

MAY 9, 2012

Mother's Day Report: Paycheck Fairness Helps Families, Not Just Women

The persistent gap between men's and women's paychecks hurts families and harms the economy. The current gender pay gap is 18 percent; in other words, women earn 82 cents for every dollar earned by men. While the gap has narrowed slightly in recent decades, the repercussions of pay inequity extend far beyond women's pocketbooks: when women are paid less than men for the same work, everyone feels the effects. Without paycheck fairness, women have less income to help support their families and fewer dollars to spend in their communities. The economy suffers as a result. Two-thirds of mothers work outside the home, earning income that is crucial to their families' economic security. Lower-income families are especially dependent on the money earned by working mothers, who provide nearly half of family income. As we prepare to celebrate Mother's Day, this new JEC report highlights the critical role women play as breadwinners for their families and underscores how closing the pay gap would help families and strengthen the economy.

REPORT BY
THE U.S. CONGRESS JOINT ECONOMIC COMMITTEE CHAIRMAN'S STAFF
Senator Bob Casey, Chairman

Nearly half of all mothers work full time.

Of the 35.7 million mothers with children under the age of 18, more than two-thirds are in the labor force—48 percent work full-time, 17 percent work part-time, and 6 percent are unemployed.¹ (See **Figure 1.**) In all, 23.0 million mothers are employed, including 1.8 million who are self-employed, and another 2.3 million mothers want a job but cannot find one.²

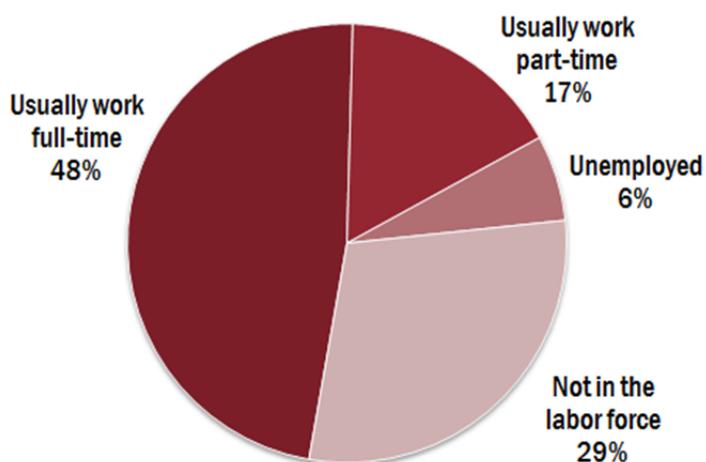
Many mothers are their families' only jobholder.

Most working mothers live in dual-income families, where both spouses are employed.³ However, the steep job losses in male-dominated industries of the recent recession and the rising number of single-parent families mean that a significant number of mothers are the only jobholders in their family.⁴ (See **Figure 2.**) Of those, 5.6 million (27 percent of working mothers) are the heads of their households, and 1.6 million (8 percent of working mothers) are married with a spouse who is either unemployed or out of the labor force. Roughly one-third of children (14.3 million) with a mom in the labor force live in a family where their mother is the only earner.⁵ Furthermore, in 38 percent of married-couple families, the woman was the primary earner, out-earning her husband.⁶

Families depend on women's earnings.

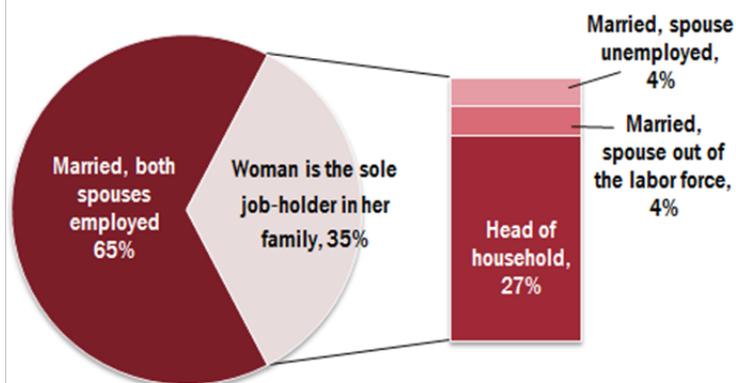
Men's earnings continue to exceed women's earnings in most married-couple families; yet, wives' earnings are not insignificant. In the typical two-earner family (with family income at the 50th percentile), wives' earnings make up 42 percent of family wage income and 38 percent of total family income.⁷ For families at the bottom of the income distribution, the contribution of wives' earnings is even greater. (See **Figure 3.**) Mothers' earnings provide nearly half (49.5%) of household income for families with incomes in the bottom 10 percent of the income distribution.

