities (Hodson and Kaufman, 1982; Reid and Rubin, 2003).

The secondary sector of the labor market is characterized by low job stability, inadequate wages, high turnover, and lack of mobility in relation to job ladders (Reich,

Gordon, Edwards, 1973; Reid and Rubin, 2003). Job types within this sector are typically labor-intensive. Occupations involve tedious, monotonous work that is often physical in nature. A key argument of segmented labor market theory points out the lack of relationship between earnings and productivity in the secondary sector. Earnings are often related to the amount of hours worked, and years of experience in the work force and additional job training rarely affect income (Boston, 1990). Even more, employers that begin careers in the secondary sector find mobility between sectors difficult due to unstable work histories that typify the secondary (Hodson and Kaufman, 1982). This can also cause over-qualified workers to be restricted to the secondary sector (Boston, 1990).

Minorities and women fill the largest portion of secondary jobs (Reich, Gordon, Edwards, 1973; Reid and Rubin, 2003). Hispanic men and women are overrepresented in semi-skilled jobs that often involve factory work. In fact, employers may seek out Hispanics' and other minority workers willing to work in poor, often hazardous conditions for minimal wages (Moore and Pachón, 1985). These jobs are often marginal and seasonal in nature. By the 1980's approximately two-thirds of Mexican Americans were employed in the secondary labor market in low-skilled and semi-skilled jobs (Meier and Ribera, 1993). According to the 1990 census, 65.8% of Mexican woman were in low-paying jobs based in service, clerical, and factory work (Meier and Ribera, 1993). Mexican Americans' jobs in the secondary labor market are characterized by low wages, few benefits, and little opportunity for advancement. These jobs are often seasonal resulting in instability in family socioeconomic status (Gordon, Edwards, and Reich; 1982). Both Mexican American men and woman are overrepresented in the secondary labor market. Mexican women are primarily in service industries and secondarily in

clerical work whereas Mexican men are employed primarily in precision production, craft, and repair work. Even more, all Hispanic groups have double the likelihood of being employed as manual laborers and operators than non-Hispanics (Ramirez and Cruz, 2002).

### **2.3 Gender Model**

While individual and structural perspectives view gender as a variable, gender models consider gender to be a life long process. Gender is typically linked to biological, physical differences between men and women. However, regardless of physical differences, gender is an underlying process upheld by social structures, institutions, and cultural ideology. Unlike race or social class standing, gender is not a separable variable, but an embedded process permeating all social institutions (Acker, 1992). This patterning reflects differences between men and women in a social system. Resulting discrimination by gender affects sex segregation in the work force allowing men to accrue more economic advantages than women (Solberg and Laughlin, 1995). Because many societal institutions are historically established by men, women, at work and in the home, are often seen as subservient and dependent (Acker, 1992). This lowered gender status causes women to be undervalued compared to men (Ridgeway, 1997). According to Cohen and Huffman (2003), the gender gap in wages is a result and perpetuate of two sources, distributional differences across occupations for men and women and differences within occupations.

Gender affects the division of labor carried out in households. Women typically carry out tasks such as cooking, cleaning, and laundry care. Men typically do work that takes them outside such yard keeping, auto reparation, and less domestic tasks in the

household such as paying bills. One study found married men to spend an average of eighteen hours per week on household work while married women spent an average of thirty-five hours. And, regardless of marital status, women do more work in the home (Stratton, 2003). Women that stay home, as “housewives,” may be disadvantaged when trying to enter the labor market. They have accumulated few skills and lack years of experience. Housewives are typically financially dependent on their husbands. The power he espouses by being the only financial contributor to the household affords him power and possibly manipulation (Bergmann, 1981). Women that contribute equally or more to household income compared to men may share power over the household with their spouse. However, evidence has shown women who do contribute more than their husband to the household income spend more time on domestic tasks as a result of gendered socialization (Stratton, 2003).

Women with children typically choose occupations that allow for the balance of employment and domestic work (Chan, 1999). Again the social construct of gender influences women’s obligations to stay at home and care for the children. Having children has been shown to impact women’s choice on entering the labor market. Married women having few children are more likely to enter the labor force, and married men with few children are less apprehension about participating in the labor force. In a study by Stratton (2003), sixty percent of married women were actively participating in the labor force in 2000.

Divisions that exist between men and women in the household may be socially constructed. This partition, created by society, is not biological in nature (Jacobs (b), 1989). In fact, social structures such as organizations and the family structure are

impetus for women's participation in the labor force. How women filter into specific types of occupations is affected by the stratification of gender (Semyonov, 1980).

A large number of women entering jobs stereotyped as female are explained by crowding theory. This theory focuses on discrimination by employers or institutions through the devaluation of work performed by women. And, regardless of economic reasons, wages associated with devalued female jobs are another tool propagating discrimination while higher wages associated with male dominated jobs remain in place (Bridges and Nelson, 1989). As an explanation for gender discrimination, crowding theory proposes women are crowded into certain jobs resulting in declining wages within those occupations, although the number of employees continually increases. As a result, women have fewer job choices due to less occupational selection that decreases chances for employment. For example, one thousand women may all apply for one job. If women were afforded the same range of job opportunities as men, crowding would not occur and wage and status differentials may not exist (Reskin and Roos, 1990). Discrimination, due to crowding, may be caused by institutional inequity or by the choice of the worker to enter certain occupations (Solberg and Laughlin, 1995).

Another theory, overcrowding, focuses on the supply and demand for labor. Supply is associated with the number of workers willing to do a certain job. Employers determine the number of workers needed to fill certain positions, or demand. The differences resulting from supply and demand are related to the resulting wages (Cohn, 2000). Similar to crowding theory, overcrowding occurs when a wealth of workers is eligible for filling a small number of jobs. Because of this, the wages associated with these jobs are lowered. Women have fewer occupational choices; therefore, employers

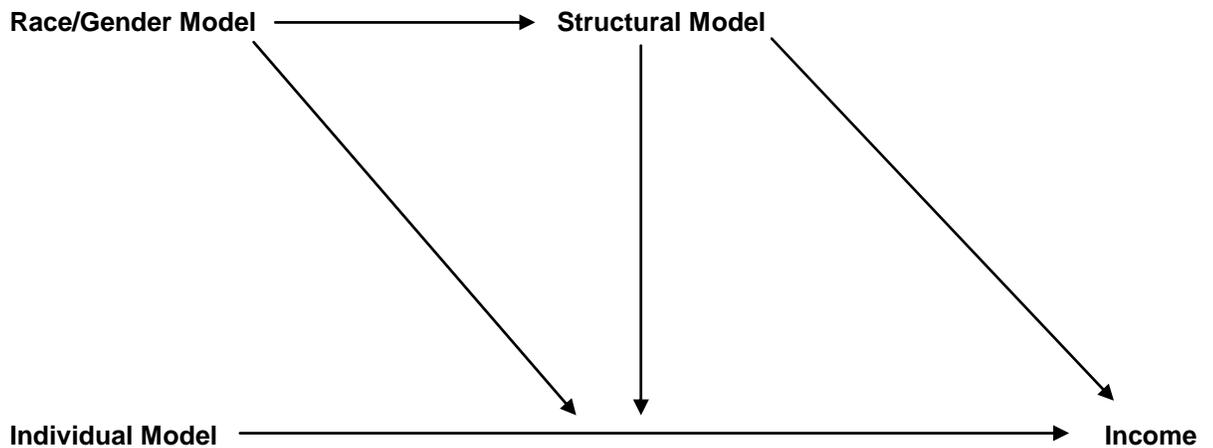
offer workers in female-type occupations lower wages due to the overabundance of eligible candidates. Overcrowding theory acknowledges not all men or employers discriminate against women, but the few that do continue the circular process (Cohn, 2000). Petersen and Morgan (1995) conducted a study showing occupational segregation by sex to proliferate gender inequality in the labor force. Until employers change practices of lowest wage distribution for filling jobs, women will continue to be economically disadvantaged.

In revolving door theory, although women may enter into typically male-dominated occupations, they are pressured to egress due to already existing social barriers. Women workers enter into male dominated jobs and are pressured to exit due to male implications of inadequacy. Therefore, female production may lessen due to a weakness mentality that eventually leads to repudiation by female workers. Even more, women in female-type occupations find mobility into male-dominated occupations extremely challenging (Jacobs (a), 1989; Chan, 1999). Gendered impediments existing in labor institutions result from societal belief systems and employer practices. As a result, gender socialization within society leads to cyclical bifurcation of workers by gender. This helps maintain male domination within many job fields and aids in continual gender segregation in the labor market (Jacobs (a), 1989). In fact, the more years women spend in female-type occupations, the more difficult it becomes to gain entrance into male-type occupations (Chan, 1999). One process of gender inequality in the workplace is due to “flows”, or the level of restriction into or out of specific occupations during a set period (Jacobs (a), 1989).

