

ELECTION 2008: Voting the Common Good

Gender and Poverty

Although there have been slow but consistent gains in the closing of the gender gap in earnings over the past 40 years, women, especially women of color, still have not reached parity with their male counterparts. The gender wage gap – the ratio of the annual averages of women's and men's, full time, full year, median earnings – in 2007 was 77.8 percent. Women's real (inflation-adjusted) median annual earnings were \$35,102 while men's real earnings were \$45,113. Moreover, closing the gender wage gap has slowed considerably since 1990. From 1980 to 1990 the gap decreased by 11.4 percentage points, but has decreased by only 6.2 percentage points over the next 17 years to 2007¹

But median income, which is the mid-point of the aggregate of all women's (and men's) wages, does not tell the whole story. Examining the median income through the lens of race reveals that the majority of women above the median for all women are white and those below it are women of color. The combination of gender and race discrimination guarantees that women of color are more likely to be poorer than white women and their male counterparts, without exception.

- Among women of color, Asian American women are the least likely to be poor, with 88.3 percent living above poverty, compared with 90.3 percent of white women and 89.2 percent of Asian American men.
- Native American women and African American women are the most likely to be poor, with only three in four living above poverty (74.7 and 75.1 respectively). Slightly more than three quarters of Hispanic women live above poverty (77.3 percent).
- The largest gaps in poverty status between women and men are seen among African Americans and Hispanics. African American women are less likely to live above poverty than African American men by 7.9 percentage points and Hispanic women are less likely to live above poverty than Hispanic men by 6.7 percentage points.²

Percent of Women and Men Above the Poverty Level*

| | Women | Men |
|---------------------|-------|-------|
| All | 86.4% | 90.3% |
| White, Non-Hispanic | 90.0% | 92.9% |
| African American | 75.1% | 83.0% |
| Asian American | 88.3% | 89.2% |
| Native American | 74.7% | 79.8% |
| Hispanic | 77.3% | 84.0% |

Source: Data from Hispanics may be of any race or two or more races. Racial categories African Americans, Asian Americans, and Native Americans may include Hispanics.

* Data from U.S. Department of Commerce, Bureau of the Census, 2005 American Community Survey.



1225 Otis St NE
Washington, DC 20017
202.635.2757 phone
202.832.9494 fax
www.coc.org/election2008

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These continuing poverty numbers and the wage gap lead to women's risk of greater economic insecurity. A recent gender analysis of the Rockefeller Foundation's American Worker Survey extracted these key gender findings:

- Women feel a much more palpable sense of economic anxiety than men do, both for the current circumstances and looking into the future, and across all issues.
- Neither work nor marriage nor education protects women from feeling economic insecurity.
- Women of color are at greatest risk of economic hardship.
- Single mothers face double jeopardy: lower earnings because they are female and more financial stress from parenting.
- Women are very worried about possible cutbacks to Social Security.³

Women's poverty is a result of years of discrimination in the work place as well as cultural norms that continue to place the primary care of children and family on women and penalize such care responsibilities in the workplace. This double burden of work at home and work on the job puts a great strain on women's time and energy. For single female heads of families the burden of parenting and working outside the home can be crushing both economically and personally.

These realities call for policy changes that would reduce economic vulnerability for everyone and ensure economic security in old age by shoring up Social Security. Working parents need access to affordable and professional child care services as well as paid parental leave. Equal pay for equal work needs to be a top priority.

1 The Gender Wage Gap:2007, Fact Sheet, Institute for Women's Policy Research, August 2008.

2 Data Tables on the Economic Status of Women of Color in the United States, Key Data Points, Women's Data Center, Institute for Women's Policy Research, May 20, 2008.

3 Vicky Lovell, Heidi Hartmann, Claudia Williams, *Women at Greater Risk of Economic Insecurity: A Gender Analysis of the Rockefeller Foundation's American Worker Survey*, Institute for Women's Policy Research, 2008, p.ii.