

# 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.<sup>1</sup> 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.<sup>2</sup>

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.<sup>3</sup> 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.<sup>4</sup> 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.<sup>5</sup> (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.<sup>6</sup>

- 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.<sup>7</sup>

### **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.<sup>8</sup> In the past year, Latinas were more likely to lose jobs and income than White, non-Hispanic men.<sup>9</sup> 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.<sup>10</sup>
- More than three million family households in the United States are headed by Latinas,<sup>11</sup> and 30.5 percent of these households live below the poverty level, compared to 8.6 percent of all U.S. households.<sup>12</sup> 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.<sup>13</sup>
- More than 18 additional months of mortgage payments.<sup>14</sup>
- More than two additional years and two months of rent.<sup>15</sup>
- One and a half years of the maximum retirement contribution to her employer-sponsored 401(k) retirement account.<sup>16</sup>
- Almost 20 additional months of premiums for employer-provided health insurance.<sup>17</sup>
- Pay off student loans in just over one year.<sup>18</sup>

### **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.<sup>19</sup> The pandemic

has exacerbated these problems. About half of Latinas reported having trouble meeting basic needs in 2020.<sup>20</sup> 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.<sup>21</sup>
- 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.<sup>22</sup>
- 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.<sup>23</sup> More than seven in 10 (71 percent) say they would need retirement savings benefits to feel economically secure.<sup>24</sup>

**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

State	Number of Latinas Working Full Time, Year-Round	Median Wages for Latinas	Median Wages for White, Non-Hispanic men	Annual Wage Gap	Cents on the Dollar
California	1,809,384	\$33,212	\$80,893	\$47,681	\$0.41
New Jersey	255,089	\$35,239	\$81,104	\$45,865	\$0.43
Texas	1,394,094	\$30,370	\$66,880	\$36,510	\$0.45
Georgia	114,898	\$28,130	\$60,626	\$32,496	\$0.46
Washington	103,201	\$32,231	\$70,181	\$37,950	\$0.46
Maryland	80,558	\$34,767	\$75,674	\$40,907	\$0.46
Utah	52,511	\$29,649	\$62,839	\$33,190	\$0.47
Illinois	279,838	\$31,940	\$66,596	\$34,656	\$0.48
Connecticut	72,181	\$36,597	\$75,204	\$38,607	\$0.49
North Carolina	101,318	\$26,920	\$54,001	\$27,081	\$0.50
Massachusetts	99,365	\$38,380	\$76,744	\$38,364	\$0.50
Oklahoma	44,437	\$26,807	\$52,385	\$25,578	\$0.51
Colorado	152,670	\$34,343	\$66,856	\$32,513	\$0.51

Arizona	273,329	\$31,574	\$60,727	\$29,153	\$0.52
Nevada	113,699	\$31,606	\$60,934	\$29,328	\$0.52
Oregon	62,249	\$31,554	\$61,061	\$29,507	\$0.52
New Mexico	130,744	\$32,009	\$59,963	27,954	\$0.53
Virginia	110,842	\$35,129	\$66,298	\$31,169	\$0.53
Pennsylvania	107,869	\$31,979	\$58,920	\$26,941	\$0.54
New York	491,579	\$38,721	\$70,954	\$32,233	\$0.55
Michigan	56,792	\$31,805	\$56,321	\$24,516	\$0.56
Wisconsin	46,481	\$31,186	\$55,839	\$24,653	\$0.56
Indiana	50,332	\$30,574	\$53,154	\$22,580	\$0.58
Florida	795,962	\$31,793	\$53,601	\$21,808	\$0.59
Ohio	51,045	\$32,407	\$54,849	\$22,442	\$0.59
Puerto Rico	308,463	\$24,260	\$37,155	\$12,895	\$0.65

Sources: U.S. Census Bureau. (2020). American Community Survey 5-Year Estimates 2015-2019, Geographies: All States within United States Plus Puerto Rico, Table B20017I: Median Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months (Hispanic or Latino); Table B20005I: Sex by Work Experience in the Past 12 Months by Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) for the Population 16 Years and Over (Hispanic or Latino); and American Community Survey 1-Year Estimates 2019, Geographies, All States within the United States Plus Puerto Rico, Table B20017H: Median Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months (White Alone, not Hispanic or Latino).

