

Women's Equal Pay Day Shows Progress Has Been Made but Further Progress is Needed

March 15, 2022, is Women's [Equal Pay Day](#), the day that represents how far into the year an American woman has to work on average in order to earn as much as an American man earned on average in the past year. In 2020, the latest year for which data is available, women earned 83% of what men earned.

- The gender pay gap has shrunk over time, but not closed
- The average gender pay gap hides vast racial gender pay gap differences
- Higher educational attainment by women does not close the gender wage gap
- Women are overrepresented in the lowest paying occupations, and underrepresented in the highest paying occupations

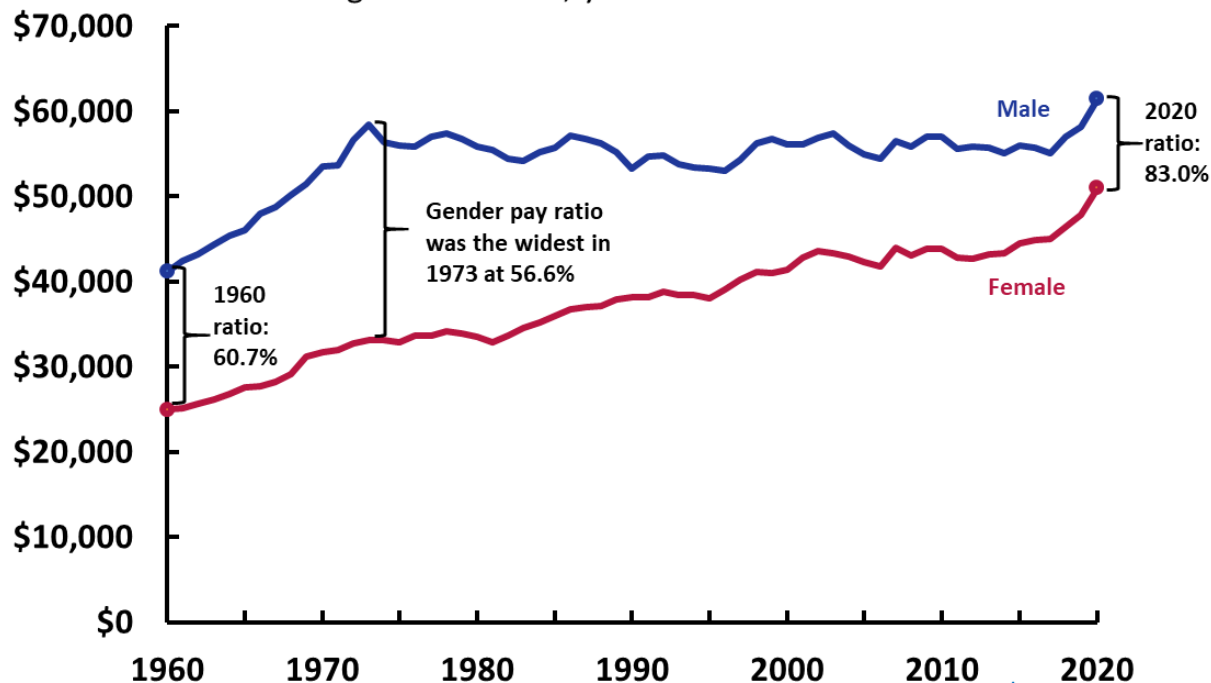
Women's Equal Pay Day is an opportunity to reflect on the progress that has been made towards the goal of ensuring that people are paid equally for equal work, but also how much work remains to be done.

The gender pay gap persists despite progress

In 2020 women earned 83 cents for every \$1 that men earned on average. The gender pay gap has [narrowed](#) in the last 60 years, with the largest improvement occurring during the 1980s. Since then, progress has slowed considerably, particularly for higher-skill and higher-pay workers. In the past three decades we have made as much progress in closing the gender wage gap as we made in the single decade of the 1980s.

