



#RealNews: Women Still Earn Less than Men

Equal Pay Day marks how far into the new year a woman would have to work to earn what a man earned the previous year.¹ The 20 percent gap in earnings between women and men is due to complex factors, including differences in years of work experience, variation in occupation and industry, and discrimination. Unfortunately, there are few programs and policies to help parents balance the demands of work and family, which can particularly penalize women. Just 13 percent of private-sector workers have access to paid family leave, and costs of child care are astronomical, increasingly rivaling the costs of a college education or rent.² Enacting paid family and medical leave, expanding access to quality, affordable child care, and strengthening anti-discrimination laws could help women remain in the labor market and consequently narrow the gender wage gap.

The State of the Gender Wage Gap

- A woman working full time, year-round earns \$10,500 less per year than a man, based on median annual earnings. This disparity can add up to nearly a half million dollars over a career.³
- A woman working full-time, year-round earns only 80 percent of what a man earns (see **Table 1**). The 20 percent difference in earnings is the gender wage gap.⁴
- Women of color face even larger wage gaps. Compared to white men, African-American women, on average, are paid 62 cents on the dollar and Latinas are paid 54 cents on the dollar.⁵
- The gender wage gap varies widely across states, from a low of 11 percent in New York to a high of 36 percent in Wyoming (see **Table 1**).⁶
- Women's earnings are lower at every level of education. In fact, women are often out-earned by men with less education: a woman with a graduate degree earns \$5,000 less than a man with a *bachelor's* degree.⁷
- The wage gap grows as women enter prime working years. While women ages 15 to 24 working full-time earn 91 percent of what their male counterparts earn, women ages 25 to 44 earn only 82 percent.⁸
- Although the gender wage gap has narrowed over time, at the current rate of change, it will not close until 2059.⁹

Factors that Contribute to the Gender Wage Gap

- The causes of the gender wage gap are complex. Women are more likely to study in lower-paying fields, work in occupations and industries that pay less, interrupt their careers to care for children and serve as the primary caregiver in their families.¹⁰

- Still, of the 120 occupations with enough men and women to make a comparison, women earn as much as or more than men in only four.¹¹ In addition, occupation and industry choice are not made in a vacuum: discrimination and societal norms may be driving women into less well-paid areas of work.
- Accounting for observable factors such as variation in occupation and industry still leaves around 40 percent of the wage gap unexplained, which could reflect discrimination.¹²
- The lack of basic supports to help parents balance work and family makes it difficult to remain in the workforce and widens the gender wage gap. Just 13 percent of private-sector workers have access to paid family leave and 10 percent have access to child care through their employers. Child care costs are increasingly prohibitive, with infant care ranging from a low of \$5,045 a year in Mississippi to a high of \$22,658 in Washington, DC.¹³

The Broader Costs of Gender Pay Inequality

- American families depend on women's earnings. In families with household income below \$72,000 and a mother working outside the home, women contribute nearly 66 percent of their family's total income.¹⁴ Approximately 34 percent of families with a working mother depend solely on the mother's wages.¹⁵
- Lower career earnings affect income in retirement. Median income for women ages 65 and older (\$18,250) is 42 percent less than the median income for men in the same age group (\$31,372).¹⁶ Women 75 years and older are almost twice as likely as men to live in poverty.¹⁷
- If women received equal pay with comparable men, the poverty rate among working women would fall in half from 8.2 percent to 4.0 percent, and GDP would have been \$482 billion higher in 2014.¹⁸
- Women's increased participation in the paid labor force has been a major driver of economic growth in recent decades. According to the Council of Economic Advisers, the U.S. economy is \$2.0 trillion bigger today than it would have been if women had not increased their participation and hours since 1970.¹⁹ According to the OECD, the U.S. economy would be 5 percent larger in 2030 if the gap between men's and women's labor force participation were cut in half.²⁰

