

LATINAS PROJECTED TO REACH EQUAL PAY IN 2220

STATE-BY-STATE EARNINGS* SHOW LARGE WAGE GAPS BETWEEN LATINAS AND WHITE NON-LATINO MEN

- In all but one state*, Latinas' median annual earnings for full-time work leave a family with one adult and two children "near poverty".
- Latinas are especially vulnerable to health hazards and loss of income as a consequence of the pandemic; they have the lowest health insurance coverage rate of any racial or ethnic group and the lowest likelihood of having paid time off.



Latinas have made important strides in education, business creation¹, and political engagement.² In recent decades, they have significantly increased their high school graduation rate and representation in teaching, law, medicine, and management professions.³ Yet in 2019, the average Latina earned only 55.4 percent of White non-Latino men's earnings, equivalent to \$29,098 less for a year of full-time work.⁴ Based on the current rate of progress, Latinas will not reach equal pay with White non-Latino men for another two hundred years, or until 2220.⁵

Latinas are particularly vulnerable to unemployment caused by the pandemic because they are over-represented as frontline workers in the sectors that have lost the most jobs: Leisure and Hospitality, Other Services, and Retail Trade.⁶ Lower earnings mean that Latina workers and their families have fewer resources to meet the devastating impact of COVID-19, which has hit the Latinx community particularly hard and threatens progress made by Latinas. Close to six in ten (57 percent) Latinx households experienced loss of income due to COVID-19, a higher share than Black (51 percent), multiracial (51 percent), Asian (46 percent), or White (41 percent) households.⁷

While COVID-19 has been economically costly, the worst losses have been the have been the 21,000 Latinx lives lost to the pandemic⁸ Along with the Black community, Latinx have the

* State-by-State earnings for all 48 States with large enough samples to calculate earnings.

highest risks of infection and death rates from COVID-19. Latinas have the lowest insurance coverage rates,⁹ making it more likely that they will suffer from COVID-19 complications if they contract the virus. Moreover, with 33 percent of the Latinx community born outside the United States,¹⁰ immigration status poses a unique challenge in terms of access to health care and treatment. Evidence suggests that immigrants may hesitate to use health services to avoid compromising their immigration status even when they do have access to health care.¹¹

Latinas Face Large State-by-State Wage Gaps

- Latinas earn less than White men in every state for which there is a large enough sample to calculate earnings, and while the wage gap varies between states, there is no single state in which it is smaller than 34 percent (Table 1).
- Latinas have the highest earnings ratio in Hawaii (66.0 percent), Montana (64.0 percent) and West Virginia (63.6 percent). This means wage gaps of 34.0, 36.0, and 36.4 percent respectively. None of these states have high Latinx populations.
- Latinas face the lowest earnings ratios in California (42.2 percent), New Jersey (42.7 percent), and Texas (45.3 percent). This means wage gaps of 57.8, 57.3, and 54.7 percent respectively. Texas and California have the second and third highest shares of Latinx in the United States.¹²
- Median annual earnings for Latinas are highest in Washington, DC (\$55,000), but as earnings for White men are also highest in DC (\$100,000), DC has the largest absolute gap in earnings for Latinas compared to White men (\$45,000).



Table 1: Latinas Earn Less Than White Non-Latino Men in All States*

Median Annual Earnings and Ratio of Latina Women's to White Non-Latino Men's Earnings, Full-Time Year-Round Workers, Aged 16 and Older, 2014-2018

	Latina Women	White Non-Latino Men	Annual Earnings Gap	Earnings Ratio
Alabama	\$25,110	\$52,312	\$27,202	48.0%
Alaska	\$36,879	\$64,539	\$27,660	57.1%
Arizona	\$30,733	\$57,278	\$26,545	53.7%
Arkansas	\$24,586	\$46,244	\$21,658	53.2%
California	\$31,783	\$75,310	\$43,527	42.2%
Colorado	\$32,843	\$61,466	\$28,623	53.4%
Connecticut	\$35,138	\$73,237	\$38,100	48.0%
Delaware	\$32,070	\$57,210	\$25,140	56.1%
District of Columbia	\$55,000	\$100,000	\$45,000	55.0%
Florida	\$30,733	\$51,383	\$20,651	59.8%
Georgia	\$26,486	\$55,000	\$28,514	48.2%
Hawaii	\$38,458	\$58,270	\$19,812	66.0%
Idaho	\$24,586	\$50,000	\$25,414	49.2%
Illinois	\$30,867	\$63,567	\$32,700	48.6%

Table 1 continued: Latinas Earn Less Than White Non-Latino Men in All States***Median Annual Earnings and Ratio of Latina Women's to White Non-Latino Men's Earnings, Full-Time Year-Round Workers, Aged 16 and Older, 2014-2018**

