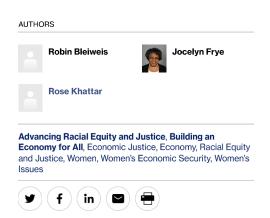
Institutional Racism in Practice

...RTICLE NOV 17, 2021

Women of Color and the Wage Gap

Women of color continue to suffer the most severe gender wage gap in the United States, a reality that reflects the effects of intersecting racial, ethnic, and gender biases that threaten the economic security of them and their families.





 $A personal care assistant leaves for work to care for an elderly woman, March 2020, in Massachusetts. \\ (Getty/Lane Turner/Globe Staff)$

As breadwinners, workers, and caregivers, women of color have been the longtime yet unsung backbone of the U.S. economy. This integral role has been front and center during the devastating COVID-19 pandemic that has wreaked economic havoc in every corner of the country and continues to have lingering effects. Not only has the United States relied on women of color as essential workers to help keep the economy running, provide much-needed services, and sustain families throughout the pandemic, but it has also watched these women shoulder disproportionate job losses and caregiving challenges—all while they are earning just a fraction of what their white and male

The stubborn resilience of the gender wage gap, coupled with intersecting racial bias in the workplace, means that many women of color are perpetually underpaid, and these losses accumulate and grow over time. As a result, women of color are less able to build savings, withstand economic downturns, and achieve some measure of economic stability. The U.S. census data released in September confirmed that the harshest effects of the gender wage gap continue to fall on women of color, with many of them experiencing the largest gender pay gaps among all workers. It is long overdue for the federal government to pursue measures that strengthen equal pay protections, combat bias, and promote worker retention—especially among women workers—which are all critical to reducing economic inequality and securing economic stability for women of color and their families.

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REPORT

Occupational Segregation in America

Mar 29, 2022 Marina Zhavoronkova, Rose Khattar, Mathew Brady

This issue brief examines the gender wage gaps experienced by women of different racial and ethnic groups, explores some of the factors driving those gaps, and recommends policy solutions that Congress and the Biden administration must implement to help narrow these gaps.

Analyzing the gender wage gaps for women of color

The gender wage gap is an important measure for evaluating gender equity in wages and workplaces overall. The data consistently show that women of color experience persistent economic inequality in part because they have the largest gaps in wages when compared with their male counterparts. This is largely driven by the undervaluation of work predominantly supplied by women, combined with other forms of bias. The wage gap number that often receives the most public attention is the overall ratio of women's to men's earnings among full-time, year-round workers²—just 83 cents for women for every \$1 earned by men in 2020. But this aggregate number provides an incomplete picture because it treats women as a monolith and obscures the vastly different economic realities experienced by many women of color. The intersection of race, ethnicity, and gender has always had compounding effects, and these effects most often exacerbate and widen the wage gap. Simply put, there has never been a time in this country when there has not been a wage gap that exists along intersecting gender and racial lines.

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When looking at women's wages across broad racial and ethnic categories among full-time, year-round workers, Hispanic women experience the largest pay gap, having earned just 57 cents for every \$1 earned by white, non-Hispanic men in 2020. (see Figure 1) Black women also experience wide pay gaps, with data on Black women alone revealing that—despite consistently having some of the highest labor force participation rates ⁵—they earned just 64 cents for every \$1 earned by white, non-Hispanic men in 2020. This number dips slightly to 63 cents, reflecting a slightly larger wage gap, when data on multiracial Black women—meaning Black women who also identify with another racial category—are included in the analysis. The data that include multiracial Black women are referred to as data on Black women alone or in combination. These gaps for Hispanic and Black women are much wider than the still-large gap experienced by white, non-Hispanic women, who earned 79 cents for every \$1 earned by their white, non-Hispanic male counterparts in 2020.