Queuing can be defined as the ranking of job applicants by employers, labor queues, and a worker's ranking of possible jobs, job queues. Reskin and Roos (1990) developed the theory of labor cues based on the ranking of job applicants. Queuing theory also considers factors influencing ranking of jobs by both the employee and employer that are non economic in nature. Possible considerations are working environment, social stratification, sex composition, and opportunities for career advancement (Reskin and Roos, 1990). Gradation also considers previous job training, productive ability, and stratifies applicants by race and sex. Employers may use race and sex ordering to establish labor queues in the market. Ranking of labor queues are related and stereotyped based on the job's sex and race aptness (Kaufman, 2002). Additionally, these labor cues form gender cues due to employers placing more importance on male workers through the ranking system. Women's job opportunities and future employment are greatly affected by this stratified gender hierarchy. Labor and gender cues reserve the best jobs for males, or the favored group, leaving less sought-after jobs for women and minorities (Reskin and Roos, 1990).

The family organization of the home affects how women and employers participate in ranking jobs. Women may actively favor jobs, or highly rank jobs, that allow for flexibility between labor force participation and domestic work. Conversely, employers, through discrimination, may assign lower ranks to women that have children and household responsibilities (Reskin and Roos, 1990).

## 2.4 Alternative Model



(adapted from Wright, :1992)

Various models exist to aid in understanding wage differentials between men and women. These models are often based on existing theoretical perspectives. Examining individual-based perspectives, human capital theory views individuals as rational actors making personal investments in factors such as education and on-the-job training affecting economic success. Structural-level perspectives such as segmented labor force and dual economy theory focus on positions determined by economic institutions and the resulting bifurcation of the labor market due to factors such as technology, internal labor markets, and corporate size. In contrast, gender-based perspectives focus more on processes and socialized affects of gendered institutions such as the patriarchal nature of the family and cultural beliefs, rather than structures and individual choices that affect occupational segregation by sex. Examples of gender-based theories include crowding theory, household division of labor, and job/gender queueing. Separately these theoretical perspectives account for only some aspects of wage differences between men

and women. However, this study will use a multi-level approach based on all theories presented to render a more holistic-based model looking at the income gap.

The individual perspective focuses on individual actors making rational choices directly affecting job opportunities and income possibilities in the labor market. Factors contributing to individuals' success in the labor force include age, additional education, on-the-job training, and years of work experience. Individual investments in these factors yield higher economic returns, more productivity, and opportunities to advance in the labor force. Structural perspectives focus on organizations or institutions disregarding individual characteristics and levels of accumulated human capital. Instead, workers occupy positions that directly determine earnings and social/capital mobility based on the structure of institutions. For instance, if one stock boy at a supermarket has a Bachelor's degree and a fellow stock boy at the same supermarket was a high school dropout; both will earn the same income. All positions existing within structures determine and maintain income disparities. The gender perspective focuses on maintained gendered institutions due to socialization and cultural beliefs over the life course. Even upon entrance, women are sorted into "female-type" occupations with fewer job-choice opportunities than men and earn less than men occupying the same occupation with the same level of educational attainment or work experience. Overall, because of gendered segregation, income disparities will yield higher earnings for men rather than women regardless of equality in occupational type or individual investments.

Hypotheses are based on previous literature and ordered by model segments. The following two hypotheses are based on the individual perspective.

1a: Income will increase as education increases, net of other factors.

1b: As a workers age increases, their income will increase, net of other factors.

The following two hypotheses are based on the structural perspective.

2a: Workers in high-skill positions will earn higher income than workers in low-skill positions, net of other factors.

2b: Managers with earn higher wages in relation to acquired levels of education compared to workers in service type industries, net of other factors.

The following two hypotheses are based on the gender model.

3a: More Mexican-American women will be employed in service-type jobs compared to Mexican-American men , net of other factors.

3b: Mexican-American women will earn less income than Mexican-American men, net of other factors.

### **3. Data and Methodology**

#### **3.1 Data**

The purpose of this study is to examine income differentials between Mexican American men and women. The data set used in this study is the March 2005 Current Population Survey (CPS) Annual Social and Economic Supplement conducted by the Bureau of the Census for the Bureau of Labor Statistics (Bureau of the Census, 2004). The CPS Survey is administered monthly to approximately 57,000 households across the U.S. and is the primary data source used to identify labor force statistics. Data collected includes, but is not limited to, information on hours worked, employment/unemployment, overall earnings, and demographic indicators.

In order to study wage disparities between Mexican-American men and women, several sample restrictions were applied to the CPS data set. An interval level age variable is used to select only those between eighteen and sixty-four years of age in the population. This enables removal of workers receiving training wages and retired workers. Respondents who did not work in the past year, who were self-employed, or who received no pay, were removed for analysis. Those employed or married to persons in the armed services were dropped from analysis because a difference in pay scale structure varies compared to the civilian population. Additionally, workers earning less than \$258 or more than \$100,000 per year were discarded. Mexican Americans are the only populace selected to study. After application of sample restrictions the final population size of Mexican-American men and women studied is 3,408.

The CPS provides a weight that enables generalization to the U.S. populace. Weights are important in data analysis because they are reciprocals of sampling ratios, allowing generalization of a sample to a larger population. The application of weights may result in large sample sizes, reducing sampling error and causing biased population parameters. To prevent bias outcomes, a relative weight must be designed and applied to the CPS weight. To calculate the relative weight, the standard weight is divided by the mean of the standard weight. Relative weight allows the sample size of data to reflect the N of the unweighted data while still reflecting frequency percentages of the weighted data.

## **3.2 Variables**

### **3.2.1 Dependent Variable**

Income, based on annual earnings from the CPS survey, is the dependent variable measured in this study. Most research focused on the income gap uses weekly and hourly measures. However, such studies minimize the effects of overtime pay. Therefore, this study uses the CPS annual income because it is a stronger measure of economic equity. Income is typically highly skewed. To compensate for skewness, researchers utilize log income values and centile measures. However, to minimize this problem in this study, annual income is measured in raw dollars. Additionally, the application of sample restrictions decreases skewed results. Mexican American men are expected to earn more than Mexican American women net of other factors.

### **3.2.2 Independent Variables**

#### **3.2.2.1 Individual Level Variables**

Individual level variables used to study the income gap between Mexican American men and women are age, level of education attained, and residential location. The interval-level age variable includes eighteen to sixty-four-year-old income earners. It is important to note that age has a curve linear relationship with income. Because of this, a centered age squared variable is created.

The ordinal-level education variable was recoded into five levels of attainment: less than high school , high school degree or equivalent , some college , four year degree , and master's degree or higher . For each of the five levels of education, binaries (0,1) are created. In addition, from the five level ordinal variable, a binary (0,1) is created bifurcating college degree earners and non-college degree earnings. Those earning a college degree or higher equal 1 and those without a college degree equal 0.

A variable measuring residential location is used to divide and reflect population concentrations within metropolitan/cities versus rural areas. Those living in rural areas equal 1 while those living in metropolitan areas equal 0. A variable reflecting region of residence was considered, but because the Mexican American population is dense in specific regions of the U.S., the South and Southwest, this variable was excluded from analysis.

### **3.2.2.2 Structural Level Variables**

Structural level variables used in this study include class of worker, hours worked, company size, occupation, occupational prestige, and skill level. A nominal level class of worker variable divides government workers from non-government workers. A binary (0,1) is created with government workers equaling 1 and non-government workers equaling 0.

An interval level variable based on hours worked per week separates part-time and full-time workers. Using this variable, a binary (0,1) was coded to divide workers based on part-time status, thirty-four hours or less, and full-time status, more than thirty-five hours worked per week. Part-time worker's hours equal 1 while full-time worker's equal 0.

An ordinal level variable representing company size is recoded into four binaries reflecting company size by number of employees. The four groups are micro size (Less than 10 employees), small size companies (10-99 employees), medium size companies (100-499 employees), and large size companies (500 or more employees). Based on the four-level company size variable each group was recoded into a binary (0,1).