Table 1. Gender Wage Gap by State

Rank	State	Women's Median Earnings	Men's Median Earnings	Earnings Ratio
1	New York	\$46,208	\$52,124	89%
2	Delaware	\$45,192	\$51,037	89%
3	Florida	\$35,604	\$41,105	87%
4	District of Columbia	\$62,191	\$72,230	86%
5	North Carolina	\$36,113	\$42,039	86%
6	Rhode Island	\$44,050	\$51,368	86%
7	California	\$43,335	\$50,562	86%
8	New Mexico	\$35,070	\$41,440	85%
9	Hawaii	\$40,434	\$48,074	84%
10	Vermont	\$40,173	\$47,960	84%
11	Nevada	\$36,565	\$43,681	84%
12	Maryland	\$50,635	\$60,591	84%
13	Arizona	\$37,084	\$44,421	83%
14	Massachusetts	\$51,343	\$61,761	83%
15	Connecticut	\$50,802	\$61,666	82%
16	Kentucky	\$35,294	\$43,037	82%
17	New Jersey	\$50,373	\$61,462	82%
18	Minnesota	\$42,137	\$51,979	81%
19	Tennessee	\$34,427	\$42,525	81%
20	South Carolina	\$34,182	\$42,238	81%
21	Oregon	\$38,774	\$48,001	81%
22	Colorado	\$41,690	\$51,628	81%
23	Georgia	\$36,650	\$45,396	81%
	United States	\$40,742	\$51,212	80%
24	Illinois	\$41,327	\$52,161	79%
25	Washington	\$44,422	\$56,215	79%
26	Texas	\$36,934	\$46,791	79%
27	Pennsylvania	\$40,214	\$50,976	79%
28	Arkansas	\$32,003	\$40,570	79%
29	Nebraska	\$36,834	\$46,763	79%
30	Maine	\$36,841	\$46,934	78%
31	Wisconsin	\$38,594	\$49,306	78%
32	South Dakota	\$33,268	\$42,605	78%
33	Alaska	\$43,455	\$55,752	78%
34	Missouri	\$35,759	\$45,897	78%
35	Virginia	\$42,342	\$54,392	78%
36	Iowa	\$36,264	\$47,298	77%
37	Kansas	\$36,671	\$47,864	77%
38	New Hampshire	\$43,172	\$56,525	76%
39	Alabama	\$34,310	\$45,057	76%
40	Indiana	\$35,753	\$47,092	76%
41	Mississippi	\$31,110	\$41,092	76%
42	Ohio	\$37,365	\$50,051	75%
43	Michigan	\$37,486	\$50,479	74%
44	Idaho	\$31,808	\$43,264	74%
45	Oklahoma	\$32,096	\$43,829	73%
46	Montana	\$33,443	\$46,123	73%
47	North Dakota	\$37,016	\$52,031	71%
48	Utah	\$36,060	\$50,741	71%
49	West Virginia	\$31,824	\$45,082	71%
50	Louisiana	\$33,832	\$49,730	68%
51	Wyoming	\$36,064	\$55,965	64%



Source: 2015 American Community Survey 1-Year Estimates and Current Population Survey, 2016 Annual Social and Economic Supplement

Notes: Earnings ratio is women's median annual earnings as a percent of men's median annual earnings for full-time, year-round work; state data are based on 2015 American Community Survey 1-Year Estimates. National data based on Current Population Survey, 2016 Annual Social and Economic Supplement

