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It's Time to Pay Black Women What They're Owed

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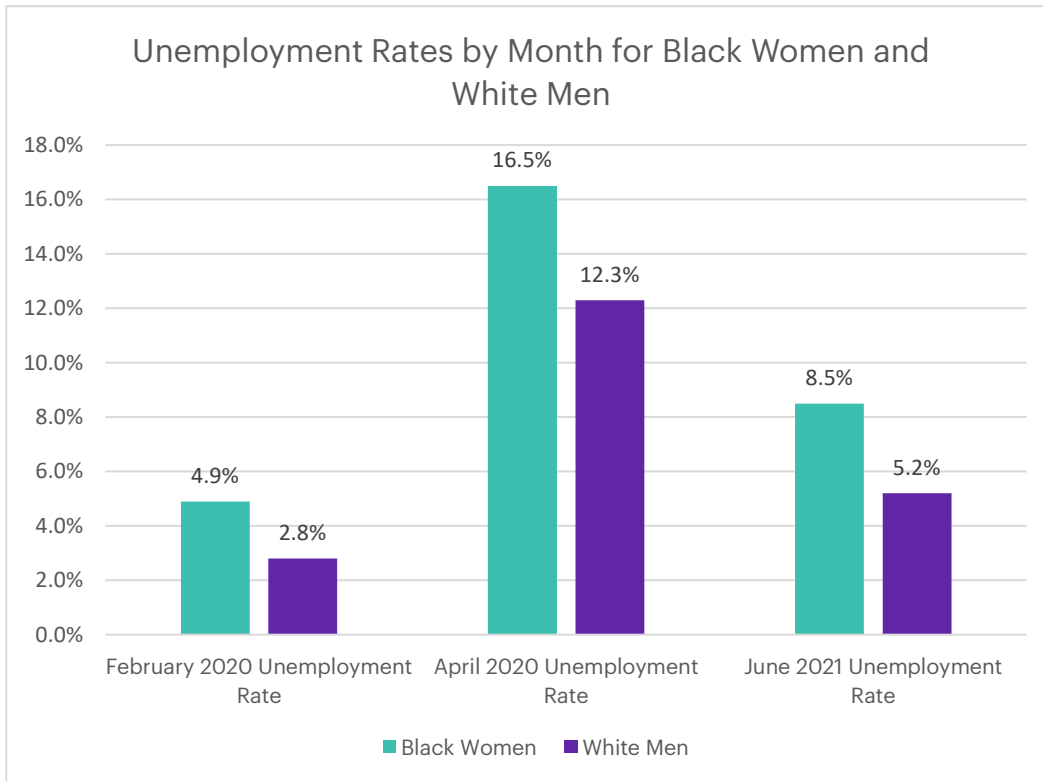
Black workers have always faced discrimination in the U.S. workforce, even as they helped literally build America and provided the foundations for its economy. Today, it takes longer for Black workers to find jobs¹ and when they do, they're paid less than their white peers. This pay gap is especially stark for Black women, who face not only race discrimination, but also sex discrimination. Among full-time, year-round workers, Black women typically make just 63 cents for every dollar paid to white, non-Hispanic men.² This disparity has only closed by 3 cents over the last thirty years,³ which means Black women are not projected to reach equal pay until the year 2130.⁴ The wage gap adds up to a typical loss of \$24,110 a year and a staggering loss of \$964,400 over a 40-year career.⁵ It means Black women have to work until August 3 this year to catch up to what white, non-Hispanic men made last year alone.

The wage gap was already making it difficult for Black women and their families to make ends meet before the pandemic ever started: 18% of Black women and 26% of Black children were living in poverty in 2019.⁶ Black renters were most likely to be cost-burdened in 2019, spending over 50% of their income on housing.⁷ The wage gap has been a driver of this hardship and has robbed many Black women and families of adequate savings to successfully weather the COVID-19 recession and its aftermath.

