

America's Women and the Wage Gap

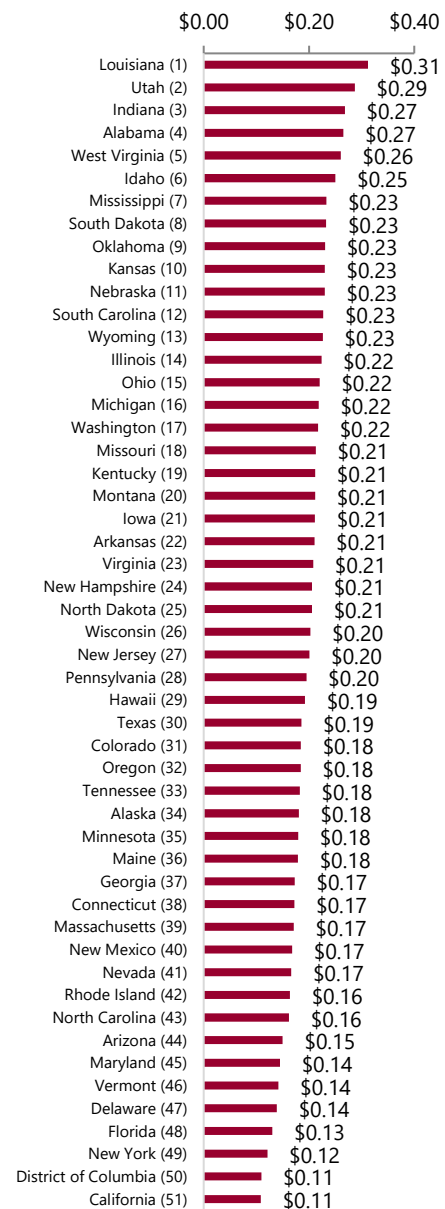
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Nationally, the median annual pay for a woman who holds a full-time, year-round job is \$41,977 while the median annual pay for a man who holds a full-time, year-round job is \$52,146. **This means that, overall, women in the United States are paid 80 cents for every dollar paid to men, amounting to an annual gender wage gap of \$10,169.**¹ This persistent, pervasive wage gap is driven in part by gender and racial discrimination, workplace harassment, job segregation and a lack of workplace policies that support family caregiving, which is still most often performed by women.²

The gender wage gap is a measure of just how far our nation still has to go to ensure that women can participate fully and equally in our economy – and it is widest for many women of color. Among women who hold full-time, year-round jobs in the United States, Black women are typically paid 61 cents, Native American women 58 cents and Latinas just 53 cents for every dollar paid to white, non-Hispanic men.³ White, non-Hispanic women are paid 77 cents and Asian women 85 cents for every dollar paid to white, non-Hispanic men, although some ethnic subgroups of Asian women fare much worse.⁴

The wage gap also varies by state and congressional district but spans nearly all corners of the country. In Louisiana for example, women are paid 69 cents for every dollar paid to men (a gap of 31 cents for every dollar), while in California, women are paid 89 cents for every dollar paid to men (a gap of 11 cents) (*see chart*).⁵ In 421 of the country's 435 congressional districts (97 percent), the median yearly pay for women who work full time, year-round is less than the median yearly pay for men.⁶

Wage gap between men and women by state, per dollar



What Does the Wage Gap Mean for America's Women?

On average, women employed full time in the United States lose a combined total of **more than \$900 billion every year** due to the wage gap.⁷ These lost wages mean women and their families have less money to support themselves, save and invest for the future, and spend on goods and services. Women, their families, businesses and the economy suffer as a result.

