Beyond Wages: Effects of the Latina Wage Gap

MARCH 2021

A persistent gender-based wage gap continues to harm women, their families and the economy – it is particularly damaging for Latinas.*

Even as Latinas have entered the workforce in record numbers – now with more than 12 million workers – they continue to face the largest wage gap among women. Latinas in the United States are typically paid just 55 cents for every dollar paid to White, non-Hispanic men. Overall, all women employed full time, year-round are typically paid 82 cents compared to every dollar paid to the general population, both men and women, employed full time, year-round.²

Latinas face a myriad of obstacles in the labor force, including overrepresentation in low-wage service occupations, limited access to benefits – including paid leave and retirement plan access – and discrimination, among others.³ However, the Latina pay gap extends beyond just low-wage workers, affecting Latinas at every level – including executives and other professional occupations.

The nature of their work and a persistent gender wage gap hurt Latinas, many of whom are single heads of households, and leave them and their families vulnerable to experiencing poverty. Worryingly, Latinas are the least likely group of women workers to live with economic security or have access to paid sick time.⁴ Achieving pay parity is the first step to ensuring that working Latinas now and, in the future, can achieve economic security and find an opportunity to build and maintain wealth.

Rampant wage disparities persist across states and occupations, with potentially devastating consequences for Latinas and their families.

- In the 25 states, plus Puerto Rico, with the largest numbers of Latinas working full time, year-round; pay for Latinas ranges from 41 cents for every dollar paid to White, non-Hispanic men in California, to 65 cents in Puerto Rico.⁵ (See Appendix I for a full listing of wage gaps by state).
- In the occupations in which the largest numbers of Latinas are employed, Latinas are paid less than White, non-Hispanic men. Specifically, in manufacturing and

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* The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish and other Hispanic descent; they may be of any race. This document may also refer to this population as “Latinx” to represent the diversity of gender identities and expressions that are present in the community.
transportation, Latinas are typically paid just 55 cents for every dollar paid to White, non-Hispanic men; in service jobs, 66 cents; in management, 61 cents; and in office and administrative support, 73 cents.\(^6\)

The wage gap persists, even within the highest-paid occupations for Latinas. The median pay for Latinas in computer and mathematical occupations is $81,559 per year, compared to a median pay of $89,427 for White, non-Hispanic men. Latinas in legal occupations are typically paid $66,201 per year, compared to $156,908 for White, non-Hispanic men. Latina nurses are paid on average $58,232 per year compared to $96,778 for White, non-Hispanic men.\(^7\)

The wage gap harms Latinas, their families, and the U.S. economy.

Prior to the pandemic, the median wage for Latinas in the United States was $36,110 per year, compared to the median wage of $65,208 for White, non-Hispanic men – meaning the wage gap costs Latinas $29,098 each per year.\(^8\) In the past year, Latinas were more likely to lose jobs and income than White, non-Hispanic men.\(^9\) These lost wages mean Latinas have less money to support themselves and their families, save and invest for the future, and spend on goods and services. Eliminating the wage gap would provide much-needed income to Latinas, including many heads of households.

- Around half of Latina mothers are key bread for their families, which means their households rely heavily on their wages to make ends meet and get ahead.\(^10\)
- More than three million family households in the United States are headed by Latinas,\(^11\) and 30.5 percent of these households live below the poverty level, compared to 8.6 percent of all U.S. households.\(^12\) This means that more than one million Latina-headed family households live in poverty.

If the wage gap were eliminated, on average, a Latina working full time, year-round would have enough money to afford one of the following:

- More than three additional years of child care.\(^13\)
- More than 18 additional months of mortgage payments.\(^14\)
- More than two additional years and two months of rent.\(^15\)
- One and a half years of the maximum retirement contribution to her employer-sponsored 401(k) retirement account.\(^16\)
- Almost 20 additional months of premiums for employer-provided health insurance.\(^17\)
- Pay off student loans in just over one year.\(^18\)

**Latina workers overwhelmingly support fair pay and paid leave.**

In addition to low wages, Latinas report gender and racial discrimination, sexual harassment and violence in the workplace – factors that, in addition to the lack of family-friendly workplace policies, are major drivers of the wage gap.\(^19\) The pandemic
has exacerbated these problems. About half of Latinas reported having trouble meeting basic needs in 2020. The majority of Latinas want to see investment in policies that support working family caregivers and that help build family wealth and security in retirement, according to recent surveys by the National Partnership for Women & Families, the National Women’s Law Center and TIME’S UP.

