

## **FACT SHEET**

IWPR #C507 October 2021

# The Longest Time to Equal Pay: Latinas and the Wage Gap

Latina Women Are Paid Less than White Men in All States.\* They Will Not See Equal Pay until 2206.

#### **RESEARCH HIGHLIGHTS**

- Latina women<sup>1</sup> working full-time, year-round are paid just 57 cents for every dollar paid to White, non-Hispanic men in 2019—or \$28,911 less per year, on average.
- In ten states, Latinas' median annual earnings were half or less than half of White men's. In all states their median annual earnings were less than 70 percent of White men's.
- If progress continues at the same rate, it will take until 2206—almost two centuries—for Latinas to reach equal pay with White men.



In 2021, October 21 marks Latina Equal Pay Day, or the day Latina women must work, on average, into the new year to earn what their White male counterparts brought home in the previous year. This represents over nine additional months of full-time work to earn the same pay as their male counterparts in one year.

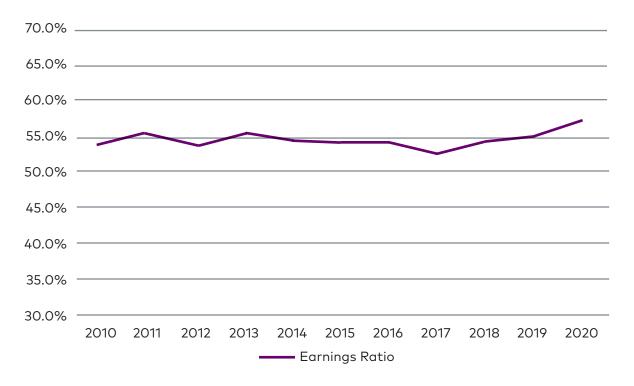
In 2020, the average Latina earned only 57.3 percent of White, non-Hispanic men's earnings, equivalent to \$28,911 less for a year of full-time work.<sup>2</sup> Latinas as a group have the lowest earnings of

<sup>\*</sup> Here, "all states" refer to the 48 states and the District of Columbia with population sample sizes large enough to calculate median annual earnings for Latinas working full-time year-round, the basis for calculating the gender wage gap.

any major race/ethnicity and gender group. Their median annual earnings of \$38,718 for a year of full-time work is below 200% of the federal poverty level for a family of three.<sup>3</sup>

If progress continues at the same rate as it has since 1985, Latinas will not reach equal pay with White non-Hispanic men for another 185 years, or until 2206.<sup>4</sup> Prior to COVID-19, Latinas' gender earnings ratio in 2019 compared to White men was 55.4 percent, the same as it was in 2011 (Figure 1). While the improvement in the earnings ratio to 57.3 percent in 2020 suggests some progress, it is largely due to the disproportionate job loss felt by the lowest-paid Latinas. Fewer women in low-wage jobs worked full-time, year-round in 2020 and are no longer counted in the data; therefore median earnings increased.

FIGURE 1: The Gender Pay Gap for Latinas Saw Little Progress over Last Decade
Gender Earnings Ratio for Full-Time Year-Round Latina/Hispanic Women Workers, Compared to White,
Non-Hispanic Men Workers, 2010 to 2020



**Source:** U.S. Census Bureau, "PINC-05. Work Experience-People 15 Years Old and Over, by Total Money Earnings, Age, Race, Hispanic Origin, Sex, and Disability Status" (Washington, DC: U.S. Census Bureau, 2021), <a href="https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html#par\_textimage\_0">https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html#par\_textimage\_0</a>.

Latinas' low annual earnings meant they had fewer resources to fall back on during the pandemic-induced "she-cession." In a public opinion survey, more than a third (36.7 percent) of Latinas reported being worried that their household income would not be enough to meet their family's needs—a higher share than other groups of women.<sup>5</sup> Latinas are overrepresented in frontline sectors such as leisure and hospitality, retail trade, and other services (such as work in child care, pet care, and dry cleaning)—sectors that have lost the most jobs during the pandemic. Latinas are also overrepresented among essential workers who have kept health care and other services going during the pandemic, often at very low pay.<sup>6</sup>

#### LATINA WOMEN'S EARNINGS ARE LOWER IN ALL STATES

Latinas earn less than White men in the 48 states (and the District of Columbia) that have a large enough sample to calculate their full-time, year-round earnings. While the wage gap varies across states, in all states they earn less than 70 percent of White men's earnings (a gender wage gap of at least 30 percent; Table 1).

