



# How the Government Can End Poverty for Native American Women

## Achieving Equitable Pay and Other Federal Investments

By Arohi Pathak | October 22, 2021

*Author's note: "Native Americans," as defined by the U.S. Census Bureau, includes Indigenous tribes that are originally from the contiguous United States, along with Alaska Natives.<sup>1</sup> The author uses "American Indian and Alaska Natives" interchangeably with "Native Americans" and "Native women" in this issue brief.*

President Joe Biden proclaimed October 11 as Indigenous Peoples' Day, becoming the first U.S. president to formally recognize the day, celebrating the resilience, achievement, and contributions of Native Americans. Meanwhile, September 8 marked Native Women's Equal Pay Day,<sup>2</sup> which is designated to highlight the pay gap for Native women, underscored by a long history of racism, sexism, and pay discrimination that continues to devalue the contribution of Native women in the workforce.<sup>3</sup>

American Indian and Alaska Native (AIAN) women in the United States who work full time and year-round are paid 40 percent less than white, non-Hispanic men working comparable hours, making just 60 cents for every dollar earned by their white male counterparts.<sup>4</sup> These disparities can differ substantially across various regions and tribes.<sup>5</sup> Over a 40-year career, an individual AIAN woman stands to lose almost \$1 million in wages due to the wage gap.<sup>6</sup>

This wage gap forces too many Native American women and families into poverty—a political outcome and not a personal choice. While policymakers often tout the rhetoric of equal pay, and while members of Congress themselves enjoy pay equity,<sup>7</sup> Congress has yet to seriously tackle the nation's wage gap crisis. Some robust equal pay measures such as the Paycheck Fairness Act have stalled in the Senate for more than 20 years, despite passing the House of Representatives four times.<sup>8</sup> Federal- and state-level equal pay laws are vital to decreasing poverty and building economic security for all women, including from the AIAN community. As Congress is currently discussing investments to include in the Build Back Better bill, they have a historic opportunity to combat pay discrimination, ensuring that women in the labor force are valued and treated with dignity.

However, stronger pay equity measures standing alone are not sufficient to ensure economic mobility in the long term. Policymakers have a plethora of programs and tools that, when layered to meet the unique needs of specific communities, can be truly transformational for Native women in the labor force. When equal pay measures are enacted alongside other social safety net and work support policies—such as access to health care, paid family and medical leave, quality and affordable child and elder care, and an increased minimum wage—Native women can not only gain pay equity but also build lasting economic security their families.

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## The role of Native women in building family economic security

Historic and racist government policies forced AIAN populations to move to remote reservations lacking in natural resources, fertile soil, and economic opportunities. Not surprisingly, AIAN people have the highest poverty rate (23 percent) and among the lowest labor force participation (less than 60 percent in 2018) compared with any other major racial group in the United States,<sup>9</sup> resulting in cycles of generational poverty and poorer health and economic outcomes.<sup>10</sup> For the past 30 years, child poverty rates in AIAN communities have exceeded 40 percent.<sup>11</sup> Native reservations, especially rural ones, often struggle to provide adequate housing, safe communities, and quality health care and nutrition to their residents. It is not unusual to find Native reservations that lack basic access to clean running water, electricity, broadband, public safety, and job opportunities. Furthermore, gender-based violence against AIAN women is particularly pervasive in Native communities, resulting in deep-seated trauma and undermining Native women in all walks of life.<sup>12</sup> The COVID-19 pandemic has only served to exacerbate many of these inequities, especially given the coronavirus's disproportionate impacts on AIAN communities.<sup>13</sup>

Over the past several decades, tribal sovereignty and increased self-governance have created new economic and employment opportunities in AIAN communities, resulting in economic growth and improved well-being.<sup>14</sup> Many AIAN women have made important advances socially, economically, and politically, attaining college degrees, starting their own businesses, and getting elected to public office, including Congress. For example, in 2018, AIAN women owned 1.4 percent of all female-owned businesses in the United States—an estimated 161,500 businesses employing 61,300 workers and generating \$11 billion in revenue.<sup>15</sup> Since 1997, Native female-owned businesses grew by 201 percent, almost twice the rate of growth for all female-owned businesses.<sup>16</sup>