If the annual gender wage gap were eliminated, on average, a working woman in the United States would have enough money for approximately:

- ▶ Fourteen more months of child care;⁸
- ▶ More than two-thirds of an additional year of tuition and fees for a four-year public university, or the full cost of tuition and fees for a two-year community college;⁹
- ▶ Nearly eight additional months of premiums for employer-based health insurance;¹⁰
- ▶ Nearly seven more months of mortgage payments;¹¹
- ▶ More than 10 additional months of rent;¹² or
- ▶ Up to 8.4 additional years of birth control;¹³
- ▶ Or enough money to pay off her student loan debt in just under three years.¹⁴

Women, Families and the Country Cannot Afford Discrimination and Lower Wages

- ▶ In the United States, mothers are breadwinners in half of families with children under 18. This includes half of white mothers, 53 percent of Latina mothers, 81 percent of Black mothers and 44 percent of Asian/Pacific Islander mothers.¹⁵ Yet the wage gap for mothers is larger than for women overall. Mothers with full-time, year-round jobs are paid 71 cents for every dollar paid to fathers.¹⁶
- ▶ Nearly 15 million family households in the United States are headed by women.¹⁷ About 26 percent of those families, or 3.9 million family households, have incomes that fall below the poverty level.¹⁸ Eliminating the wage gap would provide much-needed income to women whose wages sustain their households.

The Wage Gap Cannot Be Explained by Choices

- ▶ **The wage gap persists regardless of industry.** In the civilian industries that employ the most full-time employees – health care and social assistance, manufacturing, retail trade and educational services – women are paid less than men. In the health care and social assistance industry, women are paid just 73 cents for every dollar paid to men. In manufacturing, just 78 cents. In retail trade, 79 cents. And in educational services, 87 cents. Across all industries, women are paid lower salaries than men.¹⁹
- ▶ **The wage gap is present within occupations.** Among the occupations with the most people working full time, year-round – sales, production, management, service, and office

and administrative support – women are paid less than men. In sales, women are paid just 70 cents for every dollar paid to men. In production, just 72 cents. In management, 76 cents. In service occupations, just 75 cents. And in office and administrative support occupations, 91 cents.²⁰

- ▶ **The wage gap exists regardless of education level.** Women with master’s degrees working full time, year-round are paid just 75 cents for every dollar paid to men with master’s degrees who work full time, year-round. Further, among full-time, year-round workers, women with associate’s degrees are paid less than men with just a high school diploma, and women with master’s degrees are paid less than men with bachelor’s degrees.²¹
- ▶ **Numerous causes contribute to the wage gap, including discrimination and bias.** Compared to men, women tend to hold lower-paying jobs, work in lower-paying industries, and spend less time in the formal workforce. These trends result from factors ranging from pervasive stereotypes and social norms about gender and work, to a lack of workplace support for family caregiving, to gender and racial discrimination, to the devaluation of work when it is primarily done by women – and the effects are both starker and qualitatively different for women of color.²² Statistical analysis shows that even after controlling for factors like occupational and industry differences, differences in experience and education, and region and unionization – which themselves are not solely the result of women’s choices – 38 percent of the gap is unaccounted for, leading researchers to conclude that factors such as discrimination and unconscious bias continue to affect women’s wages.²³

America’s Women Are Concerned About Unfair Pay

- ▶ **Women consider equal pay a top workplace issue.** Nearly six in 10 women (58 percent) in the United States identify equal pay as one of the most important issues facing women in the workplace. When compared to women in most other high-wealth countries, a substantially higher share of U.S. women list equal pay as one of the most important issues women face at work.²⁴
- ▶ **Less than one-third of women believe they are paid fairly.** Just 28 percent of U.S. working women say they are confident they are paid the same salaries as their male counterparts. Forty-three percent say they do not believe they are paid the same – a substantially higher share than in most other high-wealth countries.²⁵
- ▶ **Women are more likely to support a candidate for office who supports pay equity.** Seventy percent of Republican women, 83 percent of independent women and 88 percent of Democratic women say they would be more likely to vote for a candidate who supports equal pay for women.²⁶

A Path Toward Closing the Wage Gap

Despite the federal Equal Pay Act of 1963 and other protections for women, experts warn that women and men will not reach pay parity until 2059²⁷ – unless something changes. Right now, the lack of supportive policies and bias combine to make fair pay elusive. But there are federal policy solutions that would help:

