# Women's Earnings and the Gender Wage Gap in the Washington Region



STAND TOGETHER. SO SHE CAN STAND ON HER OWN

Women 16 years and older working full-time, year-round earn about 84 cents for every dollar men earn in the Washington region.





\$57,000

\$68,000

April 14, Equal Pay Day, symbolizes on average how far into the new year women in the United States have to work to earn what men did the previous year. Nationwide the gender wage gap is 21.7 percent.1

The wage gap has been narrowing due to women's progress in education and workforce participation.

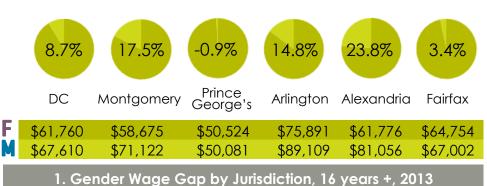
However, at the current rate of progress, the gap will not close until the year 2058.<sup>2</sup>

More than ever, families rely on women's earnings to make ends meet. In the Washington region, 72 percent of mothers with young children participate in the workforce and, nationwide, 40 percent of mothers are either the sole or primary breadwinner in their households.<sup>3</sup> Equal pay would reduce poverty levels among women, and would increase every woman's ability to provide for herself and her family.

Here are some of the key facts you need to know about the gender wage gap in our region:

## Median Earnings Differ Substantially by Jurisdiction

In jurisdictions where earnings are low across the board, such as in Prince George's County, the gender gap narrows or even disappears. However, in jurisdictions with a higher concentration of high-paying occupations, such as in the city of Alexandria, the gap widens. Men are more likely to take these jobs, and women —with highly-paid partners— are more likely to take jobs that offer more flexibility in lieu of higher earnings, skewing the gap.



The Women's Foundation analysis of the American Community Survey, 2013

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With Time the Gender Wage Gap Becomes a Retirement Gap

The gender wage gap has long-term consequences. A lifetime of lower earnings, stemming in part from wage inequality, results in a "retirement gap" —one of the major factors increasing the incidence of poverty among elder women— and delayed retirement.<sup>4</sup>

### Occupational Segregation and the Gender Wage Gap

Women are concentrated in jobs with lower wages; still, the gender wage gap is not solely a direct result of women's employment choices. Women are paid less than men in nearly every occupation<sup>5</sup> (for examples, see table 2). Research has shown that occupational segregation alone cannot explain the gap. Other factors that influence the disparity in earnings include labor force experience, age, industry, educational attainment, race, traditions, and union status. However, after controlling for all these factors and more, about 41 percent of the gender wage gap still cannot be explained, suggesting that the disparity might result from gender based-discrimination.<sup>6</sup>



The Women's Foundation analysis of the American Community Survey, 2013

### The Gender Wage Gap Affects All Women

For women of color, the disparity is much worse. Black women are paid 53 cents and Latina women are paid just 33 cents for every dollar paid to White, non-Hispanic men in the Washington region. Earnings from white, non-Hispanic men serve as the benchmark because this group comprises the largest share of workers in the labor force, and have been historically the group with higher earnings.



3. Gender Wage Gap by Race and Ethnicity, 16 years +, 2013

The Women's Foundation analysis of the American Community Survey, 2013

# Education Alone Is Not Enough to Close the Gender Wage Gap

Education increases women's earnings. In our region, women with a bachelor's degree earn twice as much as women who graduated with a high school diploma. Yet, women at every level of educational attainment earn less than men, and the gap is largest among those with higher levels of educational attainment, suggesting that education alone does not reduce earnings disparity between men and women. Figures below show that on average, women require more years of education than their male counterparts to achieve the same level of median annual earnings.

	Women	Men	Gender Wage Gap
Graduate or professional degree Bachelor's degree Some college or associate's degree High school graduate	\$74,772 \$54,425 \$36,840 \$27,130	\$104,354 \$73,937 \$45,378 \$33,488	28.3% 26.4% 18.8% 19.0%
4. Gender Wage Gap by Education, 25+, 2013			

On average, in our region, women with a graduate or professional degree earn about the same as men with only a bachelor's degree.

American Community Survey, 2013 accessed through Social Explorer

Despite women's increasing levels of education and participation in the workforce, their earnings continue to lag behind men's earnings in the region and nationwide. Women's earnings are essential for the economic security of families and communities. If progress continues at the current rate, it will take another 43 years before women achieve pay equity.<sup>7</sup>

This fact sheet was prepared by Claudia Williams, Research and Evaluation Program Officer at the Washington Area Women's Foundation.

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<sup>1</sup>Hegewisch, A., Ellis, E., & Hartmann, H. (2015). The Gender Wage Gap: 2014; Earnings Differences by Race and Ethnicity. *Institute for Women's Policy Research*. Retrieved March 27, 2015 from http://www.iwpr.org/publications/pubs/the-gender-wage-gap-2014-earnings-differences-by-race-and-ethnicity

<sup>2</sup>Hess, C., & Hegewisch. (2015). The Status of Women in the States 2015: Employment and Earnings. *Institute for Women's Policy Research*. Retrieved March 27, 2015 from http://statusofwomendata.org/app/uploads/2015/02/EE-CHAPTER-FINAL.pdf

<sup>3</sup>Wang, W., Parker, K., &Taylor, P. (2013). Breadwinner Moms. Mothers Are the Sole or Primary Provider in Four-in-Ten Households with Children; Public Conflicted about the Growing Trend. *Pew Research Center*. Retrieved March 27, 2015 http://www.pewsocialtrends.org/files/2013/05/Breadwinner\_moms\_final.pdf

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<sup>5</sup>Hegewisch, A., Liepmann, H., Hayes, J., & Hartmann, H. (2010). Separate and Not Equal? Gender Segregation in the Labor Market and the Gender Wage Gap. *Institute for Women's Policy Research*. Retrieved March 27, 2015 from http://www.iwpr.org/publications/pubs/separate-and-not-equal-gender-segregation-in-the-labor-market-and-the-gender-wage-gap

<sup>6</sup>Blau, F., & Kahn, L. (2007). The Gender Pay Gap: Have Women Gone as Far as They Can? *Academy of Management Perspectives*, 21 (1), 7–23. doi:10.5465/AMP.2007.2428616

<sup>7</sup>Hess, C., & Hegewisch. (2015). The Status of Women in the States 2015: Employment and Earnings. *Institute for Women's Policy Research*. Retrieved March 27, 2015 from http://statusofwomendata.org/app/uploads/2015/02/EE-CHAPTER-FINAL.pdf

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