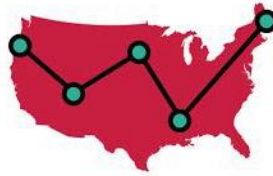


STATUS OF WOMEN IN THE STATES



IWPR #C457

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The Economic Impact of Equal Pay by State

Persistent earnings inequality for working women translates into lower lifetime pay for women, less income for families, and higher rates of poverty across the United States. In each state in the country, women experience lower earnings and higher poverty rates than men. The economic impact of this persistent pay inequality is far-reaching: **if women in the United States received equal pay with comparable men, poverty for working women would be reduced by half** and the U.S. economy would have added \$512.6 billion in wage and salary income (equivalent to 2.8 percent of 2016 GDP) to its economy. This fact sheet presents state-level data on the impact equal pay would have on poverty and each state's economy as well as the families living in them.

Equal Pay Would Reduce Poverty for Working Women in Each State

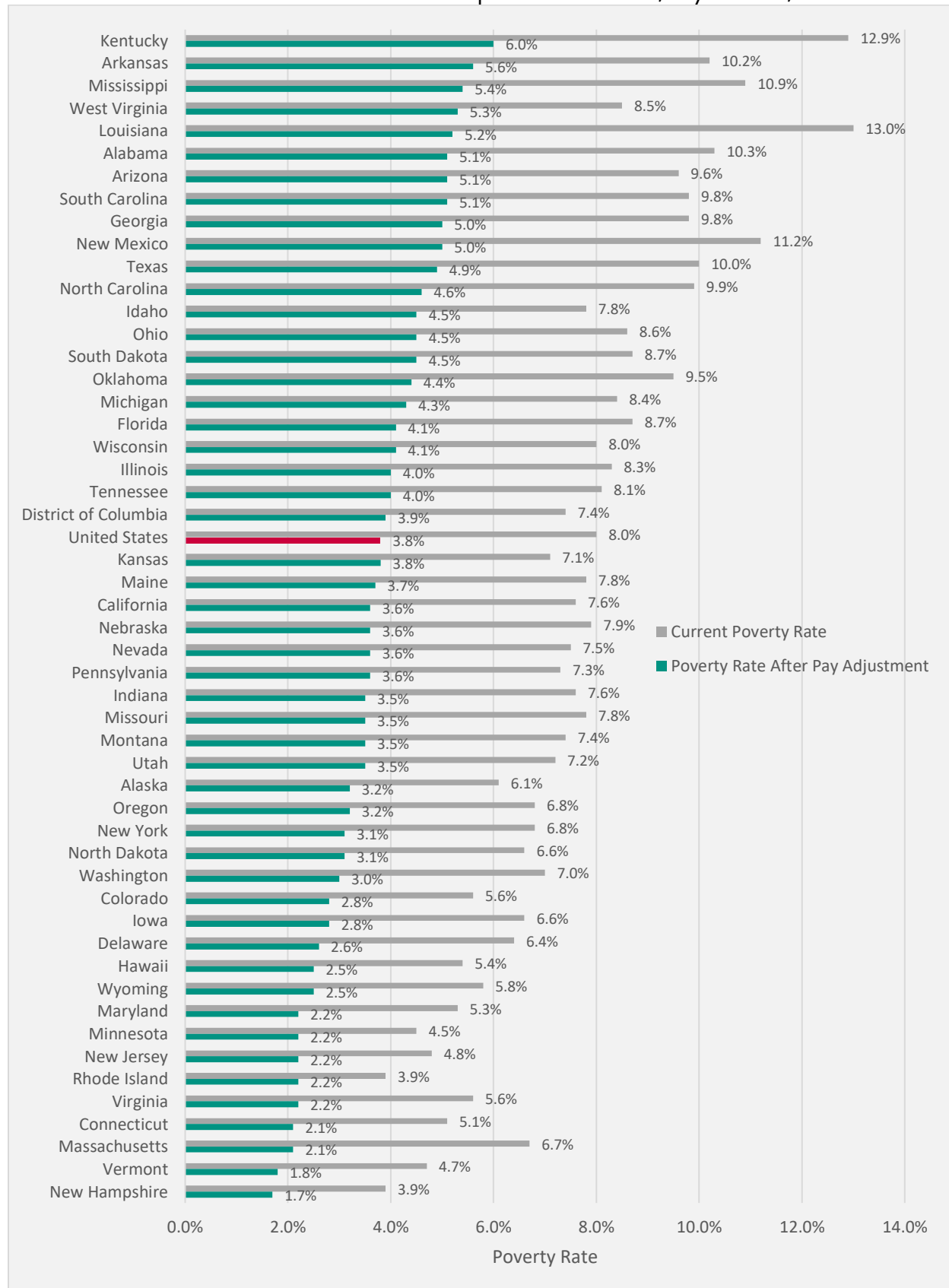
Closing the gender wage gap would lower the poverty rates among women in every U.S. state and help many women and families achieve economic security. In the United States as a whole, if working women aged 18 and older were paid the same as comparable men—men who are of the same age, have the same level of education, work the same number of hours, and have the same urban/rural status—the **poverty rate among all working women would fall by slightly more than half, from 8.0 to 3.8 percent** (Figure 1 and Table 1).