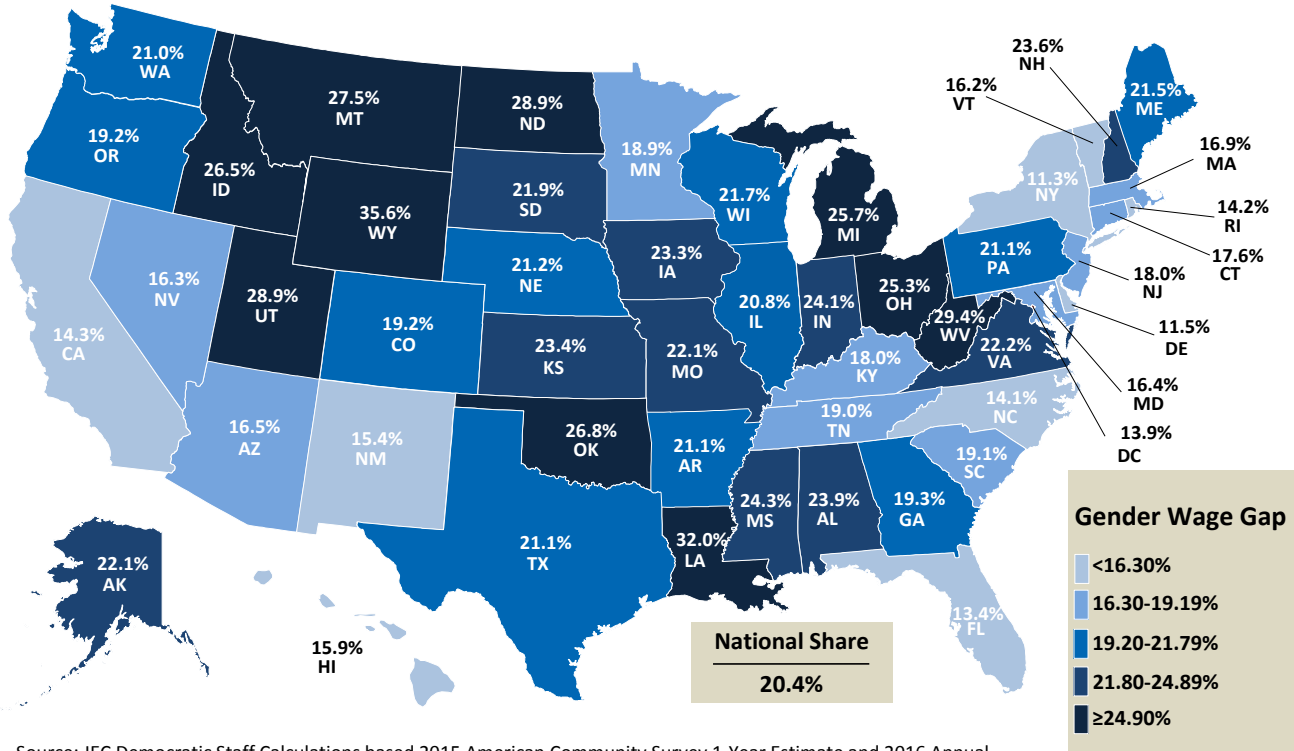
Table 2. Gender Wage Gap by Race and Ethnicity
Ratio of Women's Earnings to White Men's Earnings

State	White Women	Hispanic Women	Black Women	Asian Women
Alabama	73%	50%	58%	74%
Alaska	77%	59%	62%	53%
Arizona	81%	62%	77%	90%
Arkansas	77%	55%	68%	76%
California	84%	56%	82%	94%
Colorado	79%	58%	70%	75%
Connecticut	79%	49%	61%	84%
Delaware	86%	61%	72%	103%
District of Columbia	81%	50%	55%	77%
Florida	84%	68%	70%	86%
Georgia	79%	51%	65%	76%
Hawaii	88%	69%	74%	75%
Idaho	73%	52%	94%	75%
Illinois	75%	52%	68%	93%
Indiana	74%	55%	67%	78%
Iowa	77%	58%	62%	68%
Kansas	76%	54%	66%	74%
Kentucky	77%	58%	68%	78%
Louisiana	68%	52%	49%	60%
Maine	79%	71%	59%	69%
Maryland	79%	49%	72%	86%
Massachusetts	79%	51%	62%	82%
Michigan	76%	58%	64%	96%
Minnesota	80%	54%	61%	72%
Mississippi	75%	57%	57%	71%
Missouri	77%	61%	68%	81%
Montana	73%	53%	63%	78%
Nebraska	77%	56%	65%	70%
Nevada	80%	60%	73%	77%
New Hampshire	77%	64%	66%	74%
New Jersey	77%	47%	64%	96%
New Mexico	79%	65%	71%	86%
New York	81%	58%	69%	85%
North Carolina	81%	50%	67%	83%
North Dakota	71%	52%	62%	75%
Ohio	76%	61%	65%	86%
Oklahoma	73%	52%	63%	67%
Oregon	79%	53%	70%	81%
Pennsylvania	78%	57%	69%	82%
Rhode Island	82%	53%	59%	73%
South Carolina	78%	55%	59%	70%
South Dakota	76%	61%	62%	68%
Tennessee	78%	54%	69%	86%
Texas	77%	55%	72%	100%
Utah	69%	49%	54%	71%
Vermont	85%	80%	76%	58%
Virginia	77%	55%	62%	89%
Washington	76%	49%	64%	78%
West Virginia	69%	58%	61%	105%
Wisconsin	78%	53%	62%	65%
Wyoming	66%	54%	56%	67%

Source: 2011-2015 American Community Survey 5-Year Estimates

Notes: Earnings ratio is women's median annual earnings as a percent of white non-Hispanic men's median annual earnings for full-time, year-round work; "White" refers to "White Alone"; "Black" refers to "Black or African American alone"; "Hispanic" refers to "Hispanic or Latino"; "Asian" refers to "Asian Alone"; data are for those 16 years and over

Gender Wage Gap Varies Widely by State



Source: JEC Democratic Staff Calculations based 2015 American Community Survey 1-Year Estimate and 2016 Annual Social and Economic Supplement of the Current Population Survey.