	Latina Women	White Non-Latino Men	Annual Earnings Gap	Earnings Ratio
Indiana	\$28,957	\$52,246	\$23,289	55.4%
Iowa	\$30,733	\$52,000	\$21,267	59.1%
Kansas	\$27,203	\$52,972	\$25,770	51.4%
Kentucky	\$27,660	\$48,000	\$20,341	57.6%
Louisiana	\$30,733	\$58,270	\$27,537	52.7%
Maryland	\$34,830	\$74,000	\$39,170	47.1%
Massachusetts	\$35,855	\$71,710	\$35,855	50.0%
Michigan	\$31,757	\$53,270	\$21,513	59.6%
Minnesota	\$31,388	\$58,590	\$27,202	53.6%
Mississippi	\$25,457	\$50,000	\$24,543	50.9%
Missouri	\$30,760	\$50,000	\$19,240	61.5%
Montana	\$30,733	\$48,000	\$17,267	64.0%
Nebraska	\$28,249	\$51,221	\$22,973	55.2%
Nevada	\$31,388	\$57,210	\$25,823	54.9%
New Hampshire	\$35,703	\$59,400	\$23,696	60.1%
New Jersey	\$33,294	\$78,000	\$44,706	42.7%
New Mexico	\$31,388	\$57,000	\$25,613	55.1%
New York	\$36,619	\$65,563	\$28,945	55.9%
North Carolina	\$26,156	\$51,221	\$25,065	51.1%
Ohio	\$33,078	\$52,972	\$19,895	62.4%
Oklahoma	\$25,611	\$51,221	\$25,611	50.0%
Oregon	\$29,295	\$54,405	\$25,110	53.8%
Pennsylvania	\$31,783	\$55,091	\$23,308	57.7%
Rhode Island	\$30,733	\$61,466	\$30,733	50.0%
South Carolina	\$26,635	\$51,221	\$24,586	52.0%
South Dakota	\$28,000	\$47,145	\$19,145	59.4%
Tennessee	\$26,156	\$48,500	\$22,344	53.9%
Texas	\$28,851	\$63,642	\$34,791	45.3%
Utah	\$27,897	\$58,270	\$30,373	47.9%
Virginia	\$32,000	\$63,567	\$31,567	50.3%
Washington	\$31,000	\$63,642	\$32,642	48.7%
West Virginia	\$30,336	\$47,675	\$17,339	63.6%
Wisconsin	\$30,000	\$52,972	\$22,972	56.6%
Wyoming	\$33,806	\$56,000	\$22,194	60.4%
United States	\$31,200	\$58,270	\$27,070	53.5%

Note: * Data available for 47 states and Washington DC; Maine, North Dakota, and Vermont have sample too small for statistical analysis; earnings are adjusted to 2018 dollars.

Source: IWPR analysis of 2014-2018 American Community Survey microdata (Integrated Public Use Microdata Series, Version 9.0)

Latinas Low Median Earnings Reflect a Number of Factors

- **Occupational Segregation:** Latinas are more than twice as likely to work in lower-paid service occupations as White women.¹³ Latinas are overrepresented in jobs providing direct care or assistance to others, such as store clerks, home health aides, child care workers, and domestic workers.¹⁴ Many of these jobs have been recognized as essential during the COVID crisis, but traditionally pay much less than male dominated jobs.¹⁵
- **Lack of Health Insurance and Paid Time Off:** The pandemic has highlighted the impossible choice low-wage workers face between their livelihood and the health of themselves and their families. With the lowest health insurance coverage rate of any racial/ethnic group¹⁶ and the lowest likelihood of having paid time off¹⁷, Latinas are especially vulnerable to health hazards. Lack of paid time off forces workers to reduce their working hours or exit the labor market altogether if they or a family member get sick, reducing earnings in the short-term and earnings progression in the longer-term.
- **Lack of Quality Affordable Child Care:** Latina mothers are particularly likely to leave the workforce or cutback their hours to care for their children.¹⁸ Latinas are also more likely to be the family breadwinners¹⁹ while holding low paying jobs and residing in child care deserts.²⁰ The high price of child care leaves many Latina mothers with the choice between caring for their own children at home or continuing to bring home a paycheck.
- **Glass-Ceiling and Discrimination:** A third of Latinx workers report experiencing hiring discrimination.²¹ One study found that for every 100 entry-level men who are promoted to manager, just 68 Latinas are promoted.²² Discrimination and occupational segregation mean that the pay gap between Latinas and White men with a college degree is essentially the same as the one between Latinas and White men without a high school degree.²³
- **Lack of Capital for Businesses:** While Latinas have been launching new businesses at a very high rate—their numbers grew by 87 percent since 2007—compared to other firms, they have the lowest rate of business loans from financial institutions.²⁴ Such lack of funding impedes Latinas' business success over time.



