

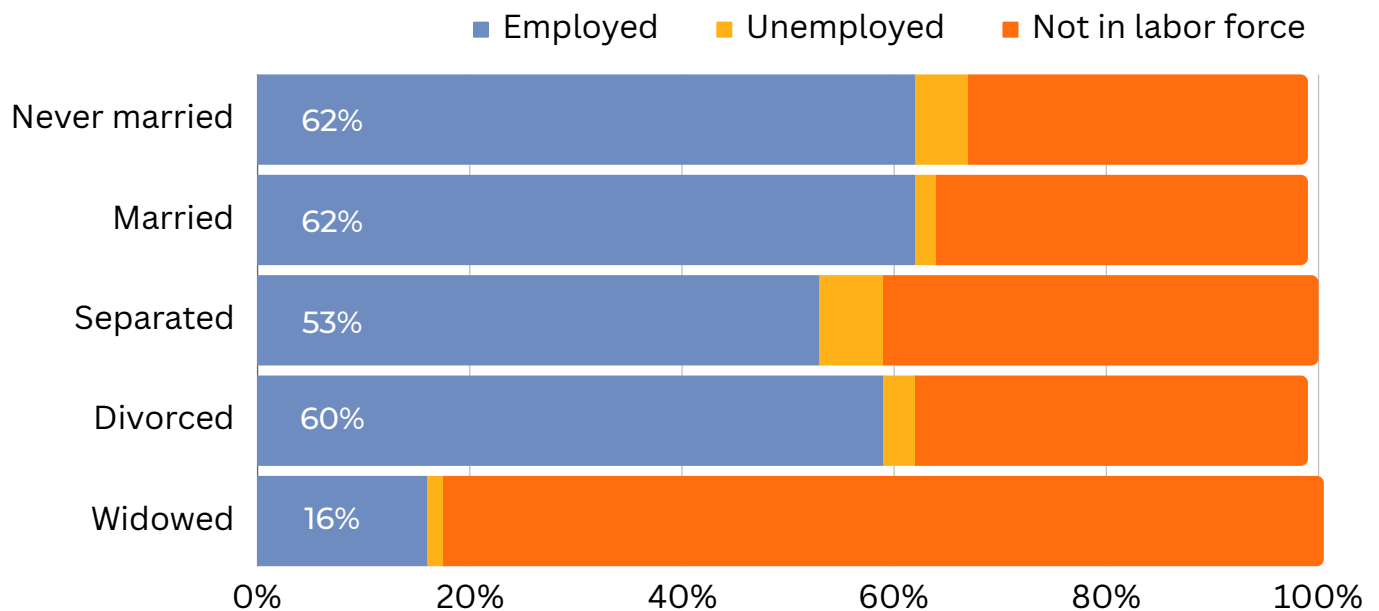
ECONOMIC SECURITY

The Rhode Island Women's Well-Being Index (WWBI) provides access to publicly available data specific to local, regional, and statewide levels. It is aggregated for gender and race, when such data is available. Based on similar indexes used by other Women's Funds, the RI WWBI encompasses five dimensions--Education, Economic Security, Health & Safety, Housing and Civic Engagement--each of which is made up of additional indicators.

This policy brief explores the latest data for the Economic Security Indicator, specifically data that addresses employment, labor force, and wages.

Employment and Labor Force Participation

A reasonable unemployment rate is somewhere between 3-5%. As of November 2023, Rhode Island's overall unemployment rate was 2.9%. When unemployment is low, workers are usually paid more and will spend more in the economy.