In many Native communities, women serve in essential roles—both as caregivers and breadwinners:

- More than half—55 percent—of AIAN mothers are the sole or primary breadwinners in households with children younger than 18, compared with 37 percent of white mothers.<sup>17</sup>
- Nineteen percent of AIAN mothers are co-breadwinners in households with children younger than 18, which is comparable to white mothers.<sup>18</sup>

Native women often face high unemployment rates, are overconcentrated in low-paying jobs, lack strong work-family policy supports to help with caregiving obligations, and deal with negative perceptions and stereotypes in the workplace. As a result, it takes Native and Indigenous women working full time and year-round an extra nine months to make what their white, non-Hispanic male counterparts earned in the previous year.<sup>19</sup> When AIAN women and mothers are paid less, they have less money for basic family necessities such as rent, groceries, health care, transportation, and child or elder care, often resulting in cyclical patterns of poverty and deprivation. Furthermore, due to low wages and underemployment, Native women have less capacity to absorb shocks to their economic security when faced with a loss of income, economic recession, unexpected bills, or a health crisis. But if policymakers closed this wage gap, Native women would be able to afford 32 more months of child care each year,<sup>20</sup> allowing them to have more secure financial futures for them and their families.

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## Policy recommendations

“Native women are the backbone of Native communities, in a cultural, economic, and social sense. While Native women play an exceptionally critical role in economic development in Native and non-Native communities, they are also primary caregivers and nurturers of culture, tradition, and future generations. Despite their vast and unstinting contributions, Native women are routinely underpaid and undercompensated for the work they do, making a mere 60 cents to the dollar earned by a white male counterpart. Native women deserve to be valued for their contributions to Native communities and our country at large. Native women deserve pay equity and strong workforce supports to maximize their potential and realize their dreams and the dreams of their ancestors.”

– Sherry Salway Black is Oglala Lakota, originally from the Pine Ridge Reservation in South Dakota, and she has worked for more than 40 years on American Indian issues at the federal level and in national nonprofit and philanthropic sectors.<sup>21</sup>

Native women are integral to the care and economic stability of their families and communities. However, historical policies that perpetuate racism, sexism, and colonialism mean that Native women all too often experience negative stereotyping in the workforce, pay disparities, discrimination in hiring and promotions, and other challenges that limit their professional growth, reduce their overall earnings, and undermine their economic stability.

Integral to fostering the financial stability and economic mobility of Native women are Native-led organizations such as the New Mexico-based Native Women Lead and New Mexico Community Capital. The two organizations have formed a collaborative called “The Future is Indigenous Womxn,” which creates and supports economic pathways for Native women entrepreneurs by offering decolonized adaptations of mainstream business methods and tools such as technical assistance, capital deployment, and measurements of impact.<sup>22</sup> As members of the collaborative explained to the author, “From our perspective, we recognize that there is no defined pathway for Native women entrepreneurs to be investment ready. Our organizations help fill this critical gap by providing sustainable and innovative ways forward. By following this path, we hope to add to a new narrative and path for Native women entrepreneurs.” The collaborative was awarded a grant through the Equality Can’t Wait Challenge, hosted by Melinda Gates, MacKenzie Scott, and others, to incubate and invest in community solutions for gender equality in Native communities.<sup>23</sup>

While state, local, and tribal efforts are vital to supporting Native women, so are federal investments. As policymakers consider the rebuilding and recovery of the U.S. economy and society after the COVID-19 crisis, they must center a full range of policy interventions focused on the needs of Native women and other women of color. Both federal and tribal governments should develop equitable policy solutions centering on Native women. These policy solutions must include measures to close the pay gap along with caregiving and workplace support policies such as paid family and medical leave and strong measures to combat discriminatory stereotypes and bias faced by Native women. Specifically, federal and tribal policy interventions to support Native women in the workforce should include the following actions.

