INSTITUTE FOR WOMEN'S POLICY RESEARCH

Fact Sheet

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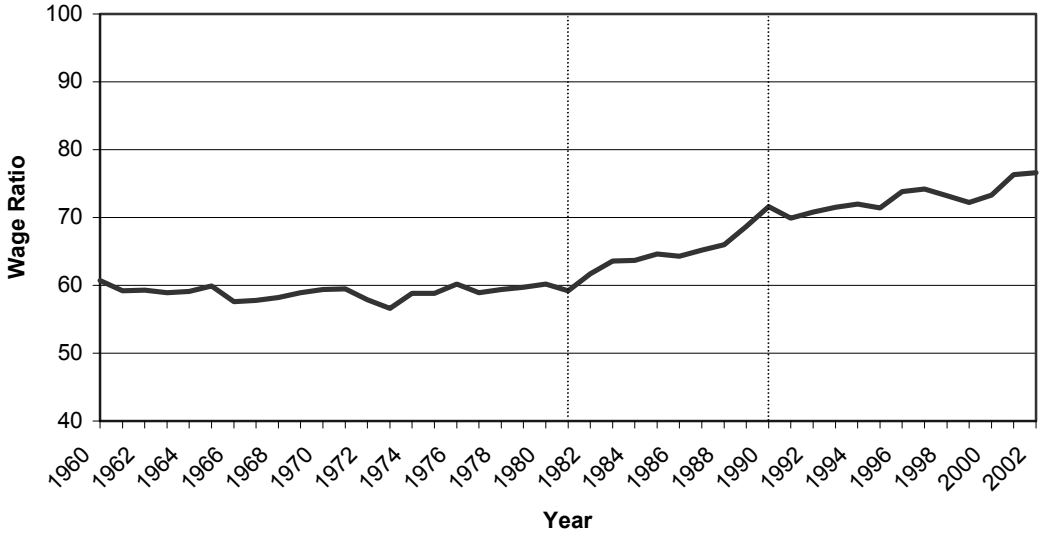
The Gender Wage Gap: Progress of the 1980s Fails to Carry Through

The gender wage gap is much narrower now than it was at the start of the revolutionary decade of the 1960s, when long-standing barriers to women's educational achievement and employment success began to be dismantled and the first of a series of critical equal employment opportunity standards were enacted by Congress. According to the U.S. Census Bureau, the ratio of women's to men's earnings was 76.6 in 2002, for full-time workers employed year-round. The comparable figure in 1960 was 60.7.

Most of the progress in closing the gender wage gap occurred during the 1980s. As illustrated in Figure 1, the wage ratio was virtually unchanged over the 1960s and 1970s. A significant upward trend took hold in 1982, and by 1990 the ratio had reached 71.6. Over the next several years, changes were small and included some decreases. Small increases in the wage ratio in 1996 and 1997, to 74.2, were followed by a small decline. Another small increase in 2001, to 76.3, held steady in 2002. While the gender wage ratio is now at a historic high, the slower pace of progress in increasing women's relative earnings since the early 1990s raises concerns about women's likelihood of achieving earnings parity.

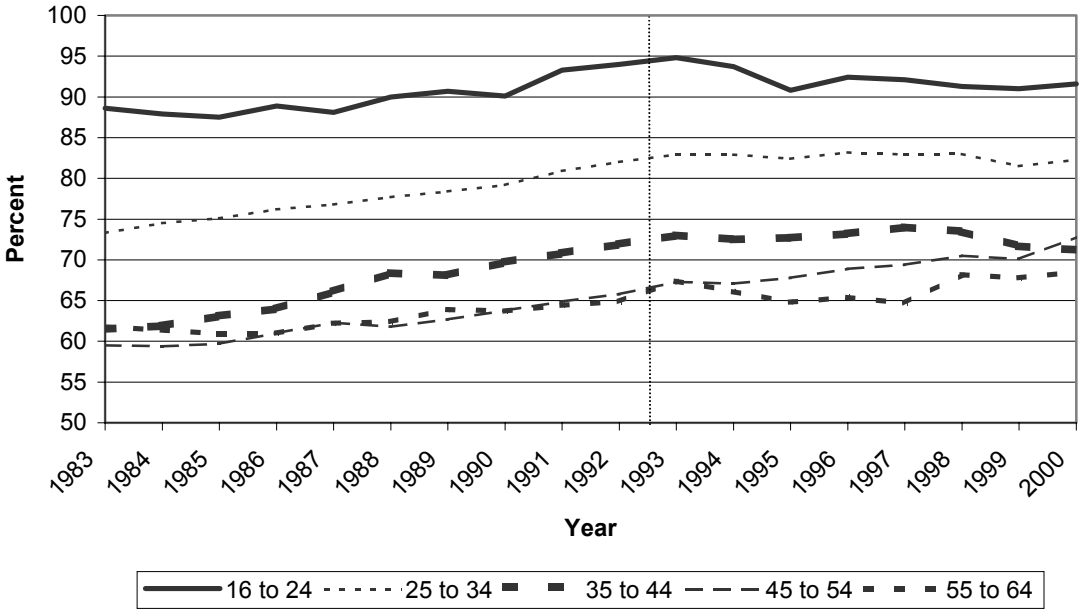
Figure 1:
Gender Wage Ratio (1960-2002), Full-Time, Year-Round Workers



