



**NATIONAL  
WOMEN'S  
LAW CENTER**

Justice for Her. Justice for All.

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## FAQ About the Wage Gap

*Women who work full-time, year-round in the United States were paid only 83 cents for every dollar paid to their male counterparts in 2020.<sup>1</sup> For many 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.<sup>2</sup> 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 essentially the money people see in their paychecks.<sup>3</sup> 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 12 months.<sup>4</sup>

The national wage gap data come from the Current Population Survey and include workers 15 and older.<sup>5</sup> The overall 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.<sup>6</sup>

It is important to note that with the job losses experienced during the COVID-19 pandemic, particularly among low-paid workers, there were substantially fewer people who worked full time and year round in 2020, and many who did work full time, year round worked in higher paying positions.<sup>7</sup> Because the women who remained in the labor force and worked full time in 2020 often had higher earnings than their counterparts who lost their jobs, this year's data gives the appearance of closing wage gaps for some groups, but is not in fact comparable to wage gap data for prior years.

## Why does NWLC use this wage gap figure?

The 83-cent figure reflects the many discriminatory barriers to equal pay—including lower pay for women relative to men 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; pay secrecy policies; and the lack of workplace policies that allow workers to care for families without paying a stiff economic penalty. The 83-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?

When comparing all women to all men, women make 83 cents on men's dollar, but the wage gap is even more substantial for many women of color compared to white, non-Hispanic men, with Black women typically making only 64 cents, and Latina women only 57 cents, for every dollar paid to white, non-Hispanic men. Asian women make 101 cents for every dollar compared to white, non-Hispanic men<sup>8</sup>—but the wage gap is substantially larger for some groups of Asian women.<sup>9</sup>

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.

Wage gap data is not yet available for Native American or Native Hawaiian and Other Pacific Islander women, which is calculated using annual 1-year American Community Survey data from the U.S. Census Bureau. Due to COVID-19, data collection for the 2020 American Community Survey experienced significant interruptions and high non-response rates.<sup>10</sup> The Census Bureau will release this data using “experimental weights” later in 2021.<sup>11</sup> If the experimental data meets data quality standards, this fact sheet will be updated.

## 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.<sup>12</sup> There is a gender wage gap in 94 percent of occupations.<sup>13</sup> 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,<sup>14</sup> 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.<sup>15</sup>

Women are underrepresented in higher-paying jobs that are often dominated by men, and overrepresented in low-paying jobs. In 2018, women made up nearly two-thirds of the 22.2 million workers in the 40 lowest-paying jobs—occupations such as child care workers, home health aides, restaurant servers, and fast food workers.<sup>16</sup> Women of color are particularly overrepresented in these jobs.<sup>17</sup> Women are also two-thirds of minimum wage workers.<sup>18</sup> Many women in these low-paid jobs are also on the front lines of the COVID-19 pandemic as essential workers; in fact, 64 percent of workers in front-line industries are women, despite making up 47 percent of workers overall.<sup>19</sup> Women of color make up more than one quarter (27%) of the front-line workforce, compared to less than one fifth (18%) of the overall workforce.<sup>20</sup>

Isolation, active discouragement, harassment, outright exclusion, and lack of information about alternative job options are all barriers to women's entry into higher-paying jobs that are nontraditional for their gender.

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 these factors combined, 38 percent of the wage gap still remains unexplained.<sup>21</sup>

## 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.<sup>22</sup> 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.<sup>23</sup> This has aptly been nicknamed the motherhood penalty and fatherhood bonus.

## 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 to discover and fight back against pay discrimination.<sup>24</sup>
- Build ladders to higher-wage jobs for women by removing barriers to entry into male-dominated fields.<sup>25</sup>
- Lift up the wages of women in low-paid jobs by raising the minimum wage and ensuring that tipped workers receive at least the regular minimum wage before tips.<sup>26</sup>
- Increase the availability of high-quality, affordable child care.<sup>27</sup>
- Help prevent and remedy caregiver discrimination, and protect workers from pregnancy discrimination.<sup>28</sup>
- Establish fair scheduling practices that allow employees to meet their caregiving responsibilities and other obligations.<sup>29</sup>
- Provide paid family and medical leave and paid sick days.<sup>30</sup>
- Ensure women's access to the affordable reproductive health care they need.<sup>31</sup>
- Protect workers' ability to join unions and collectively bargain.<sup>32</sup>

