

# Economic and Policy Insights

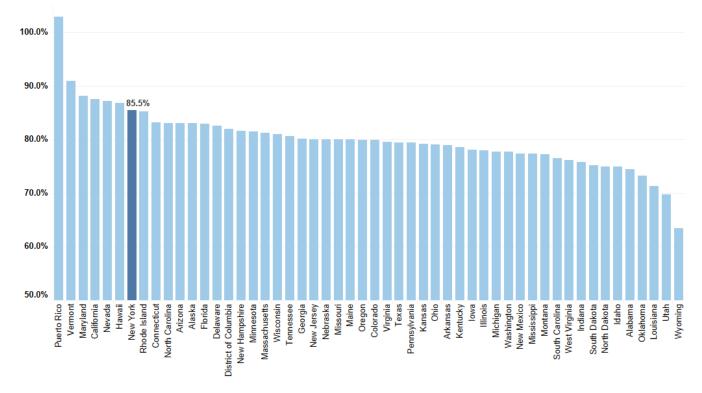
# Despite Progress, Pay Gap for Women Persists

March 2022

Each March, the United States observes Women's History Month to recognize the contributions and accomplishments of women. March is also when "Equal Pay Day," which represents how many additional months women must work to equal what men earned the previous year, typically falls. (In 2022, Equal Pay Day was on March 15.) In 2020, women earned 83 cents to every dollar earned by men, a wage gap of more than \$10,435 based on median earnings for men and women who worked full-time, as reported by the U.S. Census Bureau. While this gap has improved from the 1960s, when it was about 60 cents to the dollar, it has remained approximately 80 cents since 2015.<sup>1</sup>

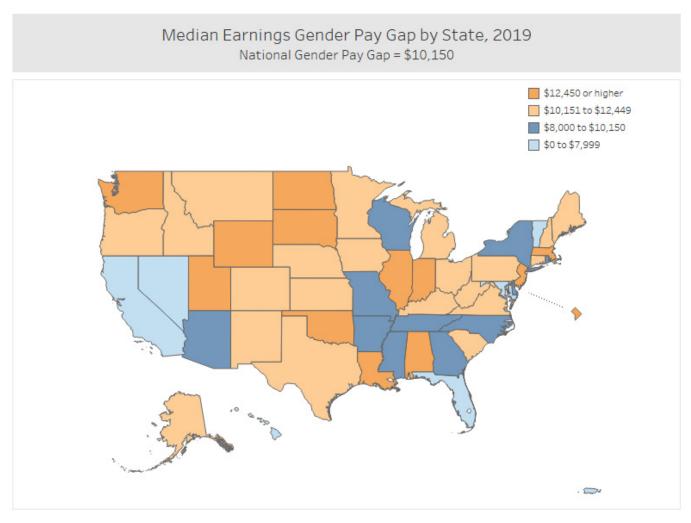
The most recent state-level data published by the U.S. Census Bureau are for 2019.<sup>2</sup> In that year, median earnings for men in New York working full-time, year-round, were \$60,813 compared to \$51,992 for women, a wage gap of **\$8,821** and almost **86 cents** to the dollar. New York ranked 11th best among the states (including Puerto Rico and the District of Columbia) in terms of the dollar value of the gap and 7th best in terms of share—meaning New York's women take home more dollars relative to men than in most other states. (See Figure 1.) The 2019 national wage gap was \$10,150, with women earning 81 cents for every dollar paid to men on average.

FIGURE 1
Women's Median Earnings as a Percentage of Men's Median Earnings, 2019



Source: U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2412. For civilian population aged 16 and older employed full-time, year-round.

The map below presents dollar wage gaps in each state. Puerto Rico had virtually no wage gap (meaning, median earnings were not statistically different for men and women). States with the lowest dollar wage gaps include Vermont (\$4,600) and Nevada (\$6,013), with Hawaii (\$7,022), California (\$7,162), Maryland (\$7,594) and Florida (\$7,705) ranking behind them. The highest dollar wage gaps were in Wyoming (\$21,676), Utah (\$17,303) and Washington, D.C. (\$16,032).



