



Fact Sheet

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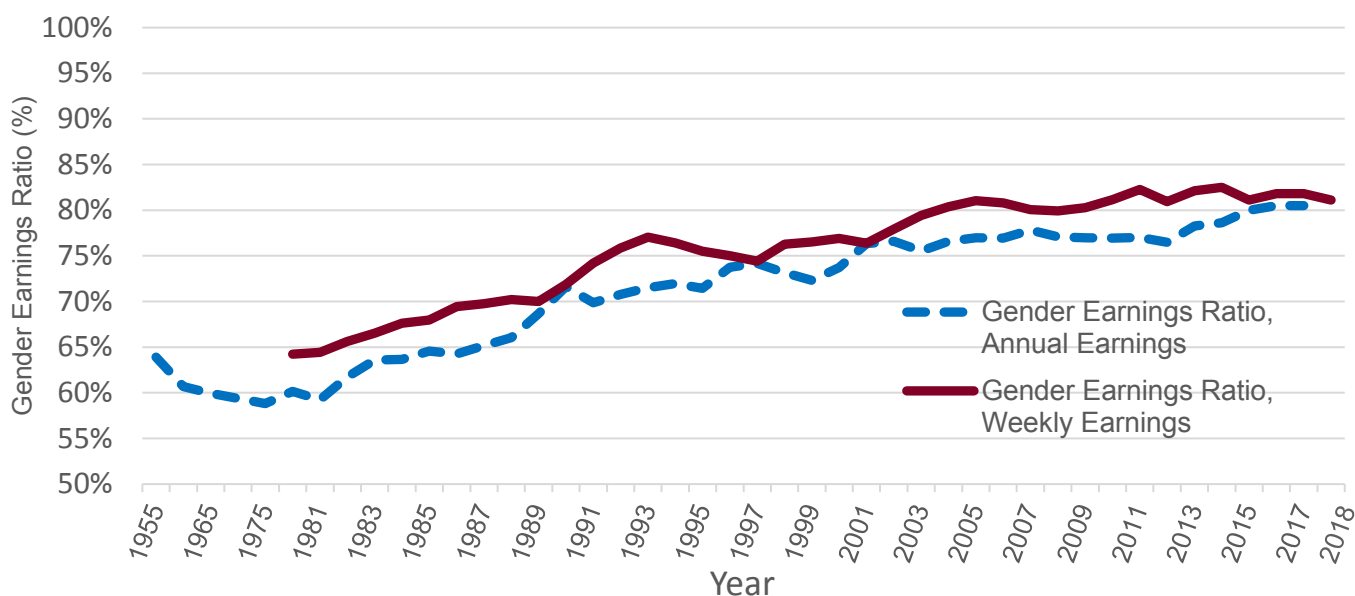
The Gender Wage Gap: 2018 Earnings Differences by Race and Ethnicity

The gender wage gap in weekly earnings for full-time workers in the United States widened between 2017 and 2018. In 2018, the ratio of women's to men's median weekly full-time earnings was 81.1 percent, a decrease of 0.7 percent since 2017, when the ratio was 81.8 percent, leaving a wage gap of 18.9 percent, compared with 18.1 percent in 2016. Women's median weekly earnings for full-time work were \$789 in 2018 compared with \$973 for men. Adjusting for inflation, women's median earnings stayed unchanged compared with the previous year; men's earnings increased by 0.9 percent since 2017.¹

Another measure of the wage gap, the ratio of women's and men's median annual earnings for full-time, year-round workers, was 80.5 percent in 2017 (data for 2018 are not yet available). An earnings ratio of 80.5 percent means that the gender wage gap for full-time, year-round workers is 19.5 percent.