Note: Based on annual earnings data from the Current Population Survey.
Source: U.S. Census Bureau. 2003. "Historical Income Tables - People." Table P-40. <http://www.census.gov/hhes/income/histinc/p40.html>.

Women in different age groups face different wage ratios, with the youngest women workers earning wages more similar to men of their age group and the oldest experiencing the greatest disparity (Figure 2). Differences in levels of education and work experience account for some of this variation, as does the cumulative effect of barriers to women's employment equity. For the period covered by the recently released GAO report *Women's Earnings* (1983 to 2000), the weekly earnings ratio generally increased over the 1980s and into the early 1990s, after which point little or no progress was seen. In fact, for the youngest three age groups (16- to 24-year-olds, 25- to 34-year-olds, and 35- to 44-year-olds), the weekly earnings ratio fell over the 1990s.

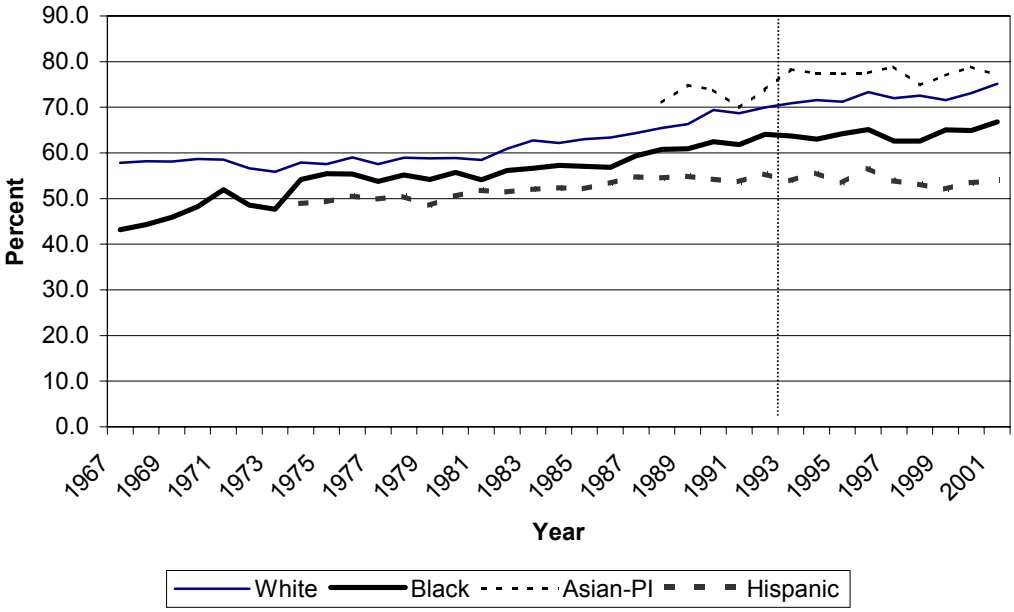
Figure 2:
Women's Median Weekly Earnings as a Percent of Men's, Full-Time Wage and Salary Workers (1983-2000), by Age



Note: Based on the average weekly earnings from the Current Population Survey.
Source: U.S. Bureau of Labor Statistics. 2003. "Highlights of Women's Earnings in 2002." Report 972. Table 13. Washington, DC: U.S. BLS.

Women of different racial and ethnic groups also face different wage gaps (Figure 3). When compared with the earnings of white men, the earnings of Asian-Pacific Islander women are the highest, with a wage ratio of 77.0 in 2001. But the earnings ratio for this group has been generally flat since 1993. Hispanic women have the lowest earnings compared with white men, with a ratio of 54.0 in 2001. They experienced a drop in the ratio in the late 1990s and have made virtually no progress in achieving earnings equity with white men. While white and Black women had small relative earnings growth in the 1990s, both groups experienced more rapid growth in relative earnings in the 1980s and are now experiencing relative stagnation. White women (who constitute the majority of female workers) had a ratio of 75.1 in 2001, while Black women had a ratio of 66.8.

Figure 3:
Women's Median Annual Earnings as a Percent of White Men's, Full-Time Year-Round Workers (1967-2001) by Race and Ethnicity



Note: Based on annual earnings data from the Current Population Survey.
Source: U.S. Census Bureau. 2003. "Historical Income Tables - People." <http://www.census.gov/hhes/income/histinc>.

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