

JULY 2023 | FACT SHEET

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

#### **BROOKE LEPAGE**

The COVID-19 pandemic underscored what we already knew: without public investments and public policies to shift how we do business, Black women face racism and sexism at every turn in our economy. Among full-time, year-round workers, Black women typically make only 67 cents for every dollar paid to white, non-Hispanic men. This wage gap will typically cost Black women \$1,891 per month, \$22,692 per year, and \$907,680 over a 40-year career.2 Moreover, the wage gap widens when part-year, and part-time workers are included: using this comparison, a Black woman typically makes 64 cents for every dollar a white, non-Hispanic man makes.3

This jarring gender and racial wage gap persists despite Black women's sharply increasing educational attainment.4 One reason for this is that Black women face occupational segregation,5 meaning they are overrepresented in low-paid jobs. And in every common occupation, whether low-paid or not, Black women face racist and sexist wage gaps compared to their white, non-Hispanic male counterparts.

In addition, Black women experience a gender wage gap compared to Black men: among full-time, yearround workers, Black women typically make just 93 cents for every dollar paid to Black men.6

> Note: The wage gaps presented here are based on data from 2021, the most recent annual data available. Note that the wage gap numbers for 2021 are affected by the massive job losses experienced in 2020 that disrupted the labor market.

## The wage gap will typically cost a Black woman working full time, year round over \$900,000 dollars over a lifetime of work.

A loss of thirty-three cents on the dollar experienced by Black women working full time, year round adds up over a month, a year, and a lifetime. Black women working full time, year round lose \$1,891 each month or \$22,692 each year. This annual loss to the wage gap could have paid for nine months of a family's groceries,<sup>7</sup> eight months of child care,<sup>8</sup> and six months of rent.<sup>9</sup> And over the course of a 40-year career, a Black woman starting her career today stands to lose \$907,680 if we don't close the gap. This money could be lifechanging for Black women and their families to use to invest in education, purchase a home, or save for retirement.

# Black women experience a wage gap compared to white, non-Hispanic men at every education level, even when they have earned a graduate degree.

Educational attainment is often seen as a path to economic stability. Women account for more than half of college-educated adults in the U.S. labor force. And Black women's educational attainment has steadily increased in recent decades; over four times as many Black women received Bachelor's degrees during the 2020-21 than 1976-77 school year, compared to over 1.1 times as many white men. Despite these educational gains, Black women are still typically paid less than white, non-Hispanic men with less educational attainment.

- Black women working full-time, year-round who have a high school diploma are typically paid just 69 cents for every dollar paid to white, non-Hispanic men with the same diploma.<sup>12</sup>
- Black women working full-time, year-round with a bachelor's degree are typically paid \$55,755, which is
  less than what white, non-Hispanic men working full-time, year-round with some college yet no degree
  are typically paid (\$58,576).
- Black women working full-time, year-round typically have to earn a Master's degree (\$70,008) to make more than white, non-Hispanic men with just an Associate's degree (\$61,719).
- Also striking is the typical difference in wages between the most educated Black women and their white, non-Hispanic male counterparts—those with professional degrees and those with doctoral degrees. Among doctorate degree holders, a Black woman working full-time, year-round typically makes 65 cents for every dollar a white, non-Hispanic man working full-time, year-round with the same education makes—an annual loss of \$53,334, or more than \$2.1 million over the course of a 40-year career. A Black woman working full-time, year-round with a professional degree is typically paid 66 cents for every dollar a white, non-Hispanic man working full-time, year-round with the same education makes.

2

#### **BLACK WOMEN'S WAGE EQUALITY BY EDUCATIONAL ATTAINMENT**

Educational Attainment	Black Women's Earnings	White, non-Hispanic Men's Earnings	What Black Women Are Paid for Every Dollar Paid to White, non-Hispanic Men
No high school diploma	\$31,055	\$41,622	\$0.75
High school diploma	\$35,061	\$50,752	\$0.69
Some college, no degree	\$40,032	\$58,576	\$0.68
Associate's degree	\$41,791	\$61,719	\$0.68
Bachelor's degree or more	\$61,796	\$96,645	\$0.64
Bachelor's degree	\$55,755	\$89,467	\$0.62
Master's degree	\$70,008	\$101,659	\$0.69
Professional degree	\$100,297	\$151,884	\$0.66
Doctorate degree	\$97,058	\$150,392	\$0.65

Source: NWLC calculations using U.S. Census Bureau, Current Population Survey, 2022 Annual Social and Economic Supplement, Table PINC-03. Educational Attainment, People 18 years old and over, by total money earnings in 2021, available at http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03.html. "What Black Women Are Paid for Every Dollar Paid to White, non-Hispanic Men" is the ratio of Black female and white, non-Hispanic male median earnings for full-time, year-round workers. Earnings are in 2021 dollars. The "wage gap" is the additional money a woman would have to make for every dollar made by a man in order to have equal annual earnings. Workers without a high school diploma exclude those who have not completed at least 9th grade.