A nominal level variable reflecting occupational prestige is used in analysis. Occupational prestige is a variable ranking the prestige of positions by occupation based on a scale of 0 to 100. The prestige of a position increases related to higher numbers on the scale.

An ordinal level occupation variable separates workers by skill-level. The four levels include occupations in White-collar High-skill (executives, professionals, managers), White-collar Low-skill (sales, administrative support, clerical), Blue-collar High-skill (construction, precision craft, transportation equipment), and Blue-collar Low-skill (service, operators, laborers). Each skill level was recoded into a binary (0,1), with 1 equaling workers employed in the specific skill-level job and 0 equaling workers not employed in the corresponding skill-level occupation.

### **3.2.2.3 Gender Level Variables**

Gender variables in this study are based on sex, immigrant status, if a respondent has a parent who immigrated, occupational sex segregation, marital status, number of children in the household and single parent households. A nominal level sex variable was recoded into a binary (0,1) with females equaling 1 and males equaling 0. This study predicts that Mexican American women will earn less income compared to Mexican American men, net of other factors.

A nominal level variable reflecting marital status was recoded into three categories. Groupings are married, ever married, and never married. Binaries (0,1) were created for each of these groupings to allow for analysis. An interval level variable, persons with children under six, is also part of analysis. The variable is recoded into a

binary (0,1) separating persons with children under six and persons not having children under six.

A nominal level occupational sex segregation variable reflecting the type of job one occupies, female saturated, male saturated, or gender neutral is used in analysis. This variable is the total percentage of women occupying each job divided by the percent of women in the labor force. Based on this scale, values greater than 1 reflect female saturated occupations, (or the overrepresentation of women in an occupation), values less than 0 reflect male saturated occupations, (or the underrepresentation of women in an occupation), and values equal to 1 reflect gender neutral occupations, (or equal distribution of men and women within an occupation).

A nominal level immigration variable is used to separate immigrants from non-immigrants in the population studied. A binary (0,1) is created with immigrants equaling 1 and non-immigrants/native born workers equaling 0. A nominal level parent immigration variable separates those who had at least one parent immigrant from those who did not. A binary (0,1) is created with respondents with at least one immigrant parent equaling 1 and respondents without a parent that immigrated equaling 0.

### **3.3 Methodology**

Three levels of analysis are used to study income differences and relationships between Mexican American men and Mexican American women. First, univariate analysis, a descriptive account of the study population and sub-population, establishes groups and subgroups. Furthermore, bivariate analysis, using group means comparison, ascertains statistically significant differences between Mexican American men and women. Using T-tests, significant differences between Mexican American men and

women across dependent and independent variables are determined. Statistically significant results yield an alpha value of .05 or lower, reflecting less than 5% error. In this study multivariate analysis using ordinary least squares (OLS) regression identifies value effects of independent variables on the dependent variable of income.

#### **4. Results**

##### **4.1.1 Table 1: Univariate and Bivariate Analysis by Full Sample and by Sex**

Table 1 provides univariate and bivariate measures for the full sample and Mexican American men and women. Mexican American women earned only 81% percent of mean annual income compared to men. Annually, men in the sample earned \$30,377 compared to women who only earned \$24,548, a difference of \$5,829. This difference is statistically significant at the .000 level. Looking at median income, Mexican American women earn 79 percent of the median income of men. Annually, men in the sample earned \$28,000 compared to women who only earned \$22,000, a difference of \$6,000.

Human capital theory would expect attributes such as age, educational attainment, and residential location to effect differences in income earned by these two groups. Even more, this individualistic approach assumes men attain higher levels of education and have more years in the labor market. The only significant difference between men and women at the individual level is earned college degree, with women having higher attainment at 12.2 percent compared to men at 9.2 percent. The age of respondent and rural location of residence is not significant.

Compared to individual-level factors, more structural-level factors are statistically significant in predicting income disparities between Mexican American men and women.

Women are more likely to be part-time workers than men, (16.7 percent compared to 7.5 percent), and work less hours per week compared to men, (38 hours compared to 41.3 hours). Additionally, Mexican American women are more likely to be government employees, 18.1 percent, compared to Mexican American men, 12 percent.

Mexican American women occupy white-collar, high-skill and white-collar, low-skill jobs at higher rates than Mexican American men, (30 percent versus 16 percent and 41 percent versus 18 percent). In contrast, more Mexican American men occupy blue-collar high-skill jobs (37 percent versus 6 percent) and blue-collar low-skill jobs (29 percent versus 23 percent) compared to Mexican American women. All skill-level variables yield statistically significant differences between men and women on income.

More Mexican American men occupy goods-producing jobs, versus service-type jobs, compared to Mexican American women at (34 percent versus 12 percent). Mexican American men have higher rates of employment than Mexican American women in micro size companies (14.5 percent versus 13.8 percent), and small size companies (28.9 percent versus 22 percent). However, there is not a statistically significant difference at the micro size level but there is a difference at the small company size level. Mexican American men and women occupy jobs in medium size companies at a similar rate of 13.3 and 12.9 percent respectively, but this difference is not significant. Looking at employment at large companies, more Mexican American women occupy jobs at this level compared to men (51.3 percent compared to 43.3 percent). This difference is statistically significant.

Gender model factors show several income differences between Mexican American men and women. Based on the occupational sex-segregation scale, more

Mexican American women work in occupations saturated with other women (1.43) compared to Mexican American men (.57). This difference is significant. A higher percentage of Mexican American men are married (57.3 percent) compared to Mexican American women (50 percent), and never married (32.8 percent versus 28.2 percent). Mexican American women are ever married at a higher rate than men (21.8 percent compared to 10 percent). All marital level differences in the analysis are significant.

A significant difference exists between men and women based on immigrant status. A higher percentage of men are immigrants at 23.1 percent compared to 19.8 percent of women in the sample. Women in this study are disadvantaged compared to men with 29.7 percent of Mexican American women living as single parents compared to only 15.6 percent of Mexican American men. This value is significant. No significant difference exists for respondents with children under six years of age and those with immigrant parents.

#### **4.1.2 Table 2 Univariate and Bivariate Analysis for Full-time, Full-year workers by Full Sample and by Sex**

While Table 1 includes part-time and full-time full-year workers, Table 2 provides univariate and bivariate analysis results for full-time, full-year workers only for the full sample and Mexican American men and women. Even when controlling for part-time hours worked, the pay gap between Mexican American men and women is still significant. Differences between men and women in the sample on the dependent variable, income, are significant at the .000 level. Mexican American men have a mean annual earning of \$31,729 while women have a mean annual income of \$26,737. These mean values generate an 84 percent wage gap.

Interestingly, looking at individual level variables, human capital theory fails to account for income differences between groups. Only one significant difference exists when looking at individual-level factors. Mexican American women are more likely to have earned a college degree at 13.3 percent compared only 9.1 percent of men. Regardless of this educational achievement, Mexican American women still earn less than their counterparts. No significant differences were found for age in years or location of residence.

Several variables are significant at the .001 level when looking at structural level measures. Mexican American men work slightly more hours per week than Mexican American women (42.6 versus 40.8), and are less likely to be government workers compared to women (12.2 percent versus 19.3 percent). Mexican American men are more likely to be employed in small size companies (29.1 percent versus 21.9 percent), while Mexican American women are more likely to be employed at large size companies (51.9 percent versus 42.5 percent). Men are employed at a higher rate in goods-producing jobs compared to women (36 percent versus 13 percent). Mexican American women are more likely to work in white-collar high and low-skill jobs (31 percent versus 16 percent and 40 percent versus 17 percent), while Mexican American men are more likely to work as blue-collar high and low-skill employees (39 percent versus 7 percent and 29 percent versus 22 percent). No significant differences exist between men and women on the variables of micro size companies and medium size companies.

Gender level variables in Table 2 yield more variables that show statistically significant differences between Mexican American men and women compared to Table 1. Feminist theory is supported with more Mexican American women being sorted into

female saturated jobs compared to Mexican American men (1.41 versus .55).

Additionally, Mexican American women are less likely than men to married (50.1 percent versus 60.2 percent), but more likely to be ever-married (23.5 percent versus 10.2 percent) of men. The relationship between men and women in the sample is not significant for the never married category.

A slight difference exists between groups and immigrant status (men 24 percent and women 21 percent). Mexican American women are more likely to be single parents (30.8 percent versus 15.1 percent), compared to Mexican American men. This difference is significant. No significant difference was found between groups on income for respondents who have children under the age of six or an immigrant parent.