Source: U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2412. For civilian population aged 16 and older employed full-time, year-round.

While better than in many other states, New York's gender wage gap has gotten worse in recent years. In 2015, New York reported an inflation-adjusted gap of \$6,431 for full-time, year-round workers, with women earning 89 cents on the dollar earned by men. (See Figure 2.) Each year since then, the gap has widened and the ratio of women's earnings compared to men's earnings has fallen, dropping from almost 89 percent in 2015 to 86 percent in 2019. Inflation-adjusted women's median earnings grew at roughly half the rate of men's earnings during this time. At the national level, the ratio of women's earnings as a percentage of men's earnings has remained relatively consistent, hovering between 80 and 81 percent.

FIGURE 2
Median Earnings Gender Pay Gap, U.S. and New York, 2015 to 2019



Source: U.S. Census Bureau, American Community Survey (ACS), 1-year estimates, 2015-2019, Table S2412. For civilian population aged 16 and older employed full-time, year-round. Median earnings in all years shown in 2019 dollars, adjusted using the CPI-U.

# New York's Gender Wage Gap by Occupation and Educational Attainment

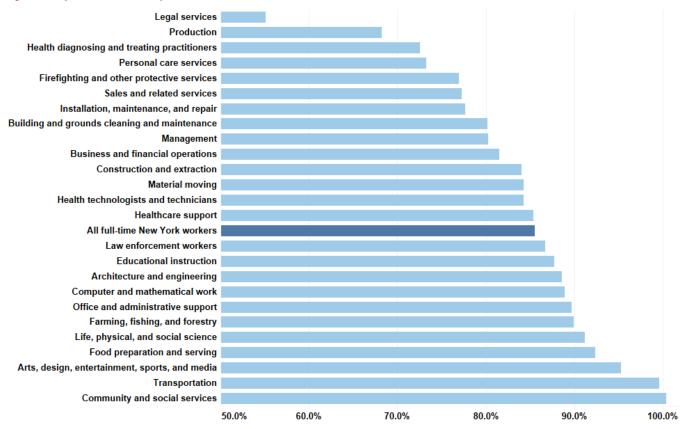
Many factors could contribute to earnings differences between men and women. For example, the types of jobs that women and men hold and the number of hours worked can lead to wage disparities. The U.S. Census Bureau reports that the top occupations for women in New York were registered nurses, elementary and middle school teachers, and secretaries and administrative assistants. Top occupations for men, in contrast, were managers, driver/sales workers and truck drivers, and janitors and building cleaners.<sup>3</sup>

Nevertheless, the wage gap is evident within occupations. Among those 16 and older working full-time, the largest occupational group in New York is managers.<sup>4</sup> Median earnings for male managers in New York were \$100,000 in 2019, compared to \$80,280 for women, a wage gap of \$19,720, more than two times that of the overall gender-based dollar wage gap across all occupations in New York.<sup>5</sup> Women earned about 80 cents for every dollar earned by men.

The New York wage gap is highest in legal occupations, which also have the highest median earnings. In 2019, median earnings for men were approximately \$175,000; women earned approximately 55 cents for every dollar earned by men, with median earnings of \$96,500. As shown in Figure 3, the wage gap is greater than the statewide average in 14 occupational groups and less than the statewide average in 11 occupational groups. The wage gap is narrowest in community and social service; transportation; and arts, design, entertainment, sports and media occupations.



