



WORKPLACE JUSTICE

FAQS ABOUT THE WAGE GAP

Women who work full time, year round in the United States were paid only 80 cents for every dollar paid to their male counterparts in 2016.¹ For some groups of women, the gaps are even larger. This document provides details about the wage gap measure that the Census Bureau and the National Women's Law Center (NWLC) use, factors contributing to the wage gap, and how to close the gap.

What's behind NWLC's wage gap figure?

The wage gap figure that NWLC reports at the national level is the same as that reported by the Census Bureau—the median earnings of women full time, year round workers as a percentage of the median earnings of men full time, year round workers.² Median earnings describe the earnings of a worker at the 50th percentile—right in the middle. Earnings means wages, salary, and net self-employment income—so basically the money people see in their paychecks.³ Working full time is defined as working at least 35 hours a week and working year round means working at least 50 weeks during the last twelve months.⁴

The national wage gap data come from the Current Population Survey and include workers 15 and older.⁵ The wage gap is not broken down by occupation or industry, though data on earnings by industry and occupation for women and men are available from the Bureau of Labor Statistics.⁶

Why does NWLC use this wage gap figure?

The 80 cent figure reflects the many discriminatory barriers to equal pay—including lower pay for women in the same job; the overrepresentation of women in lower-paying jobs and the underrepresentation of women in higher-paying, nontraditional jobs; bias against women with caregiving responsibilities; and lack of workplace policies to allow workers to care for families without paying a stiff economic

penalty. The 80 cent figure demonstrates just how strongly these many factors impact the economic security of women workers.

How does the wage gap impact women of color?

The wage gap is even more substantial for some groups of women, with Black women typically making only 63 cents, Latina women only 54 cents, and Native women only 57 cents for every dollar paid to white, non-Hispanic men. Asian women working full time, year round are typically paid only 87 cents for every dollar paid to their white, non-Hispanic male counterparts – but the wage gap is substantially larger for some subgroups of Asian women.⁷

In calculating these wage gaps, we compare the wages of women of color to the wages of white, non-Hispanic men because women of color carry a double burden of both sexism and racism—so it's important to take those both into account when we look at their economic security.

We also use this Census Bureau data because comparable figures for the 80 cent figure are also available in earlier Census Bureau data sets, allowing for a longer historical comparison and permitting the data to be tracked over time. As a result, we are able to discern trends, like the fact that the wage gap has barely budged in nearly a decade.

How do factors like education and occupation affect the wage gap?

The wage gap occurs at all education levels, after work experience is taken into account, and it gets worse as women's careers progress.⁸ There is a gender wage gap in 98 percent of occupations.⁹ Skeptics of the wage gap may also insist that the wage gap exists because of the occupational choices that women make. However, this argument ignores the fact that “women's” jobs often pay less precisely because women do them, because women's work is devalued,¹⁰ and that women are paid less even when they work in the



same occupations as men. Cases of company-wide pay discrimination are further evidence that discrimination contributes to the wage gap.¹¹

Women are underrepresented in higher-paying jobs that are often dominated by men, and overrepresented in low-paying jobs. Women make up nearly six in ten (58 percent) workers in low-wage jobs that typically pay less than \$11 per hour, and seven in ten (69 percent) of those the lowest-wage jobs – those that typically pay less than \$10 per hour.¹² Isolation, active discouragement, harassment, outright exclusion, and lack of information about alternative job options are all barriers to women’s entry into higher-wage jobs that are nontraditional for their gender. In contrast, women are clustered in low-paying jobs like home health aide, child care worker, and maid and housekeeping cleaner.¹³

A study by labor economists Francine Blau and Lawrence Kahn also demonstrates the effects of a variety of factors that influence the wage gap, like race, region, unionization status, education, occupation, industry, work experience, and more. However, Blau and Kahn found that when you look at all of these factors combined, 38 percent of the wage gap still remained unexplained.¹⁴

How does caregiving affect the wage gap?

Another factor that plays into the wage gap is the role of women as caregivers and the persistent discrimination against women workers with caregiving responsibilities. A study by Shelley Correll, Stephan Benard, and In Paik found that, when comparing equally qualified women candidates, women who were mothers were recommended for significantly lower starting salaries, perceived as less

competent, and less likely to be recommended for hire than non-mothers.¹⁵ The effects for fathers in the study were just the opposite—fathers were actually recommended for significantly higher pay and were perceived as more committed to their jobs than non-fathers.¹⁶

What can be done to shrink the wage gap?

Here is a commonsense set of solutions to help finally close the wage gap:

- Strengthen our equal pay laws so that women have the tools they need to fight back against pay discrimination.¹⁷
- Build ladders to higher-wage jobs for women by removing barriers to entry into male-dominated fields.¹⁸
- Lift up the wages of women in low-wage jobs by raising the minimum wage and ensuring that tipped workers receive at least the regular minimum wage before tips.¹⁹
- Increase the availability of high-quality, affordable child care.²⁰
- Help prevent and remedy caregiver discrimination, and protect workers from pregnancy discrimination.²¹
- Establish fair scheduling practices that allow employees to meet their caregiving responsibilities and other obligations.²²
- Provide paid family and medical leave and paid sick days.²³
- Ensure women’s access to the affordable reproductive health care they need.²⁴
- Protect workers’ ability to collectively bargain.