- Latinas have the highest earnings ratio in **Maine** (69.9 percent), **Montana** (69.1 percent), and **Hawaii** (66.7 percent).
- Latinas face the lowest earnings ratios in California (41.8 percent), New Jersey (43.8 percent), and Texas (45.4 percent). Texas and California have the second and third highest shares of Hispanic or Latina/o individuals in the United States.<sup>7</sup>
- Median annual earnings for Latinas are highest in Washington, DC (\$57,193). However, because earnings for White men are also highest in DC (\$102,515), it has the second largest absolute gap in earnings for Latinas compared to White men (\$45,322). California has the largest absolute earnings gap at \$46,508.

### LOW EARNINGS REFLECT MANY FACTORS—ALL MORE PRONOUNCED DURING THE PANDEMIC

Many factors contribute to Latina women's lower earnings. These include:

- **Discrimination:** About 4 in 10 Latino/a/e individuals report experiencing discrimination in the previous year.<sup>8</sup> Hiring and promotion discrimination is an important contributor to pay inequality. Latinas make up 7.7 percent of the workforce but hold only 4.4 percent of managerial positions and just 1.7 percent of chief executive positions.<sup>9</sup>
- Concentration in undervalued service sector jobs: Latinas are overrepresented in womendominated health care, care work, and cleaning occupations, essential jobs that pay much less than men-dominated occupations at similar levels of training and education. Working in essential public-facing jobs greatly increased Latinas' exposure to COVID-19. The Hispanic and Latina/o community was 1.7 times more likely to contract COVID-19 than their White, non-Hispanic counterparts, and 4.1 times more likely to be hospitalized.
- Lack of benefits: Segregation into low-paid, low-quality jobs leaves many Latinas without good benefits like paid leave. During the pandemic, Latinas were much more likely than other groups to have needed to take leave from work (paid or unpaid) to take care of an ill family member (22.7 percent compared to 8.3 overall) or for childcare that was not illness related (9.6 percent compared to 5.9 overall). <sup>12</sup> This underscores the challenges Latinas face as breadwinners and primary caregivers without sufficient social infrastructure like paid family leave and affordable child or elder care. <sup>13</sup>
- **Immigration status:** With 33.5 percent of the Latina/o community born outside the United States, <sup>14</sup> immigration status poses a unique challenge in terms of access to good jobs, health care, and pandemic-related economic supports. <sup>15</sup>
- **Educational opportunity:** Latinas lag behind their White counterparts in educational attainment. About a quarter of Latinas (26.6 percent) hold a college degree compared

to about half of White women (51.4 percent) and more than one-in-four White men (44.3 percent). Because of difficulties accessing higher education opportunities, many Latinas are excluded from mid-to-high wage jobs that require a college degree. Before COVID-19, college enrollment was on the rise among Latinas, but since the start of the pandemic, Hispanic and Latina/o enrollment in higher education has fallen 5.4 percentage points.<sup>16</sup>

• **Union coverage:** Just 10.7 percent of Latina workers are represented by a union, compared to 14.6 percent of Black men, 13.3 percent of Black women, 12.2 percent of White men, and 11.7 percent of White women.<sup>17</sup> For Latinas, the wage advantage from union coverage is particularly high: Latinas covered by a union contract earn on average \$263 (or 38.5 percent) more per week than non-unionized Latinas, and union women have better employer-sponsored benefits.<sup>18</sup>

#### **EQUITY-FOCUSED POLICIES ARE NEEDED TO ACHIEVE EQUAL PAY**

Tackling the gender wage gap will require comprehensive policies that ensure essential service and care work are properly valued, discrimination is addressed and prevented, and all workers have access to living wages, paid leave, health care, and child and elder care. This will benefit Latina women and their families, strengthen communities, and change lives.

