

MINIMUM WAGE

Women are 76 percent of workers in the 10 largest low-wage jobs and suffer a 10 percent wage gap

March 2014 | Joan Entmacher, Katherine Gallagher Robbins, and Lauren Frohlich

Women are three-quarters of workers in the 10 largest occupations that typically pay less than \$10.10 per hour ("the 10 largest low-wage jobs").¹ These jobs have dominated women's job growth in the recovery: 35 percent of the total net increase in women's employment between 2009 and 2013 was in these occupations – nearly twice as large as the share of men's employment increase (18 percent). And even in these low-wage occupations, women working full time make 10 percent less than men.

More than three-quarters of the workers in the 10 largest low-wage occupations are women and over one-third are women of color.

The concentration of women in such low-wage occupations highlights the importance of raising the minimum wage to improve economic security and advancing fair pay for women.²

The 10 largest low-wag occupations, by percent wo	
Childcare workers	95%
Home health aides ³	89%
Maids & housekeepers	88%
Personal care aides	84%
Cashiers	72%
Waiters & waitresses	70%
Combined food preparers & servers	65%
Bartenders	58%
Food preparers	56%
Hand packers & packagers Source: BLS, Occupational Emplo Statistics, 2012 and Current Pop Survey, 2013 www.nwlc.o	ulation

Women are disproportionately represented in the low-wage workforce at all life stages.⁴

- Women represent over 76 percent of the workforce in the 10 largest low-wage occupations combined, compared to 47 percent of the workforce overall.
- Mothers with children under 18 are almost 24 percent of workers in these jobs, compared to just over 16 percent of all workers.⁵
- Women age 16 to 24 are 21 percent of workers in these jobs, compared to 6 percent of all workers.

- Women age 25 to 49 make up 35 percent of workers in the 10 largest low-wage occupations, compared to just over 25 percent of the overall workforce.
- Women age 50 to 75 are almost 20 percent of workers in the 10 largest low-wage occupations, compared to less than 16 percent of all workers.

The representation of women of color in the low-wage workforce is more than twice as high as their representation in the overall workforce.

- The share of women of color in the 10 largest low-wage occupations (36.8 percent) is over 2.3 times larger than their share of the workforce overall (16.0 percent). While white, non-Hispanic women are also overrepresented in these jobs, the disproportion is less – their share is 1.3 times larger than their share of the workforce overall.⁶
- Some groups of women of color are especially overrepresented among the low-wage workforce:
 - Hispanic women's share of the 10 largest lowwage occupations (17.5 percent) is 2.7 times larger than their share of the overall workforce (6.6 percent).
 - Native American women's share of the 10 largest low-wage occupations (1.0 percent) is
 2.4 times larger than their share of the overall workforce (0.4 percent).





Women's Share of Low-Wage and Overall Workforces by Race and Ethnicity

Source: NWLC calculations based on IPUMS-CPS (2013). Figures are for employed workers. The "low-wage workforce" is defined here as the 10 largest low-wage occupations with median wages of less than \$10.10 per hour per BLS, Occupational Employment Statistics.

- African-American women's share of these lowwage jobs (14.1 percent) is 2.3 times larger than their share of the overall workforce (6.1 percent).
- The share of foreign-born women in the 10 largest low-wage occupations (17.7 percent) is 2.6 times larger than their share of the overall workforce (6.9 percent).⁷

The share of women's employment growth in the recovery that was in the 10 largest low-wage occupations is twice as large as the share of men's employment growth.

- Compared to the first year of the recovery in 2009, these 10 occupations combined employed more than 514,500 additional women in 2013. This growth accounted for 35 percent of the total net increase in annual average employment for women in that period.
- Men's growth in these occupations accounted for a smaller share of their employment gains. Compared to the first year of the recovery in 2009, the 10 largest low-wage occupations combined employed nearly 462,500 more men in 2013. This growth accounted for 18 percent of the total net increase in annual average employment for men in that period.

Increase in Annual Average Employment over the Recovery (2009-2013)

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	10 Largest Low-Wage Occupations	All Occupations	Share of Overall Increase from Low-Wage Occupations
Women	514,500	1,484,800	35%
Men	462,500	2,567,200	18%
Overall	977,000	4,052,000	24%

Source: BLS Current Population Survey, Annual Averages.

