

Fact Sheet



IWPR# R356

August 2012

Key Findings on the Economic Status of Women in North Carolina

Women in North Carolina have made significant social and economic advances in recent decades, but the need for further progress remains. A forthcoming report from the Institute for Women's Policy Research (IWPR), *The Status of Women in North Carolina*, shows that many of North Carolina's women are vulnerable to challenges such as unemployment, a persistent wage gap, poverty, and the high cost of child care. In addition, women in the state experience stubborn disparities in opportunities and outcomes—disparities that exist among women of different race and ethnic groups as well as among women from various geographic areas within the state. Addressing these challenges and disparities is essential to promoting the well-being and vibrancy of North Carolina's many communities. When women thrive, whole communities and regions thrive as well.

The forthcoming report provides critical data to identify both areas of progress for women in North Carolina and places where additional improvements are still needed.ⁱ The report analyzes key issues—such as employment and earnings, economic security and poverty, health and well-being, and political participation—that profoundly affect the lives of women in North Carolina. It presents data that can serve as a resource for advocates, researchers, community leaders, policymakers, and others who seek to analyze and discuss community investments, program initiatives, and public policies that will lead to positive change for women in the state of North Carolina and nationwide. The study is funded by the North Carolina Council for Women, the Wells Fargo Foundation, Women for Women with the Community Foundation of Western North Carolina, the Women to Women Fund at the Community Foundation of Greater Greensboro, the Women's Giving Circle at the Community Foundation of Cumberland County, the Mountain Area Health and Education Center Department of OB-GYN, and the Women's Fund at the North Carolina Community Foundation.

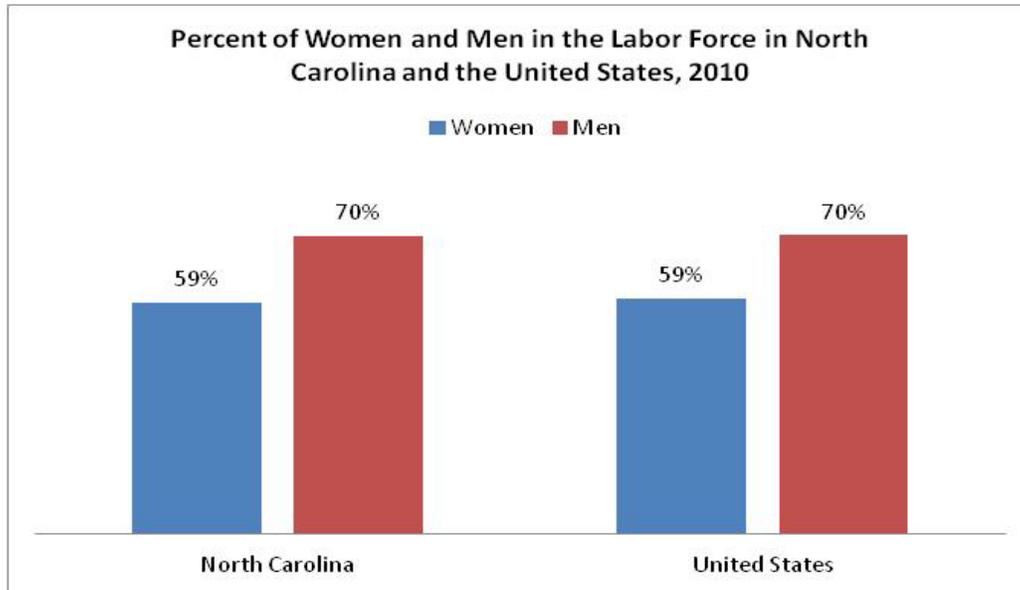
Preliminary findings show both progress and continued challenges for women in relation to unemployment; education, earnings, and the gender wage gap; and economic security and poverty.

Women's Labor Force Participation and Unemployment

- Women's increased participation in the labor force marks an important change in the national economy across the last six decades. Nearly six in ten women are now in the workforce (U.S. Department of Commerce 2012a), compared to 34 percent of women in 1950 and 43 percent of women in 1970 (Fullerton 1999). Women's labor force participation in North Carolina reflects this trend; as of 2010, 59 percent of women were active in the workforce. The increase in women's labor force participation in North Carolina, and the nation as a whole, points to the workforce opportunities available to women and to the financial need for many women to work outside the home.