The gender earnings ratio for full-time, year-round workers, which includes self-employed workers, tends to be slightly lower than the ratio for weekly earnings (which excludes the self-employed and earnings from annual bonuses, and includes full-time workers who work only part of the year). Both earnings ratios are for full-time workers only. When all workers with earnings are included, the gap in earnings is much larger because women are more likely than men to work part-time or take time out of paid work to manage childrearing and other caregiving work. Over a 15 year period women workers' earnings were just 49 percent—less than half—of men's earnings, a wage gap of 51 percent in 2001-2015.²

Figure 1. The Gender Earnings Ratio, 1955-2018, Full-Time Workers

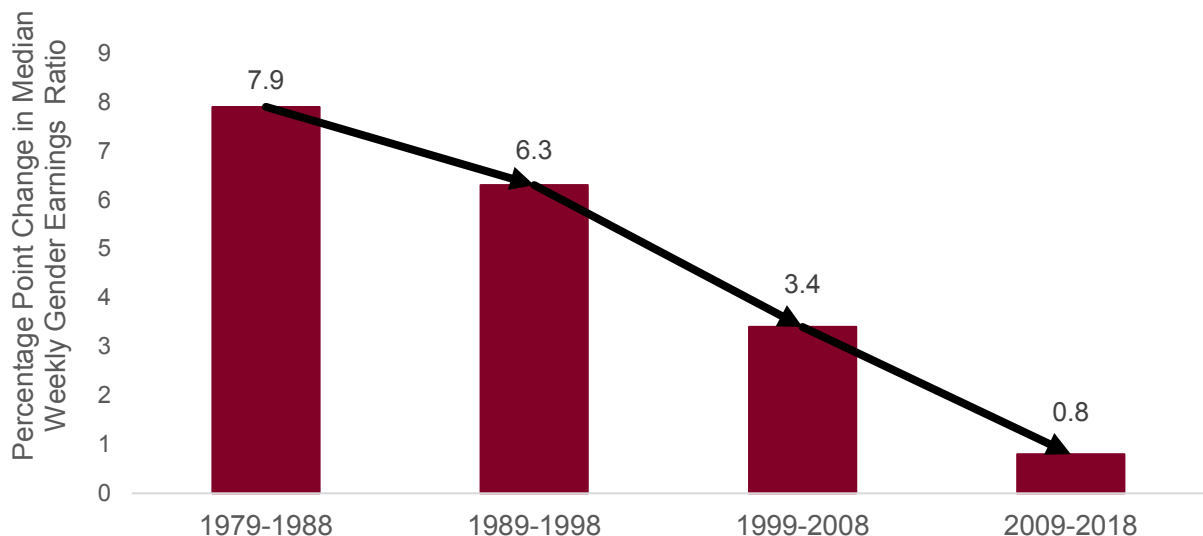


Notes and sources: See Table 2

Since 1979, when weekly earnings data were first collected, the weekly gender earnings ratio has risen from just 62.4 percent to 81.1 percent now. Most of the progress toward gender equality took place in the 1980s and 1990s. In the past ten years (2009 to 2018), the weekly gender wage gap narrowed by less than 1 percentage point, compared with 3.4 percentage points in the previous ten years (1999 to 2008), 6.3 percentage points between 1989 and 1998, and 7.9 percentage points in the ten years prior to that (1979 to 1988, Figure 2).

Figure 2. Declining Progress in Raising the Weekly Gender Earnings Ratio

Decade by Decade Percentage Point Change in the Gender Earnings Ratio for Full-time Workers, 1979 to 2018



Notes and sources: See Table 2

Progress in closing the gender earnings gap based on median annual earnings has also slowed considerably. If the pace of change in the annual earnings ratio were to continue at the same rate as it has since 1984, it would take until 2059 for women and men to reach earnings parity, and substantially longer for women of color. Black women's median annual earnings would reach parity with White men's in 2119, and Hispanic women's in 2224.³

Earnings Differences by Gender, Race and Ethnicity

Women of all major racial and ethnic groups earn less than men of the same group, and also earn less than White men, as illustrated by Table 1. The earnings gap, both within each group and compared with White men, widened for all groups with the exception of Asian women. Hispanic workers have lower median weekly earnings than White, Black, and Asian women workers. Hispanic women's median weekly earnings in 2018 were \$617 per week of full-time work, only 61.6 percent of White men's median weekly earnings, but 85.7 percent of the median weekly earnings of Hispanic men (because Hispanic men also have low earnings). The median weekly earnings of Black women were \$654, only 65.3 percent of White men's earnings, but 89.0 percent of Black men's median weekly earnings (Table 1). Primarily because of higher rates of educational attainment for both genders, Asian workers have higher median weekly earnings than White, Black or Hispanic workers (the highest of any group shown in Table 1). Asian women's earnings are 93.5 percent of White men's earnings, but only 75.5 percent of Asian men's earnings. White women earn 81.5 percent of what White men earn, very close to the ratio for all women to all men, because White workers remain the largest group in the labor force.

