

FACT SHEET

IWPR #C495 SEPTEMBER 2020

SAME GAP, DIFFERENT YEAR

The Gender Wage Gap: 2019
Earnings Differences by Gender, Race, and Ethnicity

The Year 2059

The rate of progress toward closing the gender pay gap did not increase in 2019. If the pace of change in the annual earnings ratio continues at the same rate as it has since 1960, it will take another 39 years, until 2059, for men and women to reach parity. This projection for equal pay has remained unchanged for the past four years.

Women's and Men's Median Annual Earnings Ratio for Full-time Year-Round Workers

The ratio of women's and men's median annual earnings was 82.3 percent for full-time, year-round workers in 2019, a statistically insignificant change from 2018 when it was 81.6 percent. This ratio means

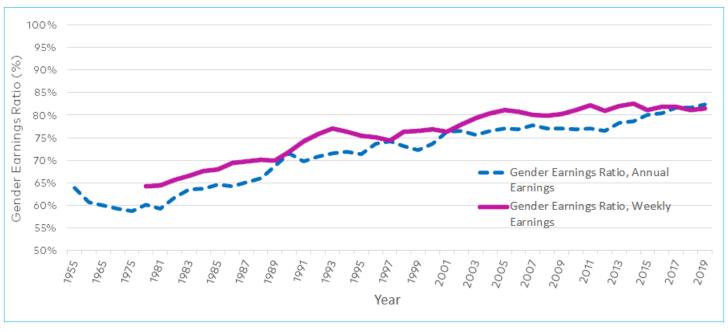


that the gender wage gap for full-time, year-round workers is 17.7 percent. Women's median full-time, year-round earnings in 2019 were \$47,299, compared with \$57,456 for men. Both women's and men's earnings increased in 2019, compared with the previous year, by 3.0 and 2.1 percent respectively.²

Women's and Men's Median Weekly Earnings Ratio

An alternative measure of the wage gap is derived from the ratio of women's to men's median weekly earnings for full-time workers, which was 81.5 percent in 2019. The gender earnings ratio based on weekly earnings narrowed marginally between 2018 and 2019 (Figure 1).³

Figure 1: The Gender Earnings Ratio, 1955-2019, Full-Time Workers



Notes & Sources: see Table 2

The Median Annual Gender Earnings Ratio for All Employed Women and Men

Both earnings ratios (for weekly and annual earnings) reflect gender differences in hourly wages and the number of hours worked (among full-time workers). Nearly two in three (64.4 percent) women with earnings worked full-time, year-round in 2019, compared with three in four (75.4 percent) men, a slight decrease for men and a slight increase for women since 2018.⁴ When part-time and part-year workers are included, the ratio of women's to men's earnings is even lower, at 73.5 percent (a gender wage gap of 26.5 percent).⁵ This is because women are more likely than men to work reduced schedules, often in order to manage childrearing and other caregiving work. Women are also more likely than men to work in occupations where fewer jobs are offered on a full-time basis or where hours vary from week to week.⁶

Differences in Women's Earnings by Race and Ethnicity

While Hispanic and Black women's median annual earnings increased most strongly in percentage terms, their earnings remain substantially below those of White and Asian women, and men's of the largest racial and ethnic groups (Table 1). Median earnings for a year of full-time work for Hispanic and Black women (\$36,110 and \$41,098 respectively) leave an adult with two children near-poverty; in 2019, near-poverty at 200 percent of the federal poverty threshold for a family of three was \$41,195 per year.⁷

Median earnings for Black women working full-time, year-round increased by \$2,373 for the year, or 6.1 percent. White women's median earnings increased \$2,057 (4.2 percent), Hispanic women's by \$1,962 (5.7 percent), and Asian women's by just \$231 (0.4 percent). Men of each of the largest racial/ethnic groups also saw an increase in median annual earnings, with earnings growing most strongly for Asian men (Table 1). Asian workers as a group have the highest median annual earnings, primarily because of historically higher rates of educational attainment for both Asian women and men.⁸

Whether Hispanic, Black, White, or Asian, Women Earn Substantially less than White Men

Hispanic and Black women face marked disparities when the gender earnings ratio is measured compared with White men's earnings. On average, Hispanic women earned \$29,098 less than White non-Hispanic men, just 55.4 cents for every dollar that was earned by White men. Black women earned just 63.0 percent of White men's median annual earnings in 2019 (Table 1), \$24,110 less. The median annual earnings of White women were just 78.7 percent of White men's. Asian women's were 87.1 percent of White men's.

Whether Hispanic, Black, White, or Asian, Women Earn Substantially less than Men of the same Race or Ethnicity

Hispanic and Black men earn substantially less than White men, and as a result, the gender earnings ratio based on earnings of women and men of the same race or ethnicity is higher than the ratio for workers of all races considered together, meaning the within-race gaps are narrower. Yet, within each group, men have higher earnings for full-time year-round work than women. Compared to 2018, the gender earnings ratio marginally improved for Hispanic, Black, and White workers when compared with men of the same race/ethnicity, but worsened for Asian workers in 2019 (Table 1).