- Despite the increase in women’s labor force participation, a much smaller proportion of women in North Carolina participate in the workforce than men. As of 2010, seven in ten men (70 percent) in the state were in the labor force. Both women’s and men’s labor force participation rates in North Carolina are the same as in the nation as a whole.



Note: For women and men aged 16 and older.

Source: IWPR analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

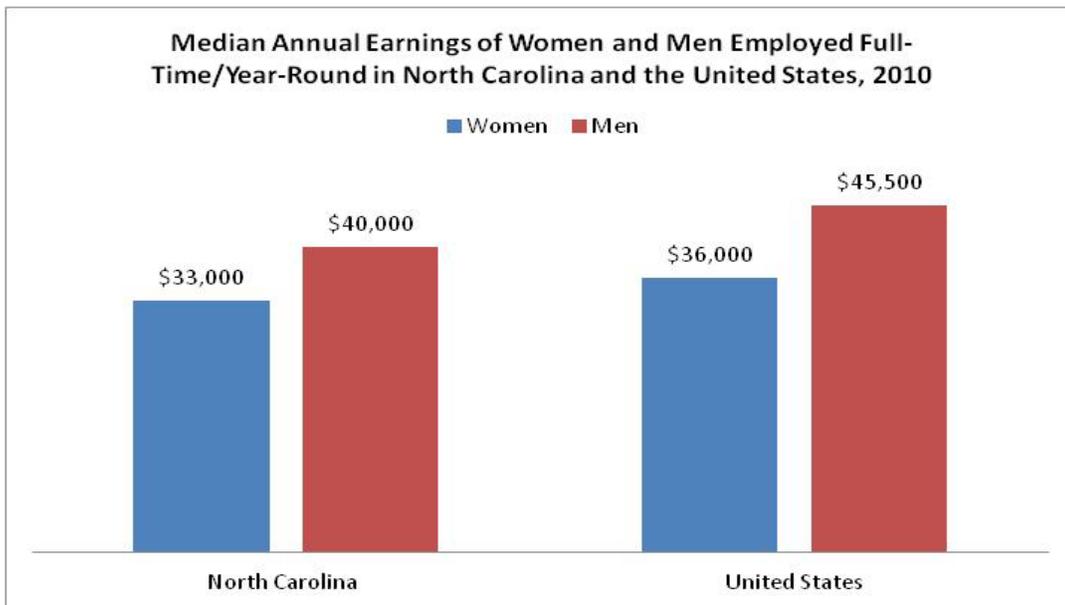
- Two-thirds of women with children under the age of five are in the workforce in North Carolina (66 percent), the same proportion as in the nation as a whole.
- Following the recession, the difference between women’s and men’s unemployment rates in North Carolina was smaller than the difference between women’s and men’s unemployment rates in the nation as a whole. In 2010, approximately 12.0 percent of women and 12.7 percent of men in the state were unemployed, compared with 10.0 percent of women and 11.4 percent of men in the United States. Both women and men in North Carolina had higher unemployment rates than their counterparts in the nation as a whole.ⁱⁱ

Education, Earnings, and the Gender Wage Gap

- In North Carolina, as in the United States as a whole, women have higher levels of education than men. Women in the state are more likely than men to hold an associate’s degree or have some college education (33 percent of women compared to 28 percent of men) or to have a bachelor’s degree or higher (27 percent of women compared to 26 percent of men). A smaller proportion of women than men have not graduated from high school (13 percent of women compared to 17 percent of men).ⁱⁱⁱ
- Despite women’s higher educational attainment, women’s wages in North Carolina lag behind men’s. In 2010, the median annual earnings for women who work full-time, year-round in North Carolina were \$7,000 (or \$135 per week) less than the median annual earnings of comparable men; women’s earnings were \$33,000, compared to \$40,000 for men. These earnings differences translate into a wage ratio of