#### **4.1.3 Table 3 Median Annual Earnings of Full-time Full-year workers by Occupation and Education**

Structural theory suggests that income is determined by the economic position one occupies in the labor market. Additionally, positions within the hierarchy of jobs are rewarded economic returns for increases in education at different rates between occupational levels. Table 3 looks at structural level factors for full-time full-year workers by occupation and education for the full sample. The table is categorized into four main occupation and skill-level groups which in turn are further broken down into specific occupations. Mexican American men earn more than Mexican American women in every core occupation/skill-level category.

According to Table 2, more Mexican American women occupy white-collar high-skill occupations (31 percent versus 16 percent). However, according to Table 3, they only earn 80% of men's earnings in white-collar high-skill jobs (men at \$40,000 annually

and women only \$32,000 annually). Examining the occupations within this category, men who are executives, administrators, and managers have an average median income of \$40,000 while women only have an income of \$35,000. This difference is significant, generating an 87.5% pay gap. Mexican American men earn more than Mexican American women in both educational and healthcare professions (\$40,940 versus \$27,000 and \$33,954 versus \$25,000). The wage gap between men and women in both these occupational categories is salient (60.1% in education and 73.6% in health care professions).

The largest percentage of Mexican American women in the sample occupy jobs in white-collar, low-skill occupations. According to Table 2, more Mexican American women occupy white-collar low-skill jobs compared to Mexican American men (40 percent versus 17 percent). However, looking at Table 3, women still only earn 86.4% compared to men (\$25,000 versus \$28,948). This is the smallest income gap between Mexican American men and women on all four skill/occupation levels. A significant difference exists based on sales occupations with women only earning 74.7% of what men in the same positions earn (\$22,000 versus \$29,469). Less disparity exists in administrative support and clerical type occupations. Mexican American women earn 89.3% of what men earn in the same occupation (\$25,000 versus \$28,000).

More Mexican American men occupy blue-collar high and low-skill jobs compared to Mexican American women (37% versus 7% and 29% versus 22%). Women in blue-collar high-skill/occupations only earn 76.7% of what men earn in this category (\$23,000 compared to \$30,000). Examining specific occupations, only jobs in protective services and precision crafts yield a significant difference between men and women. In

protective services, a 76.1% wage exists with men earning \$35,430 and women only earning \$26,957. In the precision craft category, men earn \$31,000 and women only earn \$21,480 generating a wage gap of 69.3%. Other categories, construction and transportation, were not significant across groups. Women earn 69.6% of what men earn in blue-collar low-skill jobs in the same position (\$16,000 versus \$23,000). Men earn higher incomes across all occupations in the blue-collar low-skill category including service jobs, machine operating and assembling, and laboring/cleaning jobs. Mexican American men employed in service occupations earn \$19,804 while Mexican American women earn only \$15,000. A 73.1% wage gap exists when looking at workers employed as machine operators and assembly type jobs. Men experience a return of \$26,000 compared to \$19,000 by women. The category including laborers, cleaners, and handlers is not significant.

Table 1 revealed that more Mexican American women have earned a college degree compared to Mexican American men (12.2 percent versus 9.2 percent). However, Table 3 income disparities between groups are salient. By examining levels of educational attainment and returns associated with each level in Table 3, it is evident that Mexican American women with four year college degrees and higher narrow the income gap with Mexican American men. However, neither difference is statistically significant. Women in the sample with less than a high school degree earn 69.6% of men with the same level of attainment (\$16,000 versus \$23,000). Over the next four levels, the income gap decreases. Mexican American women with a high school diploma or equivalent earn \$6000 less than men (\$23,000 versus \$29,000) generating a wage gap of 79.3%.

Mexican American women with some college experience earn 77.1% of what men earn (\$27,000 versus \$35,000). Having a four-year college degree or higher is not significant.

The last section of Table 3 uses an education/occupation matrix to allow for analysis of earnings based on jobs requiring different levels of educational attainment. Regardless of educational prerequisites, Mexican American men earn more than Mexican American women. Jobs requiring a high school diploma or some college yield a 76.5% income gap with Mexican American men earning \$26,149 while Mexican American women only earn \$20,000. The gap narrows across the following categories but is still significant and persistent. Jobs that require a high school diploma, some college, or a four year college degree yield high income for men, \$37,900 compared to \$30,000 for women. An 83.8 percent pay gap exists between Mexican American men and women for jobs requiring a four year college degree or higher (\$43,105 versus \$36,133).

#### **4.1.4 Table 4 Median Annual Earnings by Skill-level and Education**

Similar to Table 3, Table 4 examines structural level theory as related to income differentials. However, Table 4 examines income differences across groups based on levels of education for full-time full-year workers by two skill-levels; white-collar high-skill jobs and blue-collar low-skill jobs. Positions within the hierarchy of jobs are rewarded economic returns for increases in education at different rates between occupational levels. It is apparent that increases in income based on levels of educational attainment greatly vary for those employed in white-collar high-skill professions versus those employed in blue-collar low-skill professions (managers/professionals versus laborers/service workers). Mexican American men earn more than Mexican American women at every educational level achieved within both skill-level occupations.

Studying the full sample, a greater magnitude of economic opportunity exists for workers in white-collar high-skill jobs by level of education. On average, those employed in this sector see an economic reward \$35,000. An \$8,000 difference exists between men and women in white-collar high-skill jobs (\$40,000 versus \$32,000). Men with a high school diploma or equivalent have an average annual return of \$36,000 while women only earn \$27,798. A larger disparity in income exists between men and women with some college education. Mexican American men are augmented by \$40,000 while Mexican American women are disadvantaged with a return of \$28,069, a very slight increase from having a high school education. In managerial and administrative type occupations, significant differences do not exist between groups for less than a high school diploma or a four year college degree.

Blue-collar low-skill jobs typically involve service work and manual labor. Table 2 shows that more Mexican American men occupy these occupations compared to women (29 percent versus 22 percent). Viewing Table 4, for the full sample, the average earnings in this category are \$20,000. Compared to white-collar high-skill jobs, a far less magnitude exists for economic rewards based on levels of educational attainment in blue-collar low-skill jobs. Men in blue-collar low skill jobs have a median annual earning of \$23,000 while women earn \$16,000. Women are disadvantaged compared to men across all educational levels in blue-collar occupations. Women with less than a high school diploma earn \$5,000 less than men (\$15,000 versus \$20,000). Even more, women with a high school diploma or equivalent only earn \$17,035 while men earn \$25,000. The gap starts to narrow for those with some college education. Mexican American women have an annual return of \$22,045 while Mexican American men have a return of \$26,550.

Having a four year college degree does not yield a statistical difference between men and women on income in blue-collar low-skill jobs.

#### **4.1.5 Table 5a Multivariate Analysis using OLS Regression of Income by Full Sample and by Sex**

Table 5a uses OLS (Ordinary Least Squares Regression) to perform multivariate analysis with income as the dependent variable for the full sample as well as for both groups, Mexican American men and Mexican American women. Results in this table represent real dollars earned. The adjusted R squared for the full sample is .421, explaining 42% of variance on income. Hypothesis 3b predicted that Mexican American women will earn less income than Mexican American men, net of other factors. This hypothesis is supported with Mexican American women earning \$3,228 less than Mexican American men, net of other factors. Across all independent variables in Table 5a, Mexican American women are economically disadvantaged compared to Mexican American men.

Hypothesis 1b predicted that as age increases income will increase, net of other factors. This hypothesis is supported with the full sample earning a return on income of \$305 per each year increase in age. For groups separately, Mexican American men have a return of \$369 per year increase in age while Mexican American women only have an increase of \$210. Hypothesis 1a predicted that income will increase as educational attainment increases. This is supported with the full sample earning \$1,568 for each additional year of education. Of interesting note, women gain an economic return of \$1,633 per year of education and men have a slightly lower return of \$1,545. Differences of income based on years of education for the full sample is significant, but a significant difference does not exist between groups. The full sample has a net loss of \$3,831 per

year for living in a rural location. A meaningful difference does not exist between men and women on income when looking at this residential variable.

At the structural level, for the full sample, government workers earn \$1,592 more per year. Mexican American men earnings increase \$4,195 for working in government jobs. This finding is not significant for Mexican American women. There is a miniscule increase per year by the number of employees working at a company (\$3). The return based on the number of employees is similar for both men and women (\$3 versus \$4). A meaningful difference does not exist between men and women in this category. For the full sample, those working in high-skill occupations have a yearly earning increase of \$4,712. And, even though Table 1 revealed that more Mexican American women work in high-skill jobs compared to Mexican American men (30 percent versus 16 percent), Table 5a shows that men occupying positions in high-skill jobs see a higher return compared to women (\$5,672 versus \$3,346).