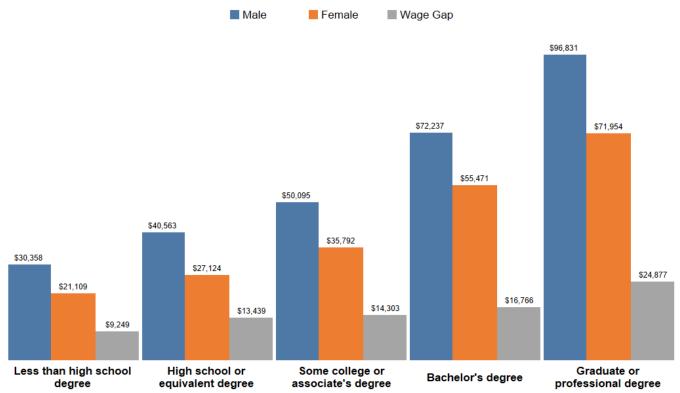
FIGURE 3 New York Women's Median Earnings as a Share of Men's Median Earnings by Occupational Group, 2019



Source: U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2412. For civilian population aged 16 and older employed full-time, year-round.

Across occupations, median earnings typically increase with greater educational attainment for both men and women; however, the gender pay gap also widens with higher levels of education and is greatest for women with graduate or professional degrees. Among those age 25 and over with earnings, median earnings for New York women with a graduate or professional degree were about \$72,000, roughly the same as men with a bachelor's degree and approximately \$25,000 less than men with the same credential. (See Figure 4.)

FIGURE 4
Median Earnings in New York by Gender and Educational Attainment, 2019

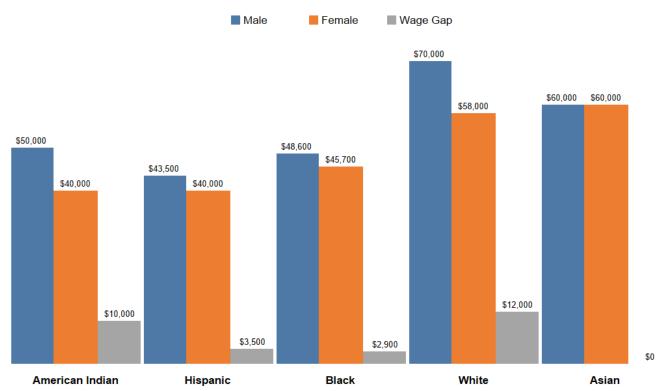


Source: U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2001. For population 25 years and older with earnings.

## New York's Gender Wage Gap by Race and Ethnicity and Age

The gender-based earnings gap varies across racial and ethnic groups. In New York, Hispanic and American Indian women had the lowest median earnings in 2019, approximately \$40,000, with earnings for Black women modestly higher (\$45,700). (See Figure 5.) Median earnings for Asian men were on par with Asian women (\$60,000). Within other racial and ethnic groups, the wage gap was highest for white and American Indian women, whose median earnings were approximately \$12,000 and \$10,000 less, respectively, than men of the same race. American Indian, Hispanic, and Black men and women earned less than white women, and had even larger wage gaps relative to white men.

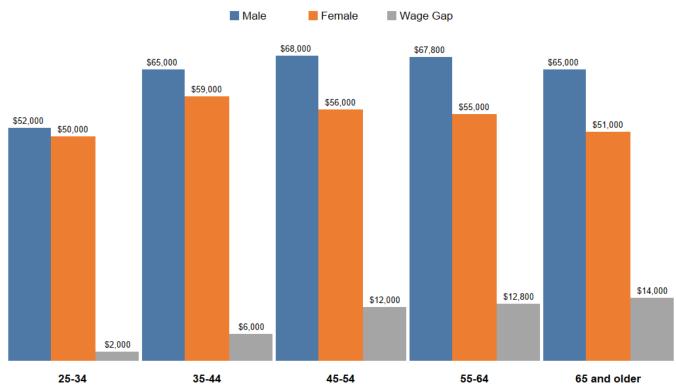
FIGURE 5
Median Earnings in New York by Gender and Race and Ethnicity, 2019



Source: U.S. Census Bureau, 2019 American Community Survey (ACS), Public Use Microdata Sample (PUMS). For population aged 16 and older working full-time, year-round.

The gender pay gap also grows with age. Median earnings for New York women are highest for women aged 35 to 44 (\$59,000) and then decline; for men, median earnings are highest for ages 45 to 54. (See Figure 6.) While women aged 25 to 34 earned 96 cents for every dollar a man earned in the same age group, women who remained full-time in the workforce after age 65 earned 78 cents for every dollar earned by similarly aged men.

