Black Women and the Pay Gap



Would you like to work seven extra months for free just to earn the same paycheck as your male co-workers? We didn't think so. Unfortunately, if you're a black woman in the United States, that's a likely reality.

According to Census data, on average, black women were paid <u>63 percent</u> of what non-Hispanic white men were paid in 2016. That means it takes the typical black woman 19 months to be paid what the average white man takes home in 12 months. That's even worse than the national earnings ratio for all women, 80 percent, as reported in AAUW's <u>The Simple Truth about the Gender Pay Gap</u>. This gap persists despite the fact that <u>black women participate in the workforce at much higher rates than most other women</u>.

What contributes to this pay gap?

Intersecting injustice

Black women and girls live at the <u>intersection of sexism and racism</u>. While sexism and racism are distinct forms of discrimination that manifest differently, their effects are compounded when a person experiences both at the same time. Intersectional discrimination perpetuates the racial and gender wealth gaps, limits black women's access to educational opportunities, and negatively impacts their career advancement.

When it comes to the pay gap and the way it impacts different groups of women, an intersectional analysis is necessary for seeing the whole picture.

Wealth gap

The wealth gap can help us to understand why black women's earnings are so far behind those of both white men *and* white women. In 2013 the median white household had 13 times the wealth ("wealth" refers to total assets minus debts) of the median black household — specifically, the median white household had about \$134,000 to the median black household's \$11,000.

The wealth gap black families experience can <u>be traced back to such historic injustices</u> as slavery, segregation, redlining (the practice of differentiating areas of a city or town by race, often leading to the denial of necessary goods and services to people who live in those areas), unequal access to government programs like welfare and the <u>GI Bill</u>, and ongoing institutionalized and systematic discrimination. This disparity in wealth spans generations and perpetuates unequal pay and diminished opportunities, decreasing the amount of resources black families can devote to education and career advancement.

Occupational segregation

Looking at industry also helps us understand some of the gap — but not all of it. Black women are more likely to work in lower-paying service occupations (like food service, domestic work, and health care assistance) than any other industry and less likely to work in the higher-paying engineering and tech fields or managerial positions.

The U.S. Bureau of Labor Statistics shows that the percentage of black women who are full-time <u>minimum-wage workers</u> is higher than that of any other racial group. To make matters worse, there's an even bigger pay gap in the service industry, where women <u>make less per week than women working full-time across all occupations</u>. That's why <u>a livable minimum wage</u> is crucial to all women (who make up two-thirds of tipped workers), and especially black women. In addition to being overrepresented at the low-paying end of the spectrum, black women are underrepresented at the top. <u>Black women make up a scant 1 percent</u> of the high-paying engineering workforce and <u>3 percent of computing</u>. And these, unfortunately, are the fields where the gender pay gap is the <u>smallest</u>. Among the few black women who do break into these careers, <u>discriminatory pay</u> and promotion practices drive many out.

Education

While education is often thought of as a great equalizer, it does not shield women of color from the pay gap or the wealth gap. Recent research by Demos found that the median white adult who dropped out of high school has 70 percent more wealth than the median black adult with some college education. That means relying on education alone to close the pay gap alone will not work for women, especially black women, who trail behind in terms of wealth no matter how closely they follow societal guidelines of how to earn more and be successful.

Given the barriers black women face in being admitted to college, paying for college, and managing student loans, higher education can seem like a massive undertaking without any guaranteed future benefit.

Equal Pay Helps Everyone

The pay and wealth disparities black women do not only affect individual women, but also the people around them. Since 80 percent of black mothers are the <u>sole or primary breadwinners</u> for their households, a fair salary can mean the difference between struggling and sustainability for a family.

Paying *all* workers fairly means more wage earners can support the people relying on them while also contributing to and further improving the economy. True pay equity requires a multipronged strategy that addresses both the gendered and racialized injustices that black women face every day.

What Can You Do?

- 1. Get the facts and share them. The pay gap is no myth, and the more people are empowered with the data to back it up, the sooner we can close the gap.
- 2. <u>Negotiate for the salary and benefits you deserve.</u> Sign up to attend or even host an AAUW Work Smart salary negotiation workshop.
- 3. <u>Take action for equal pay!</u> Tell Congress to close the pay gap by passing key pieces of federal fair pay legislation.
- 4. <u>Check the status of equal pay laws in your state</u> and advocate for policies needed to close the pay gap by following our <u>state road maps!</u>

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