The inflation-adjusted earnings of Black women fell by 2.8 percent. Hispanic and White women's earnings stayed broadly unchanged (declining by 0.1 percent and increasing by 0.3 percent respectively), and Asian women's increased by 1.3 percent.⁴ Men's real median weekly earnings increased for men of each of the largest racial and ethnic groups (by 0.4 percent for Asian men, 0.7 percent for White men, 1.1 percent for Black men, and 1.9 percent for Hispanic men).

Table 1. Median Weekly Earnings and Gender Earnings Ratio for Full-Time Workers, 16 Years and Older by Race/Ethnic Background, 2017 and 2018

Racial/ Ethnic Background	2018				2017 (in 2018 dollars)			
	Women	Men	Female Earnings as % of Male Earnings of Same Group	Female Earnings as % of White Male Earnings	Women	Men	Female Earnings as % of Male Earnings of Same Group	Female Earnings as % of White Male Earnings
All Races/ Ethnicities	\$789	\$973	81.1%	N/A	\$789	\$964	81.8%	N/A
White	\$817	\$1,002	81.5%	81.5%	\$814	\$995	81.9%	81.9%
Black	\$654	\$735	89.0%	65.3%	\$673	\$727	92.5%	67.7%
Hispanic	\$617	\$720	85.7%	61.6%	\$618	\$707	87.4%	62.1%
Asian	\$937	\$1,241	75.5%	93.5%	\$925	\$1,236	74.8%	93.0%

Notes: Hispanic workers may be of any race. White, Black, and Asian workers include Hispanics. Annual averages of median weekly earnings.

Source: See Table 2.

Greater Earnings Equality Will Reduce Poverty and Improve Economic Security for Women and their Families

Median earnings for a full-time week of work leave Hispanic women below the household poverty income threshold, at 130 percent of poverty, for receipt of SNAP (food stamps) for a family of four, of \$639.⁵ To reach a comprehensive measure of economic security as defined in IWPR’s BEST tables, with enough earnings to meet weekly expenses – such as for food, housing, and transportation, as well as save for retirement and emergencies—a single person without any dependent children would need to earn \$635 per week, exceeding the median earnings of Hispanic women and not much below those of Black women.⁶ The income level necessary for comprehensive economic security for a single parent of an infant in center care, is approximately \$979 per week; only the median weekly earnings of Asian and White men provide full economic security. These estimates assume that a person is able to work full-time year-round; in 2017 only 63 percent of all women worked full-time year-round.⁷

Women’s lower earnings are due to a number of factors, including lower earnings in occupations done mainly by women; lack of paid family leave and subsidized child care; and discrimination in compensation, recruitment, and hiring.⁸ Measures to improve the quality of jobs held mainly by women, tackle occupational segregation, enforce equal pay and equal employment opportunities, and improve work family benefits for all workers will help the incomes of women and their families grow and strengthen the economy.⁹

If women were paid the same as comparable men—men who work the same number of hours, are the same age, have the same educational attainment, urban/rural status, and live in the same region of the country—nearly 60 percent of women would see a pay increase, including almost two thirds of single mothers, and women’s poverty rate would be halved, including a decline in poverty for single mothers from 28.9 to 14.5 percent. These raised earnings would correspond to 2.8 percent of 2016 gross domestic product (GDP).¹⁰

