

## Lost Jobs, Stalled Progress: The Impact of the "She-Cession" on Equal Pay

### THE GENDER WAGE GAP IN 2020

In year one of COVID-19, the gender wage gap narrowed slightly only for full-time, year-round workers, with women in low-paying jobs bearing the brunt of the crisis. For all workers, the gender gap widened slightly.

#### RESEARCH HIGHLIGHTS

- **The COVID-19 pandemic led to disproportionate job loss among the lowest-paid women.** With fewer of the lowest-paid women in the count, the median annual earnings for full-time, year-round working women increased by 6.5 percent. The gender wage gap for full-time, year-round workers shrank slightly from 17.7 percent in 2019 to 17.0 percent in 2020, a gender earnings ratio of 83.0 percent.
- **The median annual earnings of all women fell by 1.2 percent while men's earnings did not change.** The gender wage gap for all women and men workers with earnings widened from 26.5 to 27.4 percent (earnings ratio of 72.6 percent).
- **Racial and gender wage gaps remain profound.** The median annual earnings for full-time, year-round work for Hispanic or Latina women were just 57.3 percent of White non-Hispanic men's, Black women's were 63.9 percent, White non-Hispanic women's 79.4 percent, and Asian women's 101.2 percent.



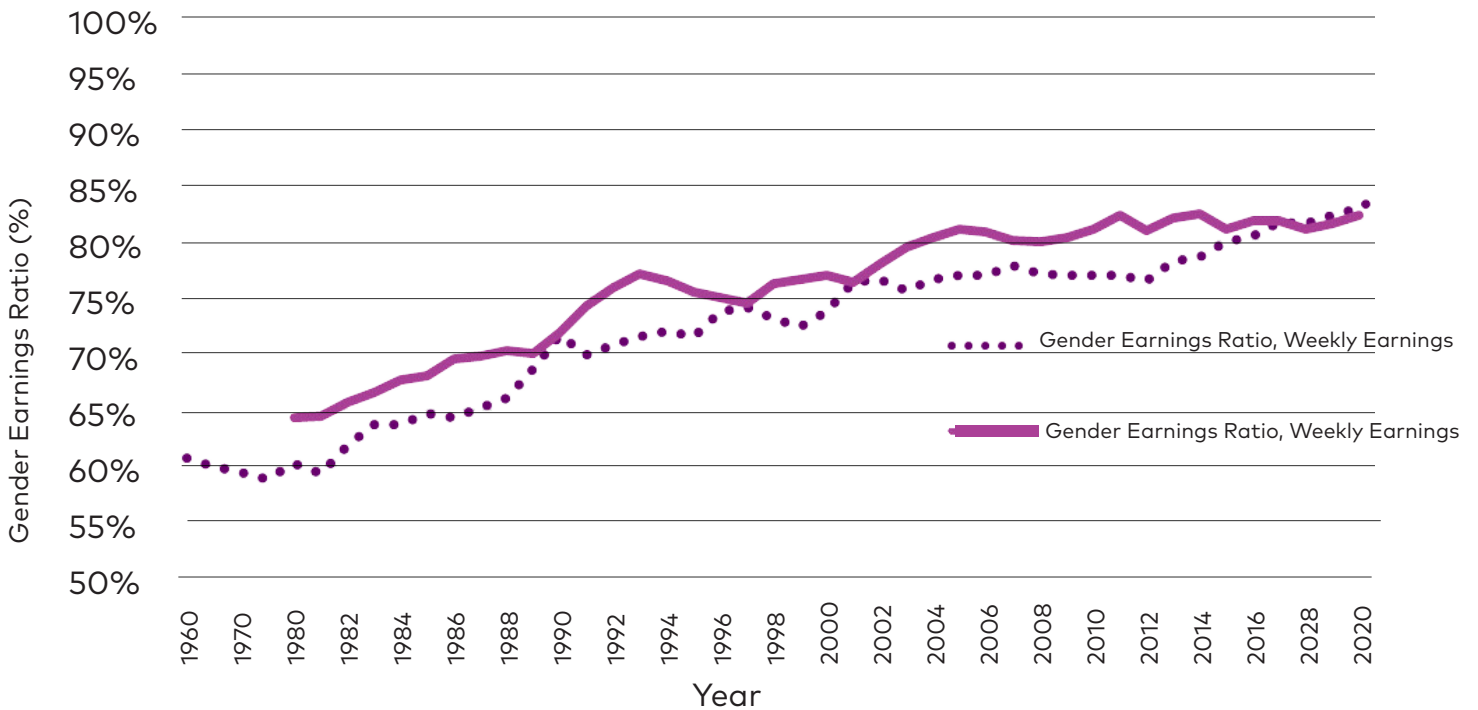
The gender wage gap in annual earnings for full-time, year-round<sup>1</sup> workers in the United States narrowed between 2019 and 2020, from 17.7 percent in 2019 (a gender earnings ratio of 82.3 percent) to 17.0 percent in 2020 (a gender earnings ratio of 83.0 percent; Figure 1).<sup>2</sup> Women's median<sup>3</sup> annual earnings for full-time work were \$50,982, an inflation-adjusted increase of 6.5 percent in 2020 compared to the previous year; men's earnings were \$61,417 for men, an increase of 5.6 percent.<sup>4</sup> Based on trends in women's and men's earnings from 1960 onwards, **it will take another 39 years (until 2059) for women's earnings to reach the same level as men's.**<sup>5</sup>