- ▶ **Fair pay protections and practices.** The Paycheck Fairness Act, now before Congress, would prohibit employers from retaliating against employees who discuss their wages and make it easier to demonstrate that discrimination has occurred. It would also prohibit screening of job applicants based on their salary histories. The Fair Pay Act would diminish wage disparities that result from gender-based occupational segregation.
- ▶ **A higher minimum wage and elimination of the tipped minimum wage.** The Raise the Wage Act would increase the federal minimum wage to \$15 an hour over a seven-year period and gradually eliminate the subminimum wage for tipped workers. Greater access to overtime pay through updated U.S. Department of Labor regulations would also help make wages more fair for millions of working people.
- ▶ **Stronger protections against and remedies for workplace harassment.** The Ending the Monopoly of Power Over Workplace Harassment through Education and Reporting (EMPOWER) Act would increase transparency by prohibiting nondisclosure and nondisparagement clauses as a condition of employment and requiring companies to disclose settlements in connection with workplace harassment. It would also establish a confidential tip line with the Equal Employment Opportunity Commission, require workplace training and public education, and update the tax code so that survivors aren't penalized and companies cannot deduct the costs of litigation or settlements.
- ▶ **Family friendly workplace standards.** The Healthy Families Act would guarantee paid sick days, and the Family And Medical Insurance Leave (FAMILY) Act would establish a national paid family and medical leave standard for women and men. Both proposals would help keep women attached to the workforce, resulting in higher wages over time. Pregnancy discrimination protections, access to quality, affordable child care and predictable schedules are also essential for retention and advancement of women in the workforce.
- ▶ **Full funding for federal agencies that investigate and enforce fair pay.** The Equal Pay Act and Title VII of the Civil Rights Act, as well as executive branch initiatives to collect pay information and promote fair pay, are critically important to uncovering and eliminating discriminatory workplace practices that harm women.
- ▶ **Comprehensive reproductive health care.** Access to comprehensive reproductive health care enables women to pursue education and career opportunities and can increase workforce attachment and wages over time.²⁸ Defending policies like the Affordable Care Act's guarantee of copay-free coverage for the full range of FDA-approved contraceptives and more adequately funding our nation's Title X family planning program are critical to ensuring women get the contraceptive care they need.

Passage of the Equal Access to Abortion Coverage in Health Insurance (EACH Woman) Act would help reduce barriers to abortion care.

Together, these policies will help close the gap between the wages paid to women and men by improving women's access to good and decent-paying jobs, providing the support women need to stay and advance in their careers, and helping ensure fair and nondiscriminatory treatment wherever women work and in whatever jobs they hold.

Learn more about fair pay at NationalPartnership.org/Gap.

1 U.S. Census Bureau. (2018). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2017 – People 15 Years Old and Over by Total Money Earnings in 2017, Age, Race, Hispanic Origin, Sex, and Disability Status*. Retrieved 13 September 2018, from <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html> (Unpublished calculation based on the median annual pay for all women and men who worked full time, year-round in 2018)

2 Glynn, S.J. (2018, April). *Gender wage inequality: What we know and how we can fix it*. Washington Center for Equitable Growth Publication. Retrieved 13 September 2018, from <https://equitablegrowth.org/research-paper/gender-wage-inequality/?longform=true>

3 See note 1.

4 Ibid. Despite an overall wage gap for Asian women in the United States that is smaller than for other groups of women of color, there are substantial variations in the wage gap between particular ethnic groups of Asian women and white, non-Hispanic men, with many subpopulations of Asian women facing significantly greater wage penalties. For more information, see: <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/asian-women-and-the-wage-gap.pdf>

5 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Geographies: All States within United States and Puerto Rico, Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months (in 2017 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_B20017&prodType=table

6 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Geographies: All Congressional Districts (115th Congress), Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months (in 2017 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_B20017&prodType=table; (In 421 out of 435 congressional districts, women who work full time, year-round are paid less than men. In the other 14 districts, women are either paid the same or more than men, or the margin of error is large enough and the earnings ratio is close enough to one that it cannot be said with at least 90 percent confidence that there is a gender wage gap.)

