



THE *NOT SO* SIMPLE TRUTH

About the Gender Pay Gap

2026 Update

Pay inequity affects every woman. The gaps women face are persistent and rooted in how our economy and workplaces are structured — which is why lasting progress requires comprehensive solutions.



Introduction

Equal pay for work of equivalent value is about more than fairness in a paycheck. It shapes women's economic security over a lifetime — from paying bills today to building savings and retiring with dignity. When women are paid less, they lose income now and lose opportunities that depend on that income later.

Every group of women in the workforce faces a pay gap, whether they work full-time or part-time and whether they have a high school diploma or an advanced degree. But the gap is not the same for everyone. **There isn't one pay gap – there are many.** Research repeatedly shows that even after controlling for level of education, choice of college major, and job tenure, women are still paid less than similarly educated and experienced men.¹ Pay disparities differ by race and ethnicity, age, education level, disability status, parental status, and hours worked.

81¢

Women's earnings for every **\$1** men earn (full-time workers).

76¢

Not everyone works full-time: including part-time work, women earn **76¢** per **\$1** men earn.

\$542,800

The amount of money women working full-time lose due to the pay gap over a 40-year career.

These gaps reflect long-standing sexism and racism in our economy. Our systems have been built to reward men's work more than women's work, and to place extra barriers in front of women of color, including Black, Hispanic/Latina, Native Hawaiian, Pacific Islander, and Native American women, and women with disabilities and in the LGBTQ+ community. Those barriers show up in job opportunities, pay practices, and daily discrimination.

Closing these gaps requires more than small fixes. We need solutions that raise pay for jobs where women are concentrated, stop discrimination, and support caregiving so women are not punished for the work they do at home and in their communities.

What is the Gender Pay Gap?

The gender pay gap is the difference between what women and men are paid. AAUW measures it using median earnings – the middle value, where half of workers earn more and half earn less.

We most often talk about the gap as an earnings ratio. This compares women’s median earnings to men’s median earnings.

$$\text{Earnings Ratio} = \frac{\text{Women's median earnings}}{\text{Men's median earnings}}$$

2024 Earnings Ratio for Full-Time, Year-Round Workers = $\frac{\$57,520}{\$71,090} = 81\%$

Current Status of the Gender Pay Gap

In 2024, **women working full-time, year-round earned 81 cents for every dollar** earned by men. When we consider all working women – including part-time and seasonal workers – women earned 76 cents per dollar.² Over a 40-year career, the gap for full-time workers adds up to **about \$542,800 in lost wages**. For many women of color, the losses are far higher, **exceeding \$1 million over a lifetime**.³

Table 1 – Women’s earnings ratio compared with men, 2022–2024
Full-time, year-round workers vs. all workers (including part-time and seasonal workers)

All women vs. all men	2024	2023	2022
Working Full-time, Year-round (%)	81	83	84
All Workers (%) (Including Full-time, Part-time, and Seasonal Workers)	76	75	78

Source: AAUW analysis of CPS data (U.S. Census Bureau).⁴

The pay gap for full-time working women grew from 17% in 2023 to 19% in 2024. Women’s full-time wages stalled, while men’s full-time wages rose by 3.7%. During this period, women’s full-time employment did not change significantly, while men’s fell by 0.6%.⁵ Yet men’s median wages still rose – widening the gender pay gap.



How the Pandemic Still Shapes the Pay Gap Today

The widening of the pay gap from 2022 to 2024 is a result of the economy fully recovering from the COVID-19 pandemic, and the labor market conditions returning to pre-pandemic norms.⁶

The pandemic hit women's employment harder than men's — especially mothers and women of color. When schools and childcare centers closed, many women cut back hours or left paid work altogether.⁷ That shift made the pay gap look smaller in 2021 and 2022 — not because pay equity improved, but because many lower-paid women were temporarily out of the workforce and therefore not included in earnings calculations.⁸

By 2023, more women returned to paid work, often choosing part-time or remote roles to manage caregiving while childcare remained hard to find. But even with more women back at work, overall median earnings dipped because many returned to lower-paid jobs — and the pay gap persisted.⁹

What this **MEANS**

Pay equity isn't automatic — when protections and enforcement weaken, pay gaps widen.



