



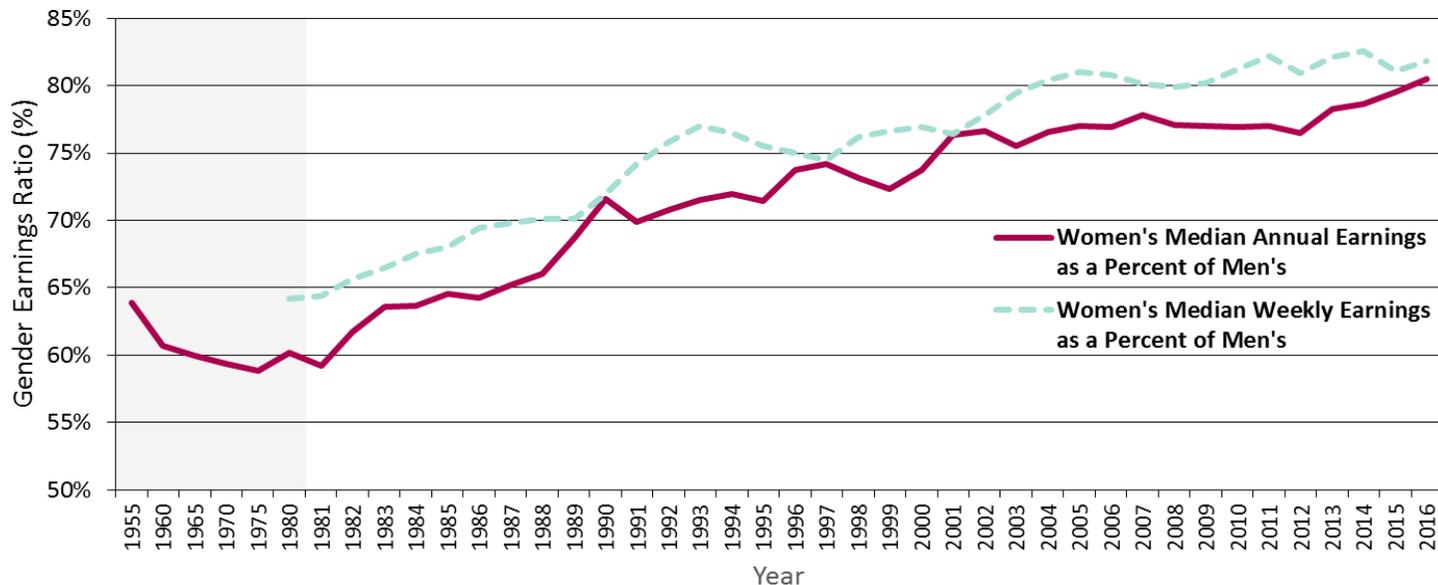
The Gender Wage Gap: 2016 Earnings Differences by Gender, Race, and Ethnicity

The ratio of women's and men's median annual earnings was 80.5 percent for full-time, year-round workers in 2016, an improvement of 0.9 percentage points since 2015.¹ This means a gender wage gap for full-time, year-round workers of 19.5 percent. Women's median full-time, year-round earnings in 2016 were \$41,554 compared with \$51,640 for men; women's 2016 earnings increased by 0.7 percent compared to 2015 while men's declined by 0.4 percent.²

If the pace of change in the annual earnings ratio continues at the same rate as it has since 1960, it will take another 43 years, until 2059, for men and women to reach parity.³

An alternative measure of the wage gap, based on the ratio of women's to men's median weekly earnings for full-time workers, was 81.9 percent in 2016. 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). The the gender earnings ratio based on weekly earnings also showed a slight increase between 2015 and 2016 (Figure 1).

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



Notes: See Table 2

Both earnings ratios (for weekly and for year-round, full-time workers) reflect gender differences in hourly wages and the number of hours worked (among full-time workers); 62.2 percent of women with earnings worked full-time, year-round in 2016, compared with 74.8 percent of male workers, an increase compared with 2015 for both genders.⁴ If part-time and part-year workers were included, the ratio of women's to men's earnings would be lower, as 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.⁵

Real median full-time, year-round earnings increased or stayed unchanged for women in all major race and ethnic groups except Black women (Table 1).⁶ Earnings for Black women working full-time, year-round declined by 1.3 percent between 2015 and 2016. White women’s earnings increased by 4.9 percent, Asian women’s by 2.8 percent, and Hispanic women’s by 0.1 percent. Men’s earnings increased or stayed unchanged for every major race and ethnic group except Black men. Women of all major racial and ethnic groups earn less than men of the same group. With the exception of White workers, earnings increases were more substantial for men than women of the same race or ethnicity.