- If working women were paid the same as comparable men, the poverty rate among all working women would fall by more than half in 36 states (Table 1).
- Massachusetts would see the greatest impact on poverty reduction, with equal pay cutting poverty by 68.7 percent among working women. Vermont (61.7 percent), Virginia (60.7 percent), Louisiana (60.0 percent), and Delaware (59.4 percent) would also see among the largest impacts of equal pay on reducing poverty (Table 1).
- Equal pay would also cut poverty significantly in states with higher than average poverty rates among working women. Louisiana's poverty rate among working women would decline to 5.2 percent from the national high of 13.0 percent, Kentucky's would decline to 6.0 percent from 12.9 percent, and New Mexico's would decline to 5.0 percent from 11.2 percent (Figure 1).

The high poverty rate among working single mothers would also fall dramatically in the United States as a whole from 28.9 percent to 14.5 percent—by nearly half—if they earned the same as comparable men (Figure 1 and Table 1).

- In 24 states, the poverty rate among single mothers would fall by more than half if working single mothers were paid the same as comparable men. In every state but New Hampshire and Idaho, poverty among working single mothers would fall by a third or more (Table 1).
- The poverty rate among single mothers would see the greatest reduction in Massachusetts, where it would fall by 72.1 percent, followed by Vermont (70.8 percent), Nebraska (67.5 percent), Maryland (64.5 percent), and Washington (60.6 percent; Table 1).

Figure 1. Current Poverty Rate and Estimated Rate if All Working Women Earned the Same as Comparable Men, by State, 2016



Source: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements, 2014–2016 (for calendar years 2013–2015).

Table 1. Impact of Equal Pay on Women's Poverty
 Current Poverty Rate and Estimated Rate if All Working Women and if Working Single Mothers
 Earned the Same as Comparable Men, by State, 2016