What the Rebound Shows

As the labor market has stabilized, the pay gap among full-time, year-round workers has moved back near where it was before the pandemic (about an 18% gap in 2018 and 2019)¹⁰ – a reminder that the underlying inequities never went away.¹¹ At the same time, pandemic-era policy choices and a strong labor market helped boost wage growth at the bottom of the pay scale. That wage growth likely helped offset the wider gaps that show up when part-time and part-year work are included – and may help explain the small improvement from 2023 to 2024 in the “all workers” measure.¹² These gains matter, but they are not enough to close long-standing pay inequities.

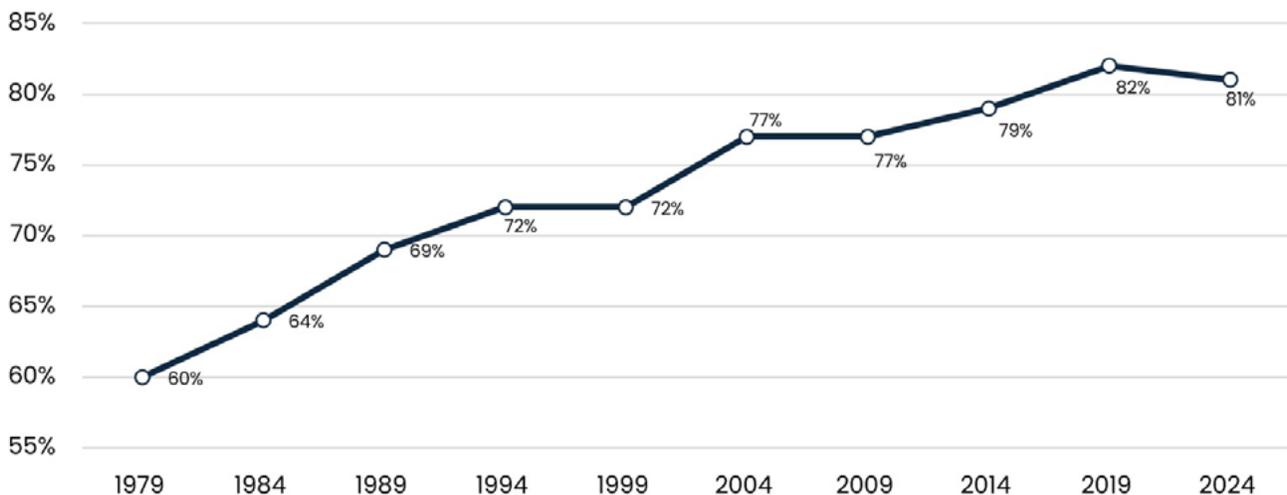
These year-to-year shifts reinforce a core truth: pay inequity responds to policy choices and economic conditions. When workplace protections and enforcement are weakened, pay gaps are more likely to widen – especially for women already facing stacked barriers.



The Long View: Progress Slowed Long Before 2024

Figure 1 shows that most progress in closing the pay gap happened decades ago. After rapid gains in the 1980s and early 2000s, women’s earnings have hovered around **80% of men’s** since 2004. Long-term trends make clear that progress is not automatic – it requires sustained attention and strong policy tools.

Figure 1 – Women’s earnings ratio compared with men, 1979–2024
Full-time, year-round workers (based on real median annual earnings)



Source: AAUW analysis of CPS data (U.S. Census Bureau).¹³

Impact of the Pay Gap on Women and the Economy

Women lose income over a lifetime for two connected reasons. The gender pay gap lowers their wages at work, and our economy still does not value or account for caregiving responsibilities, which women are more likely to shoulder at home and in their communities.

- **Caregiving costs women pay now.** Caregiving responsibilities deepen the gap. Because of long-standing expectations about who provides care, women shoulder most of these costs. Women make up about six in ten family caregivers, and many reduce hours or leave jobs to provide care.¹⁴

Caregiving also strains family budgets. On average, caregivers spend about \$7,242 each year — roughly 26% of their income — on care-related expenses. This extra responsibility can drain savings, slow career growth, and make it harder to stay in the workforce long-term.¹⁵

- **Lower earnings follow women into retirement.** Lower pay during working years adds up. When women earn less over time, they build less wealth and contribute less to Social Security. Mothers lose an estimated \$295,000 over a lifetime in earnings and retirement income due to unpaid family caregiving reducing paid work.¹⁶ Women also live about 5.4 years longer than men,¹⁷ which means they are more likely to outlive their savings and rely on smaller retirement benefits.