83 percent and a gender wage gap of 17 percent in North Carolina. In the United States as a whole, the wage ratio in 2010 was 79 percent and gender wage gap was 21 percent.^{iv}

- The gender wage gap has narrowed in both the state and the nation since 2000, when women earned 78 percent of men’s earnings in North Carolina and 75 percent in the nation as a whole (resulting in a gender wage gap of 22 percent and 25 percent, respectively; Ruggles et al. 2010).
- Both women and men in North Carolina earn less than their counterparts nationwide, although the difference in earnings is greater for men. In the United States, men’s median annual earnings are \$45,500, which is \$5,500 more than in North Carolina. Women’s median annual earnings in the nation as a whole are \$36,000 (\$3,000 more than in the state). The more substantial difference in men’s earnings explains why the gender wage gap in the state is lower than in the nation.

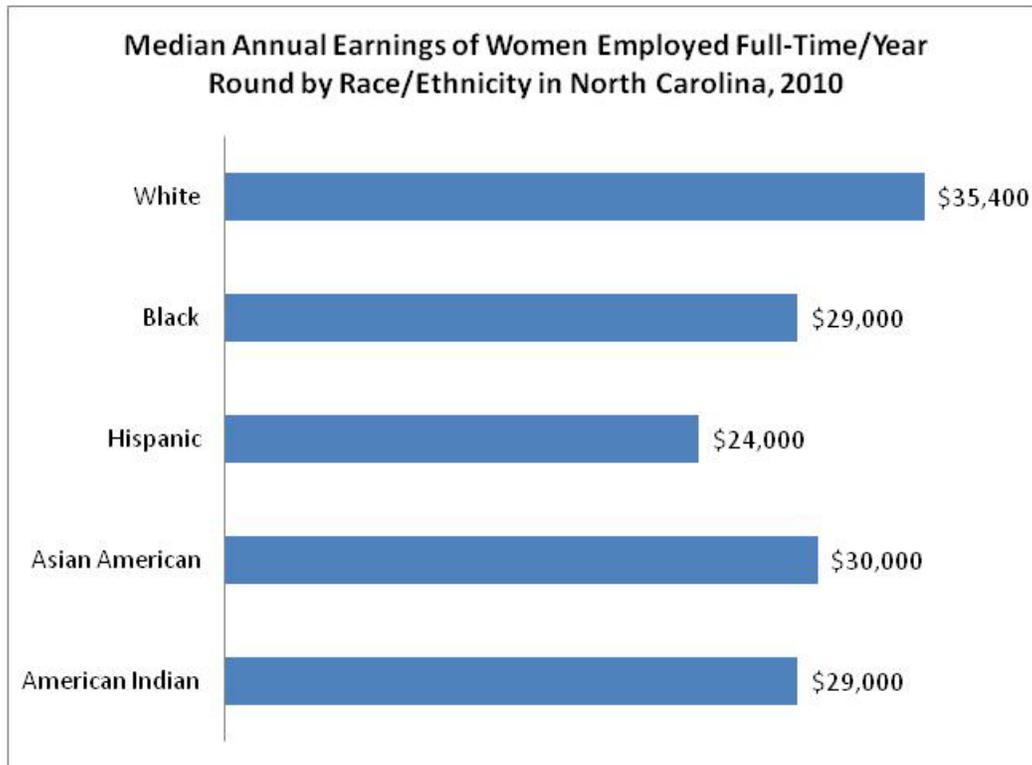


Note: For women and men aged 16 and older.

Full-time, year-round includes those who work 35 or more hours per week and 50 or more weeks per year.

Source: IWPR analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

- In North Carolina, as in the United States as a whole, the gender wage gap is even larger when only men and women at the same educational level are compared. Women who have at least a college degree and work full-time, year-round earn more than \$20,000 less per year than comparable men (a gender wage gap of 29 percent); for women with some college education or an associate’s degree, the loss of earnings for women is about \$10,000 per year (a gender wage gap of 24 percent). Women with a high school diploma or the equivalent earn \$8,700 less per year than men with the same level of education (a gender wage gap of 25 percent), and women who have less than a high school diploma earn \$6,000 less per year than comparable men (a gender wage gap of 24 percent).
- Median annual earnings in North Carolina vary considerably by race and ethnicity. Among women, white women had the highest median annual earnings in 2010 at \$35,400, followed by Asian American women at \$30,000 and black and American Indian women at \$29,000 each. Hispanic women had the lowest earnings at \$24,000.