## Black women face a wage gap in each of the ten occupations where they are most likely to work, many of which are low paid.

Despite Black women's educational gains, continued structural barriers to degree attainment,<sup>13</sup> coupled with sexism, racism, and lack of support for caregiving responsibilities lead to some Black women experiencing occupational segregation, often in low-paid jobs.<sup>14</sup> Black women accounted for 6.0% of the workforce yet 8.9% of the low-paid workforce in the U.S. in 2021.<sup>15</sup> Moreover, Black women experience pay inequity within the jobs they commonly hold.

- Nearly two in five Black women (39.8%) are employed in one of ten occupations; in all ten of the
  occupations, Black women working full time, year round are paid less than white, non-Hispanic men
  working full time, year round.<sup>16</sup>
- Black women working full time, year round as cashiers and retail salespeople (the second most common occupation for Black women) make just 55 cents for every dollar a white, non-Hispanic man working full time, year round makes.
- For Black women, the highest paying occupations among the ten most common are (1) registered nurses, licensed practical and licensed vocational nurses and (2) elementary and middle school teachers and teaching assistants—but Black women working full time, year round in these roles are paid about 20% less than their white, non-Hispanic male counterparts working full time, year round in these roles.
- Among the ten most common occupations, the wage gap is smallest for Black women working full time, year round as nursing, home health, personal care, and psychiatric aides and orderlies; and as childcare workers, preschool and kindergarten teachers. These are among the lowest-paid jobs where Black women are most likely to be employed, making it difficult, if not impossible, for Black women in these jobs to achieve economic security. They also have large shares of women, meaning the wage gap may not be large since there are less men to compare to.<sup>17</sup>

#### TEN MOST COMMON OCCUPATIONS FOR BLACK WOMEN

	Occupation	Percent of Black Women Employed in Occupation	Median Hourly Wage for Black Women in Occupation	Median Hourly Wage for White, non-Hispanic Men in Occupation	What a Black Woman Makes for Every Dollar a White, non-Hispanic Man Makes
1	Nursing, home health, personal care, and psychiatric aides and orderlies	8.9%	\$14.42	\$14.86	\$0.97
2	Cashiers and retail salespeople	5.2%	\$11.92	\$21.63	\$0.55
3	Registered nurses, licensed practical and licensed vocational nurses	5.1%	\$28.85	\$35.58	\$0.81
4	Secretaries and administrative assistants, except legal, medical, and executive; receptionists and information clerks; office clerks	4.7%	\$18.27	\$21.15	\$0.86
5	Customer service representatives	4.3%	\$16.83	\$21.63	\$0.78
6	Elementary and middle school teachers, teaching assistants	3.7%	\$21.63	\$27.40	\$0.79
7	Maids and housekeeping cleaners, janitors, building cleaners	2.8%	\$12.02	\$17.31	\$0.69
8	Childcare workers, preschool and kindergarten teachers	2.2%	\$13.94	\$14.42	\$0.97
9	First-line supervisors of retail sales workers	1.5%	\$16.83	\$26.44	\$0.64
10	Cooks	1.3%	\$10.14	\$12.02	\$0.84

Source: NWLC calculations using 2021 American Community Survey using IPUMS. Figures are in 2021 dollars. Median hourly wages are for full-time, year-round workers. "What Black Women Are Paid for Every Dollar Paid to White, non-Hispanic Men" is the ratio of Black female and white, non-Hispanic male median earnings for full-time, year-round workers. Hourly wages are derived by dividing median annual earnings by 2,080 hours, which assumes a 40-hour work week for 52 weeks.

### We can't wait to close the wage gap for Black women.

Racism, sexism, and structural inequalities rob Black women of tens of thousands of dollars a year. We need public investments and public policies that allow Black women to succeed and thrive. It's time to ensure Black women are paid what they are owed.