Gender Wage Gap Remains

Median annual earnings for full-time, year-round workers



Source: Census Bureau Historical Income Tables, Table P-38, 1960-2020. 2020 USD



The average gender pay gap hides vast racial gender pay gap differences

The gender pay gap is even greater for women of color. While the topline gender wage gap ratio of 83% is the headline statistic that people often quote when discussing equal pay, this figure, which refers to the pay disparity between the average man and the average woman, obscures the vast differences in the earnings of women of different races and ethnicities. Black and Hispanic women have the widest pay gap ratio relative to white men, of 63% for Black women and 57% for Hispanic women. White women's gender pay gap ratio is just below the topline average at 79%.

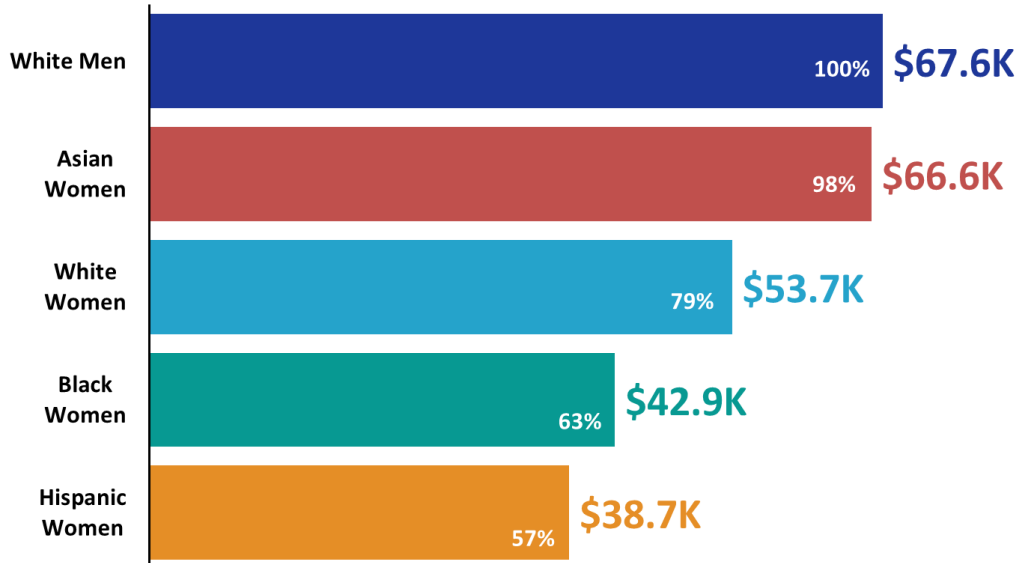
The coronavirus pandemic created significant disruption to the labor force that altered the gender pay gap statistics, perhaps only temporarily. For example, from 2019 to 2020 the pay gap ratio for Asian women significantly narrowed, from 87% in 2019 to 98% in 2020. The pay gap ratio for Hispanic women narrowed somewhat as well during this time period, from 55% to 57%. However, the pay gap stayed the same for white and Black women.

A likely explanation is that the 2020 data includes the huge disruption to the labor force caused by the coronavirus pandemic, which resulted in a large number of job losses in spring 2020 concentrated in low-wage jobs. For example, while [Latinas](#) make up 7.7% of the labor force overall, they make up 16% of the low-paid workforce. And Hispanic and Asian women [experienced](#) some of the largest job losses relative to their 2019 employment. Because certain groups, such as Latinas, are concentrated in low-wage industries that experienced large job

losses the remaining Latina workers would be more likely to have higher wages relative to white men. Therefore, improvements in the gender wage gap could reflect changes in the composition of the workforce, not necessarily fundamental improvements in gender wage equality.

White Men Earn More Than Women of Any Race

Full-time, year-round workers, 2020



Source: JEC Democratic staff calculations based on data from the U.S. Census Bureau
Notes: "White" refers to "White Alone, not Hispanic"; "Black" refers to "Black Alone or in Combination"; "Asian" refers to "Asian Alone or in Combination." Dollars are rounded to nearest hundred.



