

America's Women and the Wage Gap

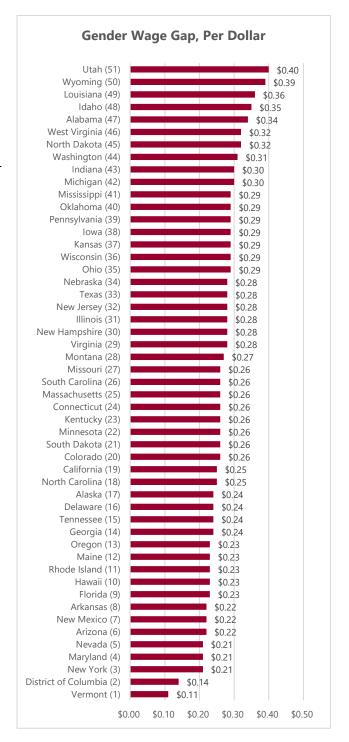
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Across all workers in the United States in 2021, including those working part-time or part of the year, women were typically paid just 77 cents for every dollar paid to a man – adding up to a difference of \$11,782 over the course of the year.¹

Even when looking just at those in full time, year-round jobs, women in 2021 were typically paid just 84 cents for every dollar paid to a man. But that figure does not count more than 28 million women workers, reflecting the many factors – including occupational segregation, lack of support for caregiving and lack of control over work hours – that mean women are more likely than men to be in part-time or certain seasonal jobs.

These numbers are more than facts and figures; they represent the tangible consequences of sexism and white supremacy in the United States and how our country systematically devalues women of color and their labor. 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. ⁵

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. In 2021, white, non-Hispanic women were



paid 73 cents; Black women 64 cents; Latina women 54 cents, Native American women 51 cents, and Asian American, Native Hawaiian and Pacific Islander women as little as 52 cents, as Burmese and Nepali women are, and overall just 80 cents for every dollar paid to white, non-Hispanic men.⁶

The wage gap also varies by state and congressional district but spans nearly all corners of the country. In Utah, for example, women are paid 60 cents for every dollar paid to men (a gap of 40 cents for every dollar), while in Vermont women are paid 89 cents for every dollar paid to men (a gap of 11 cents) (see chart). In all 435 congressional districts and the District of Columbia, the median yearly pay for women is less than the median yearly pay for men. 8

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

On average, women employed in the United States lose a combined total of **nearly \$1.6 trillion every year** due to the wage gap. ⁹ 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:

- Nearly 15 additional months of child care; 10
- More than one year of tuition and fees for a four-year public university, or the full cost of tuition and fees for a two-year college; 11
- Nearly eight additional months of premiums for employer-based health insurance; 12
- Nearly 74 weeks of food (nearly one and a half years' worth); 13
- Seven more months of mortgage and utilities payments; 14
- Nearly 11 months of rent; 15
- Nearly 10 additional years of birth control; 16
- Or enough money to pay off student loan debt in just over three years. 17

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

• In the United States, mothers are breadwinners in 40 percent of families with children under 18 each year – and about 70 percent will be the primary earner at some point in their first 18 years of motherhood. 18

- Forty-eight percent of white mothers, 49 percent of Latina mothers, 79 percent of Black mothers, 64 percent of Native American mothers and 43 percent of Asian/Pacific Islander mothers are breadwinners in their households. ¹⁹ Yet the wage gap for mothers is larger than for women overall. Mothers overall are paid just 58 cents for every dollar paid to fathers; comparing just full-time, year-round workers, mothers are still paid only 74 cents for every dollar paid to fathers. ²⁰
- Nearly 35 million households in the United States are headed by women, more than six million of them with children under 18. More than 8.5 million of those households including 2.1 million with minor children have incomes that fall below the poverty level. Eliminating the wage gap would provide much-needed income to women whose wages sustain their households.