State	All Working Women			Working Single Mothers		
	Current Poverty Rate	Poverty Rate After Pay Adjustment	Amount the Poverty Rate Would Be Reduced	Current Poverty Rate	Poverty Rate After Pay Adjustment	Amount the Poverty Rate Would Be Reduced
Alabama	10.3%	5.1%	-50.5%	31.1%	15.5%	-50.2%
Alaska	6.1%	3.2%	-47.5%	21.8%	12.5%	-42.7%
Arizona	9.6%	5.1%	-46.9%	32.7%	17.2%	-47.4%
Arkansas	10.2%	5.6%	-45.1%	30.4%	14.8%	-51.3%
California	7.6%	3.6%	-52.6%	26.4%	12.4%	-53.0%
Colorado	5.6%	2.8%	-50.0%	22.0%	12.3%	-44.1%
Connecticut	5.1%	2.1%	-58.8%	21.6%	10.9%	-49.5%
Delaware	6.4%	2.6%	-59.4%	26.7%	12.1%	-54.7%
District of Columbia	7.4%	3.9%	-47.3%	28.7%	16.7%	-41.8%
Florida	8.7%	4.1%	-52.9%	28.3%	13.9%	-50.9%
Georgia	9.8%	5.0%	-49.0%	31.8%	17.9%	-43.7%
Hawaii	5.4%	2.5%	-53.7%	21.3%	10.7%	-49.8%
Idaho	7.8%	4.5%	-42.3%	26.8%	18.2%	-32.1%
Illinois	8.3%	4.0%	-51.8%	28.5%	13.8%	-51.6%
Indiana	7.6%	3.5%	-53.9%	31.1%	18.0%	-42.1%
Iowa	6.6%	2.8%	-57.6%	28.3%	13.7%	-51.6%
Kansas	7.1%	3.8%	-46.5%	28.2%	13.3%	-52.8%
Kentucky	12.9%	6.0%	-53.5%	44.5%	20.8%	-53.3%
Louisiana	13.0%	5.2%	-60.0%	36.3%	15.8%	-56.5%
Maine	7.8%	3.7%	-52.6%	24.0%	13.6%	-43.3%
Maryland	5.3%	2.2%	-58.5%	19.7%	7.0%	-64.5%
Massachusetts	6.7%	2.1%	-68.7%	26.9%	7.5%	-72.1%
Michigan	8.4%	4.3%	-48.8%	29.6%	11.9%	-59.8%
Minnesota	4.5%	2.2%	-51.1%	17.6%	7.9%	-55.1%
Mississippi	10.9%	5.4%	-50.5%	29.0%	19.1%	-34.1%
Missouri	7.8%	3.5%	-55.1%	27.8%	14.6%	-47.5%
Montana	7.4%	3.5%	-52.7%	31.6%	16.3%	-48.4%
Nebraska	7.9%	3.6%	-54.4%	31.7%	10.3%	-67.5%
Nevada	7.5%	3.6%	-52.0%	25.5%	14.9%	-41.6%
New Hampshire	3.9%	1.7%	-56.4%	17.1%	13.2%	-22.8%
New Jersey	4.8%	2.2%	-54.2%	24.5%	11.4%	-53.5%
New Mexico	11.2%	5.0%	-55.4%	27.1%	13.5%	-50.2%
New York	6.8%	3.1%	-54.4%	26.1%	13.6%	-47.9%
North Carolina	9.9%	4.6%	-53.5%	32.5%	17.6%	-45.8%
North Dakota	6.6%	3.1%	-53.0%	36.7%	23.9%	-34.9%
Ohio	8.6%	4.5%	-47.7%	31.6%	18.9%	-40.2%
Oklahoma	9.5%	4.4%	-53.7%	35.8%	19.1%	-46.6%
Oregon	6.8%	3.2%	-52.9%	18.6%	7.8%	-58.1%
Pennsylvania	7.3%	3.6%	-50.7%	27.8%	11.1%	-60.1%
Rhode Island	3.9%	2.2%	-43.6%	20.0%	13.1%	-34.5%
South Carolina	9.8%	5.1%	-48.0%	33.4%	15.9%	-52.4%
South Dakota	8.7%	4.5%	-48.3%	39.1%	24.2%	-38.1%
Tennessee	8.1%	4.0%	-50.6%	34.8%	18.2%	-47.7%
Texas	10.0%	4.9%	-51.0%	31.4%	16.4%	-47.8%
Utah	7.2%	3.5%	-51.4%	36.0%	19.5%	-45.8%
Vermont	4.7%	1.8%	-61.7%	15.4%	4.5%	-70.8%
Virginia	5.6%	2.2%	-60.7%	19.3%	9.0%	-53.4%
Washington	7.0%	3.0%	-57.1%	28.4%	11.2%	-60.6%
West Virginia	8.5%	5.3%	-37.6%	38.8%	24.9%	-35.8%
Wisconsin	8.0%	4.1%	-48.8%	35.2%	22.0%	-37.5%
Wyoming	5.8%	2.5%	-56.9%	28.9%	13.8%	-52.2%
United States	8.0%	3.8%	-52.5%	28.9%	14.5%	-49.8%

Source: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements, 2014–2016 (for calendar years 2013–2015).

Equal Pay Would Add Billions of Dollars in Wage and Salary Income to Each State's Economy

Closing the gender wage gap would help many women and families, and particularly single women and mothers, achieve economic security. In each state and the nation overall—and for the men, women, and families who live in communities around the country—equal pay could provide a significant boost to incomes.

If all working women in the United States aged 18 and older were paid the same as comparable men, women's average earnings would increase \$6,870, from \$38,972 to \$45,842 (or 17.6 percent) annually (Table 2). Added up across all working women in the United States, this would amount to an earnings increase of \$512.6 billion, or 2.8 percent of the country's gross domestic product (GDP) in 2016 (see Figure 2 for state-by-state data).^{*} Put another way, U.S. women—who are also consumers, savers, and asset owners—lost \$512.6 billion in 2016 due to the gender wage gap.