Figure 1

women, any race



The gender wage gap is much wider for most women of color

Comparing 2020 median earnings of full-time, year-round workers by race/ethnicity and sex

White, non-White, non-Hispanic womerHispanic men (\$0.79)(\$1.00)

Black women \$0.64

Multiracial \$0.63

Asian women \$1.01

Multiracial \$0.98

Hispanic

Note: The gender wage gap is calculated by finding the ratio of women's and men's

\$0.57

Native American women, historically, have also experienced a sizable wage gap, but an up-to-date analysis is difficult because the data for 2020 are currently not available. Looking at 2019 data, Native women earned only 60 cents for every \$1 earned by white, non-Hispanic men. The data on Asian women also require a more nuanced analysis to gain a complete picture. Overall, the data for Asian women alone indicate that they earned \$1.01 for every \$1 earned by white, non-Hispanic men in 2020. When multiracial Asian women are included (referred to as Asian women alone or in combination), they

earned 98 cents. However, these 2020 numbers hide a more complex story about the rich diversity within the Asian community. First, the data are not comprehensive because the statistics do not include Native Hawaiian and Pacific Islander women, who tend to be among the women with lower earnings in the Asian American and Pacific Islander (AAPI) community; the relevant 2020 data for Native Hawaiian and Pacific Islander women are not currently available. Second, when utilizing data from prior years to dive deeper and disaggregate wage gap data into subpopulations, there are significant differences in earnings ratios among women who belong to different Asian American, Native Hawaiian, and Pacific Islander subpopulations when compared with white, non-Hispanic men. For example, looking cumulatively at data from 2015 to 2019, Chinese women earned \$1.03 for every \$1 earned by white, non-Hispanic men, while Nepali women earned just \$0.54. (see Figure 2) This variation in the wage gap is due in part to occupational segregation—with various Asian subpopulations concentrated in low-wage occupations and others in high-wage occupations—which is itself driven by differences in culture, immigration patterns, and generational wealth, as well as intersecting gender, racial, and ethnic biases.8

Figure 2





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The gender wage gap varies greatly, with wider gaps for many subpopulations of Asian American or Pacific Islander (AAPI) women

Comparing 2015–2019 median earnings of full-time, year-round workers by race and sex



A gender pay gap amounts to more than just a few cents lost; it compounds over time, leading to significant long-term disparities for women of color. Over the course of a 40-year career, Black women lose an estimated \$964,400 to the wage gap, Native American women lose \$986,240, Hispanic women lose \$1,163,920, and AAPI women lose \$400,000—but likely with significant differences among subpopulations.

The wage gaps for women of color are calculated using white, non-Hispanic men as the benchmark for comparison because they historically have had the highest wages; held the majority of the positions of power and leadership within workplace and institutional settings; and reflected the dominant perception of the most valuable worker in a society where racial, ethnic, and gender biases continue to exist and

influence attitudes about work. White, non-Hispanic men workers also tend to shoulder fewer caregiving responsibilities than women, especially women of color. ¹⁰ Further, it has historically been white people—particularly white, heterosexual cisgender men—whose needs and interests have consistently been prioritized over basically all others, including those of women and people of color. ¹¹ By instead centering and prioritizing women of color, policymakers can pinpoint some of the widest economic disparities, target policy interventions, and lift all boats along the way. Closing the gender wage gap is not zero-sum.

Figure 3







In 2020, people of color experienced large declines in full-time, year-round work

Percentage change in full-time, year-round workers, 2019-2020

Male	Female	
Overall		-11.16% -11.87%
White, non- Hispanic		-9.19% -9.89%
White, alone combination		-10.61% -11.32%
Black		-12.3% -12.94%
Black, alone combination		-13.04% -13.07%
Asian		-14.08% -15.4%
Asian, alone combination		-13.88% -14.14%
Hispanic		-16.33% -17.44%

Chart: Center for American Progress • Source: U.S. Census Bureau, "Current Population Survey: PINC-05. Work Experience-People 15 Years Old and Over, by Total Money Earnings, Age, Race, Hispanic Origin, Sex, and Disability Status: 2020," available at

Drivers of the gender wage gaps for women of color

Numerous factors drive the pay differences manifested in the gender wage gap. Groundbreaking research by economists Francine Blau and Lawrence Kahn estimated that 62 percent of the wage gap could be explained by factors including, but not limited to, differences in industries or jobs worked, differences in hours worked, and differences in years of experience. However, the remaining 38 percent of the gap is not easily explained by such distinct, quantifiable factors. Blau and Kahn, as well as other researchers, attribute this remaining portion of the gap to factors such as the effects of discrimination. Women of color, whose intersectional realities can spur multiple forms of discrimination, may experience a larger pay gap in part because they face a combination of biases with escalating effects. Below is an examination of three major drivers of the gender wage gaps for women of color: jobs worked, hours worked, and discrimination.

