Institute For Women's Policy Research

Fact Sheet

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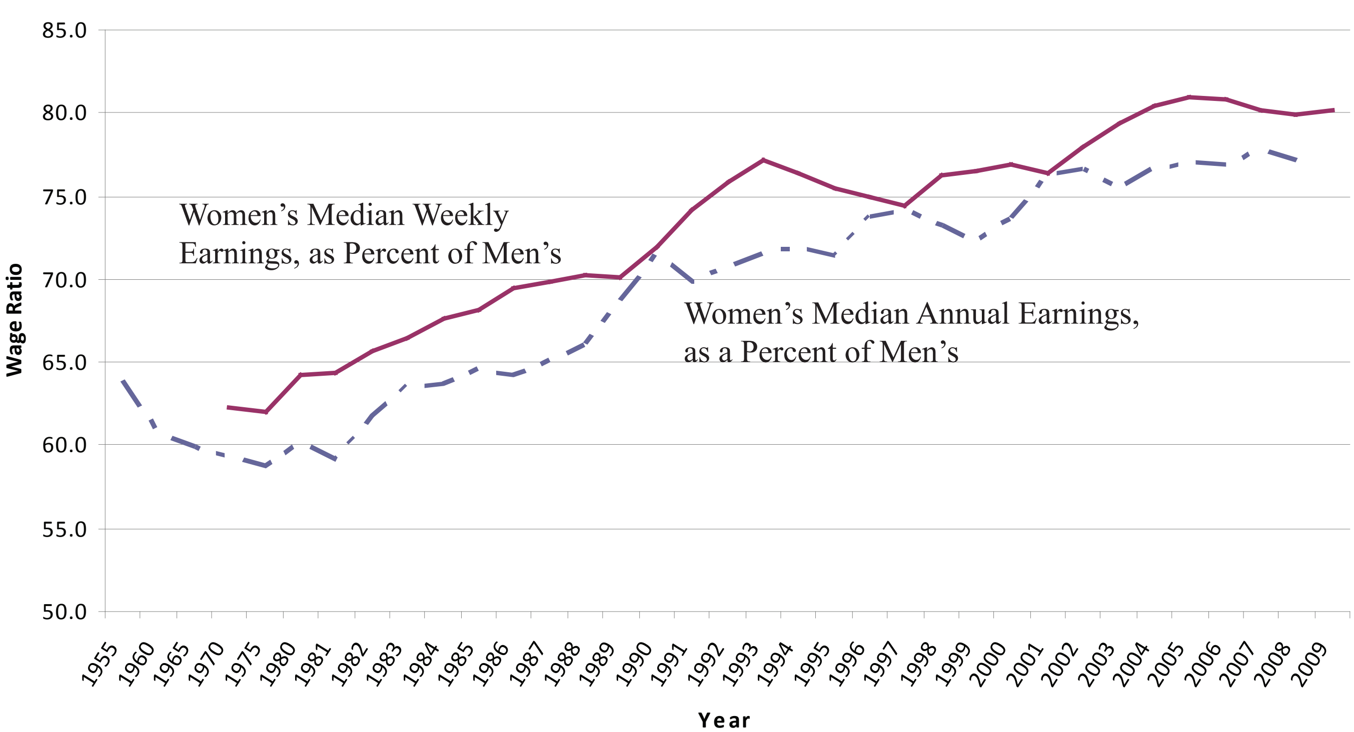
The Gender Wage Gap: 2009

During 2009 the gender wage gap narrowed only slightly. The median weekly earnings of female full-time workers were $657, compared with male median weekly earnings of $819. Based on these data, the ratio of women's to men's median weekly earnings was 80.2, slightly higher than in 2008 but still below the historical high of 81.0 in 2005. During recessions the gender wage gap typically narrows slightly because bonus and overtime payments, which on average account for a larger share of male than female earnings, are cut back. In real terms, women's median weekly earnings increased by 3.3 percent compared with 2008, while men's median weekly earnings increased by 3.0 percent. This increase is at least partly due to the disproportionate concentration of job losses among lower paid and more junior employees; it reflects changes in the composition of those in employment more than increases in the earnings of individual men and women.[1]

Another measure of the earnings gap, the ratio of women's and men's median annual earnings for full-time year-round workers, was 77.1 in 2008 (data for 2009 are not yet available), down from 77.8 in 2007. (This means the annual gender wage gap for full-time year-round workers is 22. 9 percent.)

The annual 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 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).

The Gender Earnings Ratio, 1955-2009, Full-Time Workers



Progress in closing the gender earnings gap has slowed considerably since the early 1990s, as measured by both data series. While the gender earnings ratio for annual earnings increased by 11.8 percentage points from 1980 to 1994, it grew by only 5.1 percentage points across the next 14 years. For median weekly earnings the ratio increased by 12.2 percentage points during the first period and only 3.8 percent during the next fifteen years.

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 (above the definition of full-time). If part-time and part-year workers were included, the ratios of women's to men's earnings would be much lower, as women are more likely than men to work reduced schedules in order to manage childrearing and other caregiving work.