Black and Hispanic workers of both sexes earn considerably less than White and Asian workers; as a result, the gender earnings ratio based on earnings of men of the same race or ethnicity is higher than the ratio for women of all races considered together, meaning the within-race gaps are narrower. The gender earnings gap based on comparison with men of the same race/ethnicity widened for all groups apart from White workers in 2016. The gender earnings ratio for White workers increased from 75.3 percent in 2015 to 79.0 percent in 2016. The gender earnings ratio fell substantially for Hispanic workers, from 87.2 to 84.4 percent, and for Black workers from 88.1 to 87.5 percent (Table 1). Asian workers as a group have the highest median annual earnings, primarily because of historically higher rates of educational attainment for both genders; however, Asian women earned only 76.9 percent of Asian men’s earnings in 2016, a marked decrease compared with 78.3 percent in 2015.

When the gender earnings ratio is measured using White men’s earnings as the comparison, it shows marked disadvantage for Hispanic and Black women. Hispanic women earned just 54.4 percent (unchanged from 2015) and Black women earned just 62.5 percent (down from 63.3 percent in 2015) of White men’s median annual earnings in 2016 (Table 1). Median earnings for a year of full-time work for Hispanic women are below the qualifying income threshold for eligibility for food stamps for a family of four; in 2016 this was \$31,641 per year, 130 percent of the federal poverty threshold for a family of four.⁷

Table 1. Median Annual Earnings and Gender Earnings Ratio for Full-Time Year-Round Workers age 15 Years and Older by Race/Ethnicity, 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	41,554	51,640	80.5%	-	41,257	51,859	79.6%	-
White	45,741	57,925	79.0%	79.0%	43,607	57,927	75.3%	75.3%
Black	36,192	41,348	87.5%	62.5%	36,670	41,613	88.1%	63.3%
Asian	50,298	65,422	76.9%	86.8%	48,924	62,451	78.3%	84.5%
Hispanic or Latina	31,522	37,354	84.4%	54.4%	31,502	36,124	87.2%	54.4%

Notes: White alone, not Hispanic; Black alone or in combination (may include Hispanic); Asian alone or in combination (may include Hispanic); and Hispanic/Latina/o (may be of any race).

Source: U.S. Census Bureau, Current Population Survey. 2017. “Historical Income Tables: Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1987 to 2016.” <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>>

Closing the wage gap is not a zero-sum game—gains for one gender do not require losses for the other. For the gender wage gap to close, women’s real wages must rise faster than men’s, and as the economy becomes more productive, one would expect real wages to rise for both men and women. Yet, as can be seen from Table 2, since 1975 real annual earnings for men have remained virtually unchanged (and fell in 2016), while women’s real earnings have increased across the same time period (but are also only marginally higher than they were a decade ago, in 2007). Over the same period, women’s earnings have become increasingly important to family incomes.