Notes: For women and men aged 16 and older.

Race categories are identified as exclusive: white, not Hispanic; black, not Hispanic; Asian American, not Hispanic; and American Indian, not Hispanic. Persons whose ethnicity is identified as Hispanic may be of any race.

Full-time, year-round includes those who work 35 or more hours per week and 50 or more weeks per year.

Source: IWPR analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

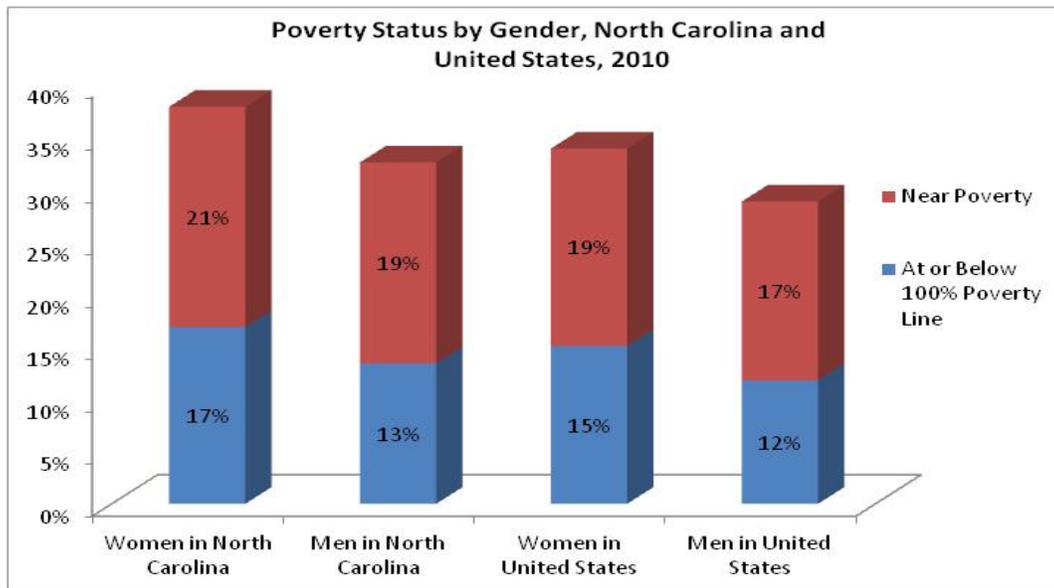
- Immigrant women in North Carolina have significantly lower earnings than immigrant men and native-born women and men in the state. Between 2008 and 2010, the median annual earnings for immigrant women who worked full-time, year-round in North Carolina were \$25,900, compared to \$27,000 for similarly employed immigrant men. Native-born women and men who worked full-time, year-round earned \$33,700 and \$41,000, respectively.
- Owning a business can bring women increased control over their working lives and create important financial and social opportunities for them. In North Carolina, 28 percent of all businesses are owned by women, a proportion that is quite similar to the proportion of women-owned businesses in the United States as a whole (29 percent).^v In 2007, North Carolina ranked 17th in the nation for the proportion of businesses owned by women.^{vi}

Women's Economic Security and Poverty

- While labor force participation and earnings help many women achieve financial security, additional issues—such as the gender wage gap and the high cost of child care—hinder women's ability to achieve economic stability for themselves and their families. Households headed by single mothers are particularly vulnerable to economic hardship; in North Carolina these households have the lowest median annual income of all family household types at \$20,393. In the state, the median annual income

of households headed by single mothers is just 29 percent of the income of married couple households with children (U.S. Department of Commerce 2012c).