Immigrants suffer an annual earning loss of \$1,832. Mexican American men and women combined experience a decrease of \$1,000 per year for working in female-dominated occupations. In the full sample, those who are married see an increase of \$2,912 per year. However, the difference in economic return for men and women based on marital status is drastic. Married men earn \$4,197 while married women only see a yearly increase of \$1,355, resulting in a difference of \$2,842. Being married is both significant and meaningful. There is not a significant difference between groups for those having children under the age of six or for those having an immigrant parent.

#### **4.1.6 Table 5b Multivariate Analysis using OLS Regression of Income by Full Sample and by Sex**

Table 5b uses OLS (Ordinary Least Squares Regression) to perform multivariate analysis with income as the dependent variable for the full sample as well as for both groups, Mexican American men and Mexican American women. Additionally, Table 5b disaggregates levels of educational attainment, company size, and skill/occupation levels. Results in this table represent real dollars earned. The adjusted R squared for the full sample is .438, explaining 44% of variance on income. Hypothesis 3b predicted that Mexican American women will earn less income than Mexican American men, net of other factors. This hypothesis is supported with Mexican American women earning \$3,299 less than Mexican American men, net of other factors. Women are disadvantaged compared to men across all independent variables in Table 5b.

Hypothesis 1b predicted that as age increases income will increase, net of other factors. This hypothesis is supported with the full sample earning \$308 more for each additional year in age. When separating men and women, earnings for increase in age are quite different. Mexican American men see an annual increase of \$363 for accumulated years in age while Mexican American women are only augmented by \$213. Hypothesis 1a predicted that income will increase as educational attainment increases. This is supported with the full sample, using less than high school as a reference group, earning an annual increase of \$5,358 with a high school diploma, \$8,074 for some college, \$13,298 for a college degree, and \$16,221 for a graduate degree or higher. While not every level of attainment yielded a meaningful difference between men and women, disparity is clear. Mexican American women earn \$3,864 with a high school diploma while Mexican American men earn \$6,232 with the same level attainment. However, a larger magnitude in earnings based on educational attainment exists for Mexican

American women across categories, using those with less than a high school education as a reference group, compared to men (\$12,968 versus \$8,823). This difference indicates the importance of higher education for Mexican American women.

At the structural level, for the full sample, government workers earn \$1,797 more per year. Compared to non-government male workers in the sample, Mexican American men in government occupations earn \$4,815 more per year. This finding is not significant for Mexican American women. Goods-producing employees earn \$1,170 more per year for the full sample. Using micro size companies with less than 10 employees as a reference group, those employed in large companies (500 or more employees) earn \$4,013, those employed in medium size companies (100 to 499 employees) earn \$3,664, and those employed in small companies (10 to 99 employees) earn \$2,179 more per year. It seems plausible that large size companies have the ability to pay higher wages. Yet, contrary to theory, Table 1 in this study shows that more Mexican American women work in large size companies and more Mexican American men work in small size companies. However, the labor market sector, primary or secondary, can affect wage possibilities.

Using blue-collar low-skill occupations as a reference group, Mexican American men and women experience an annual wage increase of \$8,518 for employment in white-collar high-skill jobs. Further probing into the two groups shows women are still disadvantaged earning almost \$3000 less than men (\$7,468 versus \$10,341). For the full sample, white-collar low-skill jobs increase annual earnings by \$4,871. Within groups, women actually see more economic return at \$5,239 compared to other women, while men see a return of only \$4,871 compared to other men. Blue-collar high-skill workers

\$4,652 annual income increase is very similar to white-collar low-skill workers. Within groups, men see a higher increase of earnings for blue-collar high-skill occupations, \$4,680, than they do in white-collar high skill jobs. In the sample, Mexican men occupy positions in blue-collar high-skill jobs at a higher rate than any other skill-level. Mexican American women occupy white-collar low-skill jobs at a higher rate than any other skill-level.

An annual wage loss of \$2,179 occurs for groups who are immigrants in this study. Mexican American men and women combined experience a decrease of \$2,661 per year for working in female-dominated occupations. Within groups, women lose \$2,171 yet men suffer more with a decrease of \$3,668. Superficially, this may appear as a gain for women, yet all female-type jobs yield diminished income. Married people within the full sample, compared to those that are ever married, earn an annual increase of \$2,551. Being married is both significant and meaningful. Because of this finding, Mexican men who are married see a return of \$3,668 while married Mexican American women only see a return of \$1,156 per year. One other marital category, never married, having children under the age of six, and whether or not parents immigrated to the U.S., are not statistically significant.

#### **4.1.7 Table 6 Partitioning of Variance for Income Determination Model by Segment**

Using partitioning of variance combined with Ordinary Least Square (OLS) Regression, Table 6 examines the amount of variance explained by each of the three income determination model segments separately. For the full saturated model, Table 6 compared explains approximately 42% of variance on income. When removing individual level factors, variance explained for the full sample decreases to 31 percent,

resulting in a 26 percent decline. The exclusion of structural level factors causes the variance explained to drop to 29 percent with a total loss of 31 percent. Without gender/race items, the amount of variance explained is 40 percent resulting in a decrease of 6 percent. Therefore, it is apparent that structural level factors are the strongest segment of the model, accounting for the most variance explained.

Considering variance explained by sex, Mexican American males in the sample have an adjusted R-squared value of .397 explaining 40 percent of variance on income while Mexican American women have an adjusted R-squared value of .436 explaining 44 percent of variance on income. Both groups have similar decreases across model segments in comparison to the full saturated model. For Mexican American men, the exclusion of individual level factors drops results to 28 percent of variance explained with an overall decrease of 29 percent. Women experience a similar decrease of 26 percent with 32 percent of variance explained. Removing structural level factors reduces variance explained to 28 percent for both Mexican American men and women. Considering the gender component, women have a smaller decrease on variance explained (2 percent versus 4 percent) than men. Therefore, while amounts of variance explained vary slightly between men, women, and the full saturated model, patterns are the same. The structural component is the strongest predictor for variance explained for both groups and the full sample.

## **5. Discussion**

Findings in this study show the persistent income gap between Mexican American men and women. While academics and the general public continue to acknowledge earning inequalities between men and women in general, even after the implementation

of the Equal Pay Act, differences within the Mexican population lack attention. Previous research not only tends to lump together Hispanics, but studies looking at differences between men and women within this population's subgroups are virtually non-existent. This study reveals that Mexican American women, net of other factors, earn \$3,299 less per year than Mexican American men. The mean annual earnings are \$30,337 for Mexican American men and \$24,548 for Mexican American women, resulting in an eighty-one percent earning difference.

Examining individual level variables in the study, both hypotheses are supported. The first hypothesis expected that an increase for each year in age would result in a simultaneous increase in income. Age is a proxy measurement for productivity. Therefore, increase in age coincides with more productivity and higher wages. However, while women in the sample have a slightly higher median age, men are still rewarded more with each accumulated year in age. The second individual level hypothesis predicted income to increase with each additional level of educational attainment. Within the sample, more women earned a college degree (12.2% versus 9.2%), yet men earned more for having a high school degree, some college education, and a four-year college degree.

Structural level hypotheses are based on positions and their corresponding skill-level and potential earnings within these positions based on educational attainment. Those occupying high-skill positions are expected to earn more than those occupying low-skill positions. The first hypothesis was supported with those in high-skill positions experiencing an annual increase of \$4,712. However, a significant difference is evident between men and women (Mexican American women, \$7,468, Mexican American men,

\$10,341). Recall that Mexican American women in the sample have higher rates of degree attainment compared to men. In addition, more women work in white-collar high-skill jobs. It is apparent, that regardless of Mexican American women's superior educational attainment and skill-level occupation, they still earn a great deal less than Mexican American men. The second structural level hypothesis predicted those in high-skill jobs will see a greater increase in magnitude in earnings based on acquired levels of education compared to those in low-skill positions. This hypothesis is supported with those in high-skill occupations, based on accumulated education, earning a magnitude of \$18,668 while those in low-skill positions only experience a magnitude of \$8,876.