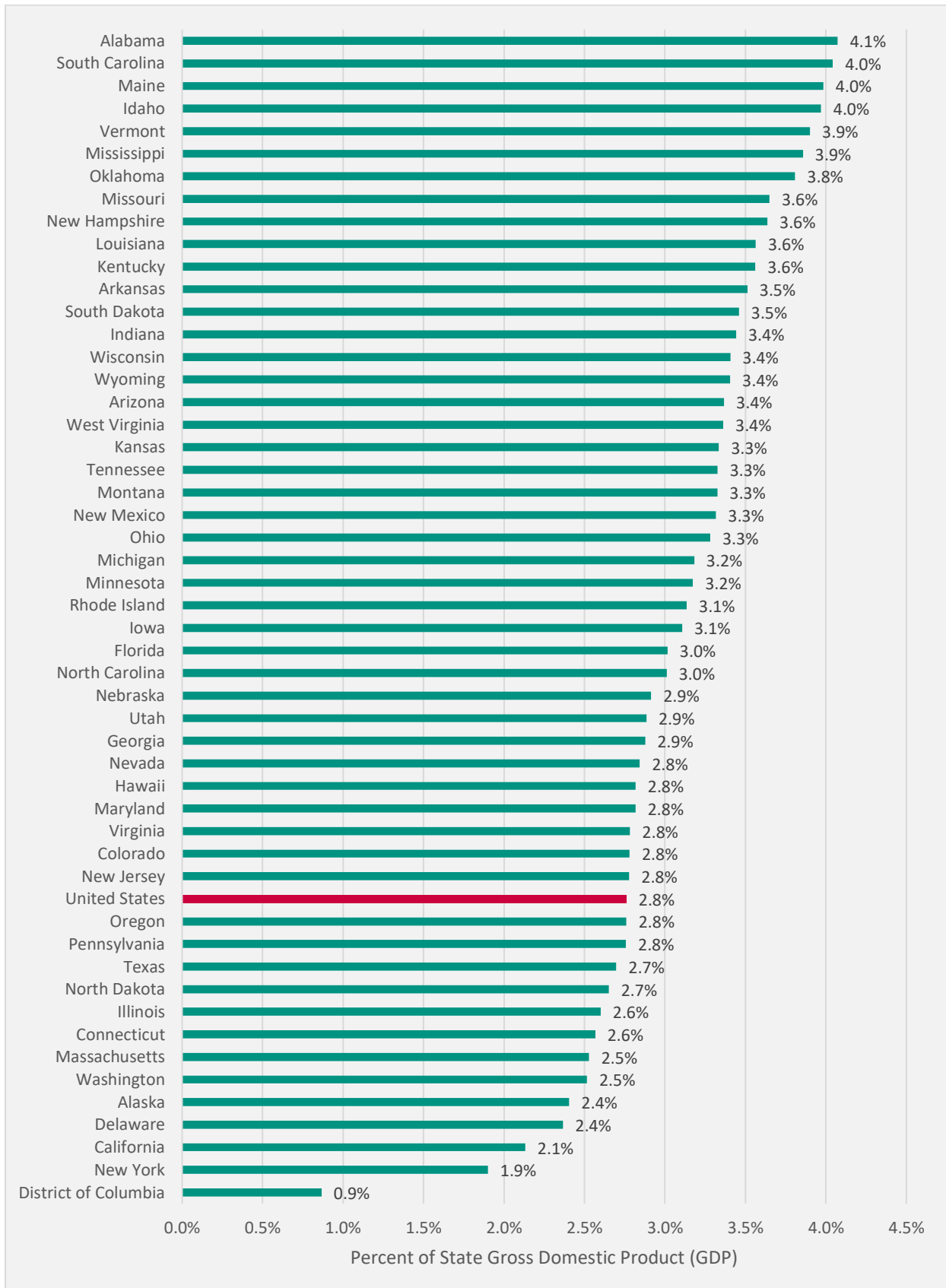
Closing the gender wage gap would increase women's earnings and add billions of dollars in wage and salary income to each state's economy.