#### **FOOTNOTES**

- 1 NWLC calculations using CPS, 2022 ASEC, Table PINC-05. Figure is the ratio between median earnings for Black women working full time, year round (\$46,543) and white, non-Hispanic men (\$69,235) in 2021. New data for 2022 will be available in September 2023.
- 2 NWLC calculations using CPS, 2022 ASEC, Table PINC-05. Figure assumes a median wage gap of \$22,692—the gap in median earnings between full-time, year-round working Black women (\$46,543) and white, non-Hispanic men (\$69,235) in 2021—each year for 40 years. Figures are not adjusted for inflation.
- NWLC calculations using CPS, 2022 ASEC, Table PINC-05. Figure is the ratio between median earnings for working Black women, including part time and part year, 3 (\$36,303) and white, non-Hispanic men (\$57,005) in 2021.
- "Fun Facts: Women of Color in Higher Ed" (American Association of University Women) https://www.aauw.org/resources/article/fast-facts-woc-higher-ed/. 4
- "Bearing the Cost: How Overrepresentation in Undervalued Jobs Disadvantaged Women During the Pandemic" (U.S. Department of Labor, March 2022) https://www. 5 dol.gov/sites/dolgov/files/WB/media/BearingTheCostReport.pdf.
- NWLC calculations using CPS, 2022 ASEC, Table PINC-05. Figure is the ratio between median earnings for Black women working full time, year round (\$46,543) and 6 Black men (\$50,187) in 2021.
- "Official USDA Food Plans: Cost of Food at Home at Three Levels, U.S. Average, April 2023," (U.S. Department of Agriculture, May 2023) https://fns-prod.azureedge. 7 us/sites/default/files/media/file/CostofFoodApr2023LowModLib.pdf. Figure is based on a low-cost monthly meal plan for a male ages 19-50, female ages 19-50, child ages 2-3, and child ages 4-5 which totals \$885 per month.
- NWLC calculations using Appendix I from "Price of Care: 2021 Child Care Affordability Analysis," (Child Care Aware of America, 2023), https://info.childcareaware.org/ hubfs/Child%20Care%20Affordability%20Analysis%202021.pdf. The median cost of center-based toddler child care across all 50 states and DC was \$11,284 per year or \$940.33 per month in 2021. Data for California and Colorado were not included.
- 9 NWLC calculations using U.S. Census Bureau, 2021 American Community Survey, Table DP04: Selected Housing Characteristics, https://data.census.gov/cedsci/ table?q=DPO4%3A%20SELECTED%20HOUSING%20CHARACTERISTICS&tid=ACSDP5Y2020.DPO4. Median gross rent in in 2021 was \$1,191 per month.
- "Women Now Outnumber Men in the U.S. College-Educated Labor Force" (Pew Research Center, September 2022), https://www.pewresearch.org/short-reads/2022/09/26/women-now-outnumber-men-in-the-u-s-college-educated-labor-force/#:~:text=Women%20now%20outnumber%20men%20in%20the%20U.S.%20 10 college%2Deducated%20labor%20force&text=Women%20have%20overtaken%20men%20and,Center%20analysis%20of%20government%20data.
- "Bachelor's degrees conferred by postsecondary institutions, by race/ethnicity and sex of student: Selected academic years, 1976-77 through 2020-21" Table 322.20. (National Center for Education Statistics) https://nces.ed.gov/programs/digest/d22/tables/dt22\_322.20.asp. Figures were calculated by dividing the total number of Black women who received degrees in 2020-21 (134,435) by the number who received degrees in 1976-77 (33,489) and by dividing the total number of white men who received degrees in 2020-21 (499,092) by the number who received degrees in 1976-77 (438,161).
- NWLC calculations using U.S. Census Bureau, Current Population Survey, 2022 Annual Social and Economic Supplement, Table PINC-03. Educational Attainment, People 18 years old and over, by total money earnings in 2021, available at http://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03. html. "What Black Women Are Paid for Every Dollar Paid to White, non-Hispanic Men" is the ratio of Black female and white, non-Hispanic male median earnings for full-time, year-round workers. Earnings are in 2021 dollars. The "wage gap" is the additional money a woman would have to make for every dollar made by a man in order to have equal annual earnings. Workers without a high school diploma exclude those who have not completed at least 9th grade.
- "Raising Undergraduate Degree Attainment Among Black Women and Men Takes on New Urgency Amid the Pandemic," (The Education Trust, May 2021) https:// edtrust.org/resource/national-and-state-degree-attainment-for-black-women-and-men/.
- 14 See "Bearing the Cost: How Overrepresentation in Undervalued Jobs Disadvantaged Women During the Pandemic" (U.S. Department of Labor, March 2022).
- Jasmine Tucker & Julie Vogtman, "Hard Work is Not Enough: Women in Low-Paid Jobs," (National Women's Law Center, July 2023) https://nwlc.org/resource/when-15 hard-work-is-not-enough-women-in-low-paid-iobs/.
- NWLC calculations using 2021 American Community Survey using IPUMS. Figures are in 2021 dollars. Median hourly wages are for full-time, year-round workers. "What Black Women Are Paid for Every Dollar Paid to White, non-Hispanic Men" is the ratio of Black female and white, non-Hispanic male median earnings for fulltime, year-round workers. Hourly wages are derived by dividing median annual earnings by 2,080 hours, which assumes a 40-hour work week for 52 weeks.
- Brooke LePage "The Child Care and Early Learning Workforce is Underpaid and Women are Paying the Price" (National Women's Law Center, May 2023) https://nwlc. org/resource/the-child-care-and-early-learning-workforce-is-underpaid-and-women-are-paying-the-price/.

5