

New York State Comptroller THOMAS P. DINAPOLI

## **Economic and Policy Insights**

# Women and Persistent Pay Gaps in New York

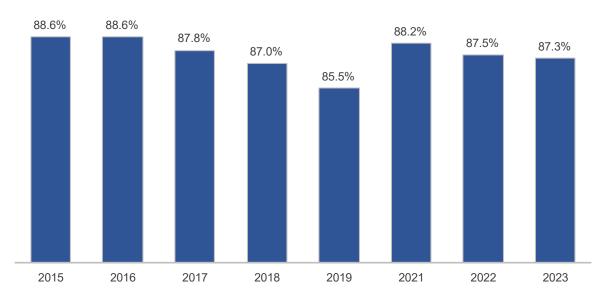
March 2025

#### Introduction

Women in New York working full time earned 87.3 cents on the dollar compared to men in 2023, meaning they would have to work an extra 53 days into 2024 to make what New York men made at the close of 2023.<sup>1</sup> Median earnings in 2023 for women working full-time, year-round in New York were \$62,111 compared to \$71,168 for New York's men.<sup>2</sup>

Women's median earnings as a share of men's earnings in New York declined from 2021 and remained lower than in 2015; however, it improved from <u>the low of 85.5 percent reported in</u> <u>2019</u>. As shown in Figure 1, the gender pay gap in New York narrowed 2.7 percentage points between 2019 and 2021, showing a positive post-pandemic trend with women's share of earnings rising to 88 cents on the dollar.





Women's Median Earnings as a Share of Men's Median Earnings, New York, 2015-2023

Note: For civilian population aged 16 and older employed full-time, year-round. The U.S. Census Bureau did not release its standard 2020 ACS 1-year estimates because of the impacts of the COVID-19 pandemic.

Source: U.S. Census Bureau, American Community Survey (ACS), 1-year estimates, Table S2412.

The gender pay gap in New York is smaller than the national average of 81 cents on the dollar in 2023, as reported in the U.S. Census Bureau's American Community Survey data. In 2023, New York ranked 4th best among the states, Washington DC and Puerto Rico.<sup>3</sup> The national gap has been 6.7 percentage points wider than the state's, on average, since 2015.<sup>4</sup> The most recent Current Population Survey (CPS), another dataset published by the U.S. Census Bureau, showed the national female-to-male earnings ratio in 2023 fell to 82.7 percent from 84.0 percent in 2022. This is the first statistically significant annual decrease in the CPS national female-to-male earnings ratio since 2003.<sup>5</sup>

#### **Educational and Occupational Differences**

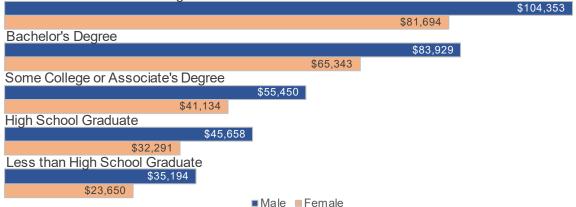
Many factors contribute to earnings differences between women and men, including education, the industry or occupation, years of experience and number of hours worked. The wage gap varies depending on the level of educational attainment and the type of occupation examined.<sup>6</sup>

Young women now receive more than half of all bachelor's degrees and post-college professional degrees in the U.S.<sup>7</sup> Yet, women continue to make considerably less than men with the same level of educational attainment. In 2023, median earnings for New York women aged 25 and over with a bachelor's degree were \$65,343 compared to \$83,929 for men.

Higher education levels are associated with higher paying jobs. As salary levels increase, the dollar value of the gap increases, but the wage gap (women's earnings as a percentage of men's) narrows.<sup>8</sup> In 2023, median earnings for New York women with a bachelor's, graduate or professional degree were 78 cents on the dollar to what men earned. Comparatively, women with a high school diploma or less earned between 67 to 71 cents on the dollar of what men earned with the same level of educational attainment.<sup>9</sup>

