



Fact Sheet

IWPR #C433

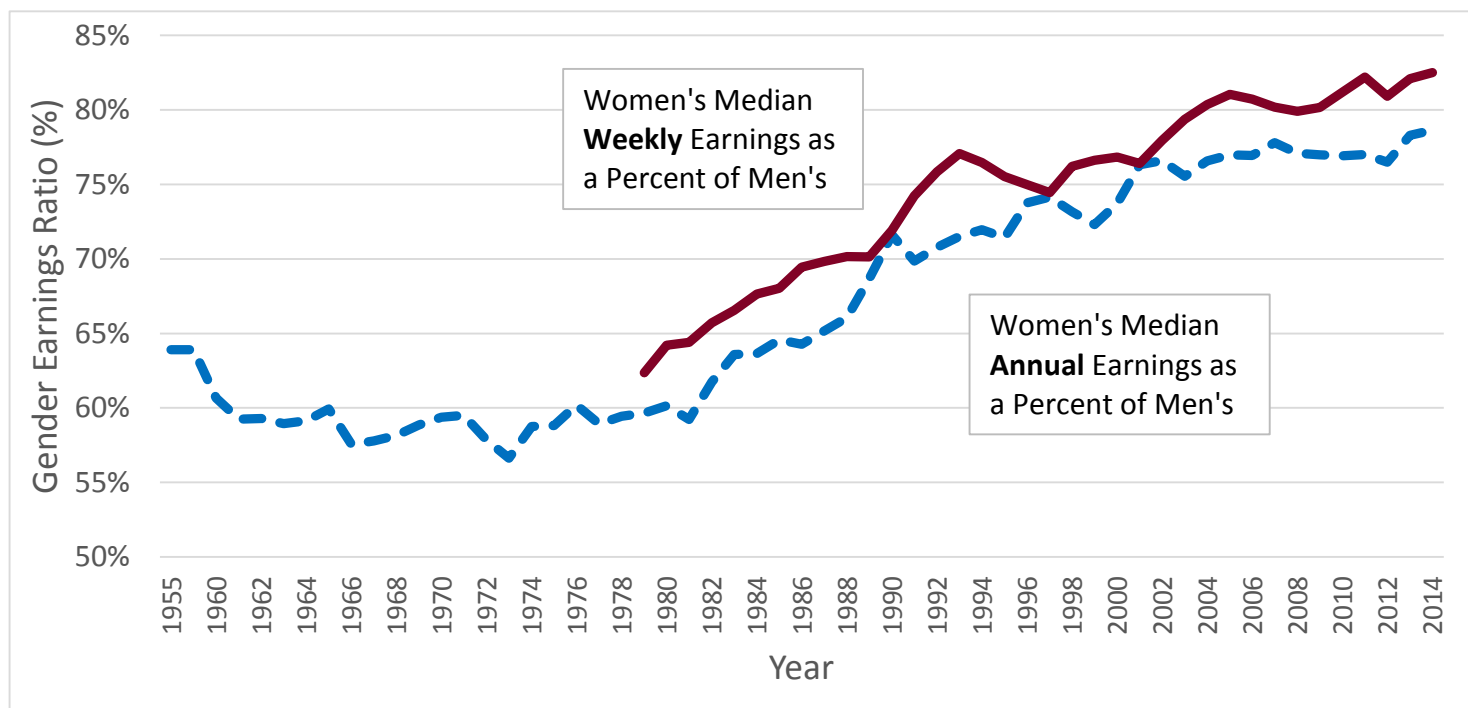
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The Gender Wage Gap: 2014

The ratio of women's and men's median annual earnings was 78.6 percent for full-time/year-round workers in 2014. This means the gender wage gap for full-time/year-round workers is 21.4 percent. Women's median annual earnings in 2014 were \$39,621 compared with \$50,383 for men. Neither women's nor men's earnings significantly improved compared to 2013. If the pace of change in the annual earnings ratio continues at the same rate as it has since 1960, it will take another 45 years, until 2059, for men and women to reach parity.¹

An alternative measure of the wage gap, the ratio of women's to men's median weekly earnings for full-time workers—was 82.5 percent in 2014. The annual gender earnings ratio for full-time year-round workers, which includes self-employed workers, tends to be slightly lower than the ratio for weekly earnings (which excludes the self-employed, and earnings from annual bonuses, and includes full-time workers who work only part of the year). Unlike the annual earnings data series, the weekly earnings data showed a marginal improvement in 2014 (Figure 1).

Figure 1. The Gender Earnings Ratio, 1955-2014, Full-Time Workers



Notes: See Table 2

Both earnings ratios (for weekly full-time workers and for year-round full-time workers) reflect gender differences in both hourly wages and the number of hours worked each year (among full-time workers); 61.1 percent of women workers worked full-time, year round in 2014, compared with 73.9 percent of male workers.² If part-time and part-year workers were included, the ratios of women's to men's earnings would be lower, as women are more likely than men to work reduced schedules, often in order to manage childrearing and other caregiving work. Women are also more likely than men to work in occupations where fewer jobs are offered on a full-time basis or have varying hours from week to week.³

Real median earnings for full-time, year-round workers were unchanged for both women and men.⁴ Hispanic women's inflation adjusted earnings declined by 2.8 percent in between 2013 and 2014, Asian women's earnings increased by 2.2 percent, and the earnings of white and black women changed by less than 1 percent.