The gender wage gap based on median weekly earnings for full-time workers showed similar change, with the weekly gender wage gap in 2020 improving to 17.3 percent (a gender earnings ratio of 82.3 percent) from 18.5 percent (a gender earnings ratio of 81.5 percent) in 2019 (Figure 1).<sup>6</sup>

The gender wage gap for all women and men with earnings, regardless of whether they worked full-time or year-round, widened slightly. Median annual earnings of all women fell by 1.2 percent while men's stayed unchanged. The gender wage gap for all women and men with earnings widened from 26.5 in 2019 to 27.4 percent in 2020, a median gender earnings ratio of 72.6 percent.<sup>7</sup>

Rather than representing a true picture of pay (in)equity, the change in the gender wage gap is primarily a result of the harmful impact of COVID-19 pandemic on women's employment.<sup>8</sup> The number of women full-time, year-round workers declined by 6.2 million (11.9 percent) and men's fell by 7.5 million (11.2 percent).<sup>9</sup> Job losses and cutbacks in hours were felt most in low-paying service jobs in leisure, hospitality, and retail—jobs that were predominantly held by women and a disproportionate number of Black, Latina, and/or Native American women.<sup>10</sup> Women and men in higher-paid managerial jobs were far less likely to face job cuts. Thus, the proportion of better-paid women workers among all full-time, year-round workers grew. And job losses for men were less severe, and less concentrated in low-wage sectors.<sup>11</sup>

**FIGURE 1. The Gender Earnings Ratio, 1955-2020, Full-Time Workers**



**Notes:** 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 and are not restricted to full-year workers. "Full-time" is work for at least 35 hours per week; "full-year" is 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 2020 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS); U.S. Bureau of Labor Statistics, "Consumer Price Index: CPI-UR-S Home Page" (Washington, DC: United States Department of Labor, 2021), <<https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm>>.

**Sources:** Annual earnings: Emily A. Shrider, Melissa Kollar, Frances Chen, and Jessica Semega, "Table A-7. Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2020," *Income and Poverty in the United States: 2020* (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/library/publications/2021/demo/p60-273.html>>.

Weekly earnings: Bureau of Labor Statistics, "Table 17. Inflation-adjusted median usual weekly earnings, by age, for full-time wage and salary workers, 1979-2020 annual average," *Current Population Survey* (Washington, DC: U.S. Bureau of Labor Statistics, 2021), <<https://www.bls.gov/cps/earnings.htm>>.

### Differences in Women's Earnings by Race and Ethnicity

Latina and Black women's median annual earnings are substantially below those of White and Asian women, as well as those of men in all the largest racial and ethnic groups (Table 1). Even though many of the lowest-paid women lost their jobs or experienced cutbacks in hours and were no longer included in the data, median earnings for a year of full-time work for Latina women (\$38,718) left an adult with two children near poverty. In 2020, near-poverty (200 percent of the federal poverty threshold) for a family of three was \$41,704 per year.<sup>12</sup>

The uneven pandemic-related job losses also had an artificial effect on raising the median annual earnings of women across the largest racial and ethnic groups. Women with higher earnings were more likely to keep their jobs and have full-time, year-round employment. Median annual earnings for Black women increased by \$1,598 for the year, or 3.8 percent in real terms. Latina women’s median earnings increased by \$2,157 (5.9 percent), White women’s by \$1,766 (3.4 percent), and Asian women’s by \$10,926 (19.0 percent). Men of each of the largest racial/ethnic groups also saw an increase in real median annual earnings, with earnings growing most strongly for Black and 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. At the same time, the large increase in the median annual earnings for Asian women workers compared to White men points to differences in labor market experiences within this group. Vietnamese, Cambodian, and Hmong women are particularly likely to work in low-wage jobs, and thus more likely to have lost full-time year-round work.<sup>13</sup>

