

America's Women and the Wage Gap

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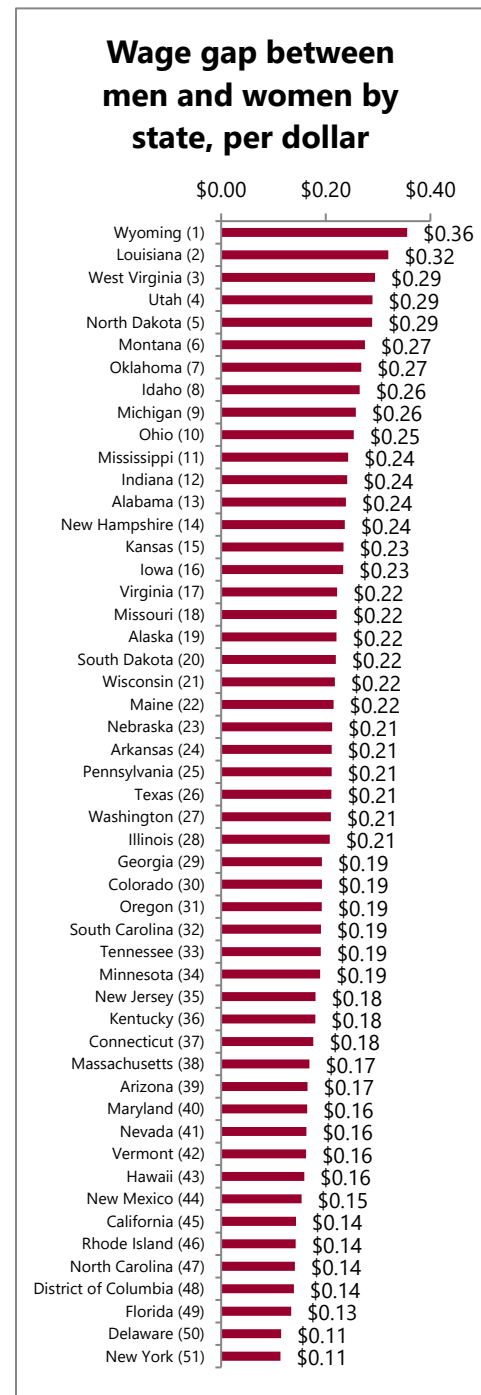
Nationally, the median annual pay for a woman who holds a full-time, year-round job is \$40,742 while the median annual pay for a man who holds a full-time, year-round job is \$51,212. **This means that, overall, women in the United States are paid 80 cents for every dollar paid to men, amounting to an annual gender wage gap of \$10,470.**¹

The wage gap can be even larger for women of color. For example, among women who hold full-time, year-round jobs in the United States, Black women are typically paid 63 cents and Latinas are paid just 54 cents for every dollar paid to white, non-Hispanic men.² Asian women are paid 85 cents for every dollar paid to white, non-Hispanic men, although some ethnic subgroups of Asian women fare much worse.³

The wage gap also varies by state and congressional district but spans nearly all corners of the country. In Wyoming, for example, women are paid 64 cents for every dollar paid to men (a gap of 36 cents for every dollar), while in New York and Delaware, women are paid 89 cents for every dollar paid to men (a gap of 11 cents) (*see chart*).⁴ In 410 of the country's 435 congressional districts (94 percent), the median yearly pay for women who work full time, year-round is less than the median yearly pay for men.⁵

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 \$840 billion every year** due to the wage gap.⁶ 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. 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:

- ▶ Fifteen more months of child care;⁷
- ▶ 1.2 additional years of tuition and fees for a four-year public university, or the full cost of tuition and fees for a two-year community college;⁸
- ▶ Seventy-eight more weeks of food for her family (1.5 years' worth);⁹
- ▶ Seven more months of mortgage and utilities payments;¹⁰
- ▶ Eleven more months of rent;¹¹ or
- ▶ Up to 8.7 additional years of birth control.¹²

Women and Families Cannot Afford Discrimination and Lower Wages

- ▶ In the United States, mothers are breadwinners in half of families with children under 18, including half of white mothers, 53 percent of Latina mothers, 81 percent of Black mothers and 44 percent of Asian/Pacific Islander mothers.¹³ 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.¹⁴
- ▶ More than 15 million family households in the United States are headed by women.¹⁵ About 29 percent of those families, or 4,374,354 family households, have incomes that fall below the poverty level.¹⁶ 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 72 cents for every dollar paid to men. In manufacturing, just 76 cents. In retail trade, 79 cents. And in educational services, 88 cents. Across all industries, women are paid lower salaries than men.¹⁷
- ▶ **The wage gap is present within occupations.** Among the occupations with the most people working full time, year-round – sales, production, management, and office and administrative support – women are paid less than men. In sales, women are paid just 63 cents for every dollar paid to men. In production, just 72 cents. In management, 76 cents. And in office and administrative support occupations, 87 cents.¹⁸
- ▶ **The wage gap exists regardless of education level.** Women with master's degrees working full time, year-round are paid just 72 cents for every dollar paid to men with master's degrees. Further, among full-time, year-round workers, women with doctoral degrees are paid less than men with master's degrees, and women with master's degrees are paid less than men with bachelor's degrees.¹⁹

- ▶ **Discrimination and bias still contribute to the wage gap.** Statistical analysis shows that 62 percent of the wage gap can be attributed to occupational and industry differences; differences in experience and education; and factors such as race, region and unionization. That leaves 38 percent of the gap unaccounted for, leading researchers to conclude that factors such as discrimination and unconscious bias continue to affect women's wages.²⁰

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 leading, 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.²¹
- ▶ **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 leading, high-wealth countries.²²
- ▶ **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.²³

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 2059²⁴ – unless something changes. Right now, a lack of supportive policies and bias combine to make fair pay elusive. But there are key federal policy solutions that would help:

- ▶ **Fair pay protections and practices.** The Paycheck Fairness Act would prohibit employers from retaliating against employees who discuss their wages and make it easier to demonstrate that discrimination has occurred. The Fair Pay Act would diminish wage disparities that result from gender-based occupational segregation. And increasing the federal minimum wage rate and eliminating the tipped minimum wage rate are critical to raising women's wages.
- ▶ **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.
- ▶ **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 reproductive health care enables women to pursue education and career opportunities and can increase workforce attachment and wages over time.²⁵ Robust funding for the Title X family planning program and passage of the EACH Woman Act would help reduce barriers to contraception and abortion care.