Jobs worked

Women of color disproportionately work in jobs within the service, care, and domestic work sectors—jobs with historically low pay. This is due to occupational segregation, which is the funneling of women and men into different jobs based on gender and racial norms and expectations. Jobs that have historically had majority-women workforces, such as registered nurses and maids and housekeeping cleaners, tend to offer lower pay and fewer benefits, in part by virtue of being "women's work." The jobs women of color are most likely to work in largely follow this pattern. (see Figure 4)

Figure 4



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Top occupations held by women of color in the United States, by racial and ethnic group

Hisp woı	Asian American or Pacific Islander women	American Indian or Alaska Native women	Black or African American women	
Maid housel clea	Registered nurses	Cashiers	Nursing assistants	1
Cas	Accountants and auditors	Maids and housekeeping cleaners	Cashiers	2
Janitc buil clea	Cashiers	Secretaries and administrative assistants*	Customer service representatives	3
Cust ser represe	Manicurists and pedicurists	Elementary and middle school teachers	Registered nurses	4
Re salesp	Personal care aides	Registered nurses	Personal care aides	5

^{*} This category excludes legal, medical, and executive assistants.

Note: For the purposes of this analysis, "women of color" constitutes non-Hispanic, nonwhite women of any other race—including women of two or more races—as well as Hispanic women, who may be of any race. In addition, "Asian American or Pacific Islander" constitutes individuals who identified their race as Chinese, Japanese, or "Other Asian or Pacific Islander" in the American Community Survey (ACS). Beginning with 2018 data, ACS occupation codes were adjusted and do not entirely match up with ACS occupation codes used from 2013 to 2017. This

In addition, women of color are significantly overrepresented in the low-wage workforce compared with their share of the overall workforce: Latinas' share of the low-paid workforce is more than twice as large as their share of the overall workforce; Native American women's share is two times as large; Black women's share is 1.5 times as large; and AAPI women's share is 1.3 times as large.

The argument that women of color simply choose to work in jobs with low pay and few benefits vastly oversimplifies how women of color end up in the jobs that they hold. Where choice may be involved, jobs in the service and care industries may be the jobs most readily available. These jobs, with work shifts at different times of the day and night, may enable women to cobble together multiple jobs around their schedules to ensure that they can cover their own caregiving responsibilities, which women of color disproportionately shoulder. In addition, occupational segregation and the clustering of

women of color into certain types of roles is fueled by longstanding structural and cultural biases that embrace narrowly defined job pathways for women of color, stalling their upward mobility and access to the highest-paying occupations and industries. And while education can help narrow the gender wage gap somewhat, it is not the silver bullet that many think it is. At every level of educational attainment, women still experience a pay gap compared with their men counterparts. ¹⁹ Women also hold two-thirds of the nation's outstanding student loan debt, and Black women hold the most of any group—further limiting their economic security. ²⁰

Hours worked

Women of color tend to work fewer hours of paid work and are more likely to work part time to accommodate caregiving and other unpaid obligations. Both factors contribute to the wage gap because they translate to women of color earning lower hourly wages than full-time workers and men. Women of color are slightly less likely than white women to work 45 hours or more per week and are nearly half as likely as men to do so. (see Figure 5)

Figure 5



Women of color are less likely to work 45 hours or more per week

Percentage working 45 hours or more per week, from 2015–2019, by race and sex

Percentage who worked 45 hours or more per week

Men, overall 32%

White men 34.8%

White women 18%

Asian American or Pacific Islander women 16.6%

Multiracial women 16.3%

Black women 12.7%

American Indian or Alaska Native women 12.7%

Hispanic women, any

race

11.6%

Other race women 10.3%

Note: For the purposes of this analysis, "women of color" constitutes non-Hispanic, nonwhite women of any other race—including women of two or more races—as well as Hispanic women, who may be of any race. In addition, "Asian American or Pacific Islander" constitutes individuals who identified their race as Chinese

The hours of paid work by women of color are also connected to the unpaid hours that they must spend managing the majority of their family's caregiving responsibilities. Part-time and other flexible work arrangements can be essential to making this work. But in addition to low pay, these jobs often feature unpredictable schedules that can present caregiving challenges and/or lost wages when shifts are adjusted or canceled at

the last minute. Further, these jobs often lack essential work-family policies such as paid family and medical leave. The Family and Medical Leave Act (FMLA) of 1993 guarantees eligible workers 12 weeks of leave, or 26 weeks of leave to care for military service members, but this leave is unpaid. Just 57 percent of Black workers, 53 percent of Asian workers, 52 percent of Hispanic workers, and 53 percent of nonwhite workers belonging to a different race are eligible for the FMLA. Finally, there is the issue of finding child care. In the United States, 1 in 2 families live in a child care desert, or areas with an insufficient supply of licensed child care—with even higher rates for Hispanic families and American Indian and Alaska Native families. The coronavirus pandemic may be worsening these deserts for Black and Hispanic families in particular.