As illustrated by Table 1, Black and Hispanic workers of both sexes earn considerably less than white males, yet the wage gap is particularly marked for women of color (except for Asian American women). African American women on average only earned 68.9 percent for every dollar earned by a white male per week, and Hispanic/ Latina women only 60.2 cents. Workers with Asian backgrounds as a group have the highest median weekly earnings, primarily because of historically higher rates of educational attainment for both genders; relative to Asian American men, Asian American women earn only 81.2 percent.

Table 1: Median Weekly Earnings (Annual Average) and Gender Wage Gap for Full-Time Workers, 16 Years and Older, by Race/Ethnic Background, 2009

Race / Ethnic Background*	Female ($)	Male ($)	Female Earnings as % of White Male Earnings
All Races/Ethnicities	657	819	80.2%
White	669	845	79.2%
African American	582	621	68.9%
Hispanic or Latina/o	509	569	60.2%
Asian American	779	952	92.2%

Note: *These categories are not exclusive because workers who identified themselves as Hispanic/ Latina /o are classified by both ethnicity and race and may be of any race.
Source: Institute for Women's Policy Research compilation of Current Population Survey Labor Force Statistics, 2009 (http://www.bls.gov/webapps/legacy/cpswktab2.htm (retrieved February 25 2010)

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, but, 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. Women's earnings have become increasingly important to family incomes.

[1] Also, when the Consumer Price Index for 2008 and 2009 are compared at the average for each year, prices were lower in 2009 than 2008 (by 0.4 percent), causing a gain in real wages (even though the CPI in December of 2009 showed a gain of 2.7 percent compared with December 2008.

Table 2: The Gender Wage Ratio and Real Earnings, 1955-2009, Full-Time Workers

	Median Annual Earnings			**Median Weekly Earnings**		
Year	**Women's Earnings, adjusted to 2009 dollars**	**Men's Earnings, adjusted to 2009 dollars**	**Female as % of male earnings**	**Women's Earnings, adjusted to 2009 dollars**	**Men's Earnings, adjusted to 2009 dollars**	**Female as % of male earnings**
1960	23,606	38,907	60.7			
1965	26,071	43,507	59.9			
1970	29,432	49,576	59.4	520	835	62.3
1975	29,924	50,875	58.8	546	881	62.0
1980	29,153	48,458	60.2	523	815	64.2
1985	31,152	48,241	64.6	552	811	68.1
1990	32,537	45,432	71.6	568	790	71.9
1991	32,374	46,343	69.9	577	777	74.2
1992	32,685	46,175	70.8	581	766	75.8
1993	32,287	45,145	71.5	583	757	77.1
1994	32,144	44,665	72.0	578	756	76.4
1995	31,670	44,338	71.4	572	757	75.5
1996	32,420	43,952	73.8	572	762	75.0
1997	33,381	45,011	74.2	576	774	74.4
1998	34,039	46,520	73.2	600	787	76.3
1999	33,888	46,862	72.3	609	796	76.5
2000	34,214	46,411	73.7	614	799	76.9
2001	35,391	46,366	76.3	620	812	76.4
2002	36,018	47,020	76.6	631	810	77.9
2003	35,823	47,417	75.5	644	810	79.4
2004	35,480	46,333	76.6	651	810	80.4
2005	34,996	45,463	77.0	643	793	81.0
2006	34,602	44,973	76.9	639	791	80.8
2007	36,320	46,678	77.8	635	793	80.2
2008	35,618	46,202	77.1	636	795	79.9
2009				657	819	80.2

Notes: Annual earnings data include self-employed workers; weekly data are for wage and salary workers only. Annual earnings are for full-time, year-round workers aged 14 and older through 1979 and workers 15 and older from 1980 through 2008, weekly earnings are for full-time workers aged 16 and older and are not restricted to year-round workers. (A full-time worker works 35 hours or more per week, a year-round worker at least 50 weeks during the year.) The annual average of median weekly earnings is usually released in January for the previous year by the U.S. Bureau of Labor Statistics. Median annual earnings data are typically released for the previous year in late summer or early fall, by the U.S. Census Bureau. Both data series are derived from the Current Population Survey. Adjustments to 2009 dollars are computed on the basis of the Consumer Price Index (CPI-U) (U.S. Bureau of Labor Statistics. <ftp://fts.bls.gov/pub/special.requests/cpi/cpiai.txt> retrieved January 2010).

Sources: Annual data: 1955: Francine D. Blau and Marianne A. Ferber, *The Economics of Women, Men, and Work*, 2nd ed. (Englewood Cliffs, NJ: Prentice-Hall, 1992), Table 5.6; 1960 through 2008: U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, Table A-2; U.S. Census Bureau. "Table 38". <http://www.census.gov/hhes/www/income/histinc/incpertoc.html> (retrieved January 2010). Weekly data: 1970 and 1975: U.S. Department of Labor Bureau of Labor Statistics. 1982. *Labor Force Statistics Derived from the Current Population Survey*, Vol. I, Table C-19; 1980 through 2009: U.S. Bureau of Labor Statistics, *Highlights of Women's Earnings in 2008*, Table 12. " http://www.bls.gov/cps/cpsaat39.pdf (retrieved January 2010); U.S. Bureau of Labor Statistics. "Household Data Annual Averages" <http://www.bls.gov/cps/cpsaat39.pdf> (retrieved January 2010);

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