#### [Pass the Paycheck Fairness Act](#)

In 2020, American women earned 83 percent of what men earned, a figure that has remained relatively stable during the past 15 years or so.<sup>24</sup> The Paycheck Fairness Act, introduced by Rep. Rosa DeLauro (D-CT) and passed by the U.S. House of Representatives in 2019 and again in 2021, would help combat pay discrimination by strengthening equal pay protections and enforcement tools to challenge discriminatory pay practices. In 2021, Republicans in the U.S. Senate voted to support a filibuster

of the Paycheck Fairness Act, effectively thwarting full consideration of the legislation on the Senate floor. Congress must stop playing games with the economic security of American women, and particularly that of Native and other women of color, and should prioritize passing the Paycheck Fairness Act.

To learn more about the Paycheck Fairness Act, read the CAP column “\$546 Billion and Counting: Senate Inaction on Paycheck Fairness Continues to Shortchange Women.”<sup>25</sup>

#### [Expand work-family policy and caregiving protections](#)

While closing the wage gap through crucial legislation such as the Paycheck Fairness Act is integral to improving the health, well-being, and economic security of Native women and families, policymakers must also advance a suite of interconnected policies that ensure that all workers are able to care for themselves and their families with access to paid family and medical leave; affordable child care and elder care; quality education; health care; and income supplements through such tax credits as the earned income tax credit and the child tax credit. AIAN populations are less likely than white, non-Hispanic communities to have access to many of these supports, especially paid family and medical leave.<sup>26</sup>

To learn more about a suite of policies that support women in the workforce, read the CAP column “These Interconnected Policies Would Sustain Families, Support Women, and Grow the Economy.”<sup>27</sup>

#### [Enforce data collection, anti-discrimination, and other worker protections](#)

Addressing and combating discrimination in the workplace is critical to ensuring that Native women and other women of color are treated fairly, particularly when they are also juggling care or family needs.

- Women of color must be able to take the time they need to care for themselves or their families without fear of retribution or negative effects on future job opportunities.
- Enforcement officials must take steps to guard against workers being targeted for discrimination and sexual harassment because they are perceived to be more vulnerable or in a precarious employment situation.
- Federal enforcement officials should explore ways to improve industrywide standards, tracking and addressing disparities in hiring, layoffs, and other employment discrimination.
- Congress must provide additional resources to help federal enforcement agencies prioritize and expand their efforts to ensure compliance with all relevant laws.

- Federal officials should improve data collection on Native communities to better understand their experience in the labor force.

To learn more about worker protections, read the CAP report “On the Frontlines of Work and at Home: The Disproportionate Economic Effects of the Coronavirus Pandemic on Women of Color.”<sup>28</sup>

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## Conclusion

Across the United States, the pandemic has served to escalate the deep-seated disparities of women in the workforce, especially affecting women of color—including Native women—and shredding the economic security and well-being of too many families. Since the COVID-19 crisis began, 1.98 million women have left the labor force, and 1.4 million fewer mothers of school-age children are working for pay than had been in the previous year.<sup>29</sup> By February of 2021, women’s labor force participation was equivalent to rates seen 30 years ago.<sup>30</sup> Families depend on women’s earnings to survive. If policymakers do not immediately address the barriers to employment for women and women of color that include pay discrimination and low-wage work, the country will continue to devalue a significant portion of the labor force, which will have disastrous consequences for economic growth and prosperity.

Congress has the opportunity to rebuild the U.S. economy in an equitable and long-term way that ensures the system works for all. As federal lawmakers debate investments to include in the reconciliation budget bill, it is imperative that they keep the needs of underserved communities, and especially Native women, front and center in their discussions.

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## Endnotes

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