The Wage Gap Cannot Be Explained by Choices

- O The wage gap persists regardless of industry. In the civilian industries that employ the most people, women are paid less than men. In the health care and social assistance industry, women are paid just 70 cents for every dollar paid to men. In retail trade, 73 cents. In manufacturing, just 74 cents. And in educational services, 85 cents. Across all industries, women are paid less than men.²³
- **O** The wage gap is present within occupations. Across the occupations employing the most people, women are paid less than men. In office and administrative support occupations, women are paid just 91 cents for every dollar paid to men. In sales occupations, 52 cents. In transportation and material moving, 71 cents. In health care, 74 cents. In education, 78 cents. And in management, 78 cents.
- **O** The wage gap exists regardless of education level. Women with master's degrees are paid just 72 cents for every dollar paid to men with master's degrees. Further, among all 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. ²⁵
- O 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. 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.²⁷

America's Women Are Concerned About Drivers of the Wage Gap, including Unfair Pay

- **O Women consider equal pay a top issue**. Ahead of the 2022 midterm elections, three-quarters of women voters (76 percent) say that strengthening equal pay laws is either "very important" or "one of the most important things Congress can do." 28 Seven in ten (72 percent) women support protecting employees' right to discuss their salaries, and nearly seven in ten (69 percent) want to require employers to report pay data to improve enforcement of anti-discrimination laws. 29
- **O** Less than one-third of women believe they are paid fairly. Just 30 percent of U.S. women in the workforce say they are very sure their employer pays men and women equally for the same work. Nearly six in 10 women (58 percent) say they have faced gender or racial discrimination or barriers to a better job. ³⁰
- O Women want Congress to enact policies that would help close the wage gap. Nearly nine in ten women voters (87 percent) support paid family and medical leave for all workers. More than eight in ten (84 percent) support ensuring access to high-quality, affordable child care. Eight in ten (82 percent) support increasing wages for tipped workers, and nearly eight in ten (78 percent) raising the minimum wage to \$15 per hour. Nearly eight in ten (77 percent) support providing access to comprehensive health care, and more than two-thirds (68 percent) support protecting access to reproductive health care, including abortion. 31

A Path Toward Closing the Wage Gap

Despite the federal Equal Pay Act of 1963 and other protections for women, unless something changes, women and men who work full time, year-round will not reach pay parity on average until 2059 – and not until 2133 for Black women or 2206 for Latinas. Right now, the lack of supportive policies and bias combine to make closing the wage gap elusive. But there are federal policy solutions that would help:

- **O Fair pay protections and practices.** The <u>Paycheck Fairness Act</u> 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 <u>Fair Pay Act</u> would diminish wage disparities that result from gender-based occupational segregation.
- O 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 and workers with disabilities. 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.

- O Stronger protections against and remedies for workplace harassment. The Ending the Monopoly of Power Over Workplace Harassment through Education and Reporting (EMPOWER) Act would address certain issues related to workplace harassment, including by prohibiting nondisclosure and non-disparagement clauses as a condition of employment, promotion and in other circumstances and requiring companies to disclose the number of harassment claims they settle each year and the amount paid out. Congress should advance additional workplace harassment policy solutions, such as protection of workers not currently protected by federal civil rights laws.
- O Family friendly workplace standards. The Healthy Families Act would allow workers to earn job-protected paid or unpaid sick days. A national paid family and medical leave insurance program, like those proposed in the FAMILY Act and Build Back Better Act, would ensure all workers, regardless of gender, could address serious health and caregiving needs. Both proposals would help keep women attached to the workforce and support more gender-equal involvement in caregiving, resulting in higher wages over time. Pregnancy discrimination protections, as provided in the Pregnant Workers Fairness Act, and access to quality, affordable child care and predictable schedules are also essential for retention and advancement of women in the workforce.
- O Stronger protections for workers' right to organize. Unions have been proven to provide women with higher wages and better benefits and to close gender and racial wage gaps. The Protecting the Right to Organize (PRO) Act would strengthen workers' ability to unionize and bargain collectively, impose stronger remedies when employers interfere with those rights, and address employers' misclassification of workers as contractors which denies them the opportunity to organize.
- **O 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.
- O Comprehensive reproductive health care. Access to comprehensive reproductive health care, including abortion care and contraceptives, allows women to plan out and control their lives, enabling them to pursue education and career opportunities, and can increase workforce attachment and wages over time. ³⁴ Defending policies like the Affordable Care Act's guarantee of a full range of contraceptives without co-pay, increasing for funding our nation's Title X family planning program and reversing the domestic gag rule for Title X-funded clinics are critical to ensuring women get the

