

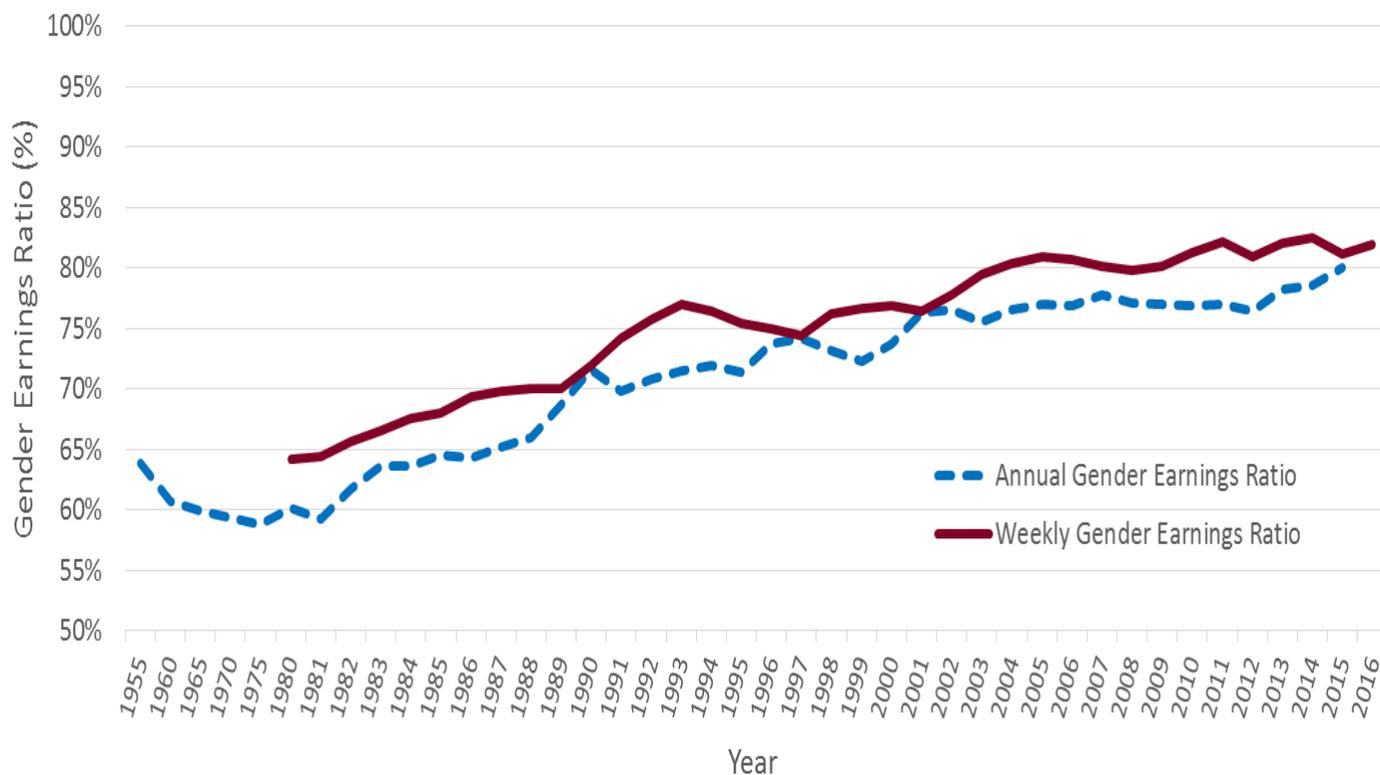
The Gender Wage Gap: 2016 Earnings Differences by Race and Ethnicity

The gender wage gap for weekly full-time workers in the United States narrowed slightly between 2015 and 2016. In 2016, the ratio of women's to men's median weekly full-time earnings was 81.9 percent, an increase of 0.8 percentage points since 2015, when the ratio was 81.1 percent, leaving a wage gap of 18.1 percentage points down from 19.9 percentage points in 2015. Women's median weekly earnings for full-time work were \$749 in 2016 compared with \$915 for men. Adjusting for inflation, women's earnings increased by 1.9 percent, while men's earnings increased by 1.0 percent since 2015.¹

Another measure of the wage gap, the ratio of women's and men's median annual earnings for full-time year-round workers was 79.6 percent in 2015 (data for 2016 are not yet available). An earnings ratio of 79.6 percent means that the annual gender wage gap for full-time year-round workers is 20.4 percent.