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

Year	Median Annual Earnings (2016 dollars)			Median Usual Weekly Earnings (2016 dollars)		
	Full-time, Year-Round Workers			Full-time, Wage and Salary Workers		
	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	\$25,515	\$42,579	59.9%			
1970	\$29,372	\$49,474	59.4%			
1975	\$30,448	\$51,766	58.8%			
1980	\$31,063	\$51,633	60.2%	\$556	\$867	64.2%
1981	\$30,421	\$51,356	59.2%	\$554	\$860	64.4%
1982	\$31,110	\$50,385	61.7%	\$572	\$871	65.7%
1983	\$31,901	\$50,164	63.6%	\$577	\$868	66.5%
1984	\$32,531	\$51,103	63.7%	\$583	\$863	67.5%
1985	\$33,247	\$51,486	64.6%	\$589	\$867	68.0%
1986	\$33,947	\$52,819	64.3%	\$608	\$876	69.4%
1987	\$34,190	\$52,457	65.2%	\$612	\$877	69.8%
1988	\$34,355	\$52,014	66.0%	\$613	\$875	70.1%
1989	\$35,090	\$51,097	68.7%	\$613	\$875	70.1%
1990	\$35,317	\$49,314	71.6%	\$616	\$856	72.0%
1991	\$35,334	\$50,579	69.9%	\$629	\$847	74.2%
1992	\$35,855	\$50,654	70.8%	\$637	\$840	75.8%
1993	\$35,582	\$49,752	71.5%	\$643	\$835	77.0%
1994	\$35,589	\$49,451	72.0%	\$640	\$837	76.5%
1995	\$35,208	\$49,292	71.4%	\$635	\$841	75.5%
1996	\$36,144	\$49,001	73.8%	\$637	\$849	75.0%
1997	\$37,264	\$50,247	74.2%	\$643	\$863	74.5%
1998	\$38,075	\$52,036	73.2%	\$670	\$879	76.2%
1999	\$37,935	\$52,459	72.3%	\$682	\$890	76.6%
2000	\$38,288	\$51,938	73.7%	\$687	\$893	76.9%
2001	\$39,605	\$51,887	76.3%	\$694	\$909	76.4%
2002	\$40,309	\$52,622	76.6%	\$706	\$907	77.8%
2003	\$40,094	\$53,070	75.5%	\$720	\$907	79.4%
2004	\$39,695	\$51,837	76.6%	\$728	\$906	80.4%
2005	\$39,153	\$50,863	77.0%	\$719	\$888	81.0%
2006	\$38,706	\$50,308	76.9%	\$714	\$884	80.8%
2007	\$40,634	\$52,222	77.8%	\$711	\$887	80.1%
2008	\$39,847	\$51,688	77.1%	\$711	\$890	79.9%
2009	\$40,583	\$52,719	77.0%	\$735	\$916	80.2%
2010	\$40,608	\$52,787	76.9%	\$737	\$907	81.3%
2011	\$39,600	\$51,425	77.0%	\$730	\$887	82.2%
2012	\$39,505	\$51,639	76.5%	\$722	\$892	80.9%
2013*	\$40,347	\$51,554	78.3%	\$727	\$886	82.1%
2014*	\$40,168	\$51,078	78.6%	\$729	\$883	82.5%
2015	\$41,257	\$51,859	79.6%	\$735	\$906	81.1%
2016	\$41,554	\$51,640	80.5%	\$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 as of the following year 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 2016 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-UR); U.S. Bureau of Labor Statistics <<https://www.bls.gov/cpi/research-series-allitems.pdf>> (accessed September 2017). From 2014 onwards, the Census Bureau has used revised questions on income and earnings; in 2013, data was collected using both the old and the new questions; the gender earnings ratio under the old methodology was 78.3 percent, and the new methodology 77.6 percent.⁶

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); 1960-2016 U.S. Census Bureau, Current Population Survey, 2016 *Annual Social and Economic Supplement Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2016*; <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>> (retrieved September 2017). Weekly data: 1980-2016: 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 February 2017).

Notes

¹ Jessica L. Semega, Kayla R. Fontenot, and Melissa A. Kollar. 2017. "Income and Poverty in the United States: 2016." *Current Population Reports* P60-259 U.S. Census Bureau. <<https://www.census.gov/content/dam/Census/library/publications/2017/demo/P60-259.pdf>>; p.10-11.

² Jessica L. Semega, Kayla R. Fontenot, and Melissa A. Kollar. 2017, op.cit., p.6; the changes are not statistically significant.

³ Institute for Women's Policy Research. 2017. "Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2016 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059. IWPR Publication #Q064. <<https://iwpr.org/publications/women-men-earnings-ratio-1960-2016-pay-equity-2059/>>

⁴ Jessica L. Semega, Kayla R. Fontenot, and Melissa A. Kollar, op. cit. p.11.

⁵ Elyse Shaw, Ariane Hegewisch, Emma Williams-Baron, Barbara Gault. 2016. *Undervalued and Underpaid in America: Women in Low-Wage, Female-Dominated Jobs*. IWPR Report #D508. Washington, DC: Institute for Women's Policy Research <<https://iwpr.org/publications/undervalued-and-underpaid-in-america-women-in-low-wage-female-dominated-jobs/>>.

⁶ Percent change in women's median annual earnings calculated by IWPR based on the U.S. Census Bureau, Current Population Survey, 2017 *Annual Social and Economic Supplement Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2016*. <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>>

⁷ The federal poverty threshold for a household of four in 2016 was \$24,339 (U.S. Census Bureau. 2017. "Poverty Thresholds." <<https://www.census.gov/hhes/www/poverty/data/threshld/>> (Last revised September 8, 2017). At 130 percent of poverty (the threshold relevant for food stamp eligibility) this is \$31,641 annually, or \$608 per week (assuming full-time work for 52 weeks).

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