

America's Women and the Wage Gap Fact Sheet – February 2025

The gender wage gap is a measure of just how far our nation still must go to ensure that women can participate fully and equally in our economy. In 2023 women working full-time year-round earned 84 cents to the dollar that white, non-Hispanic men earn resulting in a pay gap of 16%. *In 2024 women earned 83 cents or a slide of one cent... the first time the pay gap increased since 2003.* (*AAUW*). The wage gap is wider for women of different racial-ethnic groups. The current figure leaves out almost 29 million women workers.

The omission reflects many factors—including occupational segregation, societal expectations (including those around caregiving and which occupations are worthy of higher pay), lack of support for caregiving and lack of control over work hours—that mean women are more likely than men to be in part-time or certain seasonal jobs. The wage gap varies by state, congressional district, and spans every corner of the country.

Progress on the wage gap has stalled over the past decade, even with a number of protections for women in place. If the wage gap keeps closing at the same pace since 2000, women workers will not reach pay parity with men until 2088. The timelines are much longer for most marginalized groups of women: for Native Americans 2144, for Latinas 2207, and for Black women 2362.

What Does the Wage Gap Mean for America's Women?

On the average, women employed in the U.S. lose a combined total of almost **\$1.7 trillion** every year due to the wage gap. This means women and their families have less money to support themselves, invest for the future and spend on goods and services.

If the annual gender wage gap were eliminated, currently women (for one year) could afford:

- 15 more months of food
- **13** more months of childcare
- **39** more months to pay off student loans
- 7 more months of mortgage payments, and
- 7 more months of health insurance premiums

Choices Cannot Explain the Wage Gap

- The wage gap persists regardless of industry
 - \Rightarrow In the health care and social assistance industries women are paid 70 cents.
 - \Rightarrow In the retail trade industries, 75 cents: in manufacturing 77 cents.
- The wage gap is present within occupations.
 - \Rightarrow In office and administrative support women are paid 90 cents.
 - \Rightarrow In education and management, 74 cents
 - \Rightarrow In health care,72 cents.
 - \Rightarrow In transportation and material moving, 70 cents.
 - \Rightarrow In sales occupations, 55 cents
- The wage gap worsens with age.
 - \Rightarrow Women ages 15-24 face a 20-cent wage gap, which grows to 27 cents at 45-64 years old.
 - \Rightarrow Women ages 35-44 finds the wage gap worsens, when children and caregiving demands increase.
- The wage gap exists regardless of education level.
 - ⇒ Women with master's degrees are paid just 73 cents and paid less than men with bachelor's degrees.
 - \Rightarrow Women with associate degrees are paid less than men with a high school diploma.

Women, Families and America Cannot Afford Discrimination and Lower Wages

- In the U.S. mothers are breadwinners in 40% of families with children under 18 each year--and about 70% will be the primary earner at some point in their first 18 years of motherhood.
- 48% of white mothers, 49% of Latina mothers, 79% of Black mothers, 64% of Native American mothers and 43% of Asian/Pacific Islander mothers are breadwinners. Yet the wage gap for mothers is larger than for women overall. Mothers overall are paid just 62 cents; comparing just full-time, year-round workers, mothers are still paid only 74 cents.
- More than 36 million American households are headed by women, with more than 6 million contain children under 18. More than 8.4 million of those households, including two million with minor children have incomes that fall below the poverty level (\$15,070). *Eliminating the wage gap would provide much-needed income to sustain the household.*
- 70% of mothers with children under 18 are worried their total family income will not be enough to meet their family's expenses and pay their bills-*something that equal pay could help alleviate.*

America's Women Are Concerned About Drivers of the Wage Gap, including Unfair Pay

- Women consider equal pay a top issue. 81% of women think that strengthening equal pay laws are "very" or "somewhat" important. 69% of men agreed. 72% of women supported protecting employees' right to discuss their salaries, & 69% of women wanted to require employers to improve enforcement.
- Less than one-third of women believe they are paid fairly. Just 30% of women in U.S. workforce said they were very sure men and women were paid equally. 58% of women said they had faced gender or racial discrimination or barriers to a better job.
- Women want Congress to enact policies that would help close the wage gap. 87% of women voters supported paid family and medical leave for all workers. 84% supported access to high-quality, affordable childcare. 82% supported increasing wages for tipped workers, 77% supported raising the minimum wage to \$15 per hour, and 77% supported providing access to comprehensive health care.

A Path Toward Closing the Wage Gap

Together the following federal policy solutions would help to close the wage gap between women and men. It would ensure that women and all working people are (a) free from wage and employment discrimination, (2) have support to meet their responsibilities at work and at home, and (3) have the tools to be able to decide whether and when to become a parent or grow their family.

- Fair pay protections and practices. The Paycheck Fairness Act would protect more workers from discriminatory pay, prohibit employers from retaliating against employees who discuss their wages, and make it easier to demonstrate that discrimination has occurred, and prohibit screening of job applicants based on their salary histories.
- A higher minimum wage and elimination of the tipped minimum wage. The *Raise the Wage Act* would increase the federal minimum wage to \$17 an hour by 2030. Greater access to overtime pay through updated U.S. Dept. of Labor regulations would help make wages fairer for millions of working people.
- Full funding for federal agencies that investigate and enforce fair pay. Enforcement of the *Equal Pay Act*

and *Title VII of the Civil Rights Act* including tools like the EEOC Component 2 pay data collection, are critically important to uncovering and eliminating discriminatory workplace practices that harm women.

- Stronger protections against and remedies for workplace harassment. The Ending the Monopoly of Power Over Workplace Harassment through Education and Report (EMPOWER ACT) would address certain issues related to workplace harassment. The Be Heart Act addresses all forms of harassment and discrimination by expanding protections to workers who have historically been excluded.
- Family friendly workplace standards. The *Healthy Families Act* would allow workers to earn jobprotected paid or unpaid sick days. The *Family Act* would create a national paid family and medical leave program, regardless of gender to address serious health and caregiving needs, thereby keeping women attached to the workforce which is essential for retention and advancement.
- Stronger protections for workers' right to organize. Unions have been proven to provide women with higher wages and better benefits and to close gender and racial wage gaps. The *Protecting the Right to Organize (PRO) Act* would strengthen workers' ability to unionize and bargain collectively, impose stronger remedies when employers interfere, and address employers' misclassification of workers as contractors which denies them the opportunity to organize.
- Comprehensive reproductive health care. Access to comprehensive reproductive health care, including abortion care and contraceptives, allows women to plan and control their lives, enabling them to pursue education and career opportunities, and can increase workforce attachment and wages over time. Increased funding for Title X America's family planning program, and reverse state abortion bans that force people to travel great distances/costs to access care they need, are critical to ensure women get the reproductive health care they need.

Information presented is from <u>America's Women and the</u> <u>Wage Gap, September 2024</u> unless otherwise noted. The complete document is available from the National Partnership for Women and Families.