TABLE 1: Lating Women Earn Less than White Men in All States\*

Median Annual Wages and Ratio of Hispanic/Latina Women's to White Men's Wages, Full-Time Year-Round Workers, Aged 16 and Older						
State	Latina Women	White Men	Annual Earnings Gap	Earnings Ratio		
Alabama	\$26,634	\$53,268	\$26,634	50.0%		
Alaska	\$37,670	\$64,746	\$27,076	58.2%		
Arizona	\$31,294	\$59,351	\$28,057	52.7%		
Arkansas	\$25,899	\$47,871	\$21,972	54.1%		
California	\$33,394	\$79,902	\$46,508	41.8%		
Colorado	\$34,092	\$63,123	\$29,031	54.0%		
Connecticut	\$36,222	\$75,000	\$38,778	48.3%		
Delaware	\$34,730	\$59,447	\$24,717	58.4%		
District of Columbia	\$57,193	\$102,515	\$45,322	55.8%		
Florida	\$31,961	\$52,942	\$20,981	60.4%		
Georgia	\$28,000	\$57,361	\$29,361	48.8%		
Hawaii	\$40,000	\$60,000	\$20,000	66.7%		
Idaho	\$26,471	\$50,906	\$24,435	52.0%		
Illinois	\$31,961	\$64,746	\$32,785	49.4%		
Indiana	\$30,043	\$53,000	\$22,957	56.7%		
lowa	\$30,544	\$52,942	\$22,398	57.7%		
Kansas	\$28,000	\$53,955	\$25,955	51.9%		
Kentucky	\$28,889	\$49,000	\$20,111	59.0%		
Louisiana	\$32,400	\$59,660	\$27,260	54.3%		

### Median Annual Wages and Ratio of Hispanic/Latina Women's to White Men's Wages, Full-Time Year-Round Workers, Aged 16 and Older

State	Latina Women	White Men	Annual Earnings Gap	Earnings Ratio
Maine	\$35,477	\$50,718	\$15,241	69.9%
Maryland	\$35,460	\$75,537	\$40,077	46.9%
Massachusetts	\$37,769	\$74,576	\$36,807	50.6%
Michigan	\$32,331	\$55,399	\$23,068	58.4%
Minnesota	\$32,373	\$61,000	\$28,627	53.1%
Mississippi	\$26,000	\$50,061	\$24,061	51.9%
Missouri	\$30,544	\$50,906	\$20,362	60.0%
Montana	\$34,616	\$50,061	\$15,445	69.1%
Nebraska	\$29,424	\$52,942	\$23,518	55.6%
Nevada	\$31,961	\$58,595	\$26,634	54.5%
New Hampshire	\$36,222	\$60,490	\$24,268	59.9%
New Jersey	\$35,000	\$80,000	\$45,000	43.8%
New Mexico	\$32,331	\$58,595	\$26,264	55.2%
New York	\$39,000	\$69,000	\$30,000	56.5%
North Carolina	\$26,634	\$53,000	\$26,366	50.3%
Ohio	\$33,598	\$53,955	\$20,357	62.3%
Oklahoma	\$26,073	\$52,147	\$26,074	50.0%
Oregon	\$31,288	\$57,015	\$25,727	54.9%
Pennsylvania	\$31,500	\$57,361	\$25,861	54.9%
Rhode Island	\$32,580	\$62,576	\$29,996	52.1%
South Carolina	\$28,765	\$53,000	\$24,235	54.3%
South Dakota	\$29,000	\$48,560	\$19,560	59.7%
Tennessee	\$26,634	\$50,000	\$23,366	53.3%
Texas	\$30,000	\$66,053	\$36,053	45.4%
Utah	\$29,136	\$60,000	\$30,864	48.6%
Virginia	\$33,687	\$64,987	\$31,300	51.8%
Washington	\$32,000	\$66,748	\$34,748	47.9%
West Virginia	\$30,879	\$47,975	\$17,097	64.4%
Wisconsin	\$32,373	\$54,978	\$22,605	58.9%
Wyoming	\$34,417	\$57,015	\$22,598	60.4%

**Note:** \*Data available for 48 states and Washington, DC. Sample sizes were too small for statistical analysis in North Dakota and Vermont.

**Source:** IWPR analysis of 2014–2019 American Community Survey microdata (Integrated Public Use Microdata Series, Version 9.0).

This fact sheet was prepared by Eve Mefferd and Ariane Hegewisch. It was made possible with the support of the Ford Foundation, the JPMorgan Chase Foundation, and Pivotal Ventures, an investment and incubation company created by Melinda French Gates.

Photo credit: ferrantraite/Getty Images.