- 1 U.S. Census Bureau, Current Population Survey, 2021 Annual Social and Economic Supplement, Table PINC-05, <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html>. In 2020, the median annual earnings of women working full-time, year-round were \$50,982; median annual earnings for men were \$61,417. The ratio of these earnings was rounded to 83 cents.
- 2 Jessica Semega, Melissa Kollar, Emily A. Shrider, and Frances Chen, U.S. Census Bureau, *Income and Poverty in the United States: 2020* (Sept. 2021), <https://www.census.gov/library/publications/2021/demo/p60-273.html>.
- 3 U.S. Census Bureau, Current Population Survey (CPS) – Subject Definitions, “Earnings,” <http://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html>.
- 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, <http://www.bls.gov/cps/> or <http://www.bls.gov/bls/cpswomendata.htm>.
- 7 Ariane Hegewisch and Eve Mefferd, “The Gender Wage Gap by Occupation, Race, and Ethnicity 2020” (Institute for Women’s Policy Research, March 2021), <https://iwpr.org/wp-content/uploads/2021/03/2021-Occupational-Wage-Gap-Brief-v2.pdf>.
- 8 The wage gap for Asian, Black, and Latina women compared to white, non-Hispanic men comes from U.S. Census Bureau, Current Population Survey, 2019 Annual Social and Economic Supplement, Table PINC-05, <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html>. Data for Native women compared to white, non-Hispanic men comes from U.S. Census Bureau, 2018 American Community Survey, Tables B20017C and B20017H, <https://factfinder.census.gov/>.
- 9 Jasmine Tucker, “Asian American and Pacific Islander Women Lose \$10,000 Annually to the Wage Gap” (National Women’s Law Center, Mar. 2021), <https://nwlc.org/resources/equal-pay-for-asian-pacific-islander-women/>.
- 10 “Adapting the American Community Survey Amid COVID-19,” U.S. Census Bureau (May 2021), <https://www.census.gov/newsroom/blogs/random-samplings/2021/05/adapting-the-acs-amid-covid-19.html>.
- 11 “Census Bureau Announces Changes for 2020 American Community Survey 1-Year Estimates,” U.S. Census Bureau (July 2021), <https://www.census.gov/newsroom/press-releases/2021/changes-2020-acs-1-year.html>.
- 12 “The Wage Gap: The Who, How, Why, and What To Do” (National Women’s Law Center, Sept. 2021), <https://nwlc.org/resources/the-wage-gap-the-who-how-why-and-what-to-do/>.
- 13 Jasmine Tucker, “The Wage Gap Has Robbed Women of Their Ability to Weather COVID-19” (National Women’s Law Center, Mar. 2021), <https://nwlc.org/wp-content/uploads/2021/03/EPD-2021-v1.pdf>.
- 14 See Philip N. Cohen, “Devaluing and Revaluing Women’s Work,” *Huffington Post*, May 25, 2011, [http://www.huffingtonpost.com/philip-n-cohen/devaluing-and-revaluing-w\\_b\\_444215.html](http://www.huffingtonpost.com/philip-n-cohen/devaluing-and-revaluing-w_b_444215.html), and Kathrin Leuze and Susanne Straub, “Why do occupations dominated by women pay less? How ‘female-typical’ work tasks and working-arrangements affect the gender wage gap among higher education graduates,” *Work, Employment & Society* (2016), <https://d-nb.info/1119707552/34>.
- 15 For example, an 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 NAT’L ACADEMY OF SCIENCES OF THE UNITED STATES OF AMERICA* (Aug. 2012), <http://www.pnas.org/content/109/41/16474.abstract#aff-1>.
- 16 Jasmine Tucker and Julie Vogtman, “When Hard Work is Not Enough: Women in Low-Paid Jobs” (National Women’s Law Center, Apr. 2020), <https://nwlc.org/resources/when-hard-work-is-not-enough-women-in-low-paid-jobs/>.
- 17 *Id.*
- 18 “Women and the Minimum Wage, State by State” (National Women’s Law Center, Jan. 2021), <https://nwlc.org/resources/women-and-minimum-wage-state-state>.
- 19 Hye Jin Rho, Hayley Brown, and Shawn Fremstad, “A Basic Demographic Profile of Workers in Frontline Industries” (Center for Economic and Policy Research, Apr. 2020), <https://cepr.net/wp-content/uploads/2020/04/2020-04-Frontline-Workers.pdf>.