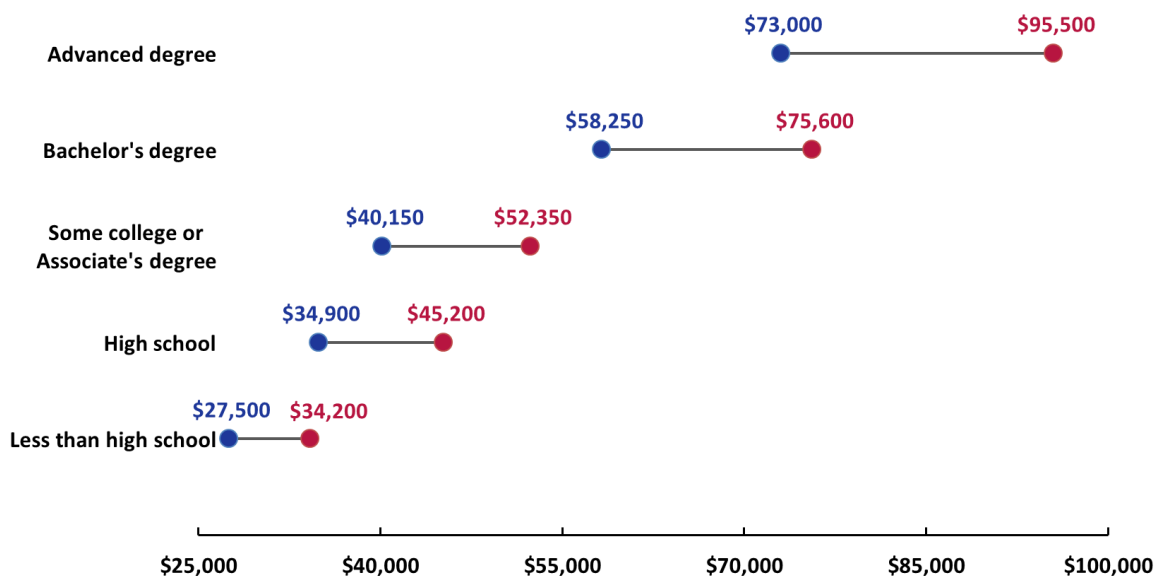
Higher educational attainment does not close the gender wage gap

While lower levels of education among women versus men used to play a larger role in accounting for the gender wage gap, today women continue to earn less regardless of educational level. Although women have made up a [greater share](#) of post-secondary degree earners every year since 1989, the gender wage gap persists. In 2019, women earned 54% of doctorate degrees, 58% of bachelor's degrees and 61% of master's degrees. The fact that women are more highly educated yet still earn less than men suggests that women cannot educate themselves out of the pay gap.

Furthermore, women often are out-earned by men with less education. For example, men with only a high school education earn over \$5,000 more than women with some college or Associate's degrees. In addition, workers at higher education levels experience a larger pay gap. This is likely due to lower educational attainment levels being clustered in minimum wage or low-paying jobs where there is less room for pay inequity because workers are paid equally low wages.

Women Earn Less Than Men at Every Education Level

Median annual earnings, 2021



Source: JEC Democratic staff calculations based on data from the Current Population Survey

Note: Data are for full-time, year round workers over the age of 25 and reflect highest level of education. Estimates of median annual earnings are calculated from median weekly earnings, assuming 50 weeks of work.



Women are overrepresented in the lowest paying occupations and underrepresented in the highest paying occupations

Women are more likely to work in the lowest paying occupations relative to their overall share of the labor force. Wages tend to be [lower](#) in female-dominated occupations, whether low- or high-skill. Furthermore, there is evidence that [when](#) there is an influx of women into an occupation it lowers wages, which is attributed to a devaluing of work done by women. Meanwhile, men working in female-dominated jobs tend to experience wage premiums. Indeed, a gender pay gap exists in the [10 most common occupations for women](#), disputing the claim that if women chose jobs in male-dominated fields, the pay gap would close.