### **ENDNOTES**

- <sup>1</sup> This brief uses "Latina women" and "Latinas" to refer to women who self-identified as being of Hispanic, Latin, or Spanish origin in the American Community Survey.
- <sup>2</sup> Latina Equal Pay Day is based on full-time, year-round earnings and is typically determined at the end of the calendar year based on the previous year's earnings data. Because these data are released with a lag (2020 data were published only in September 2021), the 2021 Equal Pay Day date is based on earnings in 2019 when Latinas earned 55.4 percent of White men's median annual earnings for full-time year-round work. See Ariane Hegewisch and Eve Mefferd, Lost Jobs, Stalled Progress: The Impact of the "She-Cession" on Equal Pay, The Gender Wage Gap in 2020 (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/iwpr-publications/fact-sheet/lost-jobs-stalled-progress-the-impact-of-the-she-cession-on-equal-pay/">https://iwpr.org/iwpr-publications/fact-sheet/lost-jobs-stalled-progress-the-impact-of-the-she-cession-on-equal-pay/</a>.
- <sup>3</sup> The median is the midpoint in the earnings distribution, at which half of the population earn more, and half earn less. For the 48 contiguous states, 200% of the federal poverty level for a family of three is \$41,704. The federal poverty level is higher for Alaska and Hawaii. See U.S. Census Bureau, "Poverty Thresholds: by Size of Family and Number of Related Children Under 18 Years," (Washington, DC: U.S. Census Bureau, 2021), <a href="https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html">https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html</a>>.
- <sup>4</sup> Institute for Women's Policy Research, "The Gender Pay Gap, 1985 to 2020—with Forecast for Achieving Pay Equity, by Race and Ethnicity," Quick Figure, IWPR #Q101 (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/p/37317">https://iwpr.org/p/37317</a>>.
- <sup>5</sup> Jeff Hayes and C. Nicole Mason, *IWPR Women's Priorities and Economic Impact Survey*, (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/wp-content/uploads/2021/02/100-Days-Survey-FINAL.PUBLIC.pdf">https://iwpr.org/wp-content/uploads/2021/02/100-Days-Survey-FINAL.PUBLIC.pdf</a>>.
- <sup>6</sup> Ariane Hegewisch and Eve Mefferd, *The Gender Wage Gap by Occupation, Race, and Ethnicity 2020* (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/iwpr-issues/employment-and-earnings/the-gender-wage-gap-by-occupation-race-and-ethnicity-2020/">https://iwpr-issues/employment-and-earnings/the-gender-wage-gap-by-occupation-race-and-ethnicity-2020/</a>; 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), <a href="https://iwpr.org/iwpr-issues/employment-and-earnings/building-the-future-bold-policies-for-a-gender-equitable-recovery/">https://iwpr.org/iwpr-issues/employment-and-earnings/building-the-future-bold-policies-for-a-gender-equitable-recovery/</a>.
- <sup>7</sup> U.S. Census Bureau, "Estimates of the Total Resident Population and Resident Population Age 18 Years and Older for the United States, States, and Puerto Rico 2019" (Washington, DC: U.S. Census Bureau, 2019), < https://www.census.gov/data/tables/time-series/demo/popest/2010s-state-detail. html>.
- <sup>8</sup> Ana Gonzalez-Barrera and Mark Hugo Lopez, *Before COVID-19, Many Latinos Worried about Their Place in America and Had Experienced Discrimination* (Washington, DC: Pew Research Center, 2020) <a href="https://www.pewresearch.org/fact-tank/2020/07/22/before-covid-19-many-latinos-worried-about-their-place-in-america-and-had-experienced-discrimination/">https://www.pewresearch.org/fact-tank/2020/07/22/before-covid-19-many-latinos-worried-about-their-place-in-america-and-had-experienced-discrimination/</a>.
- <sup>9</sup> Elyse Shaw and Jessica Milli, *Climbing the Leadership Ladder: Women's Progress Stalls* (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/iwpr-publications/climbing-the-leadership-ladder-womens-progress-stalls/">https://iwpr.org/iwpr-publications/climbing-the-leadership-ladder-womens-progress-stalls/</a>.
- <sup>10</sup> Elyse Shaw, Ariane Hegewisch, Emma Williams-Baron, and Barbara Gault, *Undervalued and Underpaid in America: Women in Low-Wage, Female-Dominated Jobs* (Washington, DC: Institute for Women's Policy Research, 2016), <a href="https://iwpr.org/job-quality-income-security/undervalued-and-underpaid-in-america/">https://iwpr.org/job-quality-income-security/undervalued-and-underpaid-in-america/</a>; Ariane Hegewisch, Chandra Childers, and Heidi Hartmann, *Women, Automation, and the Future of Work* (Washington, DC: Institute for Women's Policy Research, 2019), <a href="https://iwpr.org/wp-content/uploads/2020/08/C476\_Automation-and-Future-of-Work.pdf">https://iwpr.org/wp-content/uploads/2020/08/C476\_Automation-and-Future-of-Work.pdf</a>.