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

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

1 U.S. Census Bureau. (2016). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2015 – People 15 Years Old and Over by Total Money Earnings in 2015, Age, Race, Hispanic Origin, Sex, and Disability Status*. Retrieved 21 March 2017, 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 2015)

2 Ibid.

3 Ibid. Despite an overall wage gap for Asian women in the United States that is smaller than for other groups of women of color, analysis by the National Asian Pacific American Women's Forum shows 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: https://napawf.org/wp-content/uploads/2017/03/FIGHTING-INVISIBILITY_FINAL.pdf

4 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, 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 2015 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_B20017&prodType=table

5 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Geographies: All Congressional Districts (114th Congress), Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months (in 2015 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_B20017&prodType=table; (In 410 out of 435 congressional districts, women who work full time, year-round are paid less than men. In the other 25 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.)

6 See note 1.; U.S. Census Bureau. (2016). *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 2015, Race, Hispanic Origin, and Sex*. Retrieved 21 March 2017, 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 2015, multiplied by the total number of women working full time, year-round in 2015)

7 Tercha, J. (2017, February). Personal communication. (Research Analyst, Child Care Aware of America). Unpublished calculation of \$8,468.63 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 based off of an unweighted average of averages and is not to be considered a "national average."

8 U.S. Department of Education, National Center for Education Statistics. (2016). *Digest of Education Statistics: 2015* (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 2014-15), Chapter 3. Retrieved 21 March 2017, from https://nces.ed.gov/programs/digest/d15/tables/dt15_330.10.asp?current=yes (The average total annual cost of undergraduate tuition and required fees is \$8,543 for a four-year public college or university or \$2,955 for a two-year college)

9 U.S. Bureau of Labor Statistics. (2016, August). *Consumer Expenditure Survey, Table 1800. Region of residence: Annual expenditure means, shares, standard errors, and coefficient of variation, 2015*. Retrieved 21 March 2017, from <http://www.bls.gov/cex/2015/combined/region.pdf> (Calculation uses overall average "food" cost)

10 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Table GCT2511: Median Monthly Housing Costs for Owner-Occupied Housing Units with a Mortgage (Dollars)*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_GCT2511.US01PR&prodType=table (Calculation uses median monthly housing costs for owner-occupied housing units with a mortgage)

11 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Table GCT2514: Median Monthly Housing Costs for Renter-Occupied Housing Units (Dollars)*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_GCT2514.US01PR&prodType=table (Calculation uses median gross rent)

12 Center for American Progress. (2012, February 15). *The High Costs of Birth Control: It's Not As Affordable As You Think*. Retrieved 21 March 2017, 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.)

13 Anderson, J. (2016, September 8). *Breadwinner Mothers by Race/Ethnicity and State*. Institute for Women's Policy Research Publication. Retrieved 21 March 2017, 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.)

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- 14 National Women's Law Center (2016, November). *The Wage Gap for Mothers, State by State*. Retrieved 21 March 2017, from <https://nwlc.org/wp-content/uploads/2016/05/Wage-Gap-for-Mothers-State-By-State-1.pdf>
- 15 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Table DP02: Selected Social Characteristics in the United States*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_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)
- 16 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Geographies: United States, Table DP03: Selected Economic Characteristics*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_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 2015 was \$19,096 for a single householder and two children under 18.)
- 17 U.S. Census Bureau. (2016). *American Community Survey 1-Year Estimates 2015, Table S2414: Industry by Sex and Median Earnings in the Past 12 Months (in 2015 Inflation-Adjusted Dollars) for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over*. Retrieved 21 March 2017, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_S2414&prodType=table
- 18 U.S. Census Bureau. (2016). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-06: Occupation of Longest Job in 2015--People 15 Years and Over, by Total Money Earnings in 2015, Work Experience in 2015, Race, Hispanic Origin, and Sex*. Retrieved 21 March 2017, from <http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-06.html>
- 19 U.S. Census Bureau. (2016). *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 2015, Age, Race, Hispanic Origin, and Sex*. Retrieved 21 March 2017, from <http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03.html>
- 20 Blau, F. D., & Kahn, L.M. (2016, January). *The Gender Wage Gap: Extent, Trends, and Explanations*. IZA Discussion Paper No. 9656. Retrieved 21 March 2017, 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.)
- 21 Thomson Reuters Foundation. (2015). *The 5 key issues facing women working in the G20*. Retrieved 21 March 2017, 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.)
- 22 Ibid.
- 23 Greenberg Quinlan Rosner Research. (2016, February 17). *Winning Women in 2016: Findings from a Web Survey of American Adults*. Retrieved 21 March 2017, 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.)
- 24 Institute for Women's Policy Research. (2017, March). *Projected Year the Wage Gap Will Close by State*. Retrieved 22 March 2017, from <https://iwpr.org/wp-content/uploads/2017/03/R476.pdf>
- 25 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 21 March 2017, 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 21 March 2017, from <http://rhttp.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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