Table 1. Median Annual Earnings and Gender Earnings Ratio for Full-Time Year-Round Workers age 15 Years and Older by Race/Ethnicity, 2018 and 2019

Racial/Ethnic Background*	2019				2018 (in 2019 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	\$47,299	\$57,456	82.3%		\$45,914	\$56,293	81.6%	
Hispanic or Latinx	\$36,110	\$41,519	87.0%	55.4%	\$34,148	\$40,733	83.8%	54.5%
Black	\$41,098	\$45,644	90.0%	63.0%	\$38,725	\$45,190	85.7%	61.8%
White	\$51,324	\$65,208	78.7%	78.7%	\$49,267	\$62,692	78.6%	78.6%
Asian	\$56,807	\$75,671	75.1%	87.1%	\$56,576	\$71,652	79.0%	90.2%

Notes: White alone, not Hispanic; Black alone; Asian alone; and Hispanic (may be of any race); full-time, year-round defined as working at least 35 hours per week, and at least 50 weeks per year. Adjustment to 2019 dollars is using CPU-R-US.9 Source: See Table 2.

Closing the Wage Gap is a Priority Beyond the Current Generation of Workers

Closing the wage gap is not a zero-sum game—gains for one gender do not require losses for the other. Over time, women's earnings have become increasingly important to family incomes. The persistent earnings inequality by gender and race and ethnicity impact not just the current generation of workers, but also their children, and thus the next generation.

Table 2: The Gender Wage Ratio and Real Earnings, 1960-2019, Full-Time Workers

	Median An	nual Earnings (20	019 dollars)	Median Usual Weekly Earnings (2019 dollars) Full-Time, Weekly Workers			
		ne, Year-Round V					
Year	Women	Men	Female-to-male earnings ratio	Women	Men	Female-to- male earnings ratio	
1960	\$24,673	\$40,665	60.7%				
1965	\$27,245	\$45,465	59.9%				
1970	\$31,363	\$52,828	59.4%				
1975	\$32,512	\$55,275	58.8%				
1980	\$33,168	\$55,133	60.2%	\$594.58	\$926.49	64.2%	
1985	\$35,501	\$54,975	64.6%	\$629.20	\$924.45	68.0%	
1986	\$36,248	\$56,399	64.3%	\$649.56	\$935.65	69.5%	
1987	\$36,508	\$56,013	65.2%	\$653.63	\$935.65	69.7%	
1988	\$36,683	\$55,539	66.0%	\$655.67	\$934.63	70.2%	
1989	\$37,468	\$54,561	68.7%	\$654.65	\$934.63	70.0%	
1990	\$37,711	\$52,657	71.6%	\$658.72	\$915.29	71.9%	
1991	\$37,729	\$54,008	69.9%	\$670.94	\$904.09	74.2%	
1992	\$38,286	\$54,087	70.8%	\$681.12	\$897.98	75.8%	
1993	\$37,994	\$53,124	71.5%	\$686.21	\$890.85	77.0%	
1994	\$38,001	\$52,802	72.0%	\$683.16	\$892.89	76.4%	
1995	\$37,595	\$52,633	71.4%	\$679.08	\$899.00	75.5%	
1996	\$38,594	\$52,323	73.8%	\$681.12	\$907.14	75.0%	
1997	\$39,790	\$53,653	74.2%	\$686.21	\$922.41	74.4%	
1998	\$40,656	\$55,563	73.2%	\$716.76	\$939.72	76.3%	
1999	\$40,507	\$56,015	72.3%	\$728.97	\$951.94	76.5%	
2000	\$40,884	\$55,458	73.7%	\$734.06	\$953.98	76.9%	
2001	\$42,289	\$55,404	76.3%	\$741.19	\$970.27	76.4%	
2002	\$43,041	\$56,189	76.6%	\$754.43	\$968.23	77.9%	
2003	\$42,811	\$56,667	75.5%	\$768.68	\$968.23	79.4%	
2004	\$42,385	\$55,350	76.6%	\$777.84	\$968.23	80.4%	
2005	\$41,807	\$54,311	77.0%	\$767.66	\$946.85	81.1%	
2006	\$41,330	\$53,718	76.9%	\$762.57	\$944.81	80.8%	
2007	\$43,388	\$55,762	77.8%	\$758.50	\$946.85	80.1%	
2008	\$42,548	\$55,192	77.1%	\$759.52	\$949.90	79.9%	
2009	\$43,333	\$56,292	77.0%	\$784.97	\$978.41	80.3%	
2010	\$43,347	\$56,347	76.9%	\$787.01	\$969.25	81.1%	
2011	\$42,284	\$54,911	77.0%	\$778.86	\$947.87	82.3%	
2012	\$42,158	\$55,106	76.5%	\$770.72	\$951.94	80.9%	
2013*	\$43,044	\$55,000	78.3%	\$775.81	\$945.83	82.1%	
2014	\$42,829	\$54,462	78.6%	\$776.82	\$941.76	82.5%	
2015	\$43,965	\$55,263	79.6%	\$783.95	\$966.19	81.1%	
2016	\$44,270	\$55,015	80.5%	\$797.19	\$974.34	81.8%	
2017*	\$44,449	\$54,427	81.7%	\$803.30	\$981.47	81.8%	
2018	\$45,914	\$56,293	81.6%	\$803.30	\$990.63	81.1%	
2019	\$47,299	\$57,456	82.3%	\$821.00	\$1,007.00	81.5%	