7 See note 1; U.S. Census Bureau. (2018). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-01. Selected Characteristics of People 15 Years and Over, by Total Money Income in 2017, Work Experience in 2017, Race, Hispanic Origin, and Sex*. Retrieved 13 September 2018, from <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-01.html> (Unpublished calculation based on the mean annual pay for all women and men who worked full time, year-round in 2017, multiplied by the total number of women working full time, year-round in 2017)

8 Child Care Aware of America. (2017). *Parents and the High Cost of Child Care*. Retrieved 13 September 2018, from https://usa.childcareaware.org/wp-content/uploads/2017/12/2017_CCA_High_Cost_Report_FINAL.pdf; Unpublished calculation of \$8,670 based on the average cost of center-based child care for a four-year-old. This average is not representative of the mean and is an approximation calculated by weighting state child care cost averages by the number of programs by type reported by each state. It is not to be considered a "national average."

9 U.S. Department of Education, National Center for Education Statistics. (2017, November). *Digest of Education Statistics: 2016* (Table 330.10, Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting postsecondary institutions, by level and control of institution: 1963-64 through 2016-17), Chapter 3. Retrieved 13 September 2018, from https://nces.ed.gov/programs/digest/d17/tables/dt17_330.10.asp?current=yes (The average total annual cost of undergraduate tuition and required fees is \$8,804 for a four-year public college or university or \$3,156 for a two-year college)

10 Kaiser Family Foundation. (n.d.) Average Annual Single Premium per Enrolled Employee For Employer-Based Health Insurance, 2016. Retrieved 13 September 2018, from <https://www.kff.org/other/state-indicator/single-coverage/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Employee%20Contribution%22,%22sort%22:%22desc%22%7D>

11 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Table GCT2511: Median Monthly Housing Costs for Owner-Occupied Housing Units with a Mortgage (Dollars)*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_GCT2511.US01PR&prodType=table (Calculation uses median monthly housing costs for owner-occupied housing units with a mortgage)

12 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Table GCT2514: Median Monthly Housing Costs for Renter-Occupied Housing Units (Dollars)*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_GCT2514.US01PR&prodType=table (Calculation uses median gross rent)

13 Center for American Progress. (2012, February 15). *The High Costs of Birth Control: It's Not As Affordable As You Think*. Retrieved 13 September 2018, from https://cdn.americanprogress.org/wp-content/uploads/issues/2012/02/pdf/BC_costs.pdf (Calculated from a survey of retail costs of oral contraceptives for the uninsured and average copays, combined with the average cost of doctor visits to obtain the prescription. While the Affordable Care Act greatly advanced access to birth control by requiring coverage of contraceptives without cost sharing, many women still must pay out of pocket because they lack insurance, because their plan is grandfathered and does not cover contraceptives without a copay, or because their plan only covers generics.)

14 Siegel Bernard, T., & Russell, K. (2018, July 11). "The New Toll of American Student Debt in 3 Charts." *The New York Times*. Retrieved 13 September, 2018, from <https://www.nytimes.com/2018/07/11/your-money/student-loan-debt-parents.html> (The average debt load at graduation for a student receiving a bachelor's degree was \$30,301 in 2015-2016.)

