

America's Women and the Wage Gap

APRIL 2016

Nationally, the median annual pay for a woman who holds a full-time, year-round job is \$39,621 while the median annual pay for a man who holds a full-time, year-round job is \$50,383. **This means that, overall, women in the United States are paid 79 cents for every dollar paid to men, amounting to an annual gender wage gap of \$10,762.¹**

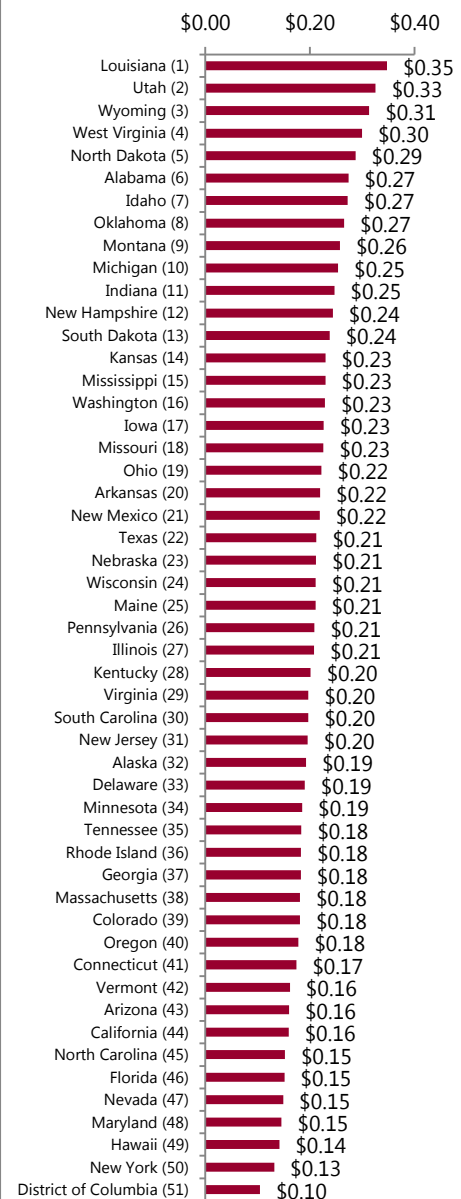
The wage gap can be even larger for women of color. For example, among women who hold full-time, year-round jobs in the United States, African American women are paid, on average, 60 cents and Latinas are paid just 55 cents for every dollar paid to white, non-Hispanic men.² Asian women are paid 84 cents 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 Louisiana, for example, women are paid 65 cents for every dollar paid to men (a gap of 35 cents for every dollar),⁴ while in the District of Columbia, women are paid 90 cents for every dollar paid to men (a gap of 10 cents for every dollar) (*see chart*).⁵ In 425 of the country's 435 congressional districts (98 percent), the median yearly pay for women who work full time, year round is less than the median yearly pay for men.⁶

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 **nearly \$500 billion every year** due to the wage gap.⁷ These women, their families, businesses and the economy suffer as a result. Lost wages mean families have less money to save for the future or to spend on basic goods and services – spending that helps drive the economy.

Wage gap between men and women by state, per dollar



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

- ▶ 83 more weeks of food for her family (1.6 years' worth);⁸
- ▶ Seven more months of mortgage and utilities payments;⁹
- ▶ 11 more months of rent;¹⁰ or
- ▶ Nine more years of birth control.¹¹

Women and Families Cannot Afford Discrimination and Lower Wages

- ▶ In the United States, mothers are primary or sole breadwinners in nearly 40 percent of families.¹² Yet the wage gap for mothers is larger than for women overall. According to 2013 data, mothers employed full time, year round are paid 71 cents for every dollar paid to fathers. It is worse for single mothers with full-time, year-round jobs, who are paid just 58 cents for every dollar paid to fathers.¹³
- ▶ More than 15.2 million family households in the United States are headed by women.¹⁴ About 31 percent of those families, or 4,658,047 family households, have incomes that fall below the poverty level.¹⁵ 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 71 cents for every dollar paid to men. In manufacturing, just 75 cents. In retail trade, 78 cents. And in educational services, 87 cents. Across all industries, women are paid lower salaries than men.¹⁶
- ▶ **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 62 cents for every dollar paid to men. In production, just 66 cents. In management, 80 cents. And in office and administrative support occupations, just 87 cents.¹⁷
- ▶ **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.¹⁸
- ▶ **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.¹⁹

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.²⁰
- ▶ **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.²¹
- ▶ **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.²²

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 2059²³ – 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.** Women need to be able to identify and challenge discriminatory pay practices. The Paycheck Fairness Act would prohibit employers from retaliating against employees who discuss their wages and make it easier to prove that discrimination has occurred. Increasing the federal minimum wage and eliminating the tipped minimum wage are also 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.²⁴ 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. (2015). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2014 – People 15 Years Old and Over by Total Money Earnings in 2014, Age, Race, Hispanic Origin, and Sex*. Retrieved 31 March 2016, from http://www.census.gov/hhes/www/cpstables/032015/perinc/pinc05_000.htm (Unpublished calculation based on the median annual wages of all men and women who worked full time, year round in 2014)