These effects show up clearly in the disparity of retirement income received by women. In 2024, retired women received only 81% of the average monthly Social Security benefit men received (\$1,714 vs. \$2,106).¹⁸



- **Higher poverty risk for older women — especially women of color.** Because women earn less over their lifetimes, they face greater economic insecurity later in life. Among people age 65 and older, women are more likely than men to live in poverty (11.0% vs. 8.5%) and more likely to have income below 200% of the poverty line.¹⁹

These risks are even higher for many women of color, who face larger pay gaps for most of their working lives. A bigger gap earlier means less income, less savings, and lower retirement security later.

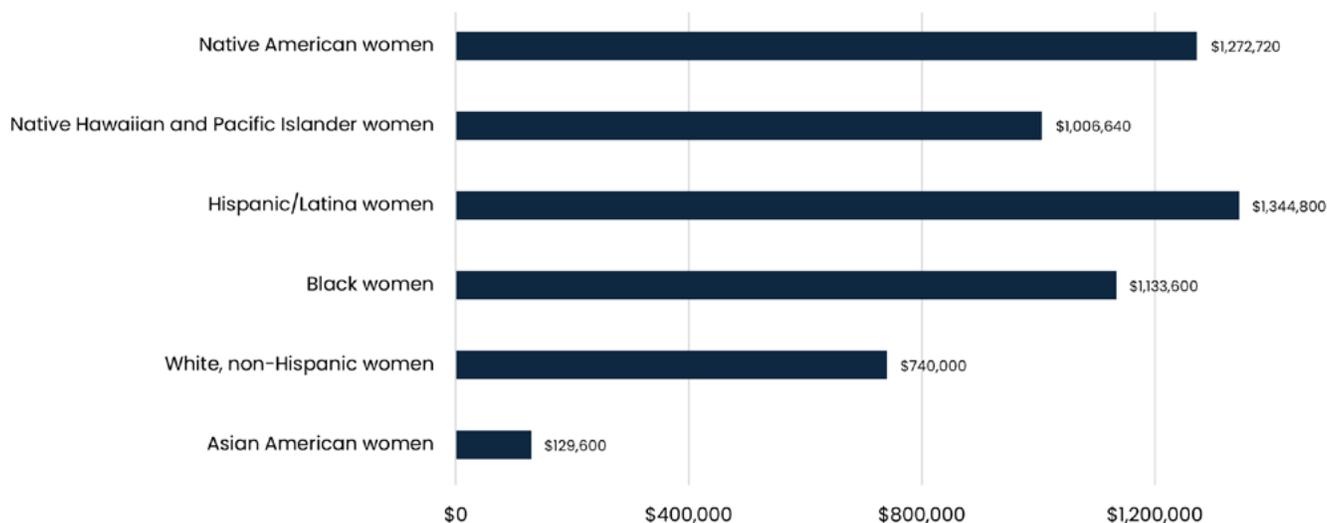


- **Underpaying women drags down the whole economy.** Underpaying women hurts families, but it also weakens the whole economy. If women were paid what their work is worth, an estimated **\$541 billion** would be added to the U.S. economy each year in wages and salary income.²⁰

Over a 40-year career, that gap costs women about \$542,800 in lost wages.²¹ For many women of color, the losses are far higher. Black, Hispanic/Latina, Native Hawaiian, Pacific Islander, and Native American women each lose more than \$1 million over a lifetime at today’s rates (Figure 2).

Fair pay, paired with strong public investments in childcare and elder care, would help women stay in the workforce, grow their earnings, and retire with more security.

Figure 2 – Lifetime earnings losses for women compared with White, non-Hispanic men, 2024
Full-time, year-round workers (projected over a 40-year career)



Losses reflect the cumulative difference between women’s median earnings and White, non-Hispanic men’s median earnings in 2024, projected over 40 years.
 Source: AAUW analysis of CPS and ACS data (U.S. Census Bureau).²²

Race and the Pay Gap

Race and ethnicity shape the pay gap in powerful ways. America’s history of slavery, segregation, and exclusionary immigration policies created inequalities that still affect pay today. Women of color have faced barriers to education and good jobs for generations, rooted in policies and practices that still limit opportunity today.

In fiscal year 2024, the U.S. Equal Employment Opportunity Commission (EEOC) received 88,531 charges of discrimination overall, including 26,872 sex-discrimination charges and 30,270 race-discrimination charges (charges can include more than one basis).²³ These numbers underscore what women already know from lived experience: discrimination is not a thing of the past – it’s built into workplace structures and practices that continue to hold down wages, especially for women of color.