- 15 Anderson, J. (2016, September 8). *Breadwinner Mothers by Race/Ethnicity and State*. Institute for Women's Policy Research Publication. Retrieved 13 September 2018, from <https://iwpr.org/publications/breadwinner-mothers-by-raceethnicity-and-state/> (Breadwinner mothers are defined as single mothers who head a household or married mothers who generate at least 40 percent of a household's joint income.)
- 16 Tucker, J. (2017, May). *Equal Pay for Mothers is Critical for Families*. National Women's Law Center Publication. Retrieved 13 September 2018, from <https://nwlc-ciw49tixgw5lbbab.stackpathdns.com/wp-content/uploads/2017/05/Motherhood-Wage-Gap.pdf>
- 17 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Table DP02: Selected Social Characteristics in the United States*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_DP02&prodType=table (Calculation uses family households headed by females living in a household with family and no husband; a family household includes a householder, one or more people living in the same household who are related to the householder, and anyone else living in the same household)
- 18 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Geographies: United States, Table DP03: Selected Economic Characteristics*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_DP03&prodType=table (To determine whether a household falls below the poverty level, the U.S. Census Bureau considers the income of the householder, size of family, number of related children, and, for one- and two-person families, age of householder. The poverty threshold in 2017 was \$19,749 for a single householder and two children under 18.)
- 19 U.S. Census Bureau. (2018). *American Community Survey 1-Year Estimates 2017, Table S2414: Industry by Sex and Median Earnings in the Past 12 Months (in 2017 Inflation-Adjusted Dollars) for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over*. Retrieved 13 September 2018, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_S2414&prodType=table
- 20 U.S. Census Bureau. (2018). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-06: Occupation of Longest Job in 2017--People 15 Years and Over, by Total Money Earnings in 2017, Work Experience in 2017, Race, Hispanic Origin, and Sex*. Retrieved 13 September 2018, from <http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-06.html>
- 21 U.S. Census Bureau. (2018). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-03. Educational Attainment--People 25 Years Old and Over, by Total Money Earnings in 2017, Work Experience in 2017, Age, Race, Hispanic Origin, and Sex*. Retrieved 13 September 2018, from <http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03.html>
- 22 See note 2; Levanon, A., England, P., & Allison, P. (2009). Occupational Feminization and Pay: Assessing Causal Dynamics Using 1950–2000 U.S. Census Data. *Social Forces* 88(2), 865–891. doi.org/10.1353/sof.0.0264; Paul, M., Zaw, K., Hamilton, D., & Darity, Jr., W. (2018, August). *Returns in the labor market: A nuanced view of penalties at the intersection of race and gender*. Washington Center for Equitable Growth Publication. Retrieved 13 September 2018, from <https://equitablegrowth.org/working-papers/intersectionality-labor-market/>
- 23 Blau, F. D., & Kahn, L.M. (2016, January). *The Gender Wage Gap: Extent, Trends, and Explanations*. IZA Discussion Paper No. 9656. Retrieved 13 September 2018, from <http://ftp.iza.org/dp9656.pdf> (See Table 4: *Decomposition of Gender Wage Gap, 1980 and 2010 (PSID)* for the full breakdown of explanatory variables.)
- 24 Thomson Reuters Foundation. (2015). *The 5 key issues facing women working in the G20*. Retrieved 13 September 2018, from <http://www.womenatworkpoll.com> (Ipsos Global @divisor conducted an international survey among 9,501 women across 19 countries. Surveys were conducted from July 24 – August 7, 2015. The margin of error between two country sample sizes of 500 is roughly 6 percent at the 95 percent confidence interval. Data are weighted to match the population profile of each country by age, region and household income.)
- 25 Ibid.
- 26 Greenberg Quinlan Rosner Research. (2016, February 17). *Winning Women in 2016: Findings from a Web Survey of American Adults*. Retrieved 13 September 2018, from <http://www.americanwomen.org/research/document/American-Women-Survey-Millennial-Memo-02.18.16.pdf> (Greenberg Quinlan Rosner Research conducted a national online survey of 800 registered voters, with an oversample of 200 millennial women voters, for a total sample size of 1,000 registered voters, weighted to be representative of registered voters nationally. The survey was conducted from December 7 – 10, 2015.)
- 27 Institute for Women's Policy Research. (2018, September 12). *Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2017 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059*. Retrieved 13 September 2018, from <https://iwpr.org/publications/pay-equity-projection-1960-2017/>
- 28 Bailey, M.J., Hershbein, B., & Miller, A.R. (2012, July). The Opt-In Revolution? Contraception and the Gender Gap in Wages. *American Economic Journal: Applied Economics*, 4(3), 225–254. Retrieved 13 September 2018, from <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3684076/>; Reproductive Health Technologies Project. (2015, August). *Two Sides of the Same Coin: Integrating Economic and Reproductive Justice*. Retrieved 13 September 2018, from <http://rhtp.org/wp-content/uploads/2016/08/Two-Sides-of-the-Same-Coin-Integrating-Economic-and-Reproductive-Justice.pdf>

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, access to quality health care and policies that help women and men meet the dual demands of work and family. More information is available at NationalPartnership.org.

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