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Women working in the 10 largest low-wage occupations are paid 10 percent less than men in those jobs.

 In the 10 largest low-wage occupations, women working full time were typically paid only 90.4 percent of what their male counterparts were paid each week

 an average wage gap of 9.6 cents for every dollar earned by men.⁸

Wages in low-wage jobs are declining.

• The National Employment Law Project found that between 2009 and 2012 real median hourly wages declined by 3.0 percent for jobs that typically paid less than \$10.60 per hour.⁹ The Fair Minimum Wage Act of 2013 (H.R. 1010/S. 460) would gradually increase the federal minimum wage from \$7.25 to \$10.10 per hour, increased the tipped minimum cash wage, and index these wages to keep pace with inflation.¹⁰ The Economic Policy Institute (EPI) estimates that if the minimum wage were increased to \$10.10 by 2016, nearly 28 million workers would get a raise – including 11.1 million workers earning between \$10.10 and \$11.05 per hour, who would see their pay increase due to the higher floor set by the new minimum wage. Of the total affected workers, 15.3 million (55 percent) are women and 7.4 million are parents.¹¹

Source notes: Ranking of occupations by size and median hourly wage: Bureau of Labor Statistics (BLS), Occupational Employment Statistics (OES), May 2012 National Occupational Employment and Wage Estimates, <u>http://www.bls.gov/oes/current/oes_nat.htm</u>. Share of women in occupation and change in employment overtime: BLS, Current Population Survey, Annual Averages for 2009 through 2013, Table 11: Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity, *available at <u>http://www.bls.gov/</u>cps/tables.htm#annual*. Data on demographics of women in the 10 largest low-wage jobs and the overall workforce are NWLC calculations based on the Current Population Survey, Annual Social and Economic Supplement, 2013 courtesy of IPUMS-CPS.

2 NWLC, Fair Pay for Women Requires Increasing the Minimum Wage and Tipped Minimum Wage (Mar. 2013), available at

5 Figures are women who have at least one own child under 18 living at home. This disproportion is also true for women with young children: women with at least one child under the age of five are nearly 9 percent of workers in the 10 largest low-wage occupations, compared to less than six percent of all workers. 6 White, non-Hispanic women comprise 39.5 percent of the low-wage workforce and 31.4 percent of the overall workforce.

7 A worker is counted as foreign-born if she is a naturalized citizen or not a citizen.

8 Figure does not include the wage gap among childcare workers as the sample of men working full time in this field is not large enough to permit the calculation. 9 National Employment Law Project (NELP), The Inequality of Declining Wages During the Recovery (July 2013),

10 The Minimum Wage Fairness Act (S. 1737) would make similar improvements.

11 David Cooper, EPI, Supplementary Data: State-by-State Characteristics of Workers Who Would Be Affected by Increasing the Federal Minimum Wage to \$10.10 by July 2016, at 2 (Dec. 2013), available at http://s2.epi.org/files/2013/minimum-wage-state-tables.pdf.

¹ The 10 largest low-wage occupations are the 10 detailed occupations with median hourly wages of less than \$10.10 per hour that employ the most workers. "Low-wage" occupations could be defined in different ways; this analysis uses an hourly earnings cut-off of \$10.10 per hour in light of The Fair Minimum Wage Act (S. 460/H.R. 1010) pending in Congress, which would gradually raise the federal minimum wage from \$7.25 to \$10.10 per hour.

http://www.nwlc.org/resource/fair-pay-women-requires-increasing-minimum-wage-and-tipped-minimum-wage.

³ The detailed occupation category of "home health aides" is one of the 10 largest detailed occupations paying under \$10.10 in 2012 according to OES. However, this detailed category is not available in the Current Population Survey Annual Average Tables. Our analysis of annual average employment instead uses the related broader employment category which also includes orderlies, nursing aides, and psychiatric aides.

⁴ NWLC calculations based on Miriam King et al., Integrated Public Use Microdata Series, Current Population Survey: Version 3.0 (IPUMS-CPS), Minneapolis: University of Minnesota, 2010. Data are for 2012. All figures are for employed workers.

http://www.nelp.org/page/-/Job_Creation/NELP-Fact-Sheet-Inequality-Declining-Wages.pdf?nocdn=1. Jobs that typically paid between \$8.78 and \$10.60 per hour in 2012 were in the bottom quintile.