Table 2. The Gender Wage Ratio and Real Earnings, 1955-2018, Full-Time Workers

	Median Annual Earnings (2018 dollars)			Median Usual Weekly Earnings (2018 dollars)		
	Full-time, Year-Round Workers			Full-time Weekly Workers		
Year	Women	Men	Female-to-male earnings ratio (%)	Women	Men	Female-to-male earnings ratio (%)
1955			63.9%			
1960	\$24,235	\$39,943	60.7%			
1965	\$26,761	\$44,658	59.9%			
1970	\$30,807	\$51,890	59.4%			
1975	\$31,934	\$54,293	58.8%			
1980	\$32,580	\$54,154	60.2%	\$585	\$911	64.2%
1985	\$34,870	\$53,999	64.6%	\$618	\$909	68.0%
1986	\$35,604	\$55,398	64.3%	\$638	\$919	69.5%
1987	\$35,860	\$55,019	65.2%	\$642	\$921	69.7%
1988	\$36,032	\$54,554	66.0%	\$644	\$918	70.2%
1989	\$36,803	\$53,592	68.7%	\$643	\$919	70.0%
1990	\$37,041	\$51,722	71.6%	\$646	\$899	71.9%
1991	\$37,060	\$53,049	69.9%	\$660	\$889	74.2%
1992	\$37,607	\$53,128	70.8%	\$669	\$882	75.8%
1993	\$37,320	\$52,181	71.5%	\$674	\$875	77.1%
1994	\$37,326	\$51,866	72.0%	\$671	\$878	76.4%
1995	\$36,927	\$51,699	71.4%	\$667	\$883	75.5%
1996	\$37,909	\$51,394	73.8%	\$668	\$890	75.0%
1997	\$39,084	\$52,701	74.2%	\$674	\$906	74.4%
1998	\$39,934	\$54,577	73.2%	\$705	\$924	76.3%
1999	\$39,788	\$55,021	72.3%	\$715	\$934	76.5%
2000	\$40,157	\$54,474	73.7%	\$720	\$936	76.9%
2001	\$41,538	\$54,421	76.3%	\$728	\$954	76.4%
2002	\$42,277	\$55,191	76.6%	\$741	\$951	77.9%
2003	\$42,052	\$55,661	75.5%	\$756	\$952	79.4%
2004	\$41,633	\$54,368	76.6%	\$763	\$950	80.4%
2005	\$41,065	\$53,347	77.0%	\$754	\$930	81.1%
2006	\$40,596	\$52,764	76.9%	\$750	\$928	80.8%
2007	\$42,618	\$54,772	77.8%	\$745	\$930	80.1%
2008	\$41,793	\$54,213	77.1%	\$746	\$933	79.9%
2009	\$42,564	\$55,293	77.0%	\$771	\$961	80.3%
2010	\$42,577	\$55,347	76.9%	\$771	\$951	81.1%
2011	\$41,533	\$53,936	77.0%	\$765	\$930	82.3%
2012	\$41,409	\$54,129	76.5%	\$757	\$935	80.9%
2013	\$42,280	\$54,024	78.3%	\$762	\$928	82.1%
2014	\$42,069	\$53,495	78.6%	\$763	\$925	82.5%
2015	\$43,185	\$54,282	79.6%	\$770	\$950	81.1%
2016	\$43,485	\$54,039	80.5%	\$784	\$958	81.8%
2017	\$43,002	\$53,420	80.5%	\$789	\$964	81.8%
2018	n/a	n/a	n/a	\$789	\$973	81.1%

Notes for Figure 1 and Table 2: Annual earnings data include self-employed workers; weekly data are for wage and salary workers only and are not restricted to full-year workers. Annual earnings are for people 15 years old and older beginning in 1980 and people 14 years old and older for previous years. Before 1989, annual earnings are for civilian workers only. Weekly earnings are for full-time workers aged 16 and older. The annual average of weekly median earnings is usually released in February by the U.S. Bureau of Labor Statistics. Annual median earnings data are typically released in September by the U.S. Census Bureau. Both data series are derived from the Current Population Survey (CPS). Adjustments for data from earlier years to 2017 dollars are computed on the basis of the Consumer Price Index Series (CPI-U) published by the U.S. Bureau of Labor Statistics <<https://www.bls.gov/cpi/tables/supplemental-files/historical-cpi-u-201801.pdf>> (accessed March 2019). The 2014 CPS ASEC, the portion of the CPS that is used to generate the annual earnings figures, included redesigned income questions. Estimates presented for 2013 are based on the portion of the 2014 CPS ASEC sample which received the income questions consistent with the 2014 CPS ASEC; see Fontenot, Semega, and Kollar (2018) for an explanation of methodology. The newer income questions in the 2014 CPS ASEC measure a slightly wider gender gap, a female-to-male earnings ratio of 77.6 percent, compared to the previous questions (78.3 percent); therefore, the estimates presented for 2013 here differ from those shown in IWPR #C423 and IWPR #C430. Earnings data for 1981-1984 are available upon request.