- Alabama would see the largest proportional boost in income relative to its state economy if working women in the state were paid the same as comparable men (Figure 2). Working women in Alabama would earn \$8,008 more per year (a 23.9 percent increase in annual earnings). Added up for all working women in Alabama, the state would have added \$8.3 billion dollars of earnings to its economy, the equivalent of 4.1 percent of the state's GDP in 2016.[†] More than half (29) of the U.S. states would see increased incomes equivalent to at least 3.0 percent of the state's overall GDP if women had equal pay (Figure 2 and Table 2).
- Larger state economies would also see a boost in wage and salary income from equal pay. If women were paid the same as comparable men in California, the state's working women would have earned \$55.5 billion more dollars, an earnings increase that, by itself, is greater than the entire economy of South Dakota (\$48.1 billion). Similarly, women in Texas would have earned \$43.6 billion more, which is much larger than the entire economic output of Vermont (\$31.1 billion; Table 2).

^{*} This estimated growth in GDP is likely an underestimate, since women's work hours, educational achievement, and occupational attainment were not increased in the statistical model producing this estimate; higher wages would likely increase women's work hours and educational and occupational attainment. Women's higher wages and the resulting increase in family income would also have multiplier effects, also omitted from the estimate model, including an increase in demand for goods and services and a subsequent increase in production.

[†] GDP data are from the U.S. Department of Commerce, Bureau of Economic Analysis (2017).

Figure 2. Earnings Increase for All Working Women as a Percent of State Gross Domestic Product in 2016



Source: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements, 2014–2016 (for calendar years 2013–2015); GDP data are from the U.S. Department of Commerce, Bureau of Economic Analysis (2017).

Table 2. Impact of Equal Pay on State Economies
Estimated Average Earnings Increase if All Working Women Earned the Same as Comparable Men, by State, 2016

State	Average Earnings Increase for Working Women with Equal Pay		Earnings Increase Added Up for All Working Women	Earnings as a Percent of the State's GDP in 2016
	Dollars	Percent Increase*	Dollars (in billions)	Percent of State GDP
Alabama	\$8,008	23.9%	\$8.35	4.1%
Alaska	\$7,137	17.2%	\$1.22	2.4%
Arizona	\$6,950	19.8%	\$10.20	3.4%
Arkansas	\$6,731	19.6%	\$4.24	3.5%
California	\$6,369	14.8%	\$55.51	2.1%
Colorado	\$6,814	16.2%	\$9.00	2.8%
Connecticut	\$7,186	16.4%	\$6.76	2.6%
Delaware	\$7,321	17.9%	\$1.67	2.4%
District of Columbia	\$5,712	9.5%	\$1.10	0.9%
Florida	\$6,300	16.2%	\$27.95	3.0%
Georgia	\$6,525	16.8%	\$15.11	2.9%
Hawaii	\$7,249	18.6%	\$2.36	2.8%
Idaho	\$7,211	22.6%	\$2.67	4.0%
Illinois	\$6,495	15.9%	\$20.58	2.6%
Indiana	\$7,836	23.3%	\$11.77	3.4%
Iowa	\$6,949	18.9%	\$5.55	3.1%
Kansas	\$7,152	21.5%	\$5.11	3.3%
Kentucky	\$7,098	20.6%	\$7.02	3.6%
Louisiana	\$8,213	24.4%	\$8.38	3.6%
Maine	\$6,952	20.6%	\$2.36	4.0%
Maryland	\$6,722	14.5%	\$10.65	2.8%
Massachusetts	\$7,473	16.7%	\$12.84	2.5%
Michigan	\$6,658	18.2%	\$15.50	3.2%
Minnesota	\$7,279	18.2%	\$10.64	3.2%
Mississippi	\$6,951	22.2%	\$4.15	3.9%
Missouri	\$7,365	20.8%	\$10.98	3.6%
Montana	\$6,112	18.6%	\$1.53	3.3%
Nebraska	\$6,836	19.3%	\$3.36	2.9%
Nevada	\$6,641	17.6%	\$4.19	2.8%
New Hampshire	\$7,778	20.1%	\$2.83	3.6%
New Jersey	\$7,489	16.9%	\$16.14	2.8%
New Mexico	\$7,266	20.5%	\$3.09	3.3%
New York	\$6,197	13.3%	\$28.28	1.9%
North Carolina	\$6,628	19.3%	\$15.59	3.0%
North Dakota	\$6,984	18.5%	\$1.38	2.7%
Ohio	\$7,358	21.7%	\$20.53	3.3%
Oklahoma	\$8,099	21.9%	\$6.97	3.8%
Oregon	\$6,605	18.4%	\$6.26	2.8%
Pennsylvania	\$6,468	17.3%	\$19.99	2.8%
Rhode Island	\$6,640	15.6%	\$1.80	3.1%
South Carolina	\$7,646	22.2%	\$8.48	4.0%
South Dakota	\$7,892	23.9%	\$1.67	3.5%
Tennessee	\$7,357	21.8%	\$10.94	3.3%
Texas	\$7,297	19.7%	\$43.61	2.7%
Utah	\$7,048	21.0%	\$4.51	2.9%
Vermont	\$6,839	17.9%	\$1.21	3.9%
Virginia	\$6,716	15.7%	\$13.76	2.8%
Washington	\$6,870	16.1%	\$11.82	2.5%
West Virginia	\$6,475	18.3%	\$2.47	3.4%
Wisconsin	\$7,270	21.2%	\$10.54	3.4%
Wyoming	\$9,069	25.8%	\$1.29	3.4%
United States	\$6,870	17.6%	\$512.56	2.8%