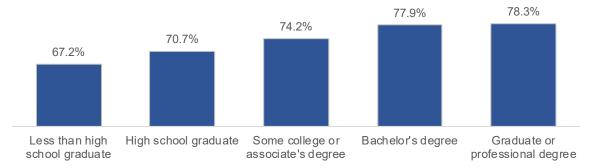
#### Figure 2a

#### New York Median Earnings by Gender and Educational Attainment, 2023



Graduate or Professional Degree

#### Figure 2b New York Women's Earnings as a Share of Men's by Educational Attainment, 2023



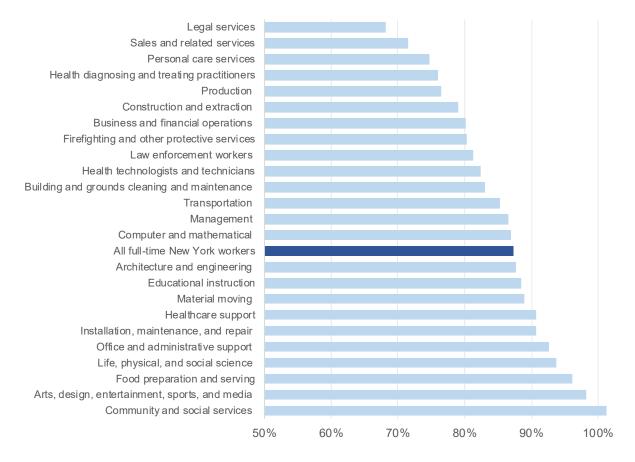
Note: For the population 25 years and older with earnings.

Source: ACS, 1-year estimates, Table S2001, Earnings in the Past 12 Months.

The wage gap exists even when men and women are working in the same general occupation. Among those 16 and older working full-time, the largest occupational group in New York is managers.<sup>10</sup> Median earnings for male managers in New York were \$107,451 in 2023, compared to \$92,952 for women, a difference of \$14,499.<sup>11</sup> As managers, women earn about 87 cents on the dollar compared to what men earn.

Among occupational groups, the New York wage gap is highest in the legal field, which also has the highest median earnings. In 2023, women had median earnings of \$113,699 compared to \$166,678 for men in legal jobs and earned 68 cents on the dollar of what men earned (compared to 55 cents in 2019).

#### Figure 3 Women's Median Earnings as a Share of Men's by Occupational Group, New York, 2023



Note: For civilian population aged 16 and older employed full-time, year-round. Source: U.S. Census Bureau, American Community Survey (ACS), 1-year estimates, Table S2412.

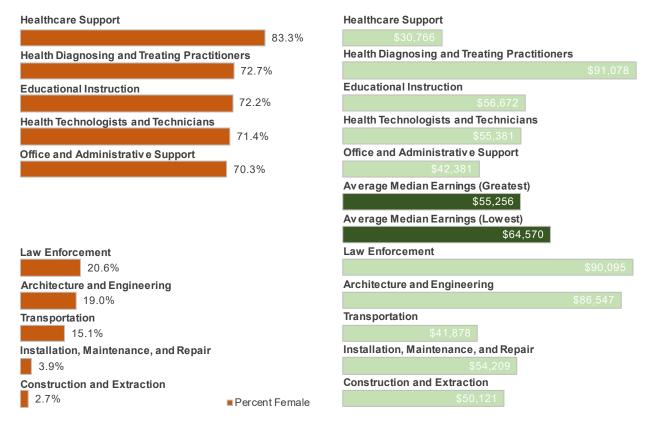
Even when women and men hold a bachelor's degree in the same field of study, an analysis by the U.S. Census Bureau found women in the U.S. earn significantly less than men.<sup>12</sup> This pay disparity within the same field of study could be due to differences in occupational choice, work experience, full-time versus part-time work, periodic exits from the workforce for child care, or educational attainment beyond a bachelor's degree.<sup>13</sup>

Women also hold larger shares of degrees in fields of study associated with lower-paying occupations.<sup>14</sup> A 2024 U.S. Census Bureau analysis comparing earnings for women and men who hold a bachelor's degree from similar select programs found 32.4 percent of the gender pay gap for the sample could be attributed to the occupation worked in and 35.9 percent to the field of study and time worked taken together; the remaining 31.7 percent of the pay gap could not be explained by any of these factors.<sup>15</sup>

Industry and occupation, including hours worked, are the most important *measurable* factors explaining the gender pay gap.<sup>16</sup> The occupations in New York with the highest share of women aged 16 and older were healthcare support, health diagnosing and treating practitioners, and educational instruction.<sup>17</sup> The occupations with the largest share of men were construction and extraction, installation, maintenance and repair, and transportation. As shown in Figure 4, the average annual earnings for all workers in the occupations with the highest concentration of female workers were \$55,256 in 2023 compared to \$64,570 for the occupations with the lowest concentration. Although gender occupational differences have narrowed in higher-paying jobs such as professional and managerial positions, women remain underrepresented in other high-paying fields of work such as the Science, Technology and Math (STEM).<sup>18</sup>

#### Figure 4

## Select Occupations with the Highest and Lowest Shares of Female Workers and Total Median Earnings in those Occupations, New York, 2023



Note: For civilian population 16 Years and Over.