FIGURE 6
Median Earnings in New York by Gender and Age Group, 2019



Source: U.S. Census Bureau, 2019 American Community Survey (ACS), Public Use Microdata Sample (PUMS); Table S2412. For population aged 16 and older working full-time, year-round.

## Conclusion

After decades of slow progress, women continue to face a stubbornly persistent pay gap. Research finds that many factors contribute to the differences in earnings, including the types of jobs women and men hold, their time in the workforce, family caretaking responsibilities, and discriminatory hiring practices.<sup>6</sup> Nationwide, the COVID-19 recession resulted in steeper job losses among women than men over the past two years; as the U.S. Department of Labor reports, the pandemic "set women's labor force participation back more than 30 years," with the greatest declines among women of color and in low-wage occupations.<sup>7</sup> Women with young children, in particular, left the workforce at a disproportionate rate.<sup>8</sup> Absence from the workforce will have implications for future wages and wage growth, and may not bode well for the prospects of closing the gap further in coming years. Policies to expand access to child care, improve pay transparency, and provide paid leave should be considered as part of a multi-faceted approach to achieve equal pay.<sup>9</sup>

#### **Endnotes**

- Earnings are adjusted for inflation and are in 2020 dollars. Includes people 15 years and older as of March of the following year beginning in 1980, and people 14 years old and older as of March of the following year for previous years. See U.S. Census Bureau, Current Population Survey, 1961 to 2021 Annual Social and Economic Supplements (CPS ASEC), Table A-7, Number and Real Median Earnings of Total Workers and Full-Time, Year-Round Workers by Sex and Female-to-Male Earnings Ratio: 1960 to 2020.
- 2 U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2412, Occupation by Sex and Median Earnings in the Past 12 Months (in 2019 inflation-adjusted dollars) for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over.
- 3 See U.S. Census Bureau, "What Is the Gender Gap in Your State?" March 1, 2022, at https://www.census.gov/library/stories/2022/03/what-is-the-gender-wage-gap-in-your-state.html. The U.S. Census wage gap data determined "top occupations" for men and women for each state by a count of workers.
- 4 U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2401, Occupation by Sex for the Civilian Employed Population 16 Years and Over.
- 5 U.S. Census Bureau, 2019 American Community Survey (ACS), 1-year estimates, Table S2412, Occupation by Sex and Median Earnings in the Past 12 Months (in 2019 inflation-adjusted dollars) for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over.
- 6 See, e.g., "Gender Pay Gap in U.S. Held Steady in 2020," Pew Research Center, May 25, 2021, at https://www.pewresearch.org/fact-tank/2021/05/25/gender-pay-gap-facts.
- 7 Janelle Jones, "5 Facts About the State of the Gender Pay Gap," U.S. Department of Labor Blog, March 19, 2021, at https://blog.dol.gov/2021/03/19/5-facts-about-the-state-of-the-gender-pay-gap. See also "Some Gender Disparities Widened in the U.S. Workforce During the Pandemic," Pew Research Center, January 14, 2022, at https://www.pewresearch.org/fact-tank/2022/01/14/some-gender-disparities-widened-in-the-u-s-workforce-during-the-pandemic.
- 8 M. Melinda Pitts, "Where Are They Now? Workers with Young Children during COVID-19," Federal Reserve Bank of Atlanta, September 2021, at https://www.atlantafed.org/research/publications/policy-hub/2021/09/01/10--where-are-they-now--workers-with-young-children-during-covid-19.aspx.
- 9 Organisation for Economic Co-operation and Development, "Can pay transparency tools close the gender wage gap?" June 2021, at https://www.oecd.org/gender/Pay-Transparency-2021-Policy-Brief.pdf.

### **Contact**

Office of the New York State Comptroller 110 State Street Albany, New York 12236 (518) 474-4044

www.osc.state.ny.us

Prepared by the Office of Budget and Policy Analysis









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