- Where women work matters for what women earn.** Black, Hispanic/Latina, Native Hawaiian, Pacific Islander, and Native American women are more likely to work in service, domestic, caregiving, and agricultural jobs.²⁴ These roles are essential to families and communities, yet they have been consistently undervalued and underpaid. Because women of color are concentrated in lower-paid fields, they are more likely to experience larger pay gaps.
- The size of the gap depends on race and ethnicity.** All women face a pay gap compared to men, but the gap is much larger for some groups than others. In 2024, Black, Hispanic/Latina, Native Hawaiian, Pacific Islander, and Native American women experienced some of the largest disparities (Table 2).

To show the impact of race clearly, AAUW compares women’s earnings to those of white, non-Hispanic men. This benchmark reflects the group that faces the fewest structural barriers in the labor market, so differences highlight how race and gender combine to shape pay.

Table 2 – Women’s earnings ratio compared with White, non-Hispanic men, by race/ethnicity
Full-time, year-round workers vs. all workers (including part-time and seasonal workers)

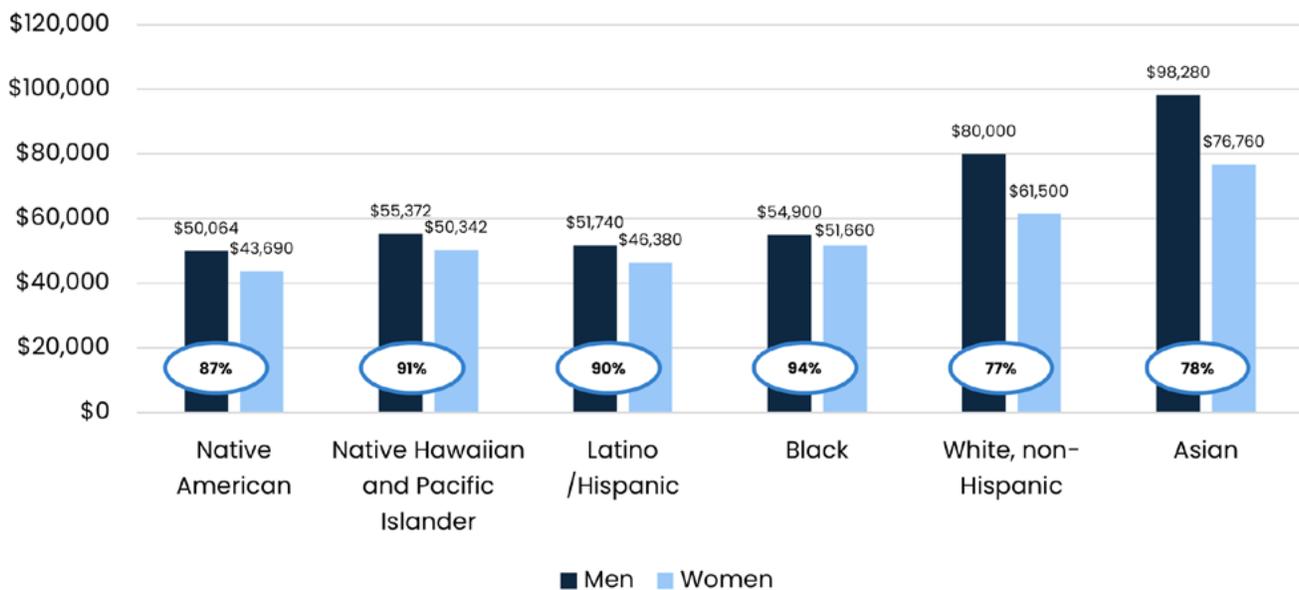
Women’s Race/Ethnicity	Working Full-time, Year-round (%)			All Workers (%) (Including Full-time, Part-time, and Seasonal Workers)		
	2024	2023	2022	2024	2023	2022
Native American women	58	58	59	53	52	55
Native Hawaiian and Pacific Islander women	67	65	66	59	61	60
Hispanic/Latina women	58	58	57	54	51	52
Black women	65	66	69	63	64	66
White, non-Hispanic women	77	80	80	73	73	74
Asian American women	96	94	99	85	83	89

Percentages were calculated by comparing the “white, non-Hispanic men” demographic as the base group. How to read the table: “Hispanic/Latina women earned 58% of every dollar earned by white, non-Hispanic men in 2024.”