**TABLE 1. Median Annual Earnings and Gender Earnings Ratio for Full-Time, Year-Round Workers, Age 15 Years and Older by Race/Ethnicity, 2019 and 2020**

Racial/Ethnic Background*	2020				2019 (in 2020 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	50,982	61,417	83.0%	N/A	47,889	58,173	82.3%	N/A
White	53,731	67,629	79.4%	79.4%	51,965	66,022	78.7%	78.7%
Black	43,209	50,525	85.5%	63.9%	41,611	46,214	90.0%	63.0%
Asian	68,442	83,173	82.3%	101.2%	57,516	76,616	75.1%	87.1%
Hispanic or Latina	38,718	45,074	85.9%	57.3%	36,561	42,037	87.0%	55.4%

**Notes:** White non-Hispanic alone; 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 CPI-U-RS.<sup>14</sup>

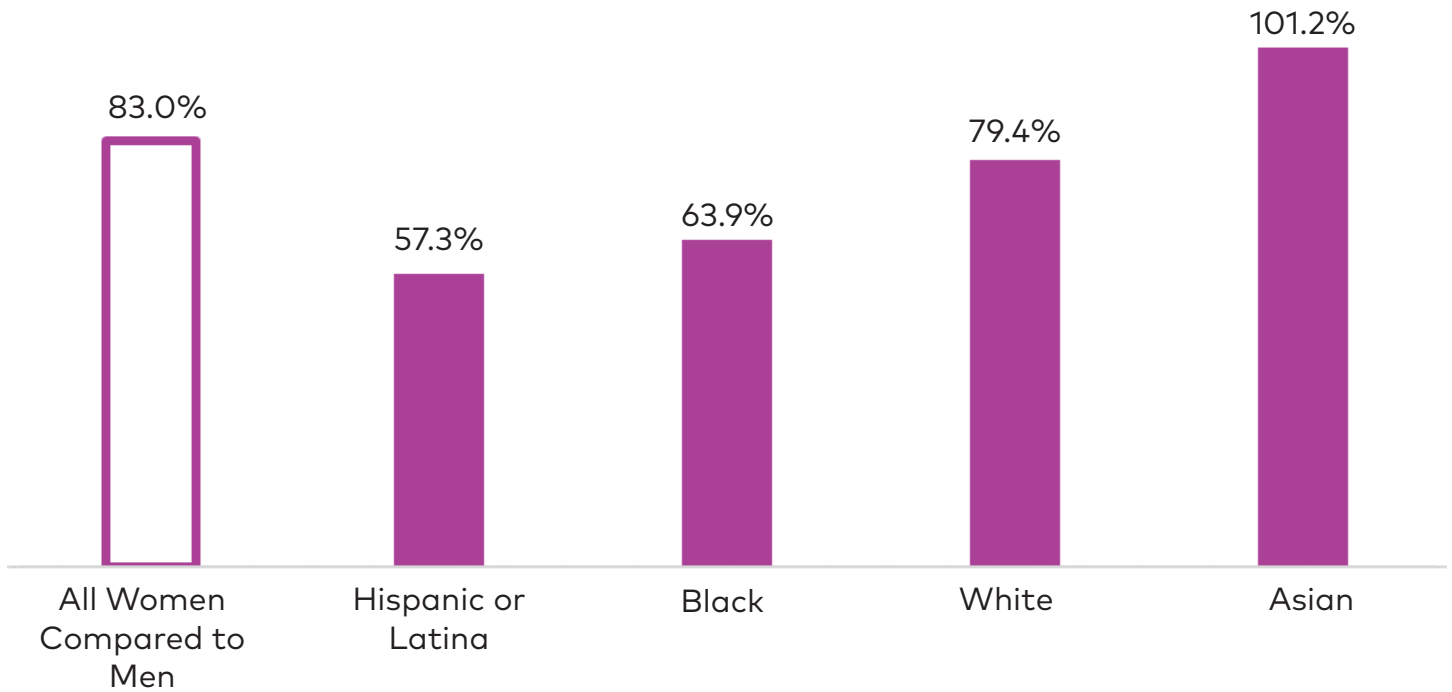
**Source:** IWPR analysis based on U.S. Census Bureau, "Historical Income Tables: Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex," Current Population Survey (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>>.