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<sup>1</sup> U.S. Census Bureau. (2020) *Current Population Survey (CPS), Annual Social and Economic (ASEC) Supplement: Table PINC-05. "Work Experience in 2019 – People 15 Years Old and Over by Total Money Earnings in 2019, Age, Race, Hispanic Origin, and Sex."* Retrieved 5 March, 2021, from <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-06.html> (Unpublished calculation based on the median earnings of white, non-Hispanic men and Hispanic women (any race) who worked full time, year-round in 2019; full-time is defined as 35 hours a week or more).

<sup>2</sup> Ibid.

<sup>3</sup> Michel, Zoe Z., & Liz Ben-Ishai. (2016, August) *Buenos Empleos: Latinos' Limited Access to Quality Jobs*. Retrieved 5 March 2021, from The Center for Law and Social Policy website: <https://www.clasp.org/publications/report/brief/buenos-empleos-latinos-limited-access-quality-jobs>.

<sup>4</sup> Suh, Jooyeoun, Jennifer Clark, & Jeff Hayes. (2018, October 11). *Basic Economic Security in the United States: How Much Income Do Working Adults Need in Each State?* Retrieved 5 March 2021, from Institute for Women's Policy Research website: <https://iwpr.org/publications/best-us-2018/>.

<sup>5</sup> U.S. Census Bureau. (2020). *American Community Survey 1-Year Estimates 2019, Geographies: All States within United States, Table B20017H. "Median Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months (White alone, not Hispanic)."* Retrieved 5 March 2021, from

<https://data.census.gov/cedsci/table?q=B20017H&g=0100000US.04000.001&tid=ACSDT1Y2019.B20017H&hidePreview=true>; U.S. Census Bureau. American Community Survey 5-Year Estimates 2015-2019, Geographies: All States within United States, Table B20017I. "Median Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months (Hispanic or Latino)." Retrieved 5 March 2021, from <https://data.census.gov/cedsci/table?q=B20017I&g=0100000US.04000.001&tid=ACSDT1Y2019.B20017I&hidePreview=true> (This calculation is based on a comparison of the median earnings of white, non-Hispanic men working full time, year-round with that of Latinas working full time, year-round.); U.S. Census Bureau. American Community Survey 5-Year Estimates 2015-2019, Geographies: All States within United States, Table B20005I. "Sex by Work Experience in the Past 12 Months by Earnings in the Past 12 Months (in 2019 Inflation-Adjusted Dollars) for the Population 16 Years and Over (Hispanic or Latino)." Retrieved 5 March 2021, from <https://data.census.gov/cedsci/table?q=B20005I&g=0100000US.04000.001&tid=ACSDT1Y2019.B20005I&hidePreview=true>

<sup>6</sup> U.S. Census Bureau. (2020). *2019 Current Population Survey (CPS), Annual Social and Economic (ASEC) Supplement: PINC-06. "Occupation of Longest Job-People 15 Years Old and Over, by Total Money Earnings, Work Experience, Race, Hispanic Origin, and Sex."* Retrieved 5 March 2021, from <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-06.html> (Unpublished calculation based on the median earnings of white, non-Hispanic men and Hispanic women (any race) who worked full time, year-round in 2018; full-time is defined as 35 hours a week or more).

<sup>7</sup> Ibid.

<sup>8</sup> See note 1.