reproductive health care they need. Passage of the Women's Health Protection Act (WHPA) would protect the right of health care providers to provide abortion care, and a right for their patients to receive that care, free from medically unnecessary restrictions that single out abortion and impede access, and the Equal Access to Abortion Coverage in Health Insurance (EACH) Act would help reduce barriers to abortion care, improving women's health and economic security.

Together, these policies will help ensure that women and all working people are free from wage and employment discrimination, have support to meet their responsibilities at work and at home and have the tools to be able to decide whether and when to become a parent or grow their family, and finally help close the gap between the wages paid to women and men.

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

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² U.S. Census Bureau. (2022). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2021 – People 15 Years Old and Over by Total Money Earnings in 2021, Age, Race, Hispanic Origin, Sex, and Disability Status.* Retrieved 15 September 2022 from https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html (Unpublished calculation based on the number of women with earnings working full time, 50 or more weeks per year and the number of women with any earnings.)

³ U.S. Census Bureau. (2021). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2021 – People 15 Years Old and Over by Total Money Earnings in 2021, Age, Race, Hispanic Origin, Sex, and Disability Status.* Retrieved 15 September 2022 from https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html (Unpublished calculation based on the number of women with earnings working full time, 50 or more weeks per year and the number of women with any earnings.)

⁴ See e.g. Hegeswich, A., & Lacarte, V. (2019, November 14). *Gender Inequality, Work Hours, and the Future of Work*. Retrieved 1 March 2023, from Institute for Women's Policy Research website: https://iwpr.org/iwpr-issues/esme/gender-inequality-work-hours-and-the-future-of-work/; Bahn, K., McGrew, W. (2018, November 1). *The intersectional wage gaps faced by Latina women in the United States*. Retrieved 1 March 2023, from Washington Center for Equitable Growth website: https://equitablegrowth.org/the-intersectional-wage-gaps-faced-by-latina-women-in-the-united-states/

⁵ Glynn, S. J. (2018, April). *Gender wage inequality: What we know and how we can fix it.* Retrieved 1 March 2023, from Washington Center for Equitable Growth website: https://equitablegrowth.org/research-paper/gender-wage-inequality/?longform=true
⁶ U.S. Census Bureau. (2022). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2021 – People 15 Years Old and Over by Total Money Earnings in 2021, Age, Race, Hispanic Origin, Sex, and Disability
Status.* Retrieved 1 March 2023 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 with earnings in 2020; and for white, non-Hispanic men, white, non-Hispanic women (alone), and Hispanic women (any race)); U.S. Census Bureau. (2022). *American Community Survey 1-Year Estimates 2021 (Tables B20017C and B20017H: Median Earnings in the Past 12 Months (in 2021 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 Month.* Retrieved 1 March 2023, from data.census.gov. (Unpublished calculation based on the median annual pay for American Indian and Alaska Native women and white, non-Hispanic men); National Asian Pacific American Women's Forum (NAPAWF) analysis of median earnings for full and part-time workers by Asian American, Native Hawaiian and Pacific Islander subpopulation based on 2021 American Community Survey 1-year estimates.