Source: ACS 2022 5-year estimates, table B12006

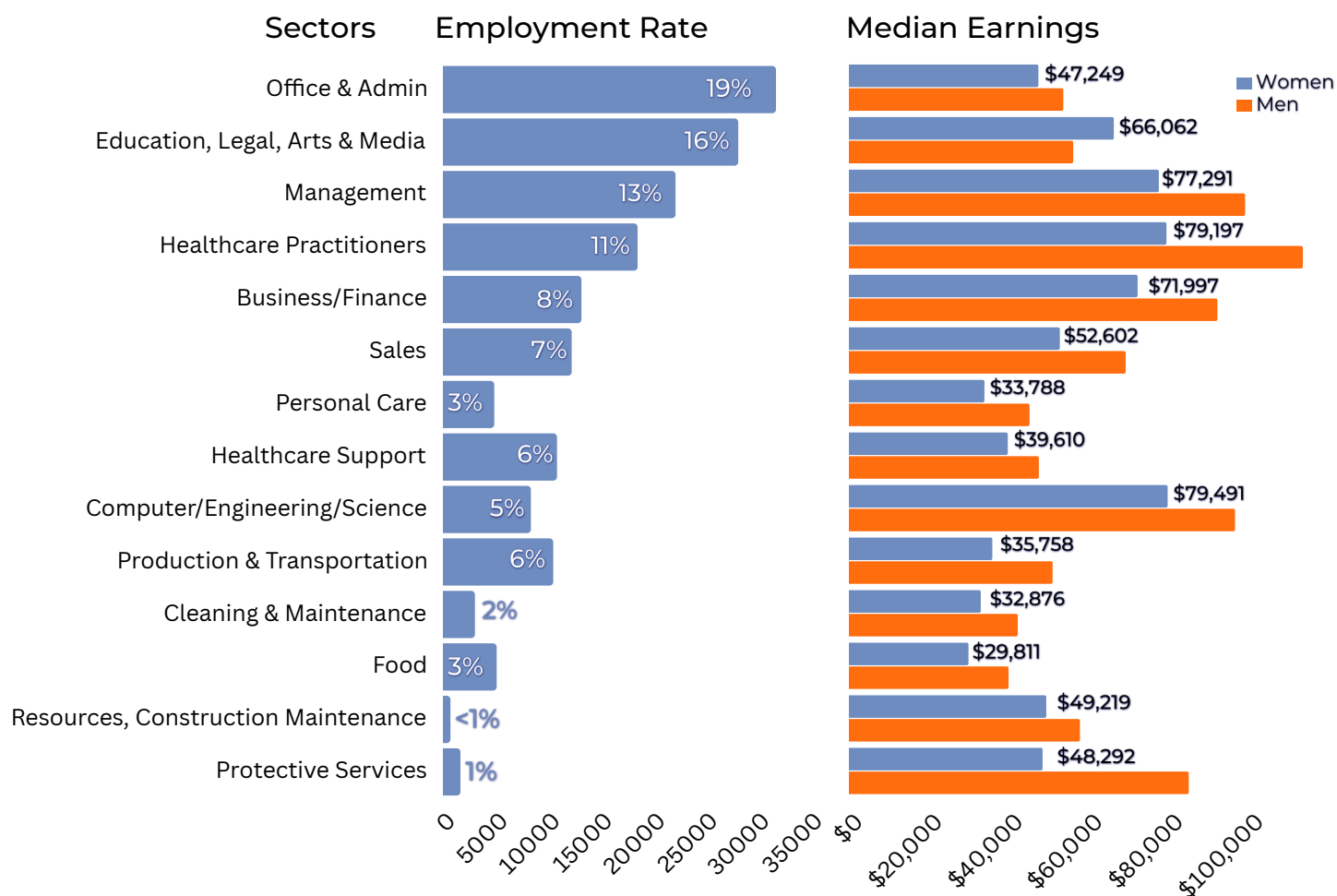
Our past report showed that our largest urban centers (Providence & Cranston) had the most unemployment; we are pleased to see these areas have rebounded. The areas with the highest unemployment in this report include West Greenwich (8.26%); Tiverton (6.43%); Woonsocket (5.92%), and Jamestown (5.82%). Nearly half of RI cities and towns had less than 3% unemployment as measured by this latest data. Only 7 cities and towns had more than 5% unemployed.

Looking specifically at women's employment by marital status and comparing with our previous report, the percentage of separated women who are not in the labor force grew by 4%. This suggests the possibility that balancing workplace and family issues combined with the continuing economic impact of the COVID pandemic may have been more challenging for separated women than in the past. Slightly less married women, divorced, and widowed women were working from our last report to this report with only 1% changes in their numbers.