<sup>9</sup> Mason, J., & Molina Acosta, P. (2021, March). *Called to Care: A Racially Just Recovery Demands Paid Family and Medical Leave*. Retrieved 22 March 2021, from the National Partnership for Women & Families: <https://www.nationalpartnership.org/our-work/economic-justice/reports/called-to-care-a-racially-just-demands-paid-family-and-medical-leave.html#1>

<sup>10</sup> Shaw, E., Mason, C., Lacarte, V., & Jauregui, E. (2020, May). *Holding Up Half the Sky: Mothers as Workers, Primary Caregivers, & Breadwinners During COVID-19*. Retrieved 5 March 2021 from the Institute for Women's Policy Research: <https://iwpr.org/wp-content/uploads/2020/07/Holding-Up-Half-the-Sky-Mothers-as-Breadwinners.pdf>

<sup>11</sup> U.S. Census Bureau. (2020). *2019 American Community Survey 1-Year Estimates 2018, Table B11001I. "Household Type (Including Living Alone) (Hispanic or Latino)."* Retrieved 5 March 2021, from <https://data.census.gov/cedsci/table?q=%20B11001I&tid=ACSDT1Y2019.B11001I&hidePreview=false> (Calculation uses family households headed by females living in a household with family and no spouse. 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.)

<sup>12</sup> U.S. Census Bureau. (2020). *2019 American Community Survey 1-Year Estimates 2019, Table S0201. "Selected Population Profile in the United States (Total Population and Hispanic or Latino, of any race)."* Retrieved 5 March 2021, from <https://data.census.gov/cedsci/table?q=S0201&t=400%20-%20Hispanic%20or%20Latino%20%28of%20any%20race%29%20%28200-299%29&tid=ACSSPP1Y2019.S0201&hidePreview=true> (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 2019 was \$20,589 for a single householder and two children under 18.)

<sup>13</sup> Child Care Aware of America. (2019). *The U.S. and the High Price of Child Care: An Examination of a Broken System*. Retrieved 5 March 2021, from <https://cdn2.hubspot.net/hubfs/3957809/2019%20Price%20of%20Care%20State%20Sheets/Final-TheUSandtheHighPriceofChildCare-AnExaminationofaBrokenSystem.pdf>; Estimate of \$9,254 based on the average cost of center-

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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."

<sup>14</sup> U.S. Census Bureau. (2021). *American Community Survey 1-Year Estimates 2019, Table DP04: Selected Housing Characteristics*. Retrieved 5 March 2021, from <https://data.census.gov/cedsci/table?q=dp04&d=ACS%201>

Year%20Estimates%20Data%20Profiles&tid=ACSDP1Y2019.DP04&hidePreview=true (Calculation uses median monthly owner costs for housing units with a mortgage.)

<sup>15</sup> Ibid. (Calculation uses median gross rent for occupied units paying rent.)

<sup>16</sup> The maximum contribution for 2021 is \$19,500. Internal Revenue Service. (2021). *Retirement Topics - 401(k) and Profit-Sharing Plan Contribution Limits*. Retrieved 12 March 2021, from <https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-401k-and-profit-sharing-plan-contribution-limits>

<sup>17</sup> 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:%22Location%22,%22sort%22:%22asc%22%7D>

<sup>18</sup> Siegel Bernard, T., & Russell, K. (2018, July 11). The New Toll of American Student Debt in 3 Charts. *The New York Times*. *New York Times*. Retrieved 5 March 2021, 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.)

<sup>19</sup> Glynn, Sarah Jane. (2018, April 9) *Gender Wage Inequality*. Retrieved 5 March 2021, from Washington Center for Equitable Growth website: <https://equitablegrowth.org/research-paper/gender-wage-inequality/?longform=true>.

<sup>20</sup> TIME'S UP Foundation (2020, July 30). *Gender and racial inequity during crisis: The pay gap*. Retrieved 5 March 2021, from <https://timesupfoundation.org/work/times-up-pay-up/gender-and-racial-inequity-during-crisis-the-pay-gap/>

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> Lake Research Partners and the Tarrance Group (2020, November 19). *New Election Exit Poll Shows Bipartisan Support for Policies to Address Caregiving Crisis*. Retrieved 5 March 2021, from <https://timesupnow.org/wp-content/uploads/2020/11/Election-Eve-Omnibus-Caregiving-Poll-Memo.pdf>

<sup>24</sup> 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](http://NationalPartnership.org).

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