As illustrated in Table 1, women of all major racial and ethnic groups earn less than men of the same group. Black and Hispanic workers of both sexes earn considerably less than white and Asian American workers; as a result, the gender earnings ratios using earnings of men of the same background are higher than the ratios using white men's earnings (or the ratio for all races considered together). Yet, when the gender earnings ratio is measured using white men's earnings as the comparison it shows marked disadvantage for Hispanic/Latina and black women. Black women's median annual earnings were only 59.8 percent and Hispanic/ Latina women's only 54.6 percent of the white men's median annual earnings (Table 1). Median earnings for a year of full-time work for Hispanic women are below the qualifying income threshold for eligibility of food stamps; in 2014 this was \$31,499 per year, 130 percent of the federal poverty threshold, for a family of four.⁵

Asian American workers as a group have the highest median annual earnings, primarily because of historically higher rates of educational attainment for both genders; relative to Asian American men, Asian American women earn only 81.9 percent in 2014 (Table 1).

Table 1. Median Annual Earnings and Gender Earnings Ratio for Full-Time Workers, Year Round Workers age 15 Years and Older by Race/Ethnic Background, 2013 and 2014

Racial/ Ethnic Background*	2014				2013 (in 2014 dollars)-**			
	Women (\$)	Men (\$)	Female Earnings as % of Male Earnings of Same Group	Female Earnings as % of White Male Earnings	Women (\$)	Men (\$)	Female Earnings as % of Male Earnings of Same Group	Female Earnings as % of White Male Earnings
All Races/ Ethnicities	39,621	50,383	78.6%	-	39,427	50,834	77.6%	-
White	41,822	55,470	75.4%	75.4%	41,911	56,046	74.8%	77.4%
Black	33,187	40,624	81.7%	59.8%	32,936	39,727	82.9%	58.8%
Asian American	46,274	56,525	81.9%	83.4%	45,273	58,103	77.9%	80.8%
Hispanic or Latino	30,293	34,535	87.7%	54.6%	31,165	32,610	95.6%	55.6%

Notes: *White alone, not Hispanic; black alone or in combination (may include Hispanic); Asian American alone or in combination (may include Hispanic); and Hispanic/Latina/o may be of any race. **The 2014 CPS ASEC included redesigned income questions. Estimates presented for 2013 are based on the portion of the 2014 CPS ASEC sample which received the income questions consistent with the 2014 CPS ASEC; see DeNavas-Walt and Proctor (2015) for an explanation of methodology. Also see note in Table 2.

Source: U.S. Census Bureau, Current Population Survey. 2015. "Historical Income Tables: Table P-38. Table P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1987 to 2014. <<http://www.census.gov/hhes/www/income/data/historical/people/>>

Closing the wage gap is not a zero-sum game – gains for one gender do not require losses for the other. For the gender wage gap to close, women's real wages must rise faster than men's, and as the economy becomes more productive, one would expect real wages to rise for both men and women. Yet, as can be seen from Table 2, since 1980 real wages for men have remained virtually unchanged, while women's real earnings have increased across the same time period (but not in the past decade). Over the same period, women's earnings have become increasingly important to family incomes.

Table 2. The Gender Wage Ratio and Real Earnings, 1955-2014, Full-Time Workers

Year	Median Annual Earnings (2014 dollars) Full-time, Year Round Workers			Median Usual Weekly Earnings (2014 dollars) Full-time, Wage and Salary Workers		
	Women (46,246 mil)	Men (62,466 mil)	Female-to-male earnings ratio	Women (47,076 mil)	Men (59,450 mil)	Female-to-male earnings ratio
1955			63.9%			
1960	22,792	37,565	60.7%			
1965	25,168	41,999	59.9%			
1970	28,972	48,801	59.4%			
1975	30,033	51,061	58.8%			
1980	30,640	50,930	60.2%	\$549	\$855	64.2%
1981	29,985	50,621	59.2%	\$547	\$849	64.4%
1982	30,666	49,665	61.7%	\$564	\$859	65.7%
1983	31,467	49,481	63.6%	\$569	\$856	66.5%
1984	32,088	50,407	63.7%	\$575	\$852	67.5%
1985	32,794	50,785	64.6%	\$581	\$855	68.0%
1986	33,465	52,069	64.3%	\$600	\$864	69.4%
1987	33,725	51,743	65.2%	\$604	\$865	69.8%
1988	33,868	51,277	66.0%	\$605	\$863	70.1%
1989	34,612	50,401	68.7%	\$605	\$863	70.1%
1990	34,836	48,643	71.6%	\$608	\$845	72.0%
1991	34,853	49,891	69.9%	\$620	\$835	74.2%
1992	35,351	49,941	70.8%	\$628	\$828	75.8%
1993	35,098	49,074	71.5%	\$634	\$823	77.0%
1994	35,104	48,777	72.0%	\$631	\$825	76.5%
1995	34,729	48,621	71.4%	\$626	\$829	75.5%
1996	35,637	48,313	73.8%	\$628	\$837	75.0%
1997	36,741	49,542	74.2%	\$634	\$852	74.5%
1998	37,541	51,306	73.2%	\$661	\$867	76.2%
1999	37,404	51,724	72.3%	\$673	\$878	76.6%
2000	37,752	51,210	73.7%	\$678	\$881	76.9%
2001	39,066	51,180	76.3%	\$685	\$896	76.4%
2002	39,745	51,886	76.6%	\$696	\$894	77.8%
2003	39,548	52,348	75.5%	\$710	\$894	79.4%
2004	39,154	51,131	76.6%	\$719	\$893	80.4%
2005	38,620	50,171	77.0%	\$709	\$876	81.0%
2006	38,179	49,623	76.9%	\$704	\$872	80.8%
2007	40,080	51,511	77.8%	\$701	\$875	80.1%
2008	39,305	50,985	77.1%	\$701	\$878	79.9%
2009	40,030	52,001	77.0%	\$725	\$904	80.2%
2010	40,055	52,068	76.9%	\$727	\$894	81.3%
2011	39,073	50,740	77.0%	\$720	\$875	82.2%
2012	38,967	50,936	76.5%	\$712	\$880	80.9%
2013*	39,427	50,834	78.3%	\$718	\$874	82.1%
2014	39,621	50,383	78.6%	\$719	\$871	82.5%