Source: AAUW analysis of CPS and ACS data (U.S. Census Bureau).²⁵

In addition to comparing women’s earnings to white, non-Hispanic men, AAUW also looks at pay gaps *within* each racial and ethnic community by comparing women to men of the same race/ethnicity (Figure 3). This matters because it shows that gender-based pay disparities are present across communities, not just between them. Seeing the within-group gaps helps clarify how gender inequity affects women of color relative to men in their own communities. Then, by also comparing women of color to white, non-Hispanic men — the group facing the fewest structural barriers in the labor market — we can see how race and gender together shape overall earnings and opportunity.

Figure 3 – Median annual earnings and women’s earnings ratio compared with men, by race/ethnicity, 2024
Full-time, year-round workers



Source: AAUW analysis of CPS and ACS data (U.S. Census Bureau).²⁶

- Recent shocks hit women of color hardest.** Women of color experienced the same swings as the overall pay gap during COVID-19, but the shocks were deeper. Many were in frontline and low-wage jobs that disappeared first, and many carried greater caregiving burdens when schools and childcare closed.²⁷ Even as the full-time pay gap returned to pre-pandemic levels in 2024, women of color still faced gaps larger than the overall pay gap of 19%. Some low-wage and part-time workers saw wage gains in 2024, but those gains have not been enough to undo long-standing inequities.²⁸
- Why these gaps persist.** These disparities reflect overlapping factors — job segregation, uneven access to hiring and promotion, discrimination in pay decisions, and caregiving penalties. Closing racial pay gaps requires solutions that strengthen enforcement, raise pay in fields where women of color are concentrated, and remove barriers to advancement and economic security.

Education and the Pay Gap

Education increases earnings for both women and men. For women, degrees can open the door to higher-paid jobs and stronger long-term security. The biggest earnings jump for women comes after completing a bachelor's degree.²⁹

But education is not a shield against the pay gap. At every level of education, women earn less than men, and women of color face the widest gaps. AAUW's analysis shows that earnings at different education levels are shaped by race and ethnicity as well as gender (Figure 4).

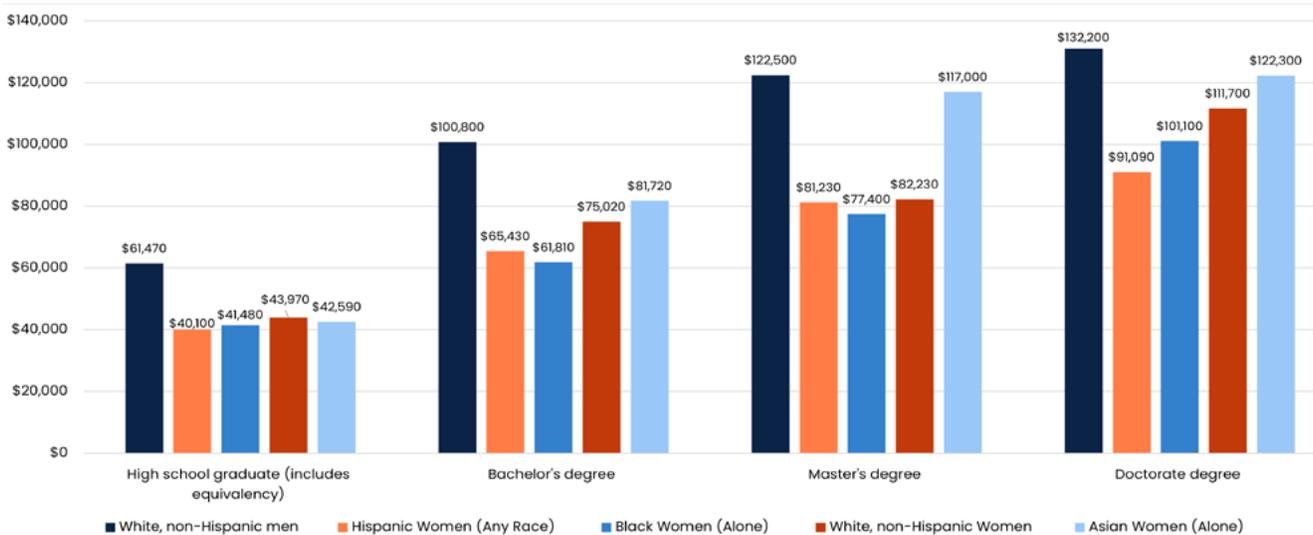
Even when women and men have the same level of education, the same fields of study, and similar work history, a pay gap remains. U.S. Census research finds these differences cannot be explained away by major, occupation, industry, or hours worked.³⁰

Still, even with the same education, women are paid less than men. That's why education must go hand-in-hand with fair pay practices and an economy that values women's work.