We Cannot Wait another 200 Years for Latinas to Reach Equal Pay

Equal pay for Latinas means more income for families living near poverty, opportunities created for children, and enhanced economic security for women and their families. A multi-pronged approach to equal pay will include **improving job quality** through raising the minimum wage, universal access to paid time-off for medical and family care, and support for unionization; **enforcement of nondiscrimination and affirmative action policies**; better **access to higher education and workforce development** leading to well-paid jobs with benefits; and comprehensive **investment in the care infrastructure** to provide affordable and quality child care and adult care for all who need it.

ENDNOTES

- ¹ Patricia Guadalupe. 2020. "How Female Hispanic Business Owners Are Fueling the Economy." Legal Zoom. May 1 <<https://www.legalzoom.com/articles/how-female-hispanic-business-owners-are-fueling-the-economy>> (accessed October 16, 2020).
- ² Lia Parada and Danyelle Solomon. "Latinas Leveraging Their Power in the Resistance." Center for American Progress, May 24, 2018 <<https://www.americanprogress.org/issues/race/news/2018/05/24/451244/latin-le-veraging-power-resistance/>> (accessed October 16, 2020).
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- ⁵ Valerie Lacarte and Jeff Hayes. 2020. "Women's Median Earnings as a Percent of Men's, 1985-2019 (Full-time, Year-Round Workers) with Projections for Pay Equity, by Race/Ethnicity." Washington DC: Institute for Women's Policy Research <<https://iwpr.org/iwpr-publications/quick-figure/pay-equity-projection-race-ethnicity-2020/>> (accessed October 15, 2020).
- ⁶ Elise Gould, Daniel Perez, and Valerie Wilson. 2020. "Latinx Workers - Particularly Women - Face Devastating Job Losses in the COVID-19 Recession." Washington, DC: Economic Policy Institute <<https://files.epi.org/pdf/197015.pdf>> (accessed October 16, 2020).
- ⁷ IWPR analysis of Week 15 Census Pulse Survey, which refers to Sept 16-28, No data available on Native Americans. See Table.
- ⁸ As of October 14, there were 20,785 COVID-related deaths among Latinos; see Center for Disease Control COVID Data Tracker by Race and Ethnicity: <https://covid.cdc.gov/covid-data-tracker/#demographics>.
- ⁹ National Partnership for Women and Families. 2019. "Latinas Experience Pervasive Disparities in Access to Health Insurance." <<https://www.nationalpartnership.org/our-work/resources/health-care/latin-health-insurance-coverage.pdf>> (accessed October 16, 2020).
- ¹⁰ IWPR compilation of U.S. Census Data Table B03001 accessible at <https://census.data.gov>.
- ¹¹ Although the federal government announced on March 16 that immigrants seeking testing or treatment for COVID-19 would not be subject to the recent public charge rule – which essentially penalizes green card applicants who may have used public benefits - some doctors worry immigrant communities will avoid getting tested even when experiencing symptoms. See Usha Lee McFarling. 2020. "Fearing deportation, many immigrants at higher risk of Covid-19 are afraid to seek testing or care." *STAT*. April 15, 2020 <<https://www.statnews.com/2020/04/15/fearing-deportation-many-immigrants-at-higher-risk-of-covid-19-are-afraid-to-see-testing-or-care/>> (accessed October 16, 2020).
- ¹² The 3 states with the largest share of Latinx population are: New Mexico (49%), Texas (39.7%) and California. (39.3%); U.S. Census Data Table B060041 accessible at <<https://census.data.gov>>.
- ¹³ Ariane Hegewisch and Adiam Tesfaselassie. 2019. "The Gender Wage Gap by Occupation 2018 and by Race and Ethnicity." Washington, DC: Institute for Women's Policy Research <https://iwpr.org/wp-content/uploads/2020/08/C480_The-Gender-Wage-Gap-by-Occupation-2018-1.pdf> (accessed October 16, 2020).
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- ¹⁶ National Center for Health Statistics. 2017. "Health, United States, 2015: With Special Feature on Racial and Ethnic Health Disparities." U.S. Department of Health and Human Services and Centers for Disease Control and Prevention <<https://www.cdc.gov/nchs/data/abus/abus15.pdf>> (accessed October 19, 2020)..
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- ¹⁹ Elyse Shaw, C. Nicole Mason, with Valerie Lacarte and Erika Jauregui, 2020. "Holding Up Half the Sky: Mothers as Workers, Primary Caregivers, & Breadwinners During COVID-19." *IWPR Briefing paper Qo81*; Washington DC: Institute for Women's Policy Research <<https://iwpr.org/wp-content/uploads/2020/07/Holding-Up-Half-the-Sky-Mothers-as-Breadwinners.pdf>> (accessed October 2020).
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