Median Earnings and Gender Pay Gap

According to the latest U.S. Census, median earnings for women in RI who worked full-time, year-round was \$43,394 vs. men's median earnings of \$53,544. This means women in RI earn .81 to each \$1 a man makes, a drop of 4% since our last report. The gender wage gap worsens when we look at women of color, although the % drop is less pronounced (by only 1%) when we look at specific race/ethnicities. This report shows Black women earn .60 on the male \$1. Our Latina sisters earn even less, coming in at .52.

Occupational segregation occurs when one demographic group is over/underrepresented among different kinds of jobs. Evidence shows that occupational segregation based on gender occurs more because of assumptions about what kinds of work different genders are best suited for than because of an efficient allocation of innate talent. Occupations with more men tend to be paid better regardless of skill or educational level. This trend is also highly racialized: Women of color at all educational levels are segregated into jobs with lower wages than their white female peers of similar skill levels.



Source: ACS 2022 5-year estimates, table C24020Source: ACS 2022 5-year estimates, table B24022

35%

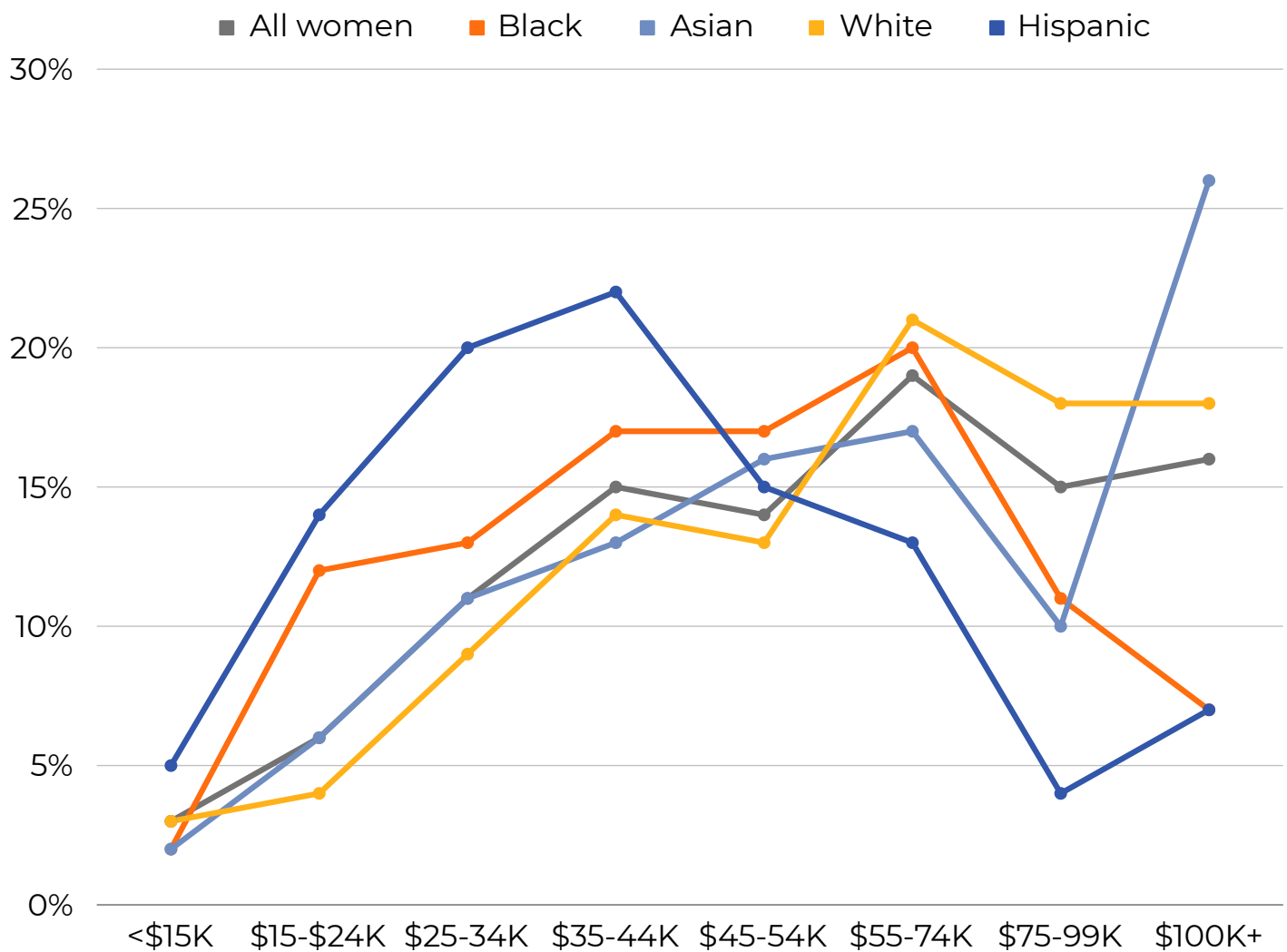
of women in RI are employed in Office & Administration and Education, Legal, Arts & Media. The combined average median salary of these sectors is \$56,656. For reference, RI's Standard of Need (to cover basic living expenses) for a single parent is \$78,219