*Percent earnings increase compared to earnings before the adjustment due to equal pay.

Source: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements, 2014–2016 (for calendar years 2013–2015). GDP data are from the U.S. Department of Commerce, Bureau of Economic Analysis (2017).

Equal Pay Would Have a Dramatic Impact on the Lives of Children of Working Women Across the Country

A substantial number of working women have children who would also benefit from the increased earnings of their mothers under equal pay. In the United States, 43 million children live in families with working mothers. If all working women aged 18 and older were paid the same as comparable men, **25.8 million children (60.0 percent) would benefit from the increased earnings of their mothers** (Table 3).

Similar to the findings in Figure 1 and Table 1, these increased family earnings would substantially reduce poverty rates among children with working mothers. Nationally, 13.1 percent of children with working mothers were living in poverty in 2016. **If their mothers received equal pay, the poverty rate among those children would be reduced by nearly half** (Table 3).

A substantial number of children in each state would be positively affected if their mothers received equal pay.

- Oklahoma would see the largest proportional share of children affected by the earnings increase of their mothers (67.9 percent), followed by Kentucky (67.7 percent), Ohio (67.2 percent), Louisiana (66.7 percent), and Alabama (66.3 percent; Table 3).
- While states with larger populations do not see as large a proportional impact on children, a substantial number of children in these states would be affected by the increased earnings of their mothers. In California, 2.6 million children (56.1 percent) would benefit under equal pay, as would 2.5 million children (66.1 percent) in Texas, 1.2 million children in Florida (56.0 percent) and New York (50.7 percent), and 1.1 million children in Illinois (59.5 percent; Table 3).
- The impact of equal pay on child poverty is largest in Vermont—equal pay would reduce the poverty rate of children with working mothers by 75.6 percent. Also among the states seeing the largest impact on child poverty are Maryland (67.6 percent), Nebraska (64.4 percent), Massachusetts (64.4 percent), and Michigan (63.8 percent; Table 3).
- Equal pay would reduce the poverty rate among children with working mothers by at least half in fourteen states. In all but one state (Idaho), equal pay would reduce the poverty rate among children with working mothers by at least 30 percent (Table 3).

Table 3. Impact of Equal Pay on Children
 Number of Children Affected if Working Women Were Paid the Same as Comparable Men, by
 State, 2016

