



Fact Sheet

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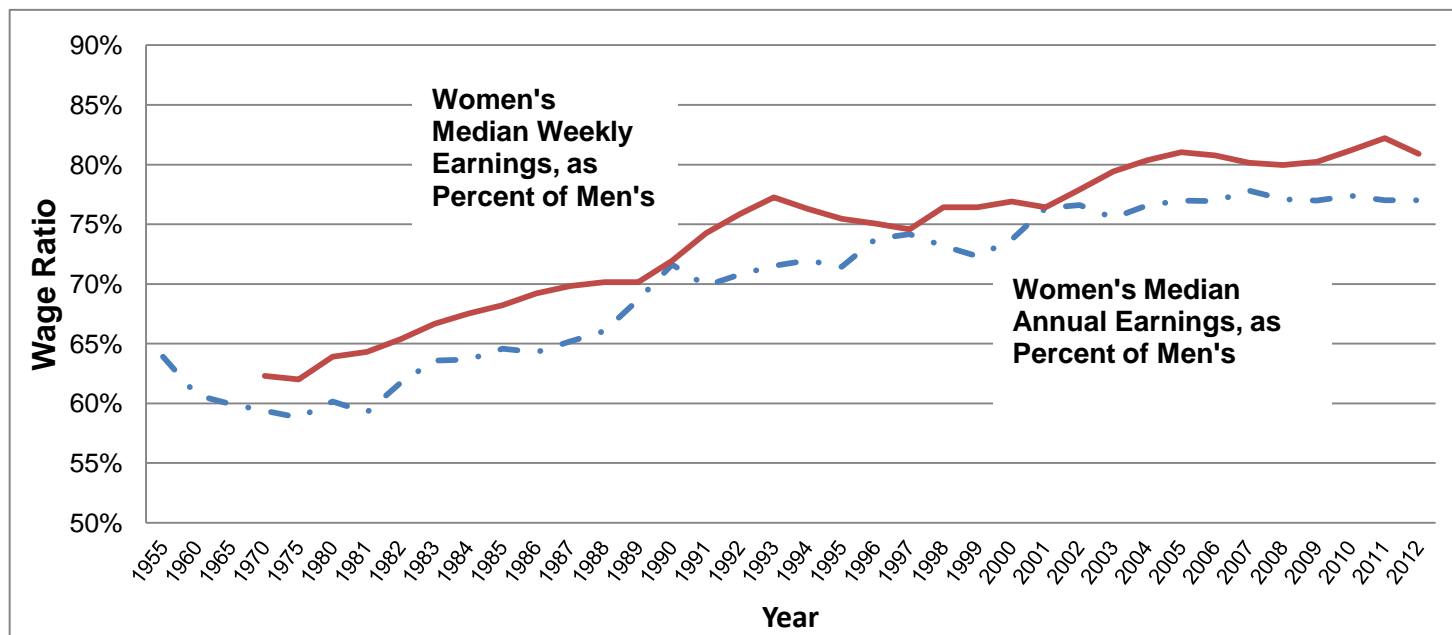
Updated September 2013

The Gender Wage Gap: 2012

The ratio of women's and men's median annual earnings was 76.5 percent for full-time/year-round workers in 2012. This means the gender wage gap for full-time/year-round workers is 23.5 percent. Women's median annual earnings in 2012 were \$37,791 compared with \$49,398 for men. The gender wage gap has stayed essentially unchanged since 2001. In the previous decade, between 1991 and 2000, it closed by almost four percentage points, and in the decade prior to that, 1981 and 1990, by over ten percentage points (Table 2). 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 2058, 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 80.9 in 2012. 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). The two series exhibit the same general trend over the long term (even though they often move in different directions in the short-term (Figure 1).

Figure 1: The Gender Earnings Ratio, 1955-2012, 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). 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.

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 ratio based on earnings of men of the same background is narrower than the gap for women of 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 64.5 percent and Hispanic/ Latina women's only 54.1 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 2012 this was \$29,965 per year, 130 percent of the federal poverty threshold for a family of four.²

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 77.6 percent. Asian American women saw an increase in median real earnings since 2011; for women of other groups real earnings did not increase, nor did they increase for all women considered together.

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, 2011 and 2012

Racial/ Ethnic Background*	2012				2011 (in 2012 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	37,791	49,398	76.5	NA	37,893	49,209	77.0	NA
White	40,912	52,535	77.9	77.9	41,178	53,411	77.1	77.1
Black	33,885	38,515	88.0	64.5	34,201	40,308	84.8	64.0
Asian American	45,586	58,715	77.6	86.8	41,736	56,231	74.2	78.1
Hispanic or Latino	28,424	32,243	88.2	54.1	29,626	32,508	91.1	55.5

Notes: *White alone, non Hispanic; black alone (may include Hispanic); Asian American alone (may include Hispanic) Hispanic/Latina/o may be of any race. ** Adjustments for data from earlier years to 2012 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS) that is published by the U.S. Bureau of Labor Statistics. (U.S. Bureau of Labor Statistics http://www.bls.gov/cpi/cpiursai1978_2012.pdf (retrieved September 2013).