Source: U.S. Census Bureau, American Community Survey (ACS), 1-year estimates, Table S2401 (estimated share of women and men in each occupation) and Table S2411 (estimated median earnings in each occupation).

#### Family Caretaking and the Gender Wage Gap

Family caretaking can also contribute to the gender pay gap by lowering female labor force participation rates and occupational choices. While workforce participation for women took off in the 1970s and 1980s, that rate began to plateau in the 1990s, along with relative occupational and wage gains.<sup>19</sup> Research shows that women still tend to be responsible for more childcare and housework then men, with one study concluding that the gender wage gap is more than double for women with children versus those without.<sup>20</sup> Additional studies show women are also less likely to take or retain certain jobs at higher skill levels that come with longer hours, contributing significantly to the gender pay gap.<sup>21</sup>

In 2024, 56 percent of New York women participated in the labor force compared to 66 percent of men; nationally, 58 percent of women were in the labor force compared to 68 percent of men.<sup>22</sup> This gender gap in labor force participation has remained relatively unchanged since before the pandemic. The COVID-19 pandemic did, however, lead to significant labor force exits, especially for women living with young children relative to women without children, as schools and child care centers closed.<sup>23</sup>

Nearly half of all mothers surveyed in New York City for the Robin Hood Foundation's Early Childhood Poverty Tracker between 2021 and 2023 reported disruptions in their work lives over the previous year because of childcare issues that included lost jobs and reduced working hours.<sup>24</sup> The rise of remote work options and workplace flexibility have helped some mothers return to employment. Nationally, labor force participation rates for mothers who have given birth in the past year rise with education level;<sup>25</sup> these women may have greater opportunities to work remotely and are more likely to have an income sufficient to afford child care services. However, the New York State Department of Labor reports that low availability and high cost of child care may present an impediment to female labor force participation.<sup>26</sup> The Office of the New York State Comptroller recently <u>reported</u> the average cost of child care in New York is the second highest in the nation and some regions have a high share of child care deserts.<sup>27</sup>

#### Conclusion

After decades of progress, gender equity in the labor market has stalled and remains elusive. While the gender pay gap narrowed during the pandemic, according to the U.S. Department of Labor, it also "set women's labor force participation back more than 30 years," with the greatest declines among women of color and in low-wage occupations.<sup>28</sup>

Investing in policies that restore progress in female labor force participation through access to affordable child care and paid leave, and narrowing gender inequities in career paths could help reduce the gender pay gap and promote New York's economic health. These efforts would benefit the State's economy and demonstrate a commitment to equality.

### Endnotes

1 U.S. Census Bureau, 2023 American Community Survey (ACS), 1-year estimates, Table S2412, Occupation by Sex and Median Earnings in the Past 12 Months (in 2023 inflation-adjusted dollars) for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over. The additional 53 days was calculated by determining a women's share of men's earnings per day based on the current gender wage gap. In the time it would take the average man to make \$100, an average woman would make \$87.3. 87.3 divided by 365 days equals \$0.239 per day. A woman would therefore need to work an additional 53 days at \$0.239 per day in order to make up the \$12.7 dollar pay gap and earn \$100.