Gender level analysis examined income differences based on sex, male and female. Hypotheses expected Mexican American women to earn less income than Mexican American men and to be sorted into lower paying, service type jobs. The income difference hypothesis prediction is supported with Mexican American women's annual earnings \$3,299 less than Mexican American men, net of other factors. The second hypothesis expected more Mexican American women to be sorted into female type, low paying, and service type jobs, based on the occupational sex segregation scale (1.43 versus .57). As previously mentioned, less Mexican American women occupy positions within goods-producing industries (12% versus 34%), therefore leading to the conclusion of occupying service-type positions more often than men.

Several limitations of CPS data affect this study of wage differences among Mexican American men and women. The Hispanic population in general is younger, poorer, and more mobile compared to Non-Hispanic Whites. Those without permanent addresses and of low socioeconomic status were unlikely to be surveyed. Because of

this, these results may not represent the average Mexican in the U.S. A more affluent portion of the Mexican American population may have been surveyed, skewing average results. Examining job skills and acquired productivity, CPS data fails to truly capture this human capital perspective due to lack of ability to measure years in the work force, job skill training, and types of jobs occupied by respondents over their labor career.

Mexican Americans are associated with seasonal, migratory work. It may be of great importance to know if the respondent started working in the U.S. as a seasonal worker, possibly brought job skills to the U.S. if an immigrant, or acquired a specific job due to social networks.

The CPS data does not contain a measurement for household division of labor. Hispanic culture is associated with patriarchal attitudes, with specific roles for women. The hours spent on domestic tasks for working and non-working Mexican American women could open a window of understanding into the types of jobs these women occupy. While measures of marital status and number of children in the household aid in making sense of effects of household labor, a direct measure is non-existent. And, in this study, having children under the age of six was not a factor affecting annual income for the full sample or men and women separately. This may reflect the inability to measure extended family size using CPS data. The Hispanic population typically has larger family households compared to Non-Hispanic Whites.

For many Mexican Americans, English is a second language. It is difficult to ascertain whether or not those surveyed were fluent in English, or even by-passed because of lack of English proficiency. If more than half of the U.S. Mexican American population considers Spanish to be their first language, it is doubtful that the CPS data

reflects the average person within this population. Most importantly, immigration status needs to be measured in more specific categories. CPS data provides two immigration variables; year immigrated to U.S and immigrant status of parents. While previous research shows the biggest difference in educational attainment and income earned occurs between 1<sup>st</sup> and 2<sup>nd</sup> generation Mexican Americans, few national representative samples have been used to test differences for 3<sup>rd</sup> and 4<sup>th</sup> generation Mexican Americans. Even more, testing the difference among generations based on gender is virtually nonexistent.

It is vital that U.S. policy makers invest in research about Mexican Americans. Within the next few decades they will be the largest minority group in the U.S. It is important to educate people in general about this specific group and their needs. In the field of education, Hispanic students are often sorted into non-college bound tracks and vocational type programs (Kao and Thompson, 2003). It is as if school administrators, through actions not words, are directing Hispanic students into specific, low paying job markets, obviously expecting much less of them compared to Non-Hispanic White students. While this study shed light on income differences between Mexican American men and women, it is common knowledge that this populace as a whole is sorted into specific jobs. While more women are typically found in service and domestic work and men in construction and labor-intensive type jobs, the population overall is relegated into low-paying jobs that provide little opportunity for mobility.

Much of the previous research focusing on Mexican Americans fails to take cultural capital and family values into consideration. The CPS data set does not allow for this type of measurement. Cultural beliefs, influences, and familial expectations may all

affect whether or not a Mexican American chooses to attend college, work in certain job fields, or have a large family. Until further research is conducted that includes possible cultural attitudes, it may be impossible to procure a valid measurement of income differences between men and women in this population. This type of analysis may be best suited for qualitative research. A more holistic understanding will be gained by first understanding cultural attitudes when approaching education and desired positions within the labor market. Furthermore, a clearer understanding will aid legislators and educators when making policy decisions to enhance Mexican Americans success in the U.S. education system and labor market. To gain the attention of policy makers, grass roots action groups, especially those focusing on equality for women, must use the information provided by this study to bring awareness to the general public and initiate income parity for Mexican American women.

Immigration is a key factor when studying Mexican Americans. Superficially it may not seem as important as low levels of education, language inefficiency, or lack of occupational mobility, but legislators' views on this population due to their immigrant status needs to be center stage. U.S. born Mexican Americans and immigrant Mexican Americans are lumped together as one group. There is a certain negativity associated with this population and their influx into the U.S. labor market. How many years will have to pass until Mexican Americans are seen as U.S. citizens? Does this existing prejudice affect Mexican's attitudes towards "American" culture? It is reminiscent of the argument that many African American's resist or even rebel against "White" culture in order to maintain their unique identity, refusing to melt into the pot, refusing to forget the past hardships of their race. Some literature suggests that Hispanics in the U.S. choose to

forego education and enter the labor market, often selecting work mostly occupied by other Hispanics. This enables them to speak their first language, Spanish, on the job and maintain their culture in another country. However, the potential for Hispanics, especially Mexican Americans, to climb the socioeconomic ladder in the U.S. requires more education and training. If the U.S. will welcome Mexicans as workers in our economic system, we must be responsible for the well-being and continual education of this population. Even more, the differences that exist between men and women in this racial/ethnic category must be acknowledged. The contributions Mexican American men and women make in the labor market directly affects the U.S. economy. It is time this population is treated as 1<sup>st</sup>, not 2<sup>nd</sup>, class citizens.

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## **APPENDICES**

**Table 1**  
**Values for Full Sample and by Sex**  
**Mexican American Men and Women**

<b>Variables:</b>	<b>Full Sample</b>	<b>Men</b>	<b>1</b>	<b>2</b>	<b>Women</b>
<b>Dependent Variable:</b>					
Annual earnings (mean):	\$27,744	\$30,337	***	^	\$24,548
Annual earnings (median):	\$25,000	\$28,000			\$22,000
(stddev):	15,023	15,480			13,788
<b>Independent Variables:</b>					
<b>Individual-level factors:</b>					
% College Deg (0,1)	10.5%	9.2%	**		12.2%
	(0.31)	(0.29)			(0.33)
Age (Years)	36.0	35.8			36.3
	(11.42)	(11.35)			(11.51)
% Rural (0,1)	12.1%	13.1%			10.9%
	(0.33)	(0.34)			(0.31)
<b>Structural-Level factors:</b>					
% Part-time (0,1)	11.6%	7.5%	***	^	16.7%
Hours per Week	39.8	41.3	***	^	38.0
	(8.30)	(8.25)			(7.98)
% Government (0,1)	14.8%	12.0%	***		18.1%
	(0.35)	(0.33)			(0.39)
% Company less than 10 employees (0,1)	14.2%	14.5%			13.8%
	(0.35)	(0.35)			(0.35)
% Company 10 to 99 employees (0,1)	25.8%	28.9%	***		22.0%
	(0.44)	(0.45)			(0.41)
% Company 100 to 499 employees (0,1)	13.1%	13.3%			12.9%
	(0.34)	(0.34)			(0.33)
% Company 500 or more employees (0,1)	46.9%	43.3%	***		51.3%
	(0.50)	(0.50)			(0.50)
% Goods-producing industry (0,1)	24.0%	34.0%	***	^	12.0%
	(0.43)	(0.48)			(0.32)
Occupational Prestige	39.3	38.0	***	^	40.9
	(11.22)	(10.78)			(11.53)
% White-collar High-skill (0,1)	22.0%	16.0%	***	^	30.0%
	(0.42)	(0.37)			(0.46)
% White-collar Low-skill (0,1)	28.0%	18.0%	***	^	41.0%
	(0.45)	(0.38)			(0.49)
% Blue-collar High-skill (0,1)	23.0%	37.0%	***	^	6.0%
	(0.42)	(0.48)			(0.23)
% Blue-collar Low-skill (0,1)	27.0%	29.0%	***		23.0%
	(0.44)	(0.46)			(0.42)
<b>Gender/Race:</b>					
% Immigrant (0,1)	21.7%	23.1%	*		19.8%
	(0.41)	(0.42)			(0.40)
% Immigrant Parent (0,1)	52.5%	52.4%			52.5%
	(0.50)	(0.50)			(0.50)
Occupational Sex-Segregation	0.96	0.57	***	^	1.43
	(0.68)	(0.52)			(0.53)
% Married (0,1)	54.0%	57.3%	***		50.0%
	(0.50)	(0.49)			(0.50)
% Ever-married (0,1)	15.2%	10.0%	***	^	21.8%
	(0.36)	(0.30)			(0.41)
% Never-married (0,1)	30.7%	32.8%	**		28.2%
	(0.46)	(0.47)			(0.45)
% With Children Under 6 (0,1)	26.1%	27.2%			24.7%
	(0.44)	(0.44)			(0.43)
% Single Parent HH (0,1)	21.9%	15.6%	***	^	29.7%
	(0.41)	(0.36)			(0.46)
<b>Sample N (weighted):</b>	<b>3,408</b>	<b>1,882</b>			<b>1,526</b>
	<b>100%</b>	<b>55.2%</b>			<b>44.8%</b>