- <sup>11</sup> Ryan Zamarripa and Lorena Roque, *Latinos Face Disproportionate Health and Economic Impacts from COVID-19* (Washington, DC: Center for American Progress, 2021), <a href="https://www.americanprogress.org/issues/economy/reports/2021/03/05/496733/latinos-face-disproportionate-health-economic-impacts-covid-19/">https://www.americanprogress.org/issues/economy/reports/2021/03/05/496733/latinos-face-disproportionate-health-economic-impacts-covid-19/</a>.
- <sup>12</sup> Jeff Hayes and C. Nicole Mason, *IWPR Women's Priorities and Economic Impact Survey*, (Washington, DC: Institute for Women's Policy Research, 2021), <a href="https://iwpr.org/wp-content/uploads/2021/02/100-Days-Survey-FINAL.PUBLIC.pdf">https://iwpr.org/wp-content/uploads/2021/02/100-Days-Survey-FINAL.PUBLIC.pdf</a>>.
- <sup>13</sup> Elyse Shaw, C. Nicole Mason, Valerie Lacarte, and Erika Jauregui, *Holding Up Half the Sky: Mothers as Workers, Primary Caregivers, & Breadwinners During COVID-19* (Washington, DC: Institute for Women's Policy Research, 2020), <a href="https://iwpr.org/wp-content/uploads/2020/07/Holding-Up-Half-the-Sky-Mothers-as-Breadwinners.pdf">https://iwpr.org/wp-content/uploads/2020/07/Holding-Up-Half-the-Sky-Mothers-as-Breadwinners.pdf</a>>.
- <sup>14</sup> IWPR analysis of U.S. Census Bureau, "Table B0300: Sex by Age by Nativity and Citizenship Status (Hispanic and Latino)" (Washington, DC: U.S. Census Bureau, 2021), <a href="https://data.census.gov">https://data.census.gov</a>.
- <sup>15</sup> Hamutal Bernstein, Michael Karpman, Dulce Gonzalez, and Stephen Zuckerman, *Immigrant Families Hit Hard by the Pandemic May Be Afraid to Receive the Help They Need* (Washington, DC: Urban Institute, 2021), <a href="https://www.urban.org/urban-wire/immigrant-families-hit-hard-pandemic-may-be-afraid-receive-help-they-need">https://www.urban.org/urban-wire/immigrant-families-hit-hard-pandemic-may-be-afraid-receive-help-they-need</a>.
- Marshall Anthony, Jr., Andrew Howard Nichols, and Wil Del Pilar, A Look at Degree Attainment Among Hispanic Women and Men and How COVID-19 Could Deepen Racial and Gender Divides (Washington, DC: The Education Trust, 2021), <a href="https://edtrust.org/resource/a-look-at-degree-attainment-among-hispanic-women-and-men-and-how-covid-19-could-deepen-racial-and-gender-divides/">https://edtrust.org/resource/a-look-at-degree-attainment-among-hispanic-women-and-men-and-how-covid-19-could-deepen-racial-and-gender-divides/</a>>.
- <sup>17</sup> U.S. Bureau of Labor Statistics, "Table 1. Union Affiliation of Employed Wage and Salary Workers by Selected Characteristics, 2019–2020 Annual Averages" (Washington, DC: U.S. Department of Labor, 2021), <a href="https://www.bls.gov/news.release/union2.t01.htm">https://www.bls.gov/news.release/union2.t01.htm</a>.
- <sup>18</sup> Chuxuan Sun, Acadia Hall, and Elyse Shaw, *Stronger Together: Union Membership Boosts Women's Earnings and Economic Security* (Washington, DC: Institute for Women's Policy Research 2021), < https://iwpr.org/iwpr-publications/stronger-together-union-membership-boosts-womens-earnings-and-economic-security/>.

### **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.