At the same time, women of color are increasingly their families' breadwinners, meaning that families of color depend on these mothers' earnings to survive. ²⁴ Sixty-eight percent of Black mothers are the primary or sole breadwinners for their families—the highest rate of any racial group. ²⁵ For Native American mothers, the rate of primary or sole breadwinners is 55 percent, for multiracial mothers it's 53 percent, and for Latinas it's 41 percent. ²⁶ White mothers and AAPI mothers are the least likely to be primary or sole breadwinners for their families at 37 percent and 30 percent, respectively. ²⁷ These breadwinners, like many women workers more broadly, must manage both the financial and care needs of their families while also navigating low pay and other workplace inequities.

Discrimination

Many factors that contribute to the gender wage gap, including jobs and hours worked, can be directly and indirectly influenced by discrimination. Sexism, racism, and other forms of bias individually or in combination can influence the industries where women of color are welcomed and the hiring decisions that are made. These same forces also place the brunt of caregiving, housework, and other unpaid responsibilities disproportionately on women, particularly women of color. So, while Blau and Kahn's estimates are extremely helpful for understanding the underlying causes of the gender wage gap, it is essential to recognize the outsize impacts of bias and discrimination at play that likely drive more than just the estimated 38 percent of the gender wage gap. This is especially true for women of color, who experience biases and discrimination at the intersection of multiple identities, including but not limited to gender, race, ethnicity, motherhood status, and immigration status.

How to narrow the gender wage gaps for women of color

At the current pace and without further and comprehensive action on equal pay, Black and Hispanic women in the United States are not projected to reach pay parity with white men until 2133 and 2220, respectively. To begin to close these gender wage gaps, Congress, the Biden administration, and other policymakers must take strong, concerted action to promote equal pay.

SEE ALSO



ARTICLE

The Biden Boom: Economic Recovery in 2021

Jan 19, 2022 Seth Hanlon, Lily Roberts, Andres Vinelli, Rose Khattar, Nick Buffie Congress must finally pass the Paycheck Fairness Act, ²⁹ long-overdue equal pay legislation that will strengthen existing protections and further combat discriminatory practices. The robust and comprehensive bill will increase prohibitions on retaliation against workers who discuss their pay or challenge pay discrimination; limit employers' reliance on salary history, which can perpetuate existing gender pay gaps; require employer collection of pay data disaggregated by race and ethnicity, and more. The Biden-Harris administration has taken important steps forward to increase federal investments in equal pay enforcement and should take additional steps to relaunch the White House Equal Pay Task Force, reinstate federal pay data collection efforts, and more. ³⁰ Meanwhile, state and local leaders must continue to lead the way with progressive actions on equal pay, including, but not limited to, laws that require employers to post salary ranges for job openings, limitations on employer reliance on salary history, and mandated employer reporting of pay data. ³¹

Other complementary policies are also needed to narrow the gender wage gap. These include robust work-family policies in the reconciliation package, such as providing comprehensive paid family and medical leave and affordable child care. ³² In addition, policies that support collective organizing, including the Protecting the Right to Organize (PRO) Act, must be advanced given evidence that unionization can help narrow gender wage gaps within a workplace. ³³ Finally, it is critical to explore new ways to combat entrenched racism, sexism, and other biases that continue to harm women of color. Only then can America truly close the gender wage gap for all women in this country.

Conclusion

Certain drivers of the gender wage gap have been front and center during the pandemic and economic recovery, such as reduced hours, prolonged time out of the workforce to manage caregiving responsibilities, and ever-present discrimination and bias. Pandemic or not, women of color—indeed, all workers—deserve to be valued and compensated fairly. Simply put, however, they never have been.

The significantly wider gender wage gaps for most women of color indicate just how much further they must go to reach economic, racial, and gender equity. It is essential to intentionally center women of color in discussions about the economy, earnings, and the wage gap to ensure that their experiences are not only recognized but also that the inequities they experience are remedied. As breadwinners, workers, and caregivers, women of color are instrumental in keeping the U.S. economy afloat. It's about time they have equal pay.

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