- 20 NWLC calculations using 2015-2019 American Community Survey (ACS), 5-year estimates, using IPUMS USA, University of Minnesota, [www.ipums.org](http://www.ipums.org). “Front-line workforce” is defined using the methodology outlined in Rho, Brown, and Fremstad, “A Basic Demographic Profile of Workers in Frontline Industries.”
- 21 Francine D. Blau and Lawrence M. Kahn, “The Gender Wage Gap: Extent, Trends and Explanations,” (National Bureau of Economic Research, Jan. 2016), <http://www.nber.org/papers/w21913.pdf>.
- 22 Shelley J. Correll, Stephan Benard, and In Paik, “Getting a Job: Is There a Motherhood Penalty,” *Am. J. Sociology* 112, no. 5 (March 2007): 1297-1338, [https://sociology.stanford.edu/sites/g/files/sbiybj9501/f/publications/getting\\_a\\_job-\\_is\\_there\\_a\\_motherhood\\_penalty.pdf](https://sociology.stanford.edu/sites/g/files/sbiybj9501/f/publications/getting_a_job-_is_there_a_motherhood_penalty.pdf).
- 23 *Id.*
- 24 “How the Paycheck Fairness Act Will Strengthen the Equal Pay Act” (National Women’s Law Center, Jan. 2021), <https://nwlc.org/wp-content/uploads/2019/01/PFA-Factsheet-2021-1.27.21.pdf>; “Combating Punitive Pay Secrecy Policies” (National Women’s Law Center, Feb. 2019), <https://nwlc.org/wp-content/uploads/2019/02/Combating-Punitive-Pay-Secrecy-Policies.pdf>.
- 25 See, e.g., *Women in Construction: Still Breaking Ground* (National Women’s Law Center, June 2014), [https://nwlc.org/wp-content/uploads/2015/08/final\\_nwlc\\_womeninconstruction\\_report.pdf](https://nwlc.org/wp-content/uploads/2015/08/final_nwlc_womeninconstruction_report.pdf).
- 26 “One Fair Wage: Women Fare Better in States with Equal Treatment for Tipped Workers” (National Women’s Law Center, Feb. 2021), <https://nwlc.org/resources/one-fair-wage/>; “The Raise the Wage Act: Valuing Working People and Advancing Equal Pay” (National Women’s Law Center, Mar. 2021), <https://nwlc.org/wp-content/uploads/2019/10/RTWA-FS-2021-v3.pdf>.
- 27 See, e.g., “Building a Comprehensive Child Care and Early Learning System: The Case for a \$450 Billion Investment in Child Care Over the Next 10 Years” (National Women’s Law Center, Aug. 2021), <https://nwlc.org/wp-content/uploads/2021/08/450B-Justification-Fact-Sheet.pdf>, and Karen Schulman, “On the Precipice: State Child Care Assistance Policies 2020” (National Women’s Law Center, May 2021), <https://nwlc.org/wp-content/uploads/2021/05/NWLC-State-Child-Care-Assistance-Policies-2020.pdf>.
- 28 See, e.g., “The Pregnant Workers Fairness Act: Making Room for Pregnancy on the Job” (National Women’s Law Center, Aug. 2021), <https://nwlc.org/wp-content/uploads/2021/02/PWFA-Making-Room-for-Pregnancy-v4.2-2021.pdf>, and “It Shouldn’t Be a Heavy Lift: Fair Treatment for Pregnant Workers” (National Women’s Law Center, June 2013), [https://nwlc.org/wp-content/uploads/2015/08/pregnant\\_workers.pdf](https://nwlc.org/wp-content/uploads/2015/08/pregnant_workers.pdf).
- 29 See, e.g., “The Schedules That Work Act: Giving Workers the Tools They Need to Succeed” (National Women’s Law Center, Oct. 2019), <https://nwlc.org/wp-content/uploads/2019/10/Schedules-that-Work-Act-Giving-Workers-the-Tools-2019-v3.pdf>.
- 30 See, e.g., “Paid Family and Medical Leave Will Support an Equitable Economic Recovery” (National Women’s Law Center, May 2021), <https://nwlc.org/wp-content/uploads/2021/05/PaidLeaveFS.pdf>, and “Paid Sick Days Will Support an Equitable Economic Recovery” (National Women’s Law Center, May 2021), <https://nwlc.org/wp-content/uploads/2021/05/PaidSickFS.pdf>.
- 31 See, e.g., “Promoting Equitable Access to Health Care in Response to COVID-19” (National Women’s Law Center, March 2020), [https://nwlc.org/wp-content/uploads/2020/03/NWLC\\_FactSheet\\_COVIDxRepro.pdf](https://nwlc.org/wp-content/uploads/2020/03/NWLC_FactSheet_COVIDxRepro.pdf).
- 32 See, e.g., Amanda Fins, Sarah David Heydemann, and Jasmine Tucker, “Unions are Good for Women” (National Women’s Law Center, July 2021), <https://nwlc.org/wp-content/uploads/2021/07/Union-Factsheet-9.8.21.pdf>, and Kayla Patrick and Sarah David Heydemann, “Union Membership is Critical For Equal Pay” (National Women’s Law Center Mar. 2018), <https://nwlc.org/wp-content/uploads/2016/02/Union-Membership-is-Critical-for-Equal-Pay-2018.pdf>.