Fair Pay Is Crucial for All Women

The wage gap hits some groups of women especially hard.

• Women of color are paid less than white, non-Hispanic men
  - The typical African-American woman working full time, year round makes only 64 cents for every dollar paid to her white, non-Hispanic male counterpart. For Hispanic women this figure is only 55 cents.¹

• Lesbian women earn less than men, regardless of their sexual orientation.²
  - Women in same-sex couples have a median personal income of $38,000, compared to $47,000 for men in same-sex couples and $48,000 for men in different-sex couples.³
  - Lesbian women are far more likely than gay men to support children – 49 percent of lesbian and bisexual women report having a child compared to 19 percent of gay and bisexual men.⁴

• The wage gap impacts single women with no children as well, who are also working to support themselves.
  - The typical never-married woman with no children working full time, year round is paid 72.9 percent of what a man working full time, year round is paid.⁵

TERMS

American women who work full time, year round are paid only 77 cents for every dollar paid to their male counterparts.² This gap in earnings translates into $11,084 less per year in median earnings, leaving women and their families shortchanged. Although enforcement of the Equal Pay Act and civil rights laws has helped narrow the wage gap over time, addressing the significant pay disparities that remain is critical for women and their families.

NOTES

What closing the wage gap would mean to me this year.¹

• Four months’ supply of groceries $2,447
• Four months’ rent and utilities $3,380
• Four months’ child care payments $2,531
• Two months’ health insurance premiums $660
• Six months’ student loan payments $1,837
• Four tanks of gas $229

Total: $11,084
• Women with disabilities have a wider wage gap than the wage gap between women and men overall.

• The typical woman with a disability working full time, year round is paid just 70.8 percent of what a man without a disability working full time, year round is paid.

• The typical woman with a disability working full time, year round is paid just 81.0 percent of what her male counterpart with a disability is paid.

• The wage gap impacts women as soon as they enter the labor force, expands over time, and leaves older women with a gap in retirement income.

• The wage gap is smaller for younger women than older women, but it begins right when women enter the labor force. The typical 15-24 year old woman working full time, year round is paid just 92.2 percent of what her male counterpart is paid. Among older women, the gap is even larger. The typical 45-64 year old woman working full time, year round is paid just 72.8 percent of what her male counterpart is paid. For women still working at age 65 and older the figure is 72.1 percent.

• A typical woman who worked full time, year round would lose $443,360 in a 40-year period due to the wage gap. This woman would have to work almost twelve years longer to make up this gap. A typical woman working full time, year round who starts, but does not finish high school would lose $372,400 over a 40-year period, an enormous amount of money for women who are typically paid $21,113 a year. This woman would have to work over seventeen years longer to make up this gap.

• As a result of lower lifetime earnings and different work patterns, the average Social Security benefit for women 65 and older was about $12,700 per year, compared to $16,700 for men of the same age in 2011.

• In 2010, women 50 and older received only 56 cents for every dollar received by men in income from pensions and annuities. One study found that the typical woman worker near retirement with a defined contribution plan or individual retirement account had accumulated $34,000 in savings, while her male counterpart held $70,000 – more than twice as much.

Women and their Families Count on Women’s Earnings

In 2011, women working full time, year round typically had lower earnings than men ($37,118 compared to $48,202). Women’s lower wages hurt women and families who rely on women’s earnings for all or part of their income.

• Lower earnings have a serious impact on the economic security of the over 7.5 million families headed by working single mothers.

• Working single mothers with children struggled to make ends meet in 2011. Over a quarter, or almost 2.2 million, of all such families were poor. Almost an additional 2.5 million working single mother families were on the edge of poverty, falling between 100 and 200 percent of the Federal Poverty Level (FPL), meaning that a majority (62.0 percent) of working single mother families lived under 200 percent of the FPL. In 2011, the FPL for a single mother with two children was just $18,123.

• Most two-parent families depend on women’s wages, and so also suffer when women receive unfair pay.

• Nearly 1.6 million married couples with children relied exclusively on women’s earnings at some point in 2011, representing 6.6 percent of all married couples with children.

• In 2011, more than 13.9 million married couples with children relied on both parents’ earnings, representing 58.7 percent of all married couples with children.

• Fair pay impacts married women with no children who are more likely to be solely supporting their family than married women with children.

• Nearly 4.1 million married couples with no children relied exclusively on women’s earnings at some point in 2011, representing 11.5 percent of all married couples with no children.

• In 2011, almost 13.9 million married couples with no children relied on both partners’ earnings, representing 39.4 percent of all married couples with no children.
Closing the Wage Gap Would Significantly Improve Families' Finances

Women have higher rates of economic insecurity than do men. In 2011, women were more likely to live in poverty (14.6 percent of women compared to 10.9 percent of men). Women are thus more likely to rely on public benefits like Medicaid, the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), and housing assistance. Bringing women's earnings in line with men's earnings would greatly improve the economic situation for women and their families. An additional $11,084 per year is enough to:

. . . pay the median cost of rent and utilities for a year and one month with almost $100 to spare, or the median mortgage payment and utilities for almost eleven months,

. . . or feed a household of four for a year and a half with more than $70 to spare,

. . . or pay a household of four for a year and a half with more than $70 to spare,

. . . or pay for two years and nine months of family health insurance premiums in an employer-sponsored health insurance program with almost $190 to spare.

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Women spend a substantial amount of their income on out-of-pocket health costs and health insurance premiums, and they are more likely than men to experience serious financial hardship as a result of medical bills. In 2010, the most recent year for which these statistics are available, one-third of working-age women spent 10 percent or more of their income on these expenses, and nearly one-third of women who had medical bill or debt problems were unable to pay for basic necessities like food, heat, or rent because of their medical bills. Closing the wage gap would provide essential help for women to pay for their medical expenses.

. . . or pay for three years of student loan payments with more than $60 to spare.

Student loan payments can consume a considerable portion of a woman's earnings, especially in the years immediately following post-secondary education. In 2011, it is estimated that two-thirds of college seniors graduated with student loan debt. The average debt was $26,600. Closing the wage gap would enable women to pay down student loan debt much faster.

Every Woman Matters.
Every Dollar Matters.
The Wage Gap Matters.
HOW THE WAGE GAP HURTS WOMEN AND FAMILIES • FACT SHEET

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25 Supra note 1 – Rent and Utilities. Median housing cost for owners was $1,008 per month.


Data are from the 2012 Year-End Foreclosure Report.

27 Supra note 1 – Groceries.


30 Supra note 1 – Child Care.

31 Ibid. at Appendix 3.


33 Supra note 1 – Health Insurance Premiums.


35 Supra note 1 – Loan Payments.

36 Ibid. Estimates are for students at public and private nonprofit four year colleges only; does not include for-profit colleges.