Notes for Figure 1 and Table 2: *Since 2013, the Census Bureau has made a series of changes in data collection and processing to improve the CPS-ASEC income and earnings content; these were completed with the 2018 data release in September 2019. IWPR data show the most recent data series that incorporates all these changes.

Annual earnings data include self-employed workers; weekly data are for wage and salary workers only. 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 civilian workers aged 16 and older in and are not restricted to full-year workers. Full-time is work for at least 35 hours per week, full-year for at least 50 weeks per year. Annual median earnings data are typically released in September by the U.S. Census Bureau, and the annual average of weekly median earnings in February by the U.S. Bureau of Labor Statistics. Both data series are derived from the Current Population Survey. Adjustments for data from earlier years to 2019 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS); U.S. Bureau of Labor Statistics. 2020. "Consumer Price Index: CPI-UR-S Home Page." Washington DC:

Sources for Figure 1 and Table 2: U.S. Census Bureau, Current Population Survey. 2020. "PINC-05. Work Experience-People 15 Years Old and Over, by Total Money Earnings, Age, Race, Hispanic Origin, Sex, and Disability Status." https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html#par_textimage_0. (accessed September 2020). 1960-2019 U.S. Census Bureau, Current Population Survey, 2019 Annual Social and Economic Supplement Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2019; https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html (retrieved September 2020). Weekly data: U.S. Bureau of Labor Statistics. 2019. "Table 17. Inflation-adjusted median usual weekly earnings, by age, for full-time wage and salary workers, 1979-2018 annual average." Highlights of Women's Earnings 2018 https://www.bls.gov/cps/earnings.htm (accessed August 2020).

ENDNOTES

- ¹ Institute for Women's Policy Research. 2020. "Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2019 (Full-Time, Year-Round Workers) with Projection for Pay Equity in 2059." IWPR Publication #Q086 https://iwpr.org/iwpr-issues/employ-ment-and-earnings/womens-median-earnings-as-a-percent-of-mens-median-earnings-1960-2019-full-time-year-round-workers-with-projection-for-pay-equity-in-2059/">https://iwpr.org/iwpr-issues/employ-ment-and-earnings/womens-median-earnings-as-a-percent-of-mens-median-earnings-1960-2019-full-time-year-round-workers-with-projection-for-pay-equity-in-2059/ (ac-cessed September 2020).
- ² IWPR calculation based on Jessica Semega, Melissa Kollar, Emily A. Shrider, and John F. Creamer. 2020. "Income and Poverty in the United States: 2019." *Current Population Reports* P60-270; Table A-7. U.S. Census Bureau. < https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-270.pdf > (accessed September 2020). Note that rounded percent are 82 percent for the wage ratio and 18 percent for the wage gap.
- ³ The annual gender earnings ratio for full-time, year-round workers, which includes self-employed workers, historically has tended to be slightly lower than the ratio based on weekly earnings (which excludes the self-employed and earnings from annual bonuses, and includes full-time workers who work only part of the year); as a consequence of changes in data estimation methods by the U.S. Census Bureau (see Notes for Figure 1 and Table 1 above), in 2017, the annual ratio was higher than the weekly ratio for the first time.
- ⁴Jessica Semega et al. 2020 (see note 2), p.11.
- ⁵ As above, IWPR calculation based on Table A-7.
- ⁶ See Ariane Hegewisch and Valerie Lacarte. 2019. *Gender Inequality, Work Hours, and the Future of Work*. IWPR Report #C486. Washington, DC: Institute for Women's Policy Research https://iwpr.org/iwpr-issues/employment-and-earnings/gender-inequality-work-hours-and-the-future-of-work/ (accessed September 2020).
- ⁷ The federal poverty threshold for a household of one adult and two children in 2019 was \$20,598 (U.S. Census Bureau. 2020. "Poverty Thresholds: by Size of Family and Number of Related Children Under 18 Years." https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html (Accessed September 2020). At 200 percent of poverty, or near-poor, this is \$41,195 annually, or \$792 per week (assuming full-time work for 52 weeks).
- ⁸U.S. Bureau of Labor Statistics. 2019. "Labor force characteristics by race and ethnicity, 2018." BLS Reports, October. < https://www.bls.gov/opub/reports/race-and-ethnicity/2018/home.htm> (accessed September 2020).
- ⁹ IWPR calculations based on U.S. Bureau of Labor Statistics. 2020. "Consumer Price Index: CPI-UR-S Home Page." Washington DC: U.S. Department of Labor https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm> (accessed September 2020).

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