- ⁷ U.S. Census Bureau. (2022). American Community Survey 5-Year Estimates 2021, 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 2021 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months. Retrieved 1 March 2023, from https://data.census.gov/
- ⁸ U.S. Census Bureau. (2021). American Community Survey 5-Year Estimates 2020, Geographies: All Congressional Districts (116th Congress), Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months (in 2020 Inflation-Adjusted Dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months. Retrieved 13 April 2022, from https://data.census.gov/; (In all 435 congressional districts and the District of Columbia, women who were employed in 2020 (including those who worked part-time or only part of the year) were typically paid less than men. In Puerto Rico, 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.)
- ⁹ See note 1. (Unpublished calculation based on the mean annual pay for all women and men with earnings in 2021, multiplied by the total number of women with earnings in 2021.)
- ¹⁰ Child Care Aware of America. (2022). *Demanding Change: Repairing Our Child Care System*. Retrieved 1 March 2023, from https://www.childcareaware.org/demanding-change-repairing-our-child-care-system. The authors note that the landscape of child care varies significantly from state to state and computing a single national average is complex. This analysis uses the average of program-weighted averages for center-based care for a four-year-old, \$9,715.
- ¹¹ U.S. Department of Education, National Center for Education Statistics. (2022, January). *Digest of Education Statistics: 2021* (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 2020-21), Chapter 3. Retrieved 1 March 2023, from https://nces.ed.gov/programs/digest/d21/tables/dt21_330.10.asp (The average total annual cost of undergraduate tuition and required fees is \$9,375 for a four-year public college or university or \$3,501 for a two-year college)
- ¹² Kaiser Family Foundation. (n.d.) Average Annual Single Premium per Enrolled Employee For Employer-Based Health Insurance, 2020. Retrieved 15 September 2022, from https://www.kff.org/other/state-indicator/single-coverage/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Employee%20Contribution%22,%22sort%22:%22desc%22%7D
- ¹³ U.S. Bureau of Labor Statistics. (2022, September 8). *Consumer Expenditures 2021*. Retrieved 1 March 2023, from https://www.bls.gov/news.release/pdf/cesan.pdf (Calculation uses overall average "food" cost.)
- ¹⁴ U.S. Census Bureau. (2021). *American Community Survey 1-Year Estimates 2021, Table DP04: Selected Housing Characteristics.* Retrieved 1 March 2023, from https://data.census.gov/ (Calculation uses median monthly owner costs, housing units with a mortgage.)
- ¹⁵ Ibid. (Calculation uses median gross rent, occupied units paying rent.)
- ¹⁶ Center for American Progress. (2012, February 15). *The High Costs of Birth Control: It's Not As Affordable As You Think*. Retrieved 1 March 2023, 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.)
- ¹⁷ U.S. Department of Education, Office of Federal Student Aid. (n.d.) *Federal Student Loan Portfolio: Federal Student Aid Portfolio Summary*. National Student Loan Data System Publication. Retrieved 1 March 2023, from https://studentaid.gov/data-center/student/portfolio. (Average dollars outstanding for recipients of direct loans as of Q2 2022, \$37,633.)

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- ¹⁸ Glass, J. L., Raley, R. K., & Pepin, J. R. (2021, November 15). Children's Financial Dependence on Mothers: Propensity and Duration. *Socius: Sociological Research for a Dynamic World*. doi: 10.1177/23780231211055246
- ¹⁹ Shaw, E., Mason, C., Lacarte, V., & Jauregui, E. (2020, May). *Holding Up Half the Sky: Mothers as Workers, Primary Caregivers, & Breadwinners During COVID-19 (Table 1).* Retrieved 1 March 2023 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 (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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- ²² U.S. Census Bureau. (2022). *American Community Survey 1-Year Estimates 2021, Geographies: United States, Table DP03: Selected Economic Characteristics*. Retrieved 1 March 2023, from https://data.census.gov/
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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 all people meet the dual demands of work and family. More information is available at NationalPartnership.org.

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