

Analysis of Wage-Gender Discrimination in Connection with Higher Education in the Bahamas

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Abstract

Although about half of the workforce is women, there is no country in the world where a woman earns the same as a man for doing the same job. It is estimated that it takes several decades to close the gender gap. The reported gender gap has been 34% in the US in 2014, that is, female workers made year-round only 66 cents for every dollar earned by men doing the same job. This paper aims to study whether there is any wage discrimination in The Commonwealth of The Bahamas in regards to gender and its connection to education. We will also investigate whether higher education is associated with a higher wages. In this study, we have collected the data through survey from the Bahamian people working in The Bahamas. Inferential and descriptive statistics are applied to perform the analysis.

Keywords

Wage-gender; Higher education; Bahamas

Introduction

The importance of a good education is always being stressed to young adults. It is a common ideology that a good education can bring equality between gender roles and social classes. In addition, better education can bring forth more money in the sense of getting better paying jobs due to qualification. Cultural norms in most countries have a tendency to favour males in the social hierarchy. This is especially true for developing countries. However, in many countries, there are bills that have been amended to ensure that employees are treated equally for the work they perform. For example, there is the Equal Pay Act and the Civil Rights Act in the United States. Under section 703(a) of the Civil Right Act there are outlines that help prevent discrimination towards employees. It is summarized as it is unlawful employment practice for an employer to: a. Fail or refuse to hire or to discharge any individual or otherwise to discriminate... based on an individual's race, colour, religion, sex, or national origin. b. Limit, segregate, or classify

employees in a way which would deprive... employment status, because of such individual's race, colour, religion, sex, or national origin. For more detail, see Appendix. Similarly, the Equal pay act prohibits employers from discrimination on the basis of sex as follows, "No employer having employees subject to any provision of this section shall discriminate... on the basis of sex by paying wages to employees in such establishment at a rate less than a rate at which he pays wages to employees of the opposite sex". Even though these measures have been constructed, wage discrimination has still been observed. This can be witnessed among women and men and in some cases across races. O'Neill and O'Neill reported in their study that White employees earned the highest wage. Among the minority classes, African American employees were better compensated than Hispanics and Asian employees are paid as much as (or occasionally even more than) the White employees. Furthermore, it seems education, sex, and race has a significant influence on earnings. In addition, based on research by the United States Government Accountability Office in 2011, although the wage gap among men and women with the same work position has been narrowed, females still make less than the males doing the same job.

We showed that the variance is not homogeneous across education groups. However, it was homogeneous among the gender groups. Through the regression analysis, we observed that regardless of education factor by considering gender as the only predictor, females make about \$123 less than males on average annually and the male wages were higher than females across all education levels. Moreover, we observed that the education is an important factor in determining wage, and it positively affects wage. It means that higher levels of education are associated with higher wages such that the wage increases by amount of \$409 in average from one educational level to the next (assuming constant intervals). We validated the results using ANOVA and confirmed that the education has a

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significant effect on wage in The Bahamas (F=30.441, p

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