What this MEANS

Higher education is a key pathway to women's economic security. However, the pay gap proves education alone isn't enough.

Figure 4 – Women's median annual earnings compared with White, non-Hispanic men, by race/ethnicity and education, 2024
Full-time, year-round workers



Source: AAUW analysis of CPS data (U.S. Census Bureau).³¹

Age and the Pay Gap

Earnings tend to rise as workers gain experience over time. But women do not see the same pay growth as men as they age – and the gap widens across the career timeline.

- **Women’s pay growth slows earlier.** For both women and men working full-time, pay increases with age. But women’s earnings begin to grow more slowly after about age 35, and for many women, they decline after age 50.³²
- **Small early gaps become big late-career gaps.** Because women’s pay growth slows earlier, gaps that look smaller at the start of a career become larger by mid-career and into the years leading up to retirement. Caregiving demands, unequal access to promotions, and biased pay practices compound over time.
- **Why these gaps persist.** This widening gap reflects structural barriers that build over a lifetime – including caregiving penalties, unequal access to promotions and high-paying leadership tracks, and pay practices that allow discrimination to follow women from job to job. The result is lower lifetime earnings and weaker retirement security, including smaller Social Security benefits.

Disability and the Pay Gap

Disability is an important part of the pay-equity story. Women with disabilities face a pay gap compared with men with disabilities, and an even larger gap compared with men without disabilities.

- **Disability is broad – and federal data only captures part of the story.** Disability includes many different conditions and support needs, and no single measure reflects every lived experience. In the American Community Survey (ACS), disability is identified through questions about six areas: hearing, vision, cognitive, mobility, self-care, and independent living.³³ This gives us important insight, but it still undercounts some disabled workers and doesn’t reflect the full range of barriers people face.



- **Workers with disabilities are underpaid, and policy is part of why.** Across the workforce, people with disabilities are paid less — and less likely to be employed — than people without disabilities. In 2024, fewer than one in four people with a disability were employed, compared with about two-thirds of people without a disability.³⁴ This is not because their work matters less. It reflects barriers to education, training, hiring, and advancement — and in some cases, laws that allow employers to legally pay workers with disabilities less than the minimum wage.

One major driver is the subminimum wage. Section 14(c) of the Fair Labor Standards Act, first authorized in 1938, still allows some employers to pay certain workers with disabilities below the federal minimum wage. As of 2025, 16 states have passed legislation eliminating subminimum wage work for people with disabilities. Yet, 40,000 people with a disability are still paid subminimum wages, sometimes far below a living wage.³⁵ A federal rule proposed in December 2024 to phase out 14(c) nationwide was withdrawn on July 7, 2025, leaving this system in place and sending a damaging message that disabled workers' labor is worth less — especially for women with disabilities.³⁶

- **Barriers stack over a career.** A subminimum wage is only one part of the problem. Women with disabilities also face:
 - Inaccessible schools and workplaces that block education, training, job access, and advancement.
 - Bias and discrimination in hiring, pay, and promotion — including stereotypes that they will be poor performers or frequently absent from work.³⁷
 - Households with a disabled member need about 28% more income — more than \$17,000 a year for a typical household — just to reach the same standard of living as nondisabled households.³⁸ Higher care and health-related costs and limited workplace accommodations can push workers into part-time roles or out of the workforce altogether.
 - Occupational segregation, with women with disabilities more likely to be concentrated in lower-paid jobs with fewer benefits.
- **Why these gaps persist.** When women with disabilities are underpaid, the effects compound over a lifetime — reducing financial independence, increasing poverty risk, and shrinking retirement security. Closing this gap requires ending subminimum wages, enforcing disability and civil-rights protections, and ensuring women with disabilities have real access to good jobs, fair pay, and advancement.