81% Pay Gap  
79%

<sup>1</sup> = \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05

<sup>2</sup> Effect Size Greater = > .20

**Table 2**  
**Values for Full Sample and by Sex**  
**Mexican American Men and Women**  
**Full-year Full-time Workers**

<b>Variables:</b>	<b>Full Sample</b>	<b>Men</b>	<sup>1</sup>	<sup>2</sup>	<b>Women</b>
<b>Dependent Variable:</b>					
Annual earnings (mean):	\$29,621	\$31,729	***	^	\$26,737
Annual earnings (median):	\$27,000	\$29,500			\$24,000
(stddev):	14,654	15,114			13,481
<b>Independent Variables:</b>					
<b>Individual-level factors:</b>					
% College Deg (0,1)	10.9%	9.1%	***		13.3%
	(0.31)	(0.29)			(0.34)
Age (Years)	36.4	36.3			36.7
	(11.08)	(11.01)			(11.19)
% Rural (0,1)	12%	14%	**		11%
	(0.33)	(0.34)			(0.31)
<b>Structural-Level factors:</b>					
Hours per Week	41.9	42.6	***	^	40.8
	(6.05)	(6.95)			(4.33)
% Government (0,1)	15.2%	12.2%	***		19.3%
	(0.36)	(0.33)			(0.39)
% Company less than 10 employees (0,1)	13.5%	14.2%			12.4%
	(0.34)	(0.35)			(0.33)
% Company 10 to 99 employees (0,1)	26.0%	29.1%	***		21.9%
	(0.44)	(0.45)			(0.41)
% Company 100 to 499 employees (0,1)	14.0%	14.2%			13.8%
	(0.35)	(0.35)			(0.35)
% Company 500 or more employees (0,1)	46.5%	42.5%	***	^	51.9%
	(0.50)	(0.49)			(00.50)
% Goods-producing industry (0,1)	26.0%	36.0%	***	^	13.0%
	(0.44)	(0.48)			(0.34)
Occupational Prestige	39.5	38.1	***	^	41.6
	(11.21)	(10.69)			(11.60)
% White-collar High-skill (0,1)	22.0%	16.0%	***	^	31.0%
	(0.42)	(0.37)			(0.46)
% White-collar Low-skill (0,1)	26.0%	17.0%	***	^	40.0%
	(0.44)	(0.37)			(0.49)
% Blue-collar High-skill (0,1)	25.0%	39.0%	***	^	7.0%
	(0.44)	(0.49)			(0.26)
% Blue-collar Low-skill (0,1)	26.0%	29.0%	***		22.0%
	(0.44)	(0.45)			(0.41)
<b>Gender/Race:</b>					
% Immigrant (0,1)	23%	24%	*		21%
	(0.42)	(0.43)			(0.41)
% Immigrant Parent (0,1)	53%	53%			53%
	(0.50)	(0.50)			(0.50)
Occupational Sex-Segregation	0.92	0.55	***	^	1.41
	(0.68)	(0.52)			(0.54)
% Married (0,1)	55.9%	60.2%	***	^	50.1%
	(0.50)	(0.49)			(0.50)
% Ever-married (0,1)	15.8%	10.2%	***	^	23.5%
	(0.36)	(0.30)			(0.42)
% Never-married (0,1)	28.3%	29.6%			26.4%
	(0.45)	(0.46)			(0.44)
% With Children Under 6 (0,1)	27.5%	28.4%			26.2%
	(0.45)	(0.45)			(0.44)
% Single Parent HH (0,1)	21.7%	15.1%	***	^	30.8%
	(0.41)	(0.36)			(0.46)
<b>Sample N (weighted):</b>	<b>3,012</b>	<b>1,741</b>			<b>1,272</b>

84% Pay Gap  
81%

<sup>1</sup> = \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05

<sup>2</sup> Effect Size Greater = > .20

### Table 3

#### Median Annual Earnings Full-time Full-year Workers by Occupation and Education

##### Full-time Full-year Workers Only

	All	Men	<sup>1</sup>	<sup>2</sup>	Women	Pay-gap	% in Job Female
<b>Occupation:</b>							
<b>White-Collar High Skill</b>	<b>\$35,000</b>	<b>\$40,000</b>	***	^	<b>\$32,000</b>	<b>80.0%</b>	<b>59%</b>
Executive, Administrators, Mgrs	\$39,000	\$40,000	**	^	\$35,000	87.5%	48%
Professional	\$36,000	\$40,000	*	^	\$32,181	80.5%	45%
Education	\$32,000	\$44,940	**	^	\$27,000	60.1%	75%
Health Care	\$28,000	\$33,954	*	^	\$25,000	73.6%	84%
<b>White-Collar Low-Skill</b>	<b>\$25,500</b>	<b>\$28,949</b>	***	^	<b>\$25,000</b>	<b>86.4%</b>	<b>64%</b>
Sales	\$25,500	\$29,469	*	^	\$22,000	74.7%	46%
Admin. Support, Clerical	\$25,000	\$28,000	**	^	\$25,000	89.3%	72%
<b>Blue-Collar High-Skill</b>	<b>\$29,328</b>	<b>\$30,000</b>	***	^	<b>\$23,000</b>	<b>76.7%</b>	<b>12%</b>
Protective Service	\$34,825	\$35,430	*		\$26,957	76.1%	23%
Construction	\$28,000	\$28,000			\$22,622	80.8%	3%
Precision Craft	\$30,000	\$31,000	***	^	\$21,480	69.3%	15%
Transportation Equipment	\$27,455	\$28,000			\$24,000	85.7%	16%
<b>Blue-Collar Low-Skill</b>	<b>\$20,000</b>	<b>\$23,000</b>	***	^	<b>\$16,000</b>	<b>69.6%</b>	<b>36%</b>
Service	\$16,912	\$19,804	***	^	\$15,000	75.7%	50%
Machine Operators, Assemblers	\$24,000	\$26,000	***	^	\$19,000	73.1%	24%
Laborers, Cleaners, Handlers	\$18,000	\$19,326			\$12,290	63.6%	12%
<b>Education:</b>							
Less than High School Dipl.	\$20,000	\$23,000	***	^	\$16,000	69.6%	
High School Diploma	\$26,000	\$29,000	***	^	\$23,000	79.3%	
Some College	\$30,000	\$35,000	***	^	\$27,000	77.1%	
College Deg (BA, BS)	\$40,000	\$40,000			\$37,721	94.3%	
Graduate or Prof. Deg.	\$47,579	\$46,107			\$49,485	107.3%	
<b>Education/Occupation Matrix:</b>							
Jobs Require HS or SC	\$24,000	\$26,149	***	^	\$20,000	76.5%	
Jobs Req HS, SC, BA/BS	\$35,000	\$37,900	***	^	\$30,000	79.2%	
Jobs Req BA/BS or Higher	\$38,000	\$43,105	*	^	\$36,133	83.8%	

<sup>1</sup> = \*\*\*p<0.001; \*\*p<0.01; \*p<0.05

<sup>2</sup> significant difference between men and women at the .05 level or higher

## Table 4

### Median Annual Earnings by Skill-level and Education

*Full-time Full-year Workers Only*

	All	Men	1	2	Women
<b>Occupation:</b>					
<b>White-Collar High Skill</b>	<b>\$35,000</b>	<b>\$40,000</b>	<b>***</b>	<b>^</b>	<b>\$32,000</b>
Less than H.S. Diploma	\$23,332	\$25,477			\$22,000
High School Diploma/GED	\$30,000	\$36,000	***	^	\$27,798
Some College	\$34,000	\$40,000	***	^	\$28,069
College Degree	\$42,000	\$45,551			\$40,159
<b>Blue-Collar Low-Skill</b>	<b>\$20,000</b>	<b>\$23,000</b>	<b>***</b>	<b>^</b>	<b>\$16,000</b>
Less than H.S. Diploma	\$17,191	\$20,000	***	^	\$15,000
High School Diploma/GED	\$23,000	\$25,000	***	^	\$17,035
Some College	\$24,000	\$26,550	*	^	\$22,045
College Degree	\$26,067	\$30,606			\$22,091