### Women Across Racial and Ethnic Groups Earn Less than White Men

Black and Latina women face marked disparities when the gender earnings ratio is measured compared with White men’s earnings. On average, Latina women earned \$28,911 less than White men, just 57.3 cents for every dollar that was earned by White men. Black women earned just 63.9 percent of White men’s median annual earnings in 2020 (Table 1), or \$24,420 less. The median annual earnings of White women were 79.4 percent of White men’s, and Asian women’s were 101.2 percent of White men’s (Figure 2).

## FIGURE 2. Women of the Largest Racial and Ethnic Groups Earned Substantially Less than White Men

Women's Earnings as a Percent of White Men's Earnings for Full-time Year-Round Workers, by Race and Ethnicity, 2020



**Notes:** White non-Hispanic alone; 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 CPI-U-RS.<sup>15</sup>

**Source:** IWPR analysis based on U.S. Census Bureau, "Historical Income Tables: Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex," Current Population Survey (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-people.html>>.

### Women Across Racial and Ethnic Groups Earn Less than Male Counterparts

Hispanic and Black men earn substantially less than White men, and as a result, the overall gender gap is wider than the within-group gender gap. Nevertheless, within each group, men have higher earnings for full-time year-round work than women of the same race or ethnicity. Compared to 2019, the gender earnings ratio improved for White and Asian women when compared with men of the same race/ethnicity but worsened for Black and Latina women (Table 1).

### Toward an Equitable Recovery with Equal Pay

Women's lower earnings are due to many factors. These include lower earnings in occupations recognized as essential during COVID-19 and are done mainly by women; lack of paid family leave and affordable, quality care; and discrimination in compensation, recruitment, and hiring. The COVID-19 pandemic has shown the pernicious effects of pay inequality, leaving Latina and Black women and their families particularly vulnerable, with

few resources to weather an economic crisis. Over a lifetime, lower earnings also mean lower contributions to retirement savings and diminished opportunity to build wealth. Consequently, women must work more years or live on less in retirement than men and more often rely on social security as their main source of income.

As the economy is recovering, measures are needed to help the incomes of women and their families grow by enforcing and strengthening equal pay statutes, improving the quality of jobs held mainly by women, including raising the minimum wage, ensuring universal access to paid family and medical leave, and affordable and quality care.

**TABLE 2. The Gender Wage Ratio and Real Earnings, 1960-2020, Full-Time Workers**

Year	Median Annual Earnings (2020 dollars)			Median Usual Weekly Earnings (2020 dollars)		
	Full-Time, Year-Round Workers			Full-Time, Weekly Workers		
	Women (\$)	Men (\$)	Female-to-male earnings ratio	Women (\$)	Men (\$)	Female-to-male earnings ratio
1960	24,981	41,173	60.7%			
1965	27,585	46,032	59.9%			
1970	31,755	53,487	59.4%			
1975	32,917	55,965	58.8%			
1980	33,582	55,821	60.2%	595	926	64.2%
1985	35,944	55,662	64.6%	629	924	68.1%
1986	36,700	57,103	64.3%	650	936	69.4%
1987	36,964	56,712	65.2%	654	936	69.9%
1988	37,141	56,233	66.0%	656	935	70.2%
1989	37,936	55,242	68.7%	655	935	70.0%
1990	38,182	53,314	71.6%	659	915	72.0%
1991	38,200	54,682	69.9%	671	904	74.2%
1992	38,764	54,763	70.8%	681	898	75.9%
1993	38,468	53,787	71.5%	686	891	77.0%
1994	38,475	53,462	72.0%	683	893	76.5%
1995	38,064	53,290	71.4%	679	899	75.5%
1996	39,076	52,976	73.8%	681	907	75.1%
1997	40,287	54,323	74.2%	686	922	74.4%
1998	41,163	56,257	73.2%	717	940	76.3%
1999	41,013	56,714	72.3%	729	952	76.6%
2000	41,394	56,151	73.7%	734	954	76.9%
2001	42,817	56,095	76.3%	741	970	76.4%
2002	43,578	56,890	76.6%	754	968	77.9%
2003	43,346	57,375	75.5%	769	968	79.4%
2004	42,914	56,041	76.6%	778	968	80.3%
2005	42,329	54,989	77.0%	768	947	81.1%
2006	41,846	54,389	76.9%	763	945	80.7%