Sources for Figure 1 and Tables 1 and 2: Annual data: 1955: Francine D. Blau and Marianne A. Ferber, *The Economics of Women, Men, and Work*, 2nd ed. (Englewood Cliffs, NJ: Prentice-Hall, 1992); 1960-2017: Kayla Fontenot, Jessica Semega, and Melissa Kollar, *Income and Poverty in the United States: 2017* (U.S. Census Bureau, 2018). Weekly data: 1979-2016 from U.S. Bureau of Labor Statistics. 2018. "Table 17. Inflation-adjusted median usual weekly earnings, by age, for full-time wage and salary workers, 1979-2017 annual average." *Highlights of Women's Earnings 2017* <<https://www.bls.gov/cps/earnings.htm>>; 2017 - 2018: U.S. Bureau of Labor Statistics. 2019. *Median weekly earnings of full-time wage and salary workers by selected characteristics, Annual Averages* <<http://www.bls.gov/cps/cpsaat37.pdf>> (retrieved March 2019).

Notes

1. 2017 earnings were converted to 2018 dollars using the Consumer Price Index Series (CPI-U), U.S. Bureau of Labor Statistics <<https://www.bls.gov/cpi/tables/supplemental-files/historical-cpi-u-201901.pdf>> (accessed March 2019); the increase in men's median weekly earnings is statistically significant according to unpublished data provided by the U.S. Bureau of Labor Statistics.
2. Stephen J. Rose and Heidi I. Hartmann. 2018. *Still a Man's Labor Market: The Slowly Narrowing Gender Wage Gap*. Washington, DC: Institute for Women's Policy Research <<https://iwpr.org/publications/still-mans-labor-market/>> (accessed March 2019).
3. Institute for Women's Policy Research. November 2017. "Women's Median Earnings as a Percent of Men's, 1984-2017 (Full-time, Year-Round Workers) with Projection for Pay Equity, by Race/Ethnicity." IWPR Quick Figures #Q075 <<https://iwpr.org/publications/womens-median-earnings-1984-2017/>> (accessed March 2019); projections for Asian women are not included because annual earnings data for Asian women and men are only published 1988 onwards.
4. According to data provided by the U.S. Bureau of Labor Statistics, the decline in Black women's median weekly earnings between 2017 and 2018 was statistically significant, as was the increase in earnings for Black men; for other groups, partly reflecting with smaller survey sample sizes, 2018 earnings were within the margin of error compared to 2017 data.
5. To qualify for food stamps, the income of a household of four must be at or below 130 percent of the federal poverty threshold; in 2018 earning threshold was \$33,220 per year (U.S. Census Bureau, "Poverty Thresholds: Preliminary Estimates for 2018." On the internet at <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>> (accessed March 2019), corresponding to \$639 per week for full-time year-round work of 52 weeks.
6. National average of the BEST Tables, state and county-by county analysis of basic monthly expenditure of people living in different family types, Institute for Women's Policy Research, "Basic Economic Security in the United States: How Much Income Do Working Adults Need in Each State?" Factsheet IWPR #R590, October 2018 <https://iwpr.org/wp-content/uploads/2018/10/R590_National.pdf>; assuming full-time year-round work of 52 weeks.
7. See Kayla Fontenot, Jessica Semega, and Melissa Kollar, *Income and Poverty in the United States: 2017* (U.S. Census Bureau, 2018; <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-263.pdf>)
8. Francine D. Blau and Lawrence Kahn. 2016. "The Gender Wage Gap: Extent, Trends, and Explanations." *Journal of Economic Literature* 55(3): 789-865.
9. Council for Economic Advisors. 2015. "Gender Pay Gap: Recent Trends and Explanations." Issue Brief. The White House <https://www.whitehouse.gov/sites/default/files/docs/equal_pay_issue_brief_final.pdf> (accessed March 2016); Institute for Women's Policy Research. February 2016. "The Economic Impact of Equal Pay by State." IWPR #R468 <<http://www.iwpr.org/publications/pubs/the-economic-impact-of-equal-pay-by-state>> (accessed March 2018).
10. See Jessica Milli, Ph.D., Yixuan Huang, Heidi Hartmann, Ph.D., Jeff Hayes, Ph.D. 2017. "The Impact of Equal Pay on Poverty and the Economy." IWPR Briefing Paper #C445; Washington, DC: Institute for Women's Policy Research <<https://iwpr.org/publications/impact-equal-pay-poverty-economy/>>.

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