[Research](#) shows that only 32% of the gender pay gap for college graduates would be closed if women chose different jobs. On the other hand, up to 68% of the gender pay gap could be closed if men and women were paid equally within occupations—that is, if men and women received equal pay for equal work.

Women's Equal Pay Day Shows Progress Has Been Made but Further Progress is Needed

Gender Pay Ratio for the Highest Earning Occupations				
Ranking	Occupation	Median Weekly Earnings	Share of Women in Occupation	Gender Pay Ratio
	All Full-Time Workers	\$ 998	45.0%	83.1%
1	Chief executives	\$ 2,473	30.2%	70.0%
2	Other physicians	\$ 2,418	42.6%	86.2%
3	Lawyers	\$ 2,252	41.7%	76.6%
4	Computer and information systems managers	\$ 2,085	27.3%	89.4%
5	Pharmacists	\$ 2,019	54.3%	103.8%
6	Software developers	\$ 1,922	19.7%	92.4%
7	Personal financial advisors	\$ 1,773	39.6%	65.2%
8	Engineers, all other	\$ 1,771	16.1%	84.5%
9	Sales managers	\$ 1,749	30.0%	70.4%
10	Physical scientists, all other	\$ 1,738	41.6%	77.6%

Source: U.S. Bureau of Labor Statistics, Table 39 "Median weekly earnings of full-time wage and salary workers by detailed occupation and sex"
 Note: Occupations ranked in the table represent those with more than 200,000 workers and with sufficient data on female and male employees to calculate the gender pay ratio. Occupations not included in the table were architectural and engineering managers; dentists; computer hardware engineers; computer network architects; nurse practitioners; aircraft pilots and flight engineers; electrical and electronics engineers; physical assistants; database administrators and architects; chemical engineers; information security analysts; aerospace engineers; veterinarians.

The gender pay gap is actually smaller at the bottom of the wage distribution than at the top. The [reason](#) is labor market policies, such as the minimum wage, that generate more equal outcomes among low-earning workers of both genders.

Women's Equal Pay Day Shows Progress Has Been Made but Further Progress is Needed

Gender Pay Ratio for the Lowest Earning Occupations				
Ranking	Occupation	Median Weekly Earnings	Share of Women in Occupation	Gender Pay Ratio
	All Full-Time Workers	\$ 998	45.0%	83.1%
Lowest Earning	Fast food and counter workers	\$ 507	64.2%	98.4%
-1	Dining room and cafeteria attendants and bartender helpers	\$ 509	49.0%	81.8%
-2	Cashiers	\$ 515	71.9%	98.7%
-3	Maids and housekeeping cleaners	\$ 546	85.6%	85.0%
-4	Food preparation workers	\$ 547	57.9%	93.0%
-5	Cooks	\$ 549	36.7%	89.5%
-6	Waiters and waitresses	\$ 576	61.7%	86.6%
-7	Personal care aides	\$ 611	77.4%	89.8%
-8	Stockers and order fillers	\$ 612	34.8%	97.3%
-9	Miscellaneous agricultural workers	\$ 613	17.2%	95.6%

Source: U.S. Bureau of Labor Statistics, Table 39 "Median weekly earnings of full-time wage and salary workers by detailed occupation and sex"
 Note: Occupations ranked in the table represent those with more than 200,000 workers and with sufficient data on male or female employees to calculate the gender pay ratio. Occupations not included in the table were hosts and hostesses, restaurant lounge, and coffee shop; laundry and dry-cleaning workers; dishwashers; food servers, nonrestaurant; childcare workers; sewing machine operators; home health aides; cleaners of vehicles and equipment; animal caretakers; hairdressers, hairstylists, and cosmetologists; baggage porters, bellhops, and concierges.