As we recover from the pandemic, we cannot go back to February 2020, when it was "normal" to pay Black women 63 cents on the dollar. We need a recovery that addresses our long underinvestment in economic and social infrastructure and the inadequate workplace protections that left Black women stranded at the intersection of racial and gender inequities laid bare by COVID-19. It's time to pay Black women what they are owed.

Black women are still suffering from the COVID-19 crisis.

Economic gains in recent months are not being experienced evenly across groups by race and gender. At its peak, the unemployment rate for Black women reached 16.6% in May 2020 and remained in double digits for 6 months last year before finally declining. Black women's unemployment rate was 8.5% in June 2021, but Black women are still in a crisis.⁸ June's rate means that more than one in twelve Black women were unemployed last month, compared to about one in 19 white men. The unemployment rate for Black women in June was still 1.7 times more than their pre-pandemic unemployment rate of 4.9% in February 2020.⁹ In June, more than two in five Black women ages 20 and over (41.3%) who were unemployed had been looking for work for six months or more, and unemployed Black women typically have been out of work for 19.6 weeks – or nearly five months – which is more than two weeks longer than unemployed white men.¹⁰



Source: BLS, Employment Situation Summary Historical Table A-2. Unemployment rates are for people ages 20 and over.

In addition to bearing the brunt of job losses as a result of the pandemic, the ongoing Census Household Pulse Survey shows that in June 2021 Black, non-Hispanic women were more likely than their white, non-Hispanic male or female peers to report expecting to lose household income in the next four weeks; to report not having enough to eat in the past seven days; and to report being behind on their rent or mortgage.¹¹ And while lost income, food insufficiency, and housing insecurity rates have all improved since their peaks last year, hardship is still widespread.

There is a common misconception that when a recession ends, everyone who lost a job or was otherwise affected by that recession returns to “normal” again right away. But that’s simply not true. For example, during the Great Recession, the economic downturn that lasted from 2007 to 2009, Black women experienced higher unemployment rates and longer stints of unemployment than other groups.¹² And while the unemployment rate for white men never reached double digits in the Great Recession and subsequent recovery, Black women’s unemployment remained over 10 percent for 5 years – 60 consecutive months – from February 2009 to January 2014.¹³ This means that, for Black women, elevated unemployment and the difficulty that brings to a household lasted far beyond the official length of the recession. A similar fate could face Black women in the COVID-19 recession and recovery.

Because of Black women’s higher rates of unemployment and economic insecurity, when Black women return to the workforce, many will be willing to accept the first job offer they receive because they cannot afford to be out of work any longer; employers, in turn, may pay lower wages to employees who have been unemployed or out of the workforce for long stretches of time. And because Black women face such a large gender wage gap, they were less able to afford education or professional training during the pandemic that would have allowed them to advance or move into another field. All of this could translate to larger race and gender wage gaps for Black women moving forward.