- Many women and families in North Carolina struggle to afford the cost of housing. Thirty-six percent of all households in the state spend at least 30 percent of their monthly income on housing costs (U.S. Department of Commerce 2012d), a level of housing costs that the U.S. Department of Housing and Urban Development (HUD) describes as unaffordable for most families (2003).
- Affordable, quality child care provides a critical workforce support for working parents, yet for many families, the cost of child care is prohibitively expensive. In North Carolina, the average annual fees for full-time care in a center are \$9,185 for an infant and \$7,774 for a four-year-old child. Average annual fees for full-time care in a family child care home are \$7,106 for an infant and \$6,227 for a four-year-old child. By comparison, average annual tuition and fees for a public four-year-college in North Carolina are \$5,685 (Child Care Aware of America 2012).
- In 2010, 17 percent of women and 13 percent of men aged 18 and older in North Carolina were poor (living in families with incomes at or below the federal poverty threshold as calculated in the IPUMS American Community Survey). An additional 21 percent of women and 19 percent of men were near poor (living in families with incomes between 100 and 200 percent of the federal poverty threshold). In the United States as a whole, 15 percent of women and 12 percent of men during this same time period lived in poverty. An additional 19 percent of women and 17 percent of men in the nation were near poor.



Notes: For women and men aged 18 and older.

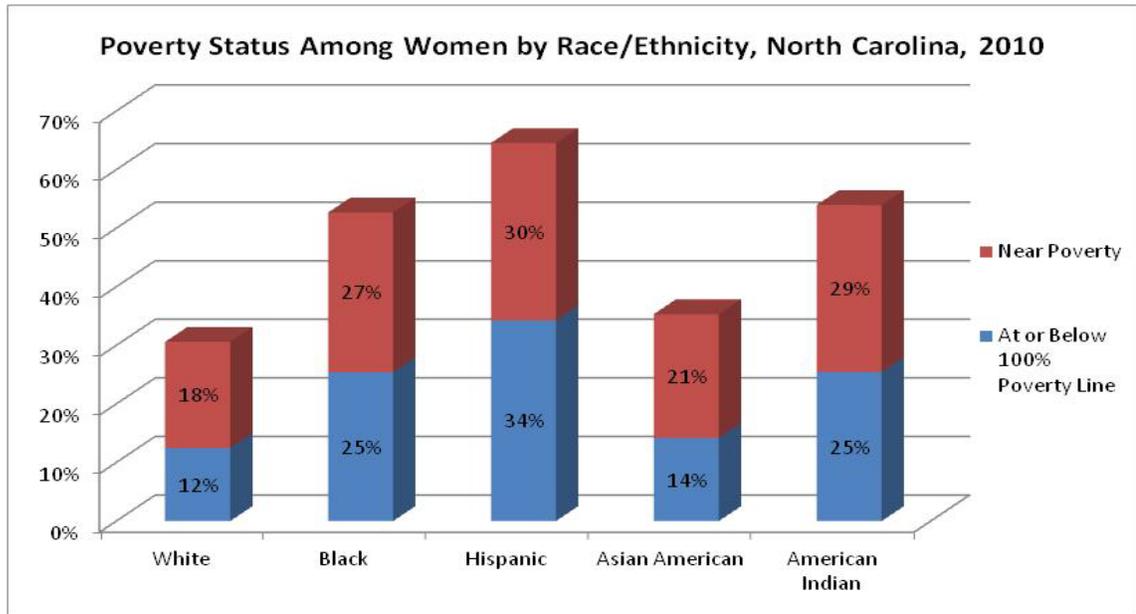
Those living *near poverty* include individuals who live in families with incomes between 100 and 200 percent of the federal poverty threshold as calculated in the IPUMS ACS (Ruggles et al. 2010).

Source: IWPR analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

- The poverty rates for women overall in North Carolina vary across different geographic areas within the state. Women aged 18 and older in the Raleigh metropolitan statistical area (MSA) have a poverty rate of 13 percent, which is lower than the poverty rates for comparable women in the MSAs of Charlotte (14 percent), Asheville (15 percent each), Greensboro (16 percent), and Fayetteville (17 percent).^{vii} In parts of rural North Carolina, the poverty rates among women are significantly higher. In the counties

of Ashe, Avery, Mitchell, and Yancey combined, approximately one in five (21 percent) of women aged 18 and older live at or below the federal poverty line.^{viii}

- In North Carolina, poverty status varies considerably by race and ethnicity. Among women in the state, Hispanic women are the most likely to be poor or near poor (64 percent), followed by American Indian (54 percent) and black (52 percent) women. Asian American and white women are the least likely to be poor or near poor (35 percent and 30 percent, respectively).