- Almost two-thirds of Latinas (63 percent) report having faced gender or racial obstacles in the workplace. Only about one-quarter (26 percent) are very sure that their employer pays men and women equally for equal work.
- During the pandemic, nearly three-quarters of Latina women (72 percent) report having lost their job, hours, or pay. Fewer than four in 10 (37 percent) are certain that they will have a job in the future that pays what they were making before.
- More than eight in 10 Latinas (85 percent) strongly agree that Congress should pass paid sick leave legislation and eight in 10 (83 percent) strongly agree that Congress should pass paid family and medical leave legislation. More than seven in 10 (71 percent) say they would need retirement savings benefits to feel economically secure.

Latinas and their families deserve strong policies that support economic security. Latinas contribute so much to their families, communities, and the national economy. Yet, they continue to bear the brunt of unequal pay, workplace discrimination and limited access to paid family and medical leave. Latinas know what they need, and their voice is clear on the importance of strong policies to improve their access to high quality jobs, fair and nondiscriminatory treatment and family-friendly workplaces and support. To best serve Latinas, efforts must close the wage gap, benefit families and ensure access to retirement security for workers. It’s time to listen to Latinas and other women, and support policies that reward their hard work, expand economic security options and help bolster the national economy.
### Appendix I: Latina Wage Gap by State, 2019

An analysis of the wage gap in the 25 states with the largest number of Latinas who work full time, year-round, plus Puerto Rico

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Latinas Working Full Time, Year-Round</th>
<th>Median Wages for Latinas</th>
<th>Median Wages for White, Non-Hispanic men</th>
<th>Annual Wage Gap</th>
<th>Cents on the Dollar</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>1,809,384</td>
<td>$33,212</td>
<td>$80,893</td>
<td>$47,681</td>
<td>$0.41</td>
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<tr>
<td>New Jersey</td>
<td>255,089</td>
<td>$35,239</td>
<td>$81,104</td>
<td>$45,865</td>
<td>$0.43</td>
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<td>Texas</td>
<td>1,394,094</td>
<td>$30,370</td>
<td>$66,880</td>
<td>$36,510</td>
<td>$0.45</td>
</tr>
<tr>
<td>Georgia</td>
<td>114,898</td>
<td>$28,130</td>
<td>$60,626</td>
<td>$32,496</td>
<td>$0.46</td>
</tr>
<tr>
<td>Washington</td>
<td>103,201</td>
<td>$32,231</td>
<td>$70,181</td>
<td>$37,950</td>
<td>$0.46</td>
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<tr>
<td>Maryland</td>
<td>80,558</td>
<td>$34,767</td>
<td>$75,674</td>
<td>$40,907</td>
<td>$0.46</td>
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<td>Utah</td>
<td>52,511</td>
<td>$29,649</td>
<td>$62,839</td>
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<td>$0.47</td>
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<tr>
<td>Illinois</td>
<td>279,838</td>
<td>$31,940</td>
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<td>Connecticut</td>
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<tr>
<td>State</td>
<td>Population</td>
<td>Median Hourly Earnings of Men</td>
<td>Median Annual Earnings of Men</td>
<td>Median Hourly Earnings of Women</td>
<td>Median Annual Earnings of Women</td>
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<tr>
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<tr>
<td>Arizona</td>
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<td>$31,574</td>
<td>$60,727</td>
<td>$29,153</td>
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<td>Nevada</td>
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<td>$31,606</td>
<td>$60,934</td>
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<td>Oregon</td>
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<td>$59,963</td>
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<td>$58,920</td>
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<td>New York</td>
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<td>$70,954</td>
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<td>Michigan</td>
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<td>$56,321</td>
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<td>Wisconsin</td>
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<td>$0.56</td>
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<td>Indiana</td>
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<td>$30,574</td>
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<td>$0.58</td>
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<td>Florida</td>
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<td>$31,793</td>
<td>$53,601</td>
<td>$21,808</td>
<td>$0.59</td>
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<td>$54,849</td>
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<td>Puerto Rico</td>
<td>308,463</td>
<td>$24,260</td>
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<td>$12,895</td>
<td>$0.65</td>
</tr>
</tbody>
</table>

The U.S. and the High Price of Child Care


2 Ibid.


6 Ibid.

7 See note 1.


9 Ibid.

10 Ibid.

11 Ibid.

12 Ibid.

13 Ibid.

14 See note 1.


17 Ibid.

18 Ibid.

19 Ibid.

20 Ibid.

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."


15 Ibid. (Calculation uses median gross rent for occupied units paying rent.)


17 Kaiser Family Foundation. (n.d.) *Average Annual Single Premium per Enrolled Employee For Employer-Based Health Insurance, 2018.* Retrieved 5 March 2021, from https://www.kff.org/other/state-indicator/single-coverage/?currentTimeframe=0&sortModel=%7B%22colId%22:%22%22Location%22,%22sort%22:%22%22asc%22%7D


21 Ibid.

22 Ibid.


24 See note 19.

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

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