Notes for Figure 1 and Table 2: Annual earnings data include self-employed workers; weekly data are for wage and salary workers only. Annual earnings are for people 15 years old and older beginning in 1980 and people 14 years old and older as of the following year for previous years. Before 1989 annual earnings are for civilian workers only. Weekly earnings are for full-time civilian workers aged 16 and older in and are not restricted to full-year workers. Full-time is work for at least 35 hours per week, full-year for at least 50 weeks per year. The annual average of weekly median earnings is usually released in February by the U.S. Bureau of Labor Statistics. Annual median earnings data are typically released in September by the U.S. Census Bureau. Both data series are derived from the Current Population Survey. Adjustments for data from earlier years to 2014 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS); U.S. Bureau of Labor Statistics <http://www.bls.gov/cpi/cpirsai1978-2014.pdf> (accessed September 2015). * The 2014 CPS ASEC included redesigned income questions. Estimates presented for 2013 are based on the portion of the 2014 CPS ASEC sample which received the income questions consistent with the 2014 CPS ASEC; see DeNavas-Walt and Proctor (2015) for an explanation of methodology. The newer income questions in the 2014 CPS ASEC measured a slightly wider gender gap, a female-to-male earnings ratio of 77.6 percent, compared to the previous questions, 78.3 percent, therefore the estimates presented for 2013 differ from those shown in IWPR #C423 and IWPR #C430.

Sources for Figure 1 and Tables 1 and 2: Annual data: 1955: Francine D. Blau and Marianne A. Ferber, *The Economics of Women, Men, and Work*, 2nd ed. (Englewood Cliffs, NJ: Prentice-Hall, 1992); 1960-2014 U.S. Census Bureau, Current Population Survey, 2014 *Annual Social and Economic Supplement P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2014*; all races < <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>>

(retrieved September 2014). Weekly data: 1980-2013: U.S. Bureau of Labor Statistics, *Highlights of Women's Earnings in 2013*. Table 17 <<http://www.bls.gov/opub/reports/cps/highlights-of-womens-earnings-in-2013.pdf>>; 2014: U.S. Bureau of Labor Statistics, *Median usual weekly earnings of full-time wage and salary workers by selected characteristics, annual averages* <<http://www.bls.gov/news.release/wkyeng.t07.htm> > (retrieved March 2015).

Notes

1. Institute for Women's Policy Research. 2015. "Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2014 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059" IWPR Publication #Q026 (Updated September 2015). <<http://www.iwpr.org/publications/pubs/equal-pay-projection-2059/>>
2. Carmen DeNavas-Walt and Bernadette D. Proctor. 2015. "Income and Poverty in the United States: 2014." *Current Population Reports* P60-2252 U.S. Census Bureau. <<https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>>
3. Susan J. Lambert., Peter J. Fugiel, and Julia R. Henly. 2014. "Schedule Unpredictability among Early Career Workers in the US Labor Market: A National Snapshot." University of Chicago: Employment Instability, Family Well-being, and Social Policy Network, retrieved from <http://ssascholars.uchicago.edu/einet/files/lambert.fugiel.henly_executive_summary.b.pdf> (accessed August 8, 2014).
4. DeNavas and Proctor, op.cit. p. 5.
5. The federal poverty threshold for a household of four in 2014 was \$24,230 (U.S. Census Bureau. 2015. "Poverty Thresholds." <https://www.census.gov/hhes/www/poverty/data/threshld/> (Last revised September 16, 2015). At 130 percent of poverty (the threshold relevant for food stamp eligibility) this is \$31,499 annually, or \$606 per week (assuming full-time work for 52 weeks).

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