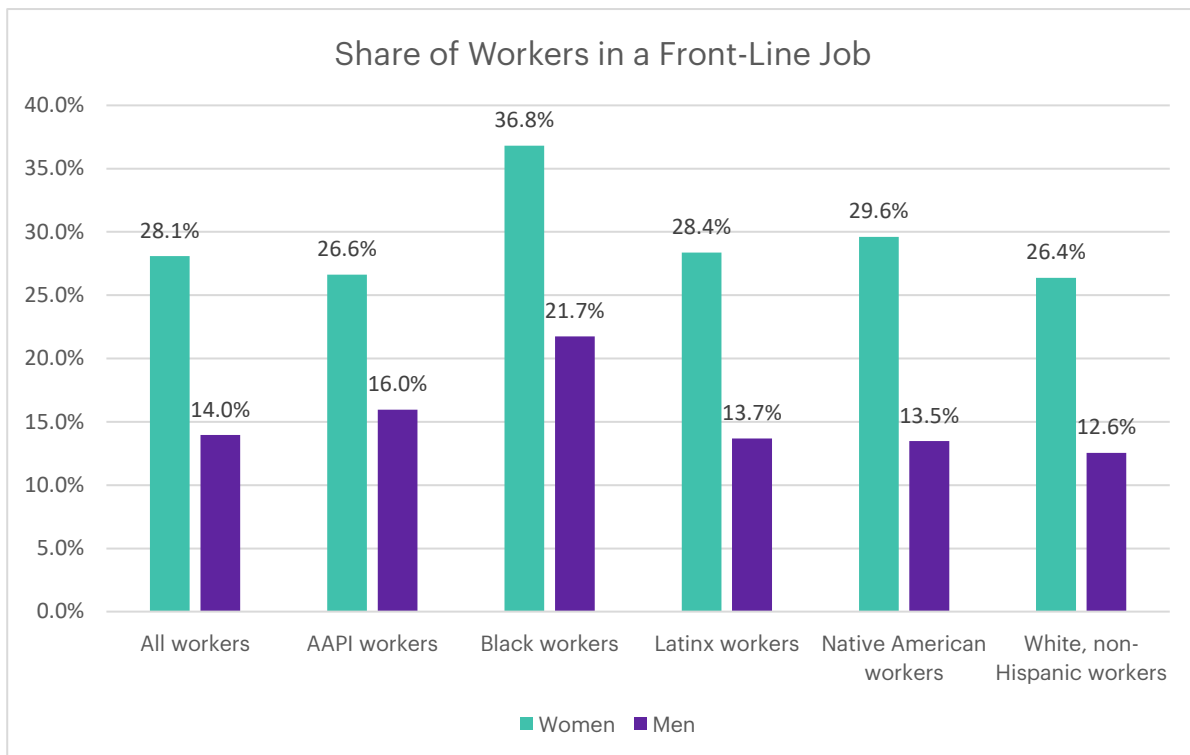
COVID-19 has imposed economic harm on Black mothers, who were already facing a higher risk of poverty and steeper wage gap than Black women overall.

As our nation's already unstable care infrastructure broke down in March 2020, many working mothers were unable to manage caregiving for children and other family members, remote learning, and other new responsibilities responding to the COVID crisis on top of their jobs. These impossible pressures, combined with massive job losses, have pushed many mothers out of the labor force entirely.¹⁴

But even before COVID-19 hit, Black mothers were paid just 52 cents for every dollar paid to white, non-Hispanic fathers¹⁵ but were more likely than mothers of other races or ethnicities to be primary breadwinners or co-breadwinners for their families.¹⁶ Even when they were working full time, Black mothers were five times more likely than white, non-Hispanic fathers working full time to be living below the poverty line in 2019 (11.6% versus 2.3%). And nearly two in five Black moms working full time (38.4%) were living below twice the poverty line.¹⁷ In other words, millions of Black women and families were struggling to make ends meet before the pandemic ever started – but its economic and health impacts, which data shows have fallen particularly hard on Black families, have made things far worse.

More than one in three Black women have been on the front lines of the COVID-19 crisis, but Black women are still paid less than white, non-Hispanic men.

As workers, Black women have been on the front lines of the COVID-19 crisis, and as a result have been disproportionately affected by the pandemic's health and economic impacts. The pandemic has exposed how the work performed primarily by women, and particularly Black women, has long been and continues to be undervalued, even as the rest of the country depends on it as never before. More than one in three Black women (36.8%) – the largest share of any group by race/ethnicity and gender – worked in a front-line job before the pandemic started, compared to just 12.6% of white, non-Hispanic men.



Source: NWLC calculations based on 2015-2019 American Community Survey (ACS), 5-year estimates, using IPUMS-USA. "Front-line workforce" is defined using the methodology outlined in Hye Jin Rho, Hayley Brown, & Shawn Fremstad, Center on Economic and Policy Research, *A Basic Demographic Profile of Workers in Front-line Industries* (Apr. 2020).

