



New Jersey Women and the Wage Gap

Women in New Jersey earn on average 80 cents for every dollar paid to men, amounting to a yearly wage gap of \$11,927 between men and women who work full time.ⁱ For women of color, the wage gap is larger. On average, African American women in New Jersey are paid 58 cents and Latinas are paid just 43 cents for every dollar paid to white men.

The Wage Gap Cannot Be Explained By Personal Choices.

- ▶ **The wage gap persists regardless of industry.** In the civilian industries that employ the most full-time employees – health care and social assistance, manufacturing, retail trade and educational services – women are consistently paid less than men.
- ▶ **The wage gap is present within occupations.** Among the occupations with the most people working full time, year round – sales, production, management, and office and administrative support – women are paid less than men.
- ▶ **The wage gap exists regardless of education level.** Educational attainment alone will not eliminate the wage gap. Women with master’s degrees working full time, year round are paid just 72 cents for every dollar paid to men with master’s degrees.
- ▶ **Experts warn that the wage gap will not close in most women’s lifetimes.** If change continues at the same slow pace as it has during the last 50 years, it will take nearly 50 more years – until 2059 – for women and men to finally reach pay parityⁱⁱ.

New Jersey Women and Families Cannot Afford Discrimination and Lower Wages.

New Jersey women are responsible for the economic security of their families.

- ▶ In the United States mothers are primary or sole breadwinners in nearly 40 percent of familiesⁱⁱⁱ, and married mothers are the primary or co-breadwinners in more than half of families^{iv}. That means women’s wages are key to their families’ ability to make ends meet and get ahead.
- ▶ More than 441,000 family households in New Jersey are headed by women^v. About 23 percent of those families, or 99,308 family households, have incomes that fall below the poverty level^{vi}. Eliminating the wage gap would provide much-needed income to women whose wages sustain their households.

Dozens of Companies Have Taken the White House Equal Pay Pledge.

Businesses are playing a critical role in reducing the national pay gap.

- ▶ Twenty-eight companies, including Amazon, American Airlines, Cisco, Gap, Johnson & Johnson, L’Oreal and PepsiCo have signed the White House Equal Pay Pledge (see back for full list).
- ▶ By committing to the Equal Pay Pledge, the companies have agreed to analyze company-wide pay across occupations, review hiring and promotion processes, and institute “equal pay efforts into broader enterprise-wide equity initiatives.”

Pay Equity Will Benefit Our Economy and Our State Budget.

If New Jersey’s women had equal pay for equal work, the poverty rate for working women in the state would drop by half and our economy would grow by \$16.6 billion dollars.^{vii}

- ▶ Equal pay means more money in families’ pockets to purchase goods and services, which drives the economy.
- ▶ Pay equity also takes pressure off of government assistance programs, which are supplementing the incomes of women who can’t make ends meet.

The White House Equal Pay Pledge

We applaud the growing number of countries that have already made significant progress in closing their gender wage gap. Despite passage of the Equal Pay Act of 1963, which requires equal pay for equal work, the gender pay gap in the United States persists. Women working full-time earn only 79 percent of men's wages, and we are committed to taking action individually and collectively to reduce that national pay gap.

We believe that businesses must play a critical role in reducing the national pay gap. Towards that end, we commit to conducting an annual company-wide gender pay analysis across occupations; reviewing hiring and promotion processes and procedures to reduce unconscious bias and structural barriers; and embedding equal pay efforts into broader enterprise-wide equity initiatives. We pledge to take these steps as well as identify and promote other best practices that will close the national wage gap to ensure fundamental fairness for all workers.

As of June 14, 2016, the following companies have signed the Pledge:

Accenture	GoDaddy
Airbnb	Jet.com
Amazon	Johnson & Johnson
American Airlines	L'Oréal USA
BCG	PepsiCo
Buffer	Pinterest
Care.com	Popcorn Heaven
CEB	PwC
Cisco	Rebecca Minkoff
Deloitte	Salesforce
Dow Chemical Company	Slack
Expedia, Inc.	Spotify
Gap Inc.	Staples
Glassdoor	Stella McCartney

ⁱ U.S. Census Bureau. (2015). American Community Survey 1-Year Estimates 2014, Geographies: All States within United States and Puerto Rico, Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months. Retrieved 8 June 2016, from

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_B20017&prodType=table

ⁱⁱ Institute for Women's Policy Research. (2015, September). Women's Median Earnings as a Percent of Men's Median Earnings, 1960-2014 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059. Institute for Women's Policy Research Publication. Retrieved 8 June 2016, from <http://www.iwpr.org/publications/pubs/equal-payprojection-2059>

ⁱⁱⁱ Wang, W., Parker, K., & Taylor, P. (2013, May 29). Breadwinner Moms. Pew Research Center Publication. Retrieved 8 June 2016, from <http://www.pewsocialtrends.org/2013/05/29/breadwinner-moms/>

^{iv} Glynn, S.J. (2014). Breadwinning Mothers, Then and Now. Center for American Progress Publication. Retrieved 8 June 2016, from <http://cdn.americanprogress.org/wpcontent/uploads/2014/06/Glynn-Breadwinners-report-FINAL.pdf>

^v U.S. Census Bureau. (2015). American Community Survey 1-Year Estimates 2014, Table DP02: Selected Social Characteristics in the United States. Retrieved 8 June 2016, from http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_DP02&prodType=table (Calculation uses family households headed by females living in a household with family and no husband. A family household includes a householder, one or more people living in the same household who are related to the householder, and anyone else living in the same household.)

^{vi} U.S. Census Bureau. (2015). American Community Survey 1-Year Estimates 2014, Geographies: United States, Table DP03: Selected Economic Characteristics. Retrieved 8 June 2016, from

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_DP03&prodType=table (To determine whether a household falls below the poverty level, the U.S. Census Bureau considers the income of the householder, size of family, number of related children, and, for one- and two-person families, age of householder. The poverty threshold in 2014 was \$19,073 for a single householder and two children under 18.)

^{vii} See <http://www.iwpr.org/publications/pubs/the-economic-impact-of-equal-pay-by-state>