Note: State data based on 2015 American Community Survey 1-Year Estimates. National data based on Current Population Survey, 2016 Annual Social and Economic Supplement; gender wage gaps are earnings disparities between men and women's median annual earnings for full-time, year-round work; data are for those 16 years and over

¹ The gender wage gap is based on median annual earnings disparities between men and women for full-time, year-round work.

² Bureau of Labor Statistics. "[Table 32. Leave benefits: Access, private industry workers, March 2016.](#)" Accessed March 31, 2017.

³ JEC Democratic Staff calculations based on data from U.S. Census Bureau, "[Table A-4. Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2015.](#)" September 2016.

⁴ *Ibid.*

⁵ JEC Democratic Staff calculations based on data from U.S. Census Bureau, "[PINC-10. Wage and Salary Workers-- People 15 Years Old and Over by Total Wage and Salary Income, Work Experience, Race, Hispanic Origin, and Sex.](#)" Last Revised August 26, 2016. Data for African American women and Latinas reflect the "Black alone" and "Hispanic (any race)" categories, respectively. Data for white men are for white non-Hispanic men.

⁶ JEC Democratic Staff calculations based on data from 2015 American Community Survey 1-Year Estimates.

⁷ Joint Economic Committee. "[Women's History Month Charts Packet.](#)" Data reflect highest level of education and median earnings for full-time, year-round workers.

⁸ JEC Democratic Staff calculations based on data from U.S. Census Bureau, "[PINC-05. Work Experience--People 15 Years Old and Over, by Total Money Earnings, Age, Race, Hispanic Origin, Sex, and Disability Status.](#)" Last Revised August 26, 2016

⁹ Institute for Women's Policy Research. "[Projected Year the Wage Gap Will Close by State.](#)" March 2017.

¹⁰ Joint Economic Committee. "[Report: Gender Pay Inequality -- Consequences for Women, Families and the Economy.](#)" April 8, 2016.

¹¹ JEC Democratic Staff calculations based on data from Bureau of Labor Statistics, "[Table 39. Median weekly earnings of full-time wage and salary workers by detailed occupation and sex.](#)" Last Modified February 8, 2017.

¹² Francine D. Blau and Lawrence M. Kahn. "The Gender Pay Gap: Have Women Gone as Far as They Can?" *Academy of Management Perspectives*, vol. 21, no. 1 (2007) pp. 7-23.

¹³ Child Care Aware of America. "[Parents and the High Cost of Child Care: 2016 Appendices.](#)" 2016.

¹⁴ JEC Democratic Staff calculations based on Current Population Survey, 2016 Annual Social and Economic Supplement.

¹⁵ JEC Democratic Staff calculations based on data from Bureau of Labor Statistics, "[Table 4. Families with own children: Employment status of parents by age of youngest child and family type, 2014-2015 annual averages.](#)" Last Modified April 22, 2016

¹⁶ JEC Democratic Staff calculations based on data from U.S. Census Bureau, "[Table P-8. Age—People by Median Income and Sex.](#)" Last Revised September 13, 2016.

¹⁷ JEC Democratic Staff calculations based on data from U.S. Census Bureau, "[POV-01. Age and Sex of All People, Family Members and Unrelated Individuals Iterated by Income-to-Poverty Ratio and Race.](#)"

¹⁸ Institute for Women's Policy Research. "[The Economic Impact of Equal Pay by State.](#)" February 25, 2016.

¹⁹ Council of Economic Advisers. "[Economic Report of the President.](#)" February 2016.

²⁰ Organisation for Economic Co-operation and Development (OECD). "[Closing the Gender Gap: Act Now.](#)" Table I.A3.1. December 17, 2012.