While front-line workers are especially likely to be Black women, Black women in these jobs make just 63 cents for every dollar paid to white, non-Hispanic men in front-line jobs. The wage gap for Black women varies widely by front-line occupation.¹⁸ For example, Black women working full time, year round as registered nurses make 90 cents for every dollar white, non-Hispanic men in these jobs; their typical annual losses to the wage gap total \$7,000. Meanwhile, Black women working full time, year round as supervisors of retail sales workers make just 65 cents for every dollar white, non-Hispanic men make in these jobs, which adds up to a typical annual loss of \$18,000.¹⁹

The wage gap will typically cost a Black woman nearly \$1 million dollars over a lifetime of work and contributes to the racial wealth gap.

The loss of thirty-seven cents on the dollar adds up over a month, a year, and a lifetime. If today's median wage gap does not close, Black women stand to lose \$2,009 each month or \$24,110 each year. This annual wage gap could have paid for seven months of food, six months of child care, *and* one year of rent.²⁰ It could have been a lifeline for Black women and their families during the pandemic.

If the wage gap does not close, a Black woman starting her career today stands to lose a staggering \$964,400 over the course of a 40-year career. Assuming a Black woman and her white, non-Hispanic male counterpart both begin work at age 20, the wage gap means a Black woman would have to work until she is 83 years old to be paid what a white, non-Hispanic man has been paid by age 60.²¹ In other words, she would have to work nearly 8 years beyond her life expectancy, which recently was adjusted down by 2.3 years due to the COVID-19 crisis, in order to catch up to her white, non-Hispanic male peer's lifetime earnings.²²

Unequal pay means more than Black women having less money to cover their current expenses, at a moment when every penny counts. It also has ripple effects that mean Black women miss key opportunities throughout their lifetimes to build wealth and future economic security for themselves and their families. The wage gap means many cannot save enough to afford a down payment on a home, cannot afford to pay for their own or a child's higher education, cannot start a business or save for retirement. It is no surprise, then, that white families have eight times the wealth of Black families²³ or that single Black women own \$200 in wealth for every \$28,900 single white men own.²⁴ White families were nearly three times more likely than Black families to receive an inheritance; Black families have little to no wealth to pass onto future generations.²⁵

Black women need action that closes the wage gap.

Even before the COVID-19 crisis, Black women were losing tens of thousands of dollars annually due to the wage gap and were more likely than their white peers to be experiencing hardship. Since the pandemic began, many Black women have continued to work in front-line jobs while caring for children through school and child care closures and managing other caregiving responsibilities. Many others have lost their jobs entirely. This impossible situation has devastated Black women's careers, labor force participation, and long-term earning potential. As Black women who lost jobs or left the labor force return to work, they may find themselves with no choice other than to take jobs that are lower-paying or lower-quality than the ones they left. The cost of education and training that would allow them to advance or transition to a career in a different field will be out of reach for many Black women as a result of the economic impact of the pandemic.

These far-reaching effects of the COVID-19 crisis threaten to reverberate for years to come and exacerbate pre-existing racial and gender wage gaps. Black women need a recovery that centers them and their needs. They need action that closes the wage gap. In order to achieve these goals, we need to: support policies that expand and strengthen federal and state unemployment insurance programs; expand access to comprehensive health coverage, including reproductive care;²⁶ bolster equal pay laws; increase the wages of women in low-paid jobs by raising the minimum wage; protect workers' ability to join unions and collectively bargain; expand the availability of high-quality, affordable child care; and provide paid family and medical leave.²⁷ Black women have been shortchanged and their work has been undervalued for far too long. Neither they nor their families can afford to wait for change. It's long past time to pay Black women what they are owed.