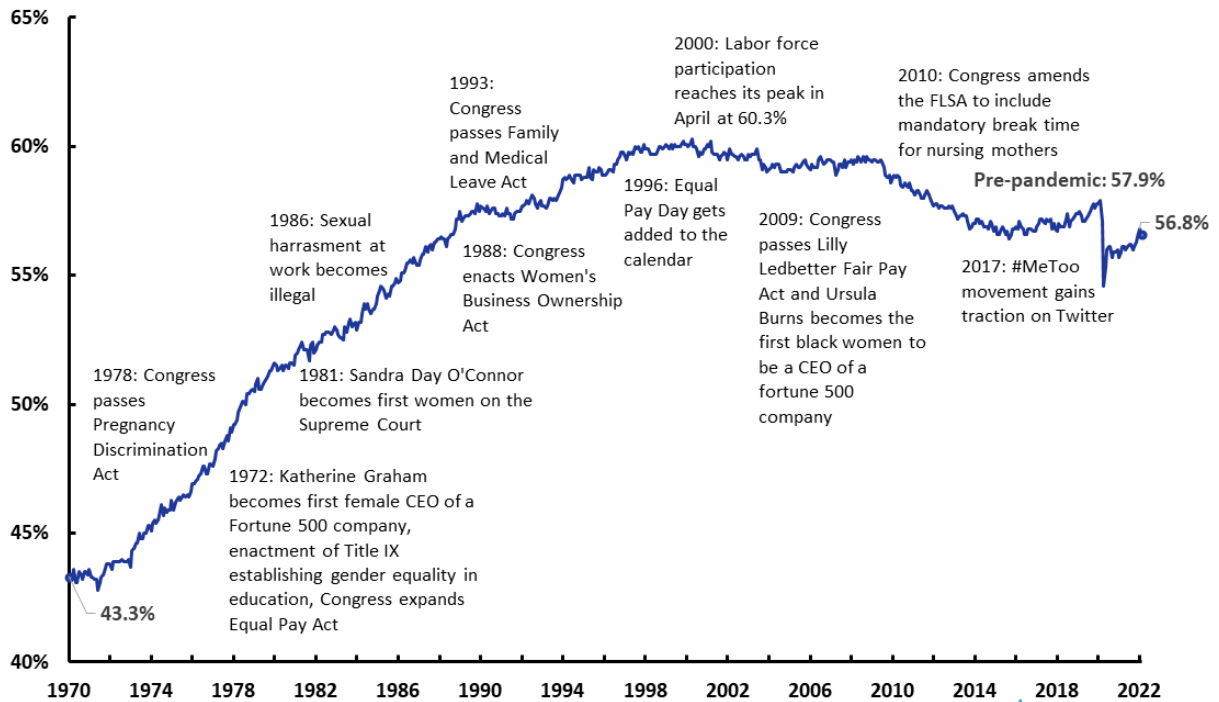
The pandemic erased decades of progress in women's labor force participation

[One](#) of the reasons that the gender pay gap improved over the 1980s is because women's labor force participation rate improved. While women's [labor force participation](#) had increased dramatically over the course of the second half of the 20th century, it stalled and even declined after 2000. A critical cause of this decline is the lack of structural support for women's full economic participation. The coronavirus pandemic shed new light on this problem, as the closure of daycares and the shift to online school combined with labor market losses pushed women's labor force participation rate to its lowest level in 35 years, to 54.6% in April 2020. While women's labor force participation has improved since then, it still has not returned to its pre-pandemic level.

Improving women's labor force participation rates is one way that the gender wage gap could be improved. In order to get women's labor force participation rate not just back to where it was before the pandemic, but also to an equivalent rate with other peer economies, policies like paid leave and affordable child care are necessary.

Labor Force Participation Fell in Past 20 Years

Monthly labor force participation rate for women, 1970-2022



Source: Source: BLS Current Population Survey



Progress has been made towards closing the gender wage gap, but work remains

Women's Equal Pay Day offers an annual opportunity to reflect on the progress that has been made towards equal pay for equal work, but also how much work remains to be done. While the gender wage gap has narrowed over the past 60 years, progress towards closing it entirely has stalled, and vast racial and ethnic differences remain. Structural solutions that ensure that all workers have the care infrastructure they need in order to participate fully in the labor market and to address the systemic devaluing of work done by women will be necessary to fully address the gap.