Source: U.S. Census Bureau, Current Population Survey, 2013 *Annual Social and Economic Supplement P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2012*; all races, white, not Hispanic, black, Asian and Hispanic < <http://www.census.gov/hhes/www/income/data/historical/people/>> (retrieved September 2013)

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, 1955-2012, Full-Time Workers

Year	Median Annual Earnings, adjusted to 2012 dollars Full-time, Year Round Workers			Median Usual Weekly Earnings, adjusted to 2012 dollars Full-time, Wage and Salary Workers		
	Women	Men	Female to Male Earnings Ratio	Women	Men	Female to Male Earnings Ratio
1955			63.9			
1960	22,094	36,414	60.7			
1965	24,397	40,712	59.9			
1970	28,084	47,305	59.4			62.3
1975	29,113	49,496	58.8			62.0
1980	29,701	49,370	60.2	557	872	63.9
1981	29,067	49,070	59.2	551	856	64.3
1982	29,726	48,143	61.7	566	866	65.4
1983	30,483	47,934	63.6	581	871	66.7
1984	31,105	48,863	63.7	583	864	67.5
1985	31,790	49,229	64.6	591	866	68.2
1986	32,439	50,473	64.3	608	878	69.2
1987	32,692	50,158	65.2	612	877	69.8
1988	32,831	49,706	66.1	611	871	70.2
1989	33,552	48,857	68.7	609	868	70.1
1990	33,752	47,128	71.6	608	845	71.9
1991	33,785	48,362	69.9	617	831	74.2
1992	34,267	48,411	70.8	622	820	75.8
1993	34,023	47,571	71.5	626	810	77.3
1994	34,013	47,261	72.0	618	810	76.3
1995	33,650	47,110	71.4	612	811	75.5
1996	34,545	46,833	73.8	612	815	75.0
1997	35,616	48,024	74.2	617	827	74.6
1998	36,375	49,713	73.2	644	842	76.4
1999	36,258	50,139	72.3	652	853	76.4
2000	36,610	49,661	73.7	657	855	76.9
2001	37,883	49,631	76.3	664	869	76.4
2002	38,542	50,315	76.6	675	867	77.9
2003	38,350	50,762	75.5	689	867	79.4
2004	37,968	49,582	76.6	696	867	80.4
2005	37,464	48,668	77.0	688	849	81.0
2006	37,021	48,119	76.9	683	846	80.8
2007	38,865	49,949	77.8	680	848	80.2
2008	38,112	49,438	77.1	680	851	79.9
2009	38,828	50,440	77.0	703	876	80.2
2010	38,885	50,240	77.4	704	868	81.2
2011	37,886	49,200	77.0	698	849	82.2
2012	37,791	49,398	76.5	691	854	80.9

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 workers aged 16 and older and are not restricted to full-year workers. The annual average of weekly median earnings is usually released in January by the U.S. Bureau of Labor Statistics. Annual median earnings data are typically released in late summer or early fall by the U.S. Census Bureau. Both data series are derived from the Current Population Survey. Adjustments for data from earlier years to 2012 dollars are computed on the basis of the Consumer Price Index for all urban consumers (CPI-U) for median weekly earnings and the Consumer Price Index Research Series (CPI-U-RS) for median annual earnings that are published by the U.S. Bureau of Labor Statistics. (U.S. Bureau of Labor Statistics <ftp://ftp.bls.gov/pub/special.requests/cpi/cpiiai.txt>; http://www.bls.gov/cpi/cpiursai1978_2012.pdf).

Source: For medial annual earnings U.S. Census Bureau, Current Population Survey, 2013 *Annual Social and Economic Supplement P-38. Full-Time, Year-Round Workers by Median Earnings and Sex: 1960 to 2012*; all races (retrieved September 2013). Median usual weekly earnings of full-time wage and salary workers by selected characteristics, quarterly averages, not seasonally adjusted. Table 2. <<http://www.bls.gov/webapps/legacy/cpswktab2.htm>> (retrieved February 2012).

Notes

1. Hayes, Jeffrey. 2013. "Gender Wage Gap Projected to Close in Year 2058: Most Women Working Today Will Not See Equal Pay during their Working Lives." IWPR Publication #Q004 (Updated September 2013). Washington, DC: Institute for Women's Policy Research. <<http://www.iwpr.org/publications/pubs/gender-wage-gap-projected-to-close-in-year-2058-most-women-working-today-will-not-see-equal-pay-during-their-working-lives>> (accessed September 17, 2013).
2. The federal poverty threshold for a household of four in 2012 is \$23,050 (U.S. Department for Health and Human Services .2012. '2012 HHS Poverty Guidelines.' On the web at <http://aspe.hhs.gov/poverty/12poverty.shtml>). At 130 percent of poverty (the threshold relevant for food stamp eligibility) this is \$29,975 annually, or \$576.30 per week.

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