2 Ibid.

- 3 Louisiana ranked worst with women in that state earning 71.2 percent of what men earned in 2023.
- 4 U.S. Census Bureau, ACS 1-year estimates, Table S2412.
- 5 See Guzman, G. & Kollar, M., *Income in the United States: 2023*, September 2024 (U.S. Census Bureau), at https://www2.census.gov/library/publications/2024/demo/p60-282.pdf. The CPS data cover people 15 years and older, as of March of the following year, with earnings.
- 6 Research by the National Bureau of Economic Research (NBER) states industry and occupation taken together are the most quantitatively important factors, accounting for about half the gender pay gap (NBER, "Gender Inequality in the Labor Market: Continuing Progress?" Working Paper 33266, December 2024, at http://www.nber.org/papers/w33266.
- 7 NBER, Gender Inequality in the Labor Market; Pew Research Center, For Women's History Month, a look at gender gains and gaps in the U.S., February 27, 2024, at https://www.pewresearch.org/short-reads/2024/02/27/for-womens-history-month-a-look-at-gender-gains-and-gaps-in-the-us/.
- 8 This is true when looking at all full-time, year-round workers. Another U.S. Census Bureau longer-term study that links ACS earnings data with postsecondary transcript records finds the pay gap to be more constant across degree levels and that gender differences in field of degree choice and hours worked explain most of the gap at the highest levels (See Binder, A. et al., "The Gender Pay Gap and Its Determinants Across the Human Capital Distribution," U.S. Census Bureau, April 2024, at https://www2.census.gov/library/working-papers/2023/adrm/ces/CES-WP-23-31R.pdf).
- 9 U.S. Census Bureau, ACS, 2023 1-year estimates, Table S2001, Earnings in the Past 12 Months (in 2023 inflationadjusted dollars) for the Population 25 Years and Over with Earnings. Note these estimates, which show women making comparatively less than the overall statewide gap, is based on a different sample size than the statewide data in ACS Table 2412.
- 10 U.S. Census Bureau, ACS, 2023 1-year estimates, Table S2402, Occupation by Sex for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over.
- 11 U.S. Census Bureau, ACS 1-year estimates, Table 2412.
- 12 U.S. Census Bureau, *Men Earned More Than Women Even When They Had Bachelor's Degrees in the Same Field*, December 13, 2023, at https://www.census.gov/library/stories/2023/12/education-does-not-resolve-gender-wage-gap.html.
- 13 See, for example, U.S. Census Bureau, Gender Pay Gap Similar Among Certificate Degree Graduates and Those from Highly Selective Bachelors Degree Programs But Reasons Why Differ, February 22, 2024, at https://www.census.gov/library/stories/2024/02/gender-wage-gap-education.html.
- 14 U.S. Census Bureau, Men Earned More Than Women.
- 15 U.S. Census Bureau, Gender Pay Gap Similar Among Certificate Degree Graduates and Those from Highly Selective Bachelors Degree Programs But Reasons Why Differ.
- 16 NBER, Gender Inequality in the Labor Market, pp. 9.
- 17 U.S. Census Bureau, ACS 1-year estimates, Table S2401.
- 18 Pew Research Center, "Gender pay gap in U.S. hasn't changed much in two decades," March 1, 2023, at https://www.pewresearch.org/short-reads/2023/03/01/gender-pay-gap-facts/; NBER, Gender Inequality in the Labor Market, pp.12.
- 19 NBER, Gender Inequality in the Labor Market; Pew, For Women's History Month.

- 20 U.S. Census, *Gender Pay Gap Similar Among Certificate Degree Graduates* (finding the pay gap for female bachelor's holders with children was more than double that for those without children).
- 21 Pew, Gender Pay Gap in U.S. Hasn't Changed Much; NBER, Gender Inequality in the Labor Market.
- 22 U.S. DOL, Bureau of Labor Statistics (BLS), Current Population Survey, Local Area Unemployment Statistics: Expanded State Employment Status Demographic Data, Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, marital status, and detailed age, 2024 Preliminary Annual Averages, at <a href="https://www.bls.gov/lau/ex14tables.htm">https://www.bls.gov/lau/ex14tables.htm</a> (last accessed on March 19, 2025).
- 23 Lim, Katherine, and Mike Zabek (2023). "Women's Labor Force Exits during COVID19: Differences by Motherhood, Race, and Ethnicity," Finance and Economics Discussion Series 2021-067r1. Washington: Board of Governors of the Federal Reserve System, https://doi.org/10.17016/FEDS.2021.067r1.
- 24 Robin Hood Foundation, Spotlight: Child Care-Related Work Disruption in the Early Childhood Poverty Tracker, September 2024, https://robinhood.org/reports/poverty-tracker-early-childhood-spotlight-child-care-work-disruption.
- 25 U.S. Census Bureau, CPS, Historical Table 5. Births in the past year and Labor Force Participation for Women Aged 16-50, by Education: 2006 to 2021, https://www.census.gov/data/tables/time-series/demo/fertility/his-cps.html#par\_list\_5.
- 26 NYS DOL, 2023 Child Care in New York State, February 2024, https://dol.ny.gov/system/files/documents/2024/02/2023-child-care-report.pdf.
- 27 New York State Office of the State Comptroller, *Lingering Challenges in the Child Care Sector*, February 25, 2025, at https://www.osc.ny.gov/files/reports/pdf/child-care-challenges.pdf.
- 28 Jones, J., 5 Facts About the State of the Gender Pay Gap, U.S. Department of Labor Blog, March 19, 2021, at https://blog.dol.gov/2021/03/19/5-facts-about-the-state-of-the-gender-pay-gap; see also Pew Research Center, Some Gender Disparities Widened in the U.S. Workforce During the Pandemic, January 14, 2022, at https://www.pewresearch.org/fact-tank/2022/01/14/some-gender-disparities-widened-in-the-u-s-workforce-duringthe-pandemic.

#### Contact

Office of the New York State Comptroller 110 State Street Albany, New York 12236

(518) 474-4044

www.osc.state.ny.us

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