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Year	Median Annual Earnings (2020 dollars)			Median Usual Weekly Earnings (2020 dollars)		
	Full-Time, Year-Round Workers			Full-Time, Weekly Workers		
	Women (\$)	Men (\$)	Female-to-male earnings ratio	Women (\$)	Men (\$)	Female-to-male earnings ratio
2007	43,929	56,458	77.8%	758	947	80.1%
2008	43,079	55,881	77.1%	760	950	80.0%
2009	43,874	56,995	77.0%	785	978	80.2%
2010	43,888	57,050	76.9%	787	969	81.2%
2011	42,812	55,596	77.0%	779	948	82.2%
2012	42,684	55,794	76.5%	771	952	81.0%
2013	43,176	55,666	77.6%	776	946	82.0%
2014	43,364	55,142	78.6%	777	942	82.5%
2015	44,514	55,953	79.6%	784	966	81.1%
2016	44,823	55,702	80.5%	797	974	81.8%
2017	45,004	55,106	81.7%	803	981	81.8%
2018	46,488	56,995	81.6%	803	991	81.1%
2019	47,889	58,173	82.3%	821	1,007	81.5%
2020	50,982	61,417	83.0%	891	1,082	82.3%

**Notes:** \*Over time, the Census Bureau has made changes in data collection and processing to improve the CPS-ASEC income and earnings content, most recently in 2013 and 2018 resulting in an upward revision of women's earnings (and hence of the gender earnings ratio); 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 and are not restricted to full-year workers. "Full-time" is work for at least 35 hours per week; "full-year" is 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 2020 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS); U.S. Bureau of Labor Statistics, "Consumer Price Index: CPI-UR-S Home Page" (Washington, DC: United States Department of Labor, 2021), <<https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm>>.

**Sources:** Annual earnings: Emily A. Shrider, Melissa Kollar, Frances Chen, and Jessica Semega, "Table A-7. Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2020," *Income and Poverty in the United States: 2020* (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/library/publications/2021/demo/p60-273.html>>.

Weekly earnings: Bureau of Labor Statistics, "Table 17. Inflation-adjusted median usual weekly earnings, by age, for full-time wage and salary workers, 1979-2020 annual average," *Current Population Survey* (Washington, DC: U.S. Bureau of Labor Statistics, 2021), <<https://www.bls.gov/cps/earnings.htm>>.

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Photo credit: FG Trade/Getty Images.

## ENDNOTES

<sup>1</sup> "Full-time" is defined as work for at least 35 hours per week; "full-year" is defined as at least 50 weeks per year.

<sup>2</sup> See Emily A. Shrider, Melissa Kollar, Frances Chen, and Jessica Semega, *Income and Poverty in the United States: 2020*, (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/content/dam/Census/library/publications/2021/demo/p60-273.pdf>>.

<sup>3</sup> The median is the mid-point of the earnings distribution, with half of the population earning more and half earning less than the amount.

<sup>4</sup> IWPR calculations based on Emily A. Shrider, Melissa Kollar, Frances Chen, and Jessica Semega, "Table A-7. Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2020," *Income and Poverty in the United States: 2020* (Washington, DC: U.S. Census Bureau, 2021), <<https://www.census.gov/content/dam/Census/library/publications/2021/demo/p60-273.pdf>>. Adjustment to 2019 dollars is using CPU-R-US; U.S. Bureau of Labor Statistics, "Consumer Price Index: CPI-U-RS Home Page," (Washington, DC: United States Department of Labor 2021), <<https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm>>.

<sup>5</sup> See Shengwei Sun, Chandra Childers, and Jeff Hayes, *The Gender Pay Gap, 1960 to 2020—with Forecast for Achieving Pay Equity* (Washington, DC: Institute for Women's Policy Research, 2021), <<https://iwpr.org/iwpr-publications/quick-figure/the-gender-pay-gap-1960-to-2020-with-forecast-for-achieving-pay-equity/>>.

<sup>6</sup> Both earnings ratios (for weekly and annual earnings) reflect gender differences in hourly wages and the number of hours worked (among full-time workers). The measure of annual earnings includes the self-employed and captures annual bonus and commission payments; women are less likely than men to work full-time, year-round (57.8 percent and 68.1 percent respectively). 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); IWPR calculation based on Emily A. Shrider, Melissa Kollar, Frances Chen, and Jessica Semega, "Table A-7. Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2020," *Income and Poverty in the United States: 2020* (Washington, DC: U.S. Census Bureau, 2021).