State	Children With Working Mothers	Share Benefiting From Mother's Increased Earnings	Current Poverty Rate	Poverty Rate After Pay Adjustment	Amount the Poverty Rate Would Be Reduced
Alabama	601,213	66.3%	14.7%	8.2%	-44.6%
Alaska	119,139	55.7%	10.9%	6.9%	-36.4%
Arizona	835,163	59.7%	14.6%	7.4%	-48.9%
Arkansas	425,460	60.9%	15.8%	8.4%	-46.6%
California	4,625,633	56.1%	11.6%	6.2%	-46.9%
Colorado	748,626	57.3%	8.5%	4.6%	-46.5%
Connecticut	537,665	56.6%	7.8%	4.8%	-38.3%
Delaware	117,811	64.1%	11.5%	5.7%	-50.4%
District of Columbia	73,207	45.8%	19.4%	12.8%	-33.9%
Florida	2,148,752	56.0%	14.1%	7.7%	-45.5%
Georgia	1,388,012	62.8%	18.9%	11.8%	-37.4%
Hawaii	162,766	61.2%	10.9%	4.5%	-58.2%
Idaho	252,185	60.8%	11.8%	8.6%	-26.7%
Illinois	1,853,785	59.5%	13.4%	7.6%	-43.0%
Indiana	1,006,194	62.8%	13.5%	8.6%	-35.8%
Iowa	539,350	61.1%	10.4%	4.4%	-58.2%
Kansas	419,710	66.0%	10.9%	6.2%	-43.6%
Kentucky	569,245	67.7%	20.9%	11.7%	-44.1%
Louisiana	649,848	66.7%	24.2%	11.3%	-53.5%
Maine	151,853	62.0%	9.2%	5.6%	-38.6%
Maryland	911,609	50.8%	9.8%	3.2%	-67.6%
Massachusetts	937,096	58.5%	8.3%	3.0%	-64.3%
Michigan	1,322,699	61.1%	12.0%	4.3%	-63.8%
Minnesota	929,917	60.9%	7.8%	4.3%	-44.7%
Mississippi	389,734	58.2%	16.5%	11.0%	-33.2%
Missouri	953,645	61.3%	12.3%	7.5%	-39.3%
Montana	146,446	62.4%	13.7%	6.7%	-51.0%
Nebraska	367,441	61.6%	11.1%	4.0%	-64.4%
Nevada	369,955	56.0%	13.7%	8.9%	-34.8%
New Hampshire	171,833	63.7%	5.3%	3.6%	-31.3%
New Jersey	1,202,102	53.1%	10.4%	4.9%	-52.9%
New Mexico	214,926	64.5%	17.0%	8.1%	-52.2%
New York	2,392,763	50.7%	14.1%	8.4%	-40.8%
North Carolina	1,387,030	60.7%	15.6%	8.1%	-48.3%
North Dakota	117,304	60.4%	10.9%	6.5%	-40.7%
Ohio	1,722,123	67.2%	17.2%	10.6%	-38.5%
Oklahoma	513,027	67.9%	16.5%	9.7%	-41.0%
Oregon	508,964	60.5%	9.7%	4.5%	-53.8%
Pennsylvania	1,625,003	58.2%	10.8%	5.9%	-45.4%
Rhode Island	132,029	50.2%	6.8%	3.7%	-45.7%
South Carolina	586,798	65.7%	16.7%	9.0%	-46.1%
South Dakota	151,495	61.8%	13.0%	8.4%	-35.2%
Tennessee	885,347	58.5%	15.0%	8.4%	-43.6%
Texas	3,789,914	66.1%	14.7%	8.0%	-45.8%
Utah	561,495	65.4%	10.0%	6.6%	-34.3%
Vermont	88,438	56.8%	5.3%	1.3%	-75.6%
Virginia	1,250,737	56.8%	7.4%	2.9%	-60.9%
Washington	978,384	57.7%	12.1%	7.0%	-42.1%
West Virginia	209,745	63.9%	15.7%	9.4%	-40.0%
Wisconsin	864,294	65.1%	12.2%	7.2%	-40.6%
Wyoming	88,344	65.9%	7.6%	4.7%	-38.7%
United States	42,996,254	60.0%	13.1%	7.1%	-45.3%

Source: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements, 2014–2016 (for calendar years 2013–2015); GDP data are from the U.S. Department of Commerce, Bureau of Economic Analysis (2017).

This fact sheet presents state-level findings based on analysis described in the IWPR briefing paper #C455, The Impact of Equal Pay on Poverty and the Economy, by Jessica Milli, Ph.D., Yixuan Huang, Heidi Hartmann, Ph.D., and Jeff Hayes, Ph.D., which includes a technical appendix describing the methodology for the analysis. The fact sheet also builds on findings from The Status of Women in the States: 2015, a comprehensive national report that presents and analyzes data for all 50 states and the District of Columbia. For a complete discussion of data sources and methodology, please see the full report, available at statusofwomendata.org.

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