The annual 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; if part-time and part-year workers were included, the ratios of women's to men's earnings would be even lower, as women are more likely than men to work reduced schedules, often in order to manage childrearing and other caregiving work.

Figure 1: The Gender Earnings Ratio, 1955-2016, Full-Time Workers



Notes: See Table 2

Since 1980, when weekly earnings data were first collected, the weekly gender earnings ratio has risen from just 64.2 percent to 81.9 percent now. Most of the progress towards gender equality took place in the 1980s and 1990s. In the past ten years (2007 to 2016), the weekly gender wage gap narrowed by just 1.7 percentage points, compared with 6.3 percentage points in the previous ten years (1997 to 2006), and with 5.2 percentage points in the ten years prior to that (1987 to 1996). 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 1960, it would take until 2059 for women and men to reach earnings parity.²

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. Hispanic workers have lower median weekly earnings than White, Black, and Asian workers. Hispanic women's median weekly earnings in 2016 were \$586 per week of full-time work, only 62.2 percent of White men's median weekly earnings, but 88.4 percent of the median weekly earnings of Hispanic men (because Hispanic men also have low earnings). The median weekly earnings of Black women were \$641, only 68.0 percent of White men's earnings, but 89.3 percent of Black men's median weekly earnings, which are also fairly low (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 95.8 percent of White men's earnings, but only 78.4 percent of Asian men's earnings. White women earn 81.3 percent of what White men earn, very close to the ratio for all women to all men, because Whites remain the largest group in the labor force.

Women and men of the largest race and ethnic groups saw increases in median weekly earnings between 2015 and 2016. Black women's real earnings increased by 2.9 percent, Hispanic women's by 2.2 percent, and White women's by 1.8 percent. Asian women saw the smallest increase in median weekly earnings among all women (1.6 percent, not significantly higher than in 2015). Black and Hispanic men's earnings both increased by over 3 percent, though they have the lowest median weekly earnings among men. Earnings for a full-time week of work leave Hispanic women well below, and Hispanic men and Black women not much above, the qualifying income threshold for receipt of food stamps of \$608 per week for a family of four.³

Table 1: Median Weekly Earnings and Gender Earnings Ratio for Full-Time Workers, 16 Years and Older by Race/Ethnic Background, 2015 and 2016

Racial/ Ethnic Background	2016				2015 (in 2016 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	\$749	\$915	81.9%	N/A	\$735	\$906	81.1%	N/A
White	\$766	\$942	81.3%	81.3%	\$752	\$932	80.8%	80.8%
Black	\$641	\$718	89.3%	68.0%	\$623	\$689	90.4%	66.8%
Hispanic	\$586	\$663	88.4%	62.2%	\$573	\$639	89.7%	61.5%
Asian	\$902	\$1,151	78.4%	95.8%	\$888	\$1,143	77.7%	95.3%

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

Source: U.S. Bureau of Labor Statistics, *Median weekly earnings of full-time wage and salary workers by selected characteristics, Annual Averages* <<http://www.bls.gov/cps/cpsaat37.pdf>> (retrieved March 2017).

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.⁴ Measures to improve the quality of jobs held mainly by women, tackle occupational segregation, enforce equal pay and employment opportunities, and improve work family benefits for all workers, will help the incomes of women and their families grow and strengthen the economy.⁵

