

CSW 68 Gender and Poverty Briefs Race, Poverty, and Gender *Sung Sohn and Pam Perraud*

More than 45 percent of the world lives in poverty, and women from minority groups face not only poverty but sexism and racism as well.¹ In the US one in nine women, nearly 15.3 million, are poor, one of the highest proportions in the developed world.² **US women of color have the highest rates of poverty**, including Native women at 21%, Black women at 18.8% and Latinas at 17%, compared to 8.9% of white women. All have higher poverty rates than white men (7.1%).³ Those discrepancies double for single women of color raising children: 42.6% of Native single mothers, 37.4% of Black mothers, and 35.9% of Latina mothers live in poverty.⁴

US women of Asian ancestry vary greatly in their vulnerability to poverty, as illustrated by wide differences in the gender wage gap among Asian sub-groups. Overall, Asian American and Pacific Islander women earn 85 cents to every dollar earned by white non-Hispanic men.⁵ For Chinese-Americans, the wage gap favors women, who earn \$1.03 for every dollar earned by white men.⁶ Indian and Malaysia women fare even better, at \$1.21.⁷ But Burmese women earn only 52 cents for every white male dollar, and Cambodian and Hmong women earn just 60 cents.⁸ Other Southeast Asian women (Laotian, Vietnamese, Thai) earn only a few pennies more, and Bangladeshi and Mongolian women earn just 69 cents.⁹ These differences belie the "model minority" stereotype that sees Asians as excelling in the US. While some Asian-American women clearly do very well, others experience lifelong deficits due to the cumulative effects of the gender wage gap. Their circumstances resemble those of Black women with a gender wage gap of 64 cents and Hispanic women at 57 cents.¹⁰

The **gender wage gap is a significant contributor to female poverty for women of color.** Many are the principal breadwinner for their household and the wage gap undermines the financial stability and prospects of their entire family. A number of factors contribute to the larger gender wage gap for women of color:

- Women of color disproportionally work in jobs within the service, care, and domestic work sectors. These jobs are low-wage "women's work" that are historically undervalued and underpaid.
- Women of color dominate in those jobs because they offer part-time, shift work that can be combined with childcare duties. Societal expectations and cultural biases about women of color increase the likelihood that they will be hired in these low-wage jobs. Such jobs may be the only ones available in nearby locations accessible without a personal car.
- Since women of color are less likely than men or white women to work fulltime, they are **ineligible for many health**, **medical leave**, **and pension benefits** available to full time workers.
- Low-wage jobs often have little chance of wage growth even during periods of high inflation, and during economic downturns or crises like COVID, they are often the first jobs to be cut.

Fast Facts

- The gender wage gap is not simply a matter of a few cents lost. Over time, it accumulates and leads to long-term losses, especially for women of color. Over 40 years, Black and Native American women lose nearly a million dollars (\$964,400 and \$986,240) to the wage gap. Hispanic women lose more than a million dollars (\$1,163,920) and AAPI women lose \$400,000.¹¹
- While there were historic low levels of poverty for US minority populations from 2019-2022, women of color continue to experience more than double the poverty rate of white women. In 2021 Black women had a poverty rate of 20.9% and Hispanic women 18.8% compared to white women at 8.9%. All three groups had higher poverty rates than comparable males.¹²
- At the current pace and without comprehensive action on equal pay, Black and Hispanic women in the US are not projected to reach pay parity with white men until 2133 and 2220 respectively.¹³

Recommendations

1) Close the wage gap for all women by pinpointing the widest disparities and strictly enforcing current wage and discrimination laws against women and minorities.

2) In the US, **reinstate the Child Tax Credit**, which cut child poverty in half during the COVID pandemic, to supplement low-income families' income.

3) **Expand the US Family and Medical Leave Act (FMLA) to part-time workers** to allow 12 weeks of unpaid leave so women at the lowest-wage jobs can attend to personal and family illnesses and emergencies without losing their jobs.

4) Pass legislation so that all workers have access to **paid sick days and paid family and medical leave** such as the US FAMILY Act.¹⁴

5) Recognize quality **affordable childcare as national infrastructure** and offer subsidized childcare to working mothers, particularly in underserved minority areas.

Resources

Sun, Shengwei.National Snapshot: Poverty Among Women and Families 2023.Center for American Progress 2021.Women of Color and the Wage Gap.Center for American Progress 2022.The Latest Poverty, Income, and Food Insecurity Data RevealContinuing Racial Disparities.

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¹ World Bank 2022. <u>Half of the Global Population Lives on Less Than US \$6.85 Per Person Per Day.</u>

² National Women's Law Center 2023. <u>National Snapshot: Poverty Among Women and Families 2023.</u> p. 1

³ National Women's Law Center 2023, p. 3.

⁴ National Women's Law Center 2023, p. 4.

⁵ Center for American Progress 2021. <u>Women of Color and the Wage Gap</u>, figure 2.

⁶ Center for American Progress 2021, figure 2.

⁷ Center for American Progress 2021, figure 2.

⁸ Center for American Progress 2021, figure 2.

⁹ Center for American Progress 2021, figure 2.

¹⁰ Center for American Progress 2021, figure 1.

¹¹ National Women's Law Center 2021. <u>The Wage Gap Has Robbed Women of Their Ability to Weather COVID-19.</u>

¹² Center for American Progress. 2022. The Latest Poverty, Income, and Food Insecurity Data Reveal Continuing Racial Disparities.

¹³ Center for American Progress 2021.

¹⁴ Center for American Progress 2023. <u>Five Fast Facts About the FAMILY Act and Paid Leave</u>.