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- 2 NWLC calculations using U.S. Census Bureau, Current Population Survey, 2020 Annual Social and Economic Supplement [hereinafter CPS, 2020 ASEC], Table PINC-05, *available at* <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html>. CPS, 2020 ASEC respondents self-identify their sex as either male or female and self-identify their race/ethnicity. Among full time, year round workers, Black women make 90 cents for every dollar paid to Black men and Black men make 70 cents for every dollar paid to white, non-Hispanic men.
- 3 NWLC calculations based on U.S. Census Bureau, Current Population Survey, Historical Data, Table P-38: Full-Time, Year-Round Workers by Median Earnings and Sex, *available at* <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>. Median earnings are in 2019 dollars. Figures may differ from those in other reports due to rounding or updated Census estimates. Data for Black women are “Black alone” from 2002-2019 and “Black” for years prior to 2002. Data for white, non-Hispanic men are “white alone, not Hispanic” from 2002-2019, “white, not Hispanic” from 1987-2001 and “white” for years prior to 1987.
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- 5 NWLC calculations based on CPS, 2020 ASEC, *supra* note 1. Figure assumes a median wage gap of \$24,110—the gap in median earnings between full time, year round working Black women (\$41,098) and white, non-Hispanic men (\$65,208) in 2019—each year for 40 years. Figures are not adjusted for inflation.
- 6 Amanda Fins, “National Snapshot: Poverty Among Women and Families, 2020,” (National Women’s Law Center, Dec. 2020), <https://nwlc.org/resources/national-snapshot-poverty-among-women-families-2020/>.
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- 8 NWLC calculations using BLS, “Employment status of the civilian population by race, sex, and age” Table A-2 from Employment Situation Summary (Washington, DC: Jul. 2, 2021), <https://www.bls.gov/news.release/empstat.t02.htm>. Historical data available at <https://www.bls.gov/webapps/legacy/cpsatab2.htm>.
- 9 Claire Ewing-Nelson and Jasmine Tucker, “97% of Women Who Returned to the Labor Force in June Are Unemployed and Looking for Work” (National Women’s Law Center, Jul. 2, 2021), <https://nwlc.org/resources/97-of-women-who-returned-to-the-labor-force-in-june-are-unemployed-and-looking-for-work/>.
- 10 NWLC calculations using BLS, “Unemployed persons by age, sex, race, Hispanic or Latino ethnicity, marital status, and duration of unemployment,” Table A-36 in Labor Force Statistics from the Current Population Survey (Washington, DC: Jul. 2021), <https://www.bls.gov/web/empstat/cpseea36.htm>.
- 11 Jasmine Tucker and Claire Ewing-Nelson, “Women of Color Would Be Hardest Hit If Eviction Protections End,” (National Women’s Law Center, June 2021), <https://nwlc.org/resources/women-of-color-would-be-hardest-hit-if-eviction-protections-end/>.
- 12 National Women’s Law Center (NWLC), Employment Crisis Worsens for Black Women during the Recovery (Aug. 2011), *available at* <https://nwlc.org/resources/employment-crisis-worsens-black-women-during-recovery/>.
- 13 U.S. Department of Labor, Bureau of Labor Statistics (BLS), Labor Force Statistics from the Current Population Survey, Historical Table A-2, *available at* <https://www.bls.gov/cps/cpsatabs.htm>.
- 14 Claire Ewing-Nelson, Even Before This Disastrous Year for Mothers, They Were Still Only Paid 75 Cents for Every Dollar Paid to Fathers, (National Women’s Law Center, May 2021), <https://nwlc.org/resources/wp-content/uploads-2020-05-moms-epd-2020-v2.pdf/>.
- 15 Claire Ewing-Nelson, Even Before This Disastrous Year for Mothers, They Were Still Only Paid 75 Cents for Every Dollar Paid to Fathers, (National Women’s Law Center, May 2021), <https://nwlc.org/resources/wp-content/uploads-2020-05-moms-epd-2020-v2.pdf/>.
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- 17 NWLC calculations using 2019 American Community Survey (ACS), accessed through Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek, *Integrated Public Use Microdata Series USA (IPUMS USA): Version 11.0* (Minneapolis: University of Minnesota, 2021), <https://doi.org/10.18128/DO10.V11.0>.
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