Table 2: The Gender Wage Ratio and Real Earnings, 1955-2016, Full-Time Workers

	Median Annual Earnings (2016 dollars)			Median Usual Weekly Earnings (2016 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	\$23,107	\$38,084	60.7%			
1965	\$25,516	\$42,579	59.9%			
1970	\$29,372	\$49,475	59.4%			
1975	\$30,448	\$51,767	58.8%			
1980	\$31,063	\$51,634	60.2%	\$556	\$867	64.2%
1985	\$33,247	\$51,487	64.6%	\$589	\$867	68.0%
1986	\$33,927	\$52,788	64.3%	\$608	\$876	69.4%
1987	\$34,191	\$52,458	65.2%	\$612	\$877	69.8%
1988	\$34,336	\$51,985	66.0%	\$613	\$875	70.1%
1989	\$35,090	\$51,097	68.7%	\$613	\$875	70.1%
1990	\$35,317	\$49,315	71.6%	\$616	\$856	72.0%
1991	\$35,335	\$50,580	69.9%	\$629	\$847	74.2%
1992	\$35,839	\$50,631	70.8%	\$637	\$840	75.8%
1993	\$35,583	\$49,752	71.5%	\$643	\$835	77.0%
1994	\$35,589	\$49,451	72.0%	\$640	\$837	76.5%
1995	\$35,209	\$49,293	71.4%	\$635	\$841	75.5%
1996	\$36,129	\$48,981	73.8%	\$637	\$849	75.0%
1997	\$37,249	\$50,227	74.2%	\$643	\$863	74.5%
1998	\$38,060	\$52,015	73.2%	\$670	\$879	76.2%
1999	\$37,921	\$52,439	72.3%	\$682	\$890	76.6%
2000	\$38,274	\$51,918	73.7%	\$687	\$893	76.9%
2001	\$39,606	\$51,887	76.3%	\$694	\$909	76.4%
2002	\$40,294	\$52,603	76.6%	\$706	\$907	77.8%
2003	\$40,094	\$53,071	75.5%	\$720	\$907	79.4%
2004	\$39,695	\$51,837	76.6%	\$728	\$906	80.4%
2005	\$39,154	\$50,864	77.0%	\$719	\$888	81.0%
2006	\$38,707	\$50,309	76.9%	\$714	\$884	80.8%
2007	\$40,634	\$52,223	77.8%	\$711	\$887	80.1%
2008	\$39,848	\$51,689	77.1%	\$711	\$890	79.9%
2009	\$40,583	\$52,720	77.0%	\$735	\$916	80.2%
2010	\$40,608	\$52,787	76.9%	\$737	\$907	81.3%
2011	\$39,613	\$51,441	77.0%	\$730	\$887	82.2%
2012	\$39,505	\$51,640	76.5%	\$722	\$892	80.9%
2013	\$40,348	\$51,555	78.3%	\$727	\$886	82.1%
2014	\$40,168	\$51,079	78.6%	\$729	\$883	82.5%
2015	\$41,256	\$51,858	79.6%	\$735	\$906	81.1%
2016				\$749	\$915	81.9%

Notes for Figure 1 and Table 2: 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 workers aged 16 and older and are not restricted to full-year workers. 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 late summer or early fall by the U.S. Census Bureau. Both data series are derived from the Current Population Survey (CPS). Adjustments for data from earlier years to 2016 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U) published by the U.S. Bureau of Labor Statistics. (U.S. Bureau of Labor Statistics <<https://www.bls.gov/cpi/cpid1701.pdf>> (accessed March 2017)). 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 DeNavas-Walt and Proctor (2015) 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. Weekly 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); U.S. Census Bureau, *Income and Poverty in the United States: 2015 Table A-4* <<https://www.census.gov/content/dam/Census/library/publications/2016/demo/p60-256.pdf> > (accessed March 2017) Weekly data: 1980-2015: from U.S. Bureau of Labor Statistics, *Median weekly earnings of full-time wage and salary workers by selected characteristics, Annual Averages* <<http://www.bls.gov/cps/cpsaat37.pdf>> (retrieved March 2017).

Notes

1. 2015 earnings were converted into 2016 dollars based on Consumer Price Index Research Series (CPI-U) , U.S. Bureau of Labor Statistics <<https://www.bls.gov/cpi/cpid1701.pdf>> (accessed March 2017).
2. Institute for Women’s Policy Research. September 2016. “Women’s Median Earnings as a Percent of Men’s Median Earnings, 1960-2015 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059.” IWPR Quick Figures #Q041 <<https://iwpr.org/publications/womens-median-earnings-as-a-percent-of-mens-median-earnings-1960-2015-full-time-year-round-workers-with-projection-for-pay-equity-in-2059/>> (accessed March 2017).
3. To qualify for food stamps, the income of a household of four must be at or below 130 percent of the federal poverty level; in 2015/16 this earning threshold is \$2,633 per month, corresponding to \$607.62 per week (USDA Food and Nutrition Service. 2016. *Supplemental Nutrition Assistance Program (SNAP)*. On the internet at <<http://www.fns.usda.gov/snap/eligibility>> (accessed March 2017).
4. Blau, Francine D. and Lawrence Kahn. 2016. “The Gender Wage Gap: Extent, Trends, and Explanations” NBER Working Paper No. 21913. < <http://www.nber.org/papers/w21913>> (accessed March 2016).
5. 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 2016).

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