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/2016/03/how-the-model-minority-myth-impacts-how-we-see-the-wage-gap-for-aapi-women>

4 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, 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 for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_B20017&prodType=table

5 Ibid.

6 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B20017&prodType=table

7 See note 1; U.S. Census Bureau. (2015). *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 2014, Work Experience in 2014, Race, Hispanic Origin, and Sex*. Retrieved 31 March 2016, from https://www.census.gov/hhes/www/cpstables/032015/perinc/pinc01_000.htm (Unpublished calculation based on the total number of women working full time, year round in 2014)

8 U.S. Bureau of Labor Statistics. (2015, September). *Consumer Expenditure Survey, Table 1800. Region of Residence: Annual expenditure means, shares, standard errors, and coefficient of variation, 2014*. Retrieved 31 March 2016, from <http://www.bls.gov/cex/2014/combined/region.pdf> (Calculation uses overall average "food" cost for the region in which the state is located)

9 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Table GCT2511: Median Monthly Housing Costs for Owner-Occupied Housing Units with a Mortgage (Dollars) – United States – States; and Puerto Rico*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_GCT2511.US01PR&prodType=table (Calculation uses median monthly housing costs for owner-occupied housing units with a mortgage for each state)

10 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Table GCT2514: Median Monthly Housing Costs for Renter-Occupied Housing Units (Dollars) – United States – States; and Puerto Rico*. Retrieved 25 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_GCT2514.US01PR&prodType=table (Calculation uses median gross rent for state)

11 Center for American Progress. (2012, February). *The High Costs of Birth Control: It's Not As Affordable As You Think*. Retrieved 31 March 2016, 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 may 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.)

12 Wang, W., Parker, K., & Taylor, P. (2013, May 29). *Breadwinner Moms*. Pew Research Center Publication. Retrieved 31 March 2016, from <http://www.pewsocialtrends.org/2013/05/29/breadwinner-moms>

13 National Partnership for Women & Families. (2015, April). *An Uneven Playing Field: America's Gender-Based Wage Gap, Binds of Discrimination, And A Path Forward*. Retrieved 31 March 2016, from <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/an-uneven-playing-field-americas-gender-based-wage-gap-binds-of-discrimination-and-a-path-forward.pdf>

14 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Table DP02: Selected Social Characteristics in the United States*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_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.)

15 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Geographies: United States, Table DP03: Selected Economic Characteristics*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_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 2014 was \$19,073 for a single householder and two children under 18.)

16 U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Table S2404: Industry by Sex and Median Earnings in the Past 12 Months for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over*. Retrieved 31 March 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_S2404&prodType=table

17 U.S. Census Bureau. (2015). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-06: Occupation of Longest Job in 2014--People 15 Years and Over, by Total Money Earnings in 2014, Work Experience in 2014, Race, Hispanic Origin, and Sex*. Retrieved 31 March 2016, from http://www.census.gov/hhes/www/cpstables/032015/perinc/pinc06_000.htm

-
- 18 U.S. Census Bureau. (2015). *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 2014, Work Experience in 2014, Age, Race, Hispanic Origin, and Sex*. Retrieved 31 March 2016, from http://www.census.gov/hhes/www/cpstables/032015/perinc/pinc03_000.htm
- 19 Blau, F. D., & Kahn, L.M. (2016, January). *The Gender Wage Gap: Extent, Trends, and Explanations*. IZA Discussion Paper No. 9656. Retrieved 31 March 2016, 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.)
- 20 Thomson Reuters Foundation. (2015). *The 5 key issues facing women working in the G20*. Retrieved 31 March 2016, from <http://www.womenatworkpoll.com> (Ipsos Global @visor conducted an international survey among 9,501 women across 19 countries. Surveys were conducted from 24 July – 7 August 2015. The margin of error between two country sample sizes of 500 is roughly six percent at the 95 percent confidence interval. Data are weighted to match the population profile of each country by age, region and household income.)
- 21 Ibid.
22. Greenberg Quinlan Rosner Research. (2015, December). *Winning Women in 2016: Findings from a Web Survey of American Adults*. Retrieved 31 March 2016, 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 (ages 18-35) female voters, for a total sample size of 1,000 registered voters, weighted to be representative of registered voters nationally. The survey was conducted from 7 December – 10 December, 2015.)
- 23 Institute for Women's Policy Research. (2015, September). *Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2014 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059*. Retrieved 31 March 2016, from <http://www.iwpr.org/publications/pubs/equal-pay-projection-2059>
- 24 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 31 March 2016, 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 31 March 2016, from <http://rhtp.org/abortion/documents/TwoSidesSameCoinReport.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.

© 2016 National Partnership for Women & Families. All rights reserved.