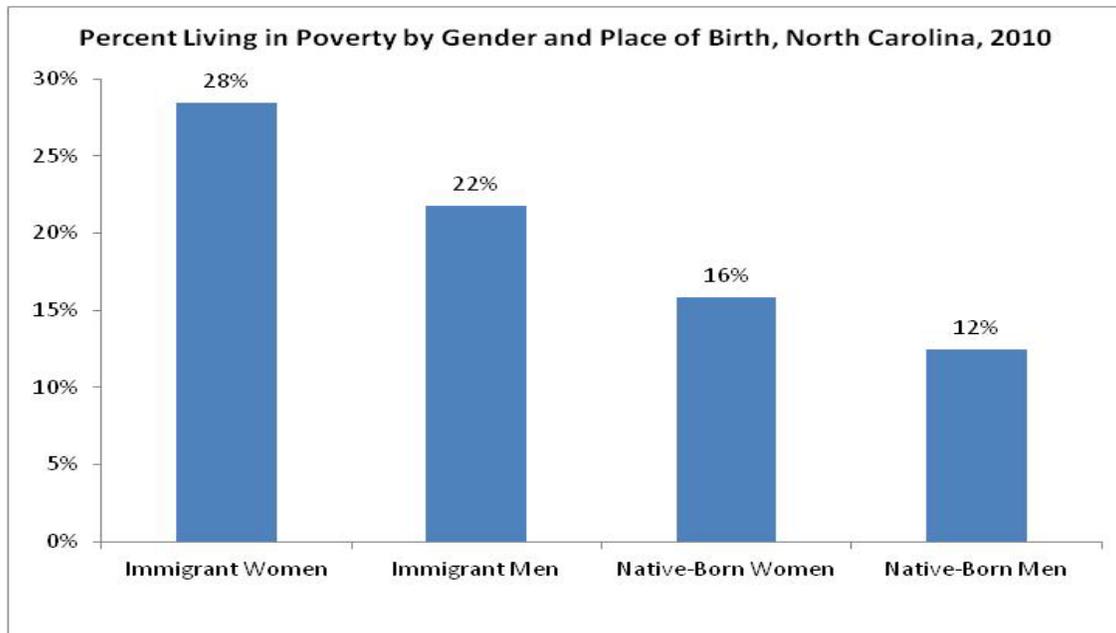
Notes: For women aged 18 and older.

Those living near poverty include women who live in families with incomes between 100 and 200 percent of the federal poverty line as calculated in the IPUMS ACS.

Race categories are defined as exclusive: white, not Hispanic; black, not Hispanic; Asian American, not Hispanic; and American Indian, not Hispanic. Those whose ethnicity is identified as Hispanic may be of any race.

Source: Institute for Women's Policy Research analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

- Overall, immigrant women aged 18 and older in North Carolina have a higher poverty rate than both immigrant men and native-born women of the same age range. As of 2010, more than 300,000 immigrant women were living in North Carolina, and nearly three in ten (28 percent) were poor. By comparison, 22 percent of North Carolina's immigrant men and 16 percent of the state's native-born women lived at or below the federal poverty line.
- Despite the relatively higher poverty rates among women in certain parts of North Carolina, very few women in the state receive cash assistance from the public program Temporary Aid to Needy Families (TANF). In 2010, 1.5 percent of women aged 18 and older in the state received TANF benefits.



Note: For women and men aged 18 and older.

Source: IWPR analysis of 2010 IPUMS American Community Survey microdata (Ruggles et al. 2010).

