

Status Report

EARNINGS GAP IN THE UNITED STATES

The Earnings Gap

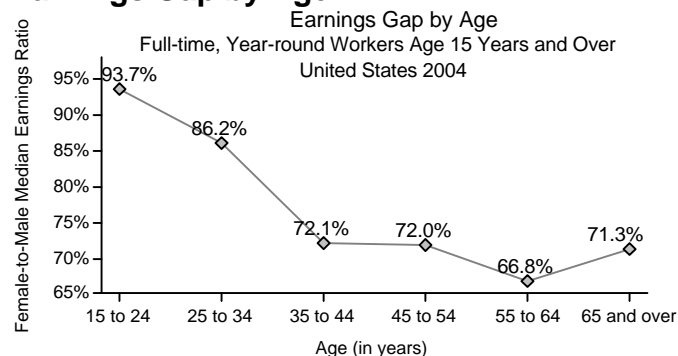
The earnings gap, or ratio of female-to-male median earnings of full-time, year-round (FTYR) workers, has fluctuated over the years.

- ♦ The largest earnings gap between U.S. women and men FTYR workers occurred in the early 1970s (56.6% in 1973). The smallest earnings gap occurred in the early 2000s (76.6% in 2002).
- ♦ The greatest decreases* in the earnings gap occurred in the 1980s when the gap decreased by more than 10 percentage points between 1980 and 1990.
*Note: Earnings gap decreases were due in part to decreases in men's median earnings.
- ♦ Since 1990 (with the exception of 1991) women's median earnings have been over 70 percent of men's median earnings.
- ♦ In 2004, the earnings gap of FTYR workers was 76.5 percent, which was not statistically different from the smallest historic earnings gap reached in 2002. The earnings gap decreased between 2003 and 2004, from 75.5 percent to 76.5 percent, reflecting a larger annual decline in the median earnings of men compared to women (men's median annual earnings declined by 2.3% compared to a decline of 1% for women).



The chart above shows the earnings gap in five-year increments from 1955 to 2000 and includes yearly information from 2000 to 2004.

Earnings Gap by Age



The earnings gap of U.S. workers age 15 years and over increased with age until retirement age when it decreased.

- ♦ The earnings gap was smallest for women age 15 to 24 years. Women FTYR workers in this age group had median earnings that were over 90 percent (93.7%) of the median earnings of their male counterparts in 2004.
- ♦ The earnings gap was greatest for women age 55 to 64 years. Women FTYR workers in this age group had median earnings that were just over two-thirds (66.8%) of the median earnings of comparable men in 2004.

Earnings Gap by Educational Attainment

The earnings gap of U.S. workers age 25 years and over varied by level of educational attainment.

- ♦ The earnings gap was largest between women and men FTYR workers with Master's degrees, with women earning just over seven-tenths (71.7%) of the median earnings of their male counterparts in 2004.
- ♦ The earnings gap was smallest for FTYR workers with doctorate degrees. At this level of educational attainment, women's median earnings were over four-fifths (83.6%) of the median earnings of comparable men in 2004.