Figure 1. Nearly Half of All Mothers Work Full Time
Employment of Women with Children Younger than 18,
2011 Annual Averages



Source: Joint Economic Committee Chairman's Staff calculations based on data from the Bureau of Labor Statistics, Current Population Survey.

Figure 2. One in Three Working Mothers Is the Only Jobholder in Her Family
Employed Women with Children Younger than 18,
2011 Annual Averages



Source: Joint Economic Committee Chairman's Staff calculations based on data from the Bureau of Labor Statistics, Current Population Survey.

The gender wage gap varies across states.

While on a national basis, women's earnings are 18 percent less than men's earnings⁸, women in some states experience much larger differences in pay. (See **Table.**) For example, in Louisiana and Wyoming, women earn only 69.4 cents and 70.4 cents, respectively, for every dollar earned by men. By contrast, in California, women earn 91.5 cents for every dollar earned by men. Although some portion of the gender pay gap can be explained by differences in education, occupation or job tenure between men and women, a portion of the pay gap remains unexplained and could be caused by gender-based discrimination.⁹

There are also state-specific differences in the percentage of employed mothers who are their families' primary earner. In

Louisiana, fewer than one in four employed mothers is the primary earner in the family, while in Florida, almost half of employed mothers are the primary earners. Despite these state differences, it is clear that, across the United States, a significant share of household income is contributed by working mothers.

More than ever, families depend on mothers' earnings for their financial security. In tough economic times, every dollar makes a difference. Closing the gap between men's and women's earnings by ensuring equal pay for equal work will help families make ends meet. Conversely, shortchanging women undermines the economic security of women, mothers, families and the nation.

Sources:

¹ JEC Chairman's Staff calculations using Current Population Survey (CPS) data from Table 6: *Employment status of persons by presences and age of women children, sex, race, Hispanic or Latino ethnicity, and marital status, Annual Average 2011*, provided by Bureau of Labor Statistics (BLS).

² BLS *Employment Characteristics of Families—2011*. April 26, 2012, and JEC Chairman's Staff tabulations of CPS data.

³ JEC Chairman's Staff calculations using CPS data from Table 4: *Number of families by presence and age of own children under 18 years old, type of family employment status, of parents, race, and Hispanic or Latino ethnicity, Annual Average 2011*, provided by BLS.

⁴ JEC Chairman's Staff calculations using CPS data from Table 4: *Number of families by presence and age of own children under 18 years old, type of family employment status, of parents, race, and Hispanic or Latino ethnicity, Annual Average 2011*, provided by BLS.

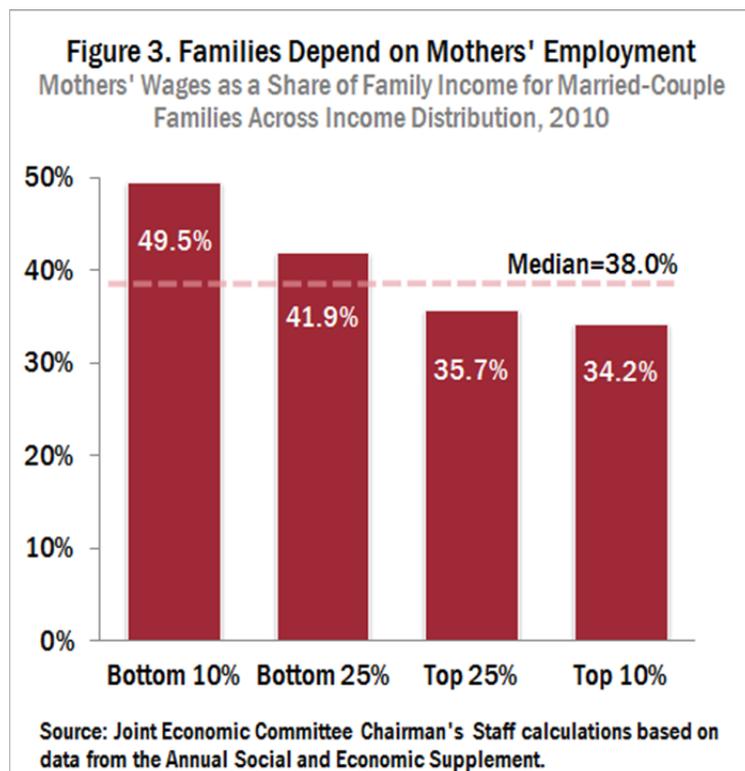
⁵ JEC Chairman's Staff tabulation of CPS data for 2011.

⁶ JEC Chairman's Staff tabulation of CPS data for 2011.

⁷ JEC Chairman's Staff tabulations. Wives' contributions to family wage income are based on data CPS data for 2011. Wives' contributions to total family income are based on data from the 2011 Annual Social and Economic Supplement (ASEC) which is for 2010. Both of these calculations only include wives with children under the age of 18.