These preliminary data show that women in North Carolina form a diverse group with varying needs and concerns. The disparities they continue to experience, as well as their substantial progress, reveal the need to promote policies and programs that will advance women’s status in the state and in the United States as a whole. Especially now, as the nation struggles to move beyond an economic recession in which women experienced significant losses, it is critical that women’s interests and concerns fully inform policymaking and service provision, as well as advocacy, research, and program initiatives. IWPR’s forthcoming status of women in North Carolina report aims to provide information that can be used to help ensure that this goal becomes a reality.

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The Institute for Women's Policy Research (IWPR) conducts rigorous research and disseminates its findings to address the needs of women, promote public dialogue, and strengthen families, communities, and societies. The Institute works with policymakers, scholars, and public interest groups to design, execute, and disseminate research that illuminates economic and social policy issues affecting women and their families, and to build a network of individuals and organizations that conduct and use women-oriented policy research. IWPR's work is supported by foundation grants, government grants and contracts, donations from individuals, and contributions from organizations and corporations. IWPR is a 501(c)(3) tax-exempt organization that also works in affiliation with the women's studies and public policy programs at George Washington University.

The North Carolina Council for Women is a women's advocacy agency within the North Carolina Department of Administration. The Council's mission is to advise the Governor, members of the NC General Assembly and state policy makers on issues that affect North Carolina women including health, education, employment and safety with a special emphasis on prevention of violence against women. The Council is responsible for monitoring and administering over 200 domestic violence, sexual assault and displaced homemaker grants and assessing statewide needs related to domestic violence and sexual assault.

ⁱ The forthcoming report presents data for the United States, the state of North Carolina, and selected metropolitan statistical areas (MSAs) and counties. For national- and state-level analysis, the report includes analysis of 2010 microdata from the Integrated Public Use Microdata Series (IPUMS) version of the American Community Survey (Ruggles et al. 2010). For MSA and county-level analysis, IPUMS ACS estimates are used that combine three years of data (2008–2010) to ensure sufficient sample size. The analyses in the report are based on microdata because these data allow for the analysis of indicators by gender, race, and ethnicity for small geographic areas; however, in some places, results differ slightly from ACS estimates published by the U.S. Census Bureau through American Fact Finder.

ⁱⁱ These estimates are based on the 2010 IPUMS ACS, which uses a slightly broader definition of unemployment than the Current Population Survey, which is the basis for the official unemployment rates published by the U.S. Department of Labor's Bureau of Labor Statistics. In 2010, the overall unemployment rate in North Carolina as published by the U.S. Department of Labor (DOL) was 10.6 percent (U.S. Department of Labor 2011). As of July 2012, the overall unemployment rate for North Carolina was significantly lower than in 2010 (9.6 percent; U.S. Department of Labor 2012).

ⁱⁱⁱ Educational attainment figures are calculated for individuals aged 25 years and older.

^{iv} Because these estimates are based on the American Community Survey, they are not strictly comparable to IWPR's standard calculation of the gender wage gap, which is based on the Current Population Survey (CPS). In 2010, the national earnings gap based on the CPS was 23 percent (Hegewisch and Williams 2011). The estimates in this fact sheet, which are based on the 2010 IPUMS ACS, also differ slightly from the ACS estimates of median annual earnings for full-time workers that are officially published through American Fact Finder. In 2010, the officially published median annual earnings for women in North Carolina who work full-time, year-round was \$33,188, compared to \$41,138 for men. These earnings result in a wage ratio of 80.7 for the state. Officially published ACS estimates for the nation show a wage ratio of 78.6 percent for 2010 (based on an estimate of median annual earnings of \$36,551 for women and \$46,500 for men in the nation as a whole; U.S. Department of Commerce 2012b).

^v Data on the percent of businesses that are owned by women are from the U.S. Census Bureau Survey of Business Owners; 2007 data are the most recent available.

^{vi} This is a significantly higher ranking than the state held in 1992, when it was 38th in the nation (Institute for Women's Policy Research 1996).

^{vii} The metropolitan areas analyzed in the report include Charlotte-Gastonia-Rock Hill (NC), Fayetteville (Cumberland County), Greensboro-Winston-Salem-High Point, Raleigh-Durham, and Asheville (including Buncombe and Madison counties).

^{viii} The U.S. Census Bureau does not release data for geographic areas where the population count is smaller than 100,000.