WOMEN'S EARNINGS AND THE GENDER WAGE GAP



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April 10, Equal Pay Day in 2018, symbolizes on average how far into the New Year women in the United States have to work to earn what men earned the previous year. Nationwide the gender wage gap is 19.5 percent.¹



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

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 in the United States will not close until the year 2059.²

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.³ 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 the Washington 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 where inhabitants hold higher paying occupations, such as Fairfax County, the gap widens. Men are more likely to take higher paying 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.4

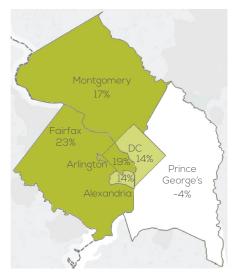


Fig 1. Gender Wage Gap by Jurisdiction, Year-Round, Full-Time Workers, 16 years +, 2016 The Women's Foundation's Analysis of the American Community Survey, 2016

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The Gender Wage Gap Affects All Women

For women of color, the disparity is much larger. Black women are paid as little as 42 cents and Latina women are paid just 27 cents for every dollar paid to White, non-Hispanic men in Fairfax County, the jurisdiction with the greatest wage gap by race and ethnicity 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.

If the pace of change in closing the gap remains the same, women of color in the United States will not see equal pay until the year 2124 for Black women and 2233 for Latina women. Latina women face an exceptionally slow pace of progress, lagging almost two centuries behind White women (2056).

Jurisdiction	White	Black	Latina	Asian	All
District of Columbia	18%	52%	57%	22%	22%
Montgomery	21%	51%	67%	35%	35%
Prince George's	15%	19%	61%	11%	11%
Arlington	21%	44%	34%	26%	26%
Fairfax	22%	47%	66%	41%	41%
Alexandria	18%	58%	73%	44%	44%

Fig 2. Gender Wage Gap by Race and Ethnicity, Year-Round, Full-Time Workers, 16 years +, 2016

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 (\$57,578) earn twice as much as women who graduated with a high school diploma (\$26,119).

Jurisdiction	High School	Some College	Bachelor's Degree	Graduate Degree
District of Columbia	14%	9%	27%	19%
Montgomery	28%	20%	33%	29%
Prince George's	18%	17%	0%	10%
Arlington	21%	16%	30%	30%
Fairfax	30%	17%	33%	32%
Alexandria	14%	21%	31%	28%

Fig 3. Gender Wage Gap by Educational Attainment 25 years +, 2016

The Women's Foundation's Analysis of the American Community Survey, 2016

Yet, women at every level of educational attainment earn less than men, suggesting that education alone does not reduce earnings disparity between men and women. Figures above show that on average, women require more years of education than their male counterparts to achieve the same level of median annual earnings.

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.⁶

Gender Equity is not Only about Closing the Wage Gap

A lifetime of lower earnings also impacts women's ability to own wealth—in the U.S. single women own only 32 cents for every dollar their counterparts own. The disparity is even greater for women of color. Single Black and Latina women own only one cent on the dollar compared to single White men.⁷

Women have seen little improvement in earnings and wealth in the past decade. The gender wage gap not only affects family's paychecks but also slows down the growth of the economy. Access to good jobs and to affordable high-quality early care and education can accelerate progress for women in the Washington region.

Jurisdiction	White	Black	Latina	Asian	All
District of Columbia	79,508	46,448	41,633	76,213	64,908
Montgomery	80,816	50,271	33,130	66,268	61,676
Prince George's	60,346	57,526	27,927	63,349	53,621
Arlington	84,796	60,756	70,723	80,197	80,167
Fairfax	80,199	54,445	35,005	60,158	64,782
Alexandria	82,104	42,074	27,433	56,114	66,443

Fig 4. Women's Earnings by Race and Ethnicity, Year-Round, Full-Time Workers, 16 years +, 2016

The Women's Foundation's Analysis of the American Community Survey, 2016

Jurisdiction	High School	Some College	Bachelor's Degree	Graduate Degree	All
District of Columbia	27,248	34,067	56,371	78,086	52,047
Montgomery	24,018	36,802	52,278	78,111	47,189
Prince George's	31,353	41,796	59,127	76,477	44,436
Arlington	24,293	31,812	61,946	85,818	65,641
Fairfax	25,266	38,591	58,417	80,940	51,054
Alexandria	24,538	36,487	57,330	80,368	51,726

Fig 5. Women's Earnings by Educational Attainment, 25 years +, 2016

The Women's Foundation's Analysis of the American Community Survey, 2016

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

References

¹ Hegewisch, A., & Williams-Baron, E. (2018). The Gender Wage Gap: 2017; Earnings Differences by Race and Ethnicity. Institute for Women's Policy Research. Retrieved April 5, 2018 from https://iwpr.org/publications/gender-wage-gap-2017-race-ethnicity/; The weekly gender earnings ratio is one measure of the gender wage gap. In this fact sheet we use the more commonly cited ratio that compares women's and men's median annual earnings for full-time year-round workers, 16 years and over.

² Institute for Women's Policy Research. (2017). Women's Median Earnings as a Percent of Men's, 1985-2016 (Full-time, Year-Round Workers) with Projection for Pay Equity, by Race/Ethnicity. Institute for Women's Policy Research. Retrieved April 5, 2018 from https://iwpr.org/publications/womens-median-earnings-1985-2016/

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