<sup>7</sup> IWPR calculations based on Shrider et al., *Income and Poverty*.

<sup>8</sup> Apart from these impacts on the composition of those who work full-time year-round, the Bureau of Labor Statistics also warns of COVID-19-related difficulties with data collection in 2020, making it harder to compare this year to previous ones. Justin Mitchell, "COVID-19 and the Current Population Survey: Response Rates and Estimation Bias" (Washington, DC: U.S. Bureau of Labor Statistics, 2020) <<https://www.bls.gov/osmr/research-papers/2020/st200030.htm>>.

<sup>9</sup> IWPR calculations based on Shrider et al., *Income and Poverty*.

<sup>10</sup> Chandra Childers, Ariane Hegewisch, and Eve Mefferd, *Shortchanged and Underpaid: Black Women and the Pay Gap* (Washington, DC: Institute for Women's Policy Research, 2021) <[https://iwpr.org/wp-content/uploads/2021/07/Shortchanged-and-Underpaid\\_Black-Women-and-the-Pay-Gap\\_FINAL.pdf](https://iwpr.org/wp-content/uploads/2021/07/Shortchanged-and-Underpaid_Black-Women-and-the-Pay-Gap_FINAL.pdf)>; Halie Mariano and Ariane Hegewisch, *Latinas Projected to Reach Equal Pay in 2220* (Washington, DC: Institute for Women's Policy Research, 2020) <<https://iwpr.org/wp-content/uploads/2020/10/Latina-Women-Equal-Pay-Day-Policy-Brief.pdf>>; Chandra Childers, Ariane Hegewisch, and Acadia Hall, *A Decade with No Improvement: Native Women and the Wage Gap* (Washington, DC: Institute for Women's Policy Research, 2020) <[https://iwpr.org/wp-content/uploads/2021/09/Native-Womens-Equal-Pay-Fact-Sheet-2021\\_FINAL.pdf](https://iwpr.org/wp-content/uploads/2021/09/Native-Womens-Equal-Pay-Fact-Sheet-2021_FINAL.pdf)>; Ariane Hegewisch and Eve Mefferd, *The Gender Wage Gap by Race and Ethnicity 2020* (Washington, DC: Institute for Women's Policy Research, 2021) <<https://iwpr.org/wp-content/uploads/2021/03/2021-Occupational-Wage-Gap-Brief-v2.pdf>>; see also C. Nicole Mason, Andrea Flynn and Shengwei Sun, *Build(ing) the*



*Future: Bold Policies for a Gender-Equitable Recovery* (Washington DC: Institute for Women's Policy Research, 2020) <<https://iwpr.org/iwpr-issues/employment-and-earnings/building-the-future-bold-policies-for-a-gender-equitable-recovery/>>.

<sup>11</sup> Ariane Hegewisch, "The Weekly Gender Wage Gap by Race and Ethnicity: 2020" (Washington, DC: Institute for Women's Policy Research, 2021) <<https://iwpr.org/iwpr-publications/the-weekly-gender-wage-gap-by-race-and-ethnicity-2020/>>.

<sup>12</sup> U.S. Census Bureau, "Poverty Thresholds: by Size of Family and Number of Related Children Under 18 Years" (Washington, DC: United States Census Bureau, 2021) <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>>

<sup>13</sup> Ariane Hegewisch and Halie Mariano, *Asian and Pacific Islander Women Earn Less than White Non-Hispanic Men in All but One State* (Washington, DC: Institute for Women's Policy Research, 2021) <<https://iwpr.org/wp-content/uploads/2021/03/AAPI-EPD-2021-beta.pdf>>; CPS ASEC data In Table 1 do not include Hawaiian and Pacific Islander women.

<sup>14</sup> IWPR calculations based on U.S. Bureau of Labor Statistics, "Consumer Price Index: CPI-UR-S Home Page" (Washington DC: U.S. Department of Labor, 2021) <<https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm>>.

<sup>15</sup> IWPR calculations based on U.S. Bureau of Labor Statistics, "Consumer Price Index: CPI-UR-S Home Page" (Washington, DC: U.S. Department of Labor, 2021) <<https://www.bls.gov/cpi/research-series/r-cpi-u-rs-home.htm>>.

## OUR MISSION

We win economic equity for all women and eliminate barriers to their full participation in society. As a leading national think tank, we build evidence to shape policies that grow women's power and influence, close inequality gaps, and improve the economic well-being of families.