⁸ JEC Chairman's Staff tabulation of CPS data for 2011.

⁹ See, e.g., Blau, Francine D. and Lawrence M. Kahn, 2006. "The U.S. Gender Pay Gap in the 1990s: Slowing Convergence." *Industrial and Labor Relations Review*. 60(1): 45-66. <http://www.nber.org/papers/w10853.pdf>.



Gender Pay Gap and Mothers' Contribution to Family Earnings by State, 2011

State	Women's Median Weekly Wages (Full-Time Workers)	Men's Median Weekly Wages (Full-Time Workers)	Gender Pay Gap	Percent of Married Employed Mothers Who Are Their Families' Primary Wage Earner*	Mothers' Contribution to Family Wage and Salary Income**
U.S. Total	\$692	\$840	17.6%	38.0%	42.1%
Alabama	\$600	\$762	21.3%	45.0%	45.3%
Alaska	\$750	\$962	22.0%	42.1%	39.9%
Arizona	\$692	\$800	13.5%	39.7%	43.9%
Arkansas	\$570	\$675	15.6%	37.7%	44.9%
California	\$769	\$850	9.5%	44.1%	44.4%
Colorado	\$750	\$961	22.0%	34.4%	40.7%
Connecticut	\$897	\$1,153	22.2%	35.0%	40.0%
Delaware	\$731	\$865	15.5%	36.6%	42.3%
District of Columbia	\$962	\$1,154	16.6%	35.8%	46.4%
Florida	\$673	\$800	15.9%	47.1%	47.4%
Georgia	\$650	\$807	19.5%	42.0%	43.9%
Hawaii	\$654	\$865	24.4%	41.4%	42.2%
Idaho	\$600	\$770	22.1%	31.7%	39.6%
Illinois	\$700	\$900	22.2%	37.2%	41.9%
Indiana	\$615	\$800	23.1%	33.1%	40.5%
Iowa	\$665	\$800	16.9%	31.4%	41.8%
Kansas	\$646	\$807	20.0%	34.0%	41.2%
Kentucky	\$606	\$750	19.2%	39.6%	43.7%
Louisiana	\$600	\$865	30.6%	24.1%	40.0%
Maine	\$646	\$800	19.3%	35.6%	40.0%
Maryland	\$822	\$962	14.6%	34.1%	41.4%
Massachusetts	\$860	\$1,058	18.7%	30.8%	36.7%
Michigan	\$692	\$900	23.1%	35.7%	39.0%
Minnesota	\$760	\$942	19.3%	33.0%	40.0%
Mississippi	\$577	\$700	17.6%	37.8%	45.2%
Missouri	\$627	\$850	26.2%	36.7%	41.1%
Montana	\$570	\$731	22.0%	39.9%	42.7%
Nebraska	\$644	\$769	16.3%	36.8%	41.7%
Nevada	\$654	\$731	10.5%	43.7%	45.2%
New Hampshire	\$769	\$962	20.1%	29.1%	39.1%
New Jersey	\$835	\$1,000	16.5%	37.5%	40.0%
New Mexico	\$668	\$792	15.7%	45.7%	44.5%
New York	\$769	\$900	14.6%	41.5%	42.6%
North Carolina	\$644	\$769	16.3%	43.4%	44.0%
North Dakota	\$625	\$808	22.6%	27.9%	40.9%
Ohio	\$680	\$800	15.0%	33.3%	38.3%
Oklahoma	\$600	\$769	22.0%	34.3%	39.2%
Oregon	\$700	\$865	19.1%	34.9%	38.1%
Pennsylvania	\$692	\$850	18.6%	36.5%	41.5%
Rhode Island	\$760	\$940	19.1%	37.8%	40.1%
South Carolina	\$588	\$738	20.3%	32.6%	41.2%
South Dakota	\$615	\$732	16.0%	35.0%	41.9%
Tennessee	\$590	\$700	15.7%	39.6%	41.3%
Texas	\$623	\$740	15.8%	35.6%	41.9%
Utah	\$630	\$860	26.7%	27.7%	35.6%
Vermont	\$710	\$820	13.4%	31.9%	41.7%
Virginia	\$769	\$950	19.1%	38.6%	42.9%
Washington	\$769	\$1,000	23.1%	37.7%	41.2%
West Virginia	\$600	\$808	25.7%	34.3%	38.2%
Wisconsin	\$693	\$840	17.5%	37.9%	42.1%
Wyoming	\$650	\$923	29.6%	26.4%	39.0%

* Includes only employed women, but may include husbands who are not employed; primary earner is the spouse with the higher weekly wages.

** Median for married-couple families with children.

Source: JEC Chairman's Staff calculations using monthly data from the 2011 Current Population Survey.