Salaries have risen for women in most occupations since our last report, ranging from an 8% to 16% increase depending on the sector. The top two sectors, Office/Administration and Education/Legal/Arts/Media, attract 35% of RI's female workforce, with an average median salary of \$55,656, which is a 14% increase from our last report. Other sectors saw even higher increases in median salary, including Management (16%), Computer/Engineering/Science occupations (16%), and Cleaning & Maintenance (16%). The only sectors with no salary growth were Resources/Construction Maintenance and Protective Services, which employ less than 1.5% of the female workforce in RI.

In general, median earnings of women working as Healthcare Practitioners and in Computer/Engineering/Science are the highest, followed closely by the Management sector. 29% of women work in these areas in RI with an average median wage of \$78,670, compared to men's average median wage of \$89,143. The gender wage gap amongst these high-paying sectors is 12%.

RI's highest paid sector for women is Healthcare Practitioners, where women make \$79,197 compared to a male median average salary of \$113,210, a difference of nearly 43%! Given that we have a healthcare practitioner shortage in Rhode Island, one area we might look at is whether we are paying women fairly for the work they are doing compared with their male counterparts.

Earnings by Race/FT Female Workers



RI's lowest paid sectors for women include Food (\$29,811), Cleaning & Maintenance (\$32,876), Personal Care (\$33,786), Production & Transportation (\$35,758), and Healthcare Support (\$39,610). Together, these sectors employ 20% of RI's female workforce. Workers in these industries are more likely to be people of color and have a combined average hourly wage of \$16.50, significantly less than what a single parent of two children needs to earn to cover basic necessities in our state (\$37.61). According to the Rhode Island's Standard of Need (RISN), households earning less than what is necessary to meet the RISN include:

- 61 percent of individual adults without children;
- 70 percent of families with one parent and two children; and
- 25 percent of families with two parents and two children.

POLICY RECOMMENDATIONS

After considering many factors and data, we recommend the following policies to attract more women to the workplace and narrow the gender wage gap:

01

Raise the minimum wage

to meet Rhode Island's Standard of Need (RISN).

02

Eliminate the tipped minimum wage

as tipped workers are more likely than other workers to live in poverty.

03

Implement fair scheduling practices

to reduce inconsistent and unpredictable scheduling.

04

Support Families

by increasing access to affordable, quality childcare.

05

Support being human

by expanding paid family and medical leave.

06

Provide career pathways

to higher paying jobs for entry-level direct care workers.

07

Recognize the value of unpaid family caregivers

by increasing respite program allowances, expanding programs offering training and support services, and providing assistance with care coordination.

08

Fix pay disparities

that are not covered by the R.I. Fair Pay Act by regularly examining and adjusting employee pay as appropriate.