- 1 In 2016, the median earnings of women working full time, year round was \$41,554 and for men it was \$51,640. The ratio of these earnings was 80.47 cents. When rounded to a whole number, this ratio was 80 cents. In 2015, the median earnings of women working full time, year round was \$40,724 and for men it was \$51,212. The ratio of these earnings was 79.55 cents. When rounded to a whole number, this ratio was also 80 cents. For this reason, the rounded wage gap ratio remained at 80 cents in 2016, although the wage gap closed by nearly one penny between 2015 and 2016, the first statistically significant difference since 2007.
- 2 Jessica L. Semega, Kayla R. Fontenot, & Melissa A. Kollar, U.S. CENSUS BUREAU, *Income and Poverty in the United States: 2016* at 7 (Sept. 2017), available at <https://www.census.gov/content/dam/Census/library/publications/2017/demo/P60-259.pdf>.
- 3 U.S. CENSUS BUREAU, CURRENT POPULATION SURVEY (CPS) – Subject Definitions, “Earnings,” available at <http://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html> (last visited September 11, 2017).
- 4 *Id.* See definition for “work experience.”
- 5 *Id.* See definition for “income measurement.”
- 6 See further data available from the Bureau of Labor Statistics, available at <http://www.bls.gov/cps/> or <http://www.bls.gov/bls/cpswomendata.htm>.
- 7 NAT’L WOMEN’S LAW CTR. (NWLC), *THE WAGE GAP AND ASIAN WOMEN* (Mar. 2017), available at <https://nwlc.org/resources/the-wage-gap-and-asian-women/>.
- 8 NATIONAL WOMEN’S LAW CENTER (NWLC), *50 YEARS & COUNTING: THE UNFINISHED BUSINESS OF ACHIEVING FAIR PAY 9* (June 2013), available at http://www.nwlc.org/sites/default/files/pdfs/final_nwlc_equal_pay_report.pdf; NWLC, *THE WAGE GAP: THE WHO, HOW, WHY, AND WHAT TO DO* (Sep. 2017), available at <https://nwlc.org/resources/the-wage-gap-the-who-how-why-and-what-to-do/>.
- 9 NWLC calculations based on U.S. CENSUS BUREAU, Table Packages (2016), Table 1, available at http://www.census.gov/people/io/publications/table_packages.html?eml=gd&utm_medium=email&utm_source=govdelivery.



- 10 Philip N. Cohen, "Devaluing and Revaluing Women's Work," *The Huffington Post* (May 25, 2011), available at http://www.huffingtonpost.com/philip-n-cohen/devaluing-and-revaluing-w_b_444215.html; Clair Cain Miller, "As Women Take Over a Male-Dominated Field, the Pay Drops," *The New York Times* (Mar. 18, 2016).
- 11 For example, a recent experiment revealed that when presented with identical resumes, one with the name John and one with the name Jennifer, science professors offered the male applicant for a lab manager position a salary of nearly \$4,000 more, additional career mentoring, and judged him to be significantly more competent and hireable. Corrine A. Moss-Racusin et al., *Science faculty's subtle gender biases favor male students*, PROCEEDINGS OF THE NATIONAL ACADEMY OF SCIENCES OF THE UNITED STATES OF AMERICA (Aug. 2012), available at <http://www.pnas.org/content/109/41/16474.abstract#aff-1>.
- 12 Jasmine Tucker & Kayla Patrick, NWLC, CHART BOOK: WOMEN IN LOW-WAGE JOBS MAY NOT BE WHO YOU EXPECT (Aug. 2017), available at <https://nwlc.org/resources/women-in-low-wage-jobs-may-not-be-who-you-expect/>.
- 13 NWLC, SET UP TO FAIL, WHEN LOW-WAGE WORK JEOPARDIZES PARENTS AND CHILDREN'S SUCCESS 4 (Jan. 2016), available at <https://nwlc.org/resources/set-up-to-fail-when-low-wage-work-jeopardizes-parents-and-childrens-success/>.
- 14 Francine D. Blau & Lawrence M. Kahn, *The Gender Wage Gap: Extent, Trends and Explanations*, NATIONAL BUREAU OF ECONOMIC RESEARCH (Jan. 2016), available at <http://www.nber.org/papers/w21913.pdf>.
- 15 Shelley J. Correll, Stephan Benard & In Paik, *Getting a Job: Is There a Motherhood Penalty*, 11 AM. J. SOCIOLOGY 1297 (Mar. 2007), available at http://gender.stanford.edu/sites/default/files/motherhoodpenalty_0.pdf.
- 16 *Id.*
- 17 NWLC, HOW THE PAYCHECK FAIRNESS ACT WILL STRENGTHEN THE EQUAL PAY ACT (Apr. 2017), available at <https://nwlc.org/resources/how-the-paycheck-fairness-act-will-strengthen-the-equal-pay-act/>.
- 18 See generally NWLC, WOMEN IN CONSTRUCTION, STILL BREAKING GROUND (June 2014), available at <https://nwlc.org/resources/women-construction-still-breaking-ground/>.
- 19 NWLC, THE RAISE THE WAGE ACT: BOOSTING WOMEN'S PAYCHECKS AND ADVANCING EQUAL PAY (May 2017), available at <https://nwlc.org/resources/the-raise-the-wage-act-boosting-womens-paychecks-and-advancing-equal-pay/>.
- 20 See generally NWLC, TURNING THE CORNER; STATE CHILD CARE ASSISTANCE POLICIES 2014 (Oct. 2014), available at <https://nwlc.org/resources/turning-corner-state-child-care-assistance-policies-2014/>; NWLC, SET UP FOR SUCCESS: SUPPORTING PARENTS IN LOW-WAGE JOBS AND THEIR CHILDREN: AN AGENDA FOR ACTION 17-22 (July 2016), available at <https://nwlc.org/resources/set-up-for-success-why-early-care-and-education-policies-must-address-low-wage-working-parents-needs-2/>.
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