<sup>1</sup> = \*\*\*p<0.001; \*\*p<0.01; \*p<0.05

<sup>2</sup> significant difference between men and women at the .05 level or higher

**Table 5a**  
**OLS Regression Analysis for the Income Determination Model**  
(Dependent Variable = Annual Earnings)

Variables:	Full Sample			Men			Women			
	Unstd.	Std.		Unstd.	Std.	<sup>2</sup>	Unstd.	Std.		
<b>Independent Variables:</b>										
<i>Individual-level Factors:</i>										
Age (years)	\$305	***	0.232	\$369	***	0.270	^	\$210	***	0.175
Age Squared	-\$13	***	-0.121	-\$15	***	-0.137		-\$11	***	-0.112
Years of Education	\$1,568	***	0.304	\$1,545	***	0.296		\$1,633	***	0.333
Rural (0,1)	-\$3,831	***	-0.083	-\$3,751	***	-0.082		-\$3,605	***	-0.082
<i>Structural-level Factors:</i>										
Work Hours per Week	\$566	***	0.038	\$538	***	0.287		\$596	***	0.345
Government (0,1)	\$1,592	**	0.024	\$4,195	***	0.088		-\$480		-0.013
Goods-Producing (0,1)	\$853		0.089	\$774		0.024		\$651		0.015
Number of Employees	\$3	***	0.156	\$3	***	0.072		\$4	***	0.119
High Skill (0,1)	\$4,712	***		\$5,672	***	0.183	^	\$3,346	***	0.116
<i>Gender/Race:</i>										
Female (0,1)	-\$3,228	***	-0.107							
Occ. Sex-Seg Index	-\$1,000	*	-0.045	-\$591		-0.020		-\$983		-0.038
Married (0,1)	\$2,912	***	0.097	\$4,197	***	0.134	^	\$1,355	*	0.049
With Children Under age 6 (0,1)	-\$18		-0.001	\$336		0.010		-\$1,213		-0.038
Immigrant (0,1)	-\$1,832	**	-0.050	-\$844		-0.023		-\$3,064	***	-0.089
Immigrant Parent (0,1)	\$408		0.014	\$194		0.006		\$510		0.018
(Constant):	-\$25,633	***		-\$27,870				-\$25,934		
Adjusted R-sq.	0.421	***		0.397	***			0.437	***	
N=	3,408			1,882				1,526		

<sup>1</sup> = \*\*\* p<0.001; \*\*p<0.01; \*p<0.05

<sup>2</sup> significant difference between men and women at the .05 level or higher

**Table 5b**  
**OLS Regression Analysis for the Income Determination Model**  
(Dependent Variable = Annual Earnings)

Variables:	Full Sample			Men			<sup>2</sup>	Women		
	Unstd.		Std.	Unstd.		Std.		Unstd.		Std.
<b>Independent Variables:</b>										
<i>Individual-level Factors:</i>										
Age (years)	\$308	***	0.234	\$363	***	0.266	^	\$213	***	0.178
Age Squared	-\$13	***	-0.125	-\$15	***	-0.138		-\$11	***	-0.117
Post Graduate (0,1)	\$16,221	***	0.153	\$15,055	***	0.124		\$16,832	***	0.193
College Graduate (0,1)	\$13,298	***	0.247	\$12,232	***	0.208		\$13,669	***	0.293
Some College (0,1)	\$8,074	***	0.248	\$8,729	***	0.254		\$6,803	***	0.233
High Sch. Dip. (0,1)	\$5,358	***	0.170	\$6,232	***	0.193	^	\$3,864	***	0.133
Less H.S. (0,1)										
Rural (0,1)	-\$3,655	***	-0.079	-\$3,384	***	-0.074		-\$3,618	***	-0.082
<i>Structural-level Factors:</i>										
Work Hours per Week	\$560	***	0.309	\$534	***	0.285		\$589	***	0.340
Government (0,1)	\$1,797	**	0.042	\$4,815	***	0.101		-\$540		-0.015
Goods-Producing (0,1)	\$1,170	*	0.033	\$1,325	*	0.041		\$837		0.019
Lg Comp-500 or More Employees (0,1)	\$4,013	***	0.133	\$3,960	***	0.127		\$4,526	***	0.164
Med Comp-100 to 499 Employees (0,1)	\$3,664	***	0.082	\$4,581	***	0.100		\$3,049	**	0.074
Sm Comp-10 to 99 Employees (0,1)	\$2,179	**	0.063	\$2,364	*	0.069		\$2,256	*	0.068
Micro Comp-Less than 10 Employees (0,1)			Reference Group							
White-Collar High-Skill (0,1)	\$8,518	***	0.236	\$10,341	***	0.245	^	\$7,468	***	0.248
White-Collar Low-Skill (0,1)	\$4,871	***	0.146	\$4,064	***	0.100		\$5,239	***	0.187
Blue-Collar High-Skill (0,1)	\$4,652	***	0.131	\$4,680	***	0.146		\$2,261		0.038
Blue-Collar Low-Skill (0,1)			Reference Group							
<i>Gender/Race:</i>										
Female (0,1)	-\$3,299	***	-0.109							
Occ. Sex-Seg Index	-\$2,667	***	-0.120	-\$3,133	***	-0.105		-\$2,171	***	-0.083
Married (0,1)	\$2,551	***	0.085	\$3,668	***	0.117	^	\$1,156	*	0.042
With Children Under age 6 (0,1)	\$229		0.007	\$808		0.023		-\$1,203		-0.038
Immigrant (0,1)	-\$2,179	***	-0.060	-\$1,327		-0.036		-\$2,873	***	-0.083
Parent Immigrant (0,1)	\$435		0.014	\$339		0.011		\$313		0.011
(Constant):	-\$14,315	***		-\$16,680	***			-\$13,578	***	
Adjusted R-sq.	0.438	***		0.412	***			0.460	***	
N=	3,408			1,882				1,526		

<sup>1</sup> = \*\*\* p<0.001; \*\*p<0.01; \*p<0.05

<sup>2</sup> significant difference between men and women at the .05 level or higher

**Table 6**  
**Comparison of Structural and Individual-level Models**  
(Dependent Variable = Weekly Earnings)

(Standardized Betas Shown)

Variables:	Full	w/o Ind.	w/o Stuct.	w/o Gender
<b>Independent Variables:</b>				
<i>Individual-Level Factors:</i>				
Age (Years)	0.232	X	0.314	0.246
Age Squared	-0.121	X	-0.174	-0.130
Years of Education	0.304	X	0.394	0.291
Rural (0,1)	-0.083	X	-0.082	-0.073
<i>Structural-level Factors:</i>				
Work Hours per Week	0.313	0.362	X	0.343
Government (0,1)	0.038	0.085	X	0.033
Goods-producing (0,1)	0.024	-0.017	X	0.059
Number of Employees	0.089	0.135	X	0.088
High Skill (0,1)	0.156	0.226	X	0.188
<i>Gender:</i>				
Female (0,1)	-0.107	-0.101	-0.145	X
Occ. Sex-Seg Index	-0.045	0.006	-0.131	X
Married (0,1)	0.097	0.141	0.114	X
w/child under 6 (0,1)	-0.001	-0.054	0.017	X
Immigrant (0,1)	-0.050	-0.064	-0.050	X
Immigrant Parent (0,1)	0.014	-0.019	0.014	X
Adjusted R-sq.*	0.421	0.313	0.290	0.396
Rsq Change from Full Model (.421)		<b>-0.108</b>	<b>-0.131</b>	<b>-0.025</b>
% Change in Rsq.		<b>-25.7%</b>	<b>-31.1%</b>	<b>-5.9%</b>
Males Only. **	0.397	0.283	0.275	0.383
Rsq Change from Full Model (.397)		<b>-0.114</b>	<b>-0.122</b>	<b>-0.014</b>
% Change in Rsq.		<b>-28.7%</b>	<b>-30.7%</b>	<b>-3.5%</b>
Females Only.**	0.436	0.322	0.280	0.428
Rsq Change from Full Model (.436)		<b>-0.114</b>	<b>-0.156</b>	<b>-0.008</b>
% Change in Rsq.		<b>-26.1%</b>	<b>-35.8%</b>	<b>-1.8%</b>

\* (all Rsq. Changes sig. @ .000)

\*\*unstandardized betas not shown for male and female equations.