Sexual Orientation, Gender Identity and the Pay Gap

Sexual orientation and gender identity shape pay in important ways. Lesbian, gay, bisexual, transgender, and LGBTQ+ workers face unique barriers in the workplace, and LGBTQ+ women often experience compounded inequities at the intersection of gender, bias, and discrimination.³⁹

- **Pay patterns differ by sexual orientation.** Across many studies, gay and bisexual men tend to earn less than comparable straight men, and bisexual women tend to earn less than straight women overall, with some studies finding different patterns for women of color.⁴⁰
- **Transgender and nonbinary workers face added penalties.** Transgender and nonbinary workers report high rates of workplace harassment and discrimination,⁴¹ which directly harms earnings and economic security.⁴² Studies also show that people who transition from male to female often experience a drop in pay after transitioning.⁴³ This is a stark example of how gender bias and stereotypes shape wages in real time.
- **Why these gaps persist.** Federal protections have improved but remain uneven. The U.S. Supreme Court's *Bostock v. Clayton County* decision clarified that Title VII covers discrimination based on sexual orientation and gender identity in employment.⁴⁴ Yet this doesn't cover every employer or situation, and LGBTQ+ protections aren't written directly into federal law. That leaves workers facing uneven and shifting enforcement.

Shifting Federal Protections

In 2025, federal rollbacks and revised enforcement guidance have made LGBTQ+ workplace protections less reliable. When rules are weaker or inconsistently enforced, pay inequities are harder to challenge — especially for transgender, nonbinary, and LGBTQ+ women of color. More shifts are expected in 2026.

Gender Pay Gap in the States

The pay gap looks different depending on where women live (Table 3). Every state has a gender pay gap, but the size of that gap varies widely based on each state’s economy and policy choices. Differences in pay transparency and equal-pay laws, access to affordable childcare, union presence, education levels, paid leave, and job segregation all influence how much women are paid compared with men in a given state.

State data also help show why the pay gap is not so simple. Some states have smaller overall gaps but still show deep disparities for women of color and for women who cannot work full-time. Others have larger gaps across the board, often reflecting weaker worker protections and fewer supports for caregiving. Looking at state-level patterns helps policymakers and advocates see what is working, where progress is stalling, and which changes could advance pay equity forward.

Table 3 – Women’s earnings ratio compared with men, by state, 2024
Full-time, year-round workers

Note: State estimates use ACS data (ages 16+); the national estimate uses CPS data (ages 15+). Because these are different surveys with different methods and timeframes, the figures may not match exactly.

Rank	States	Earnings Ratio**	Women (2023)	Men (2023)	Rank	States	Earnings Ratio**	Women (2023)	Men (2023)
1	New York	91.4%	\$65,869	\$72,097	27	Montana	82.7%	\$50,656	\$61,245
2	Vermont	91.0%	\$61,006	\$67,054	28	South Carolina	82.6%	\$50,302	\$60,917
3	Maryland	89.5%	\$70,808	\$79,125	29	Pennsylvania	82.4%	\$55,760	\$67,699
4	California	88.4%	\$63,653	\$72,043	30	Kansas	82.3%	\$51,041	\$62,003
5	Massachusetts	88.1%	\$72,471	\$82,255	31	Washington	82.3%	\$67,361	\$81,895
6	Hawaii	87.9%	\$55,191	\$62,799	32	Missouri	82.2%	\$50,615	\$61,542
7	Washington D.C.	87.8%	\$97,942	\$111,603	33	New Jersey	82.2%	\$66,551	\$80,925
8	Delaware	87.8%	\$57,209	\$65,194	34	Texas	82.2%	\$51,319	\$62,467
9	Maine	86.6%	\$56,341	\$65,053	35	Indiana	81.9%	\$51,055	\$62,312
10	Oregon	85.7%	\$60,543	\$70,638	36	Arkansas	81.7%	\$45,145	\$55,242
11	Rhode Island	85.0%	\$61,508	\$72,391	37	New Hampshire	81.5%	\$61,442	\$75,397
12	Alaska	84.9%	\$60,918	\$71,716	38	Mississippi	81.5%	\$43,639	\$53,553
13	Colorado	84.9%	\$65,542	\$77,210	39	Wisconsin	81.0%	\$53,311	\$65,829
14	Minnesota	84.8%	\$61,018	\$71,931		United States	80.9%	\$57,520	\$71,090
15	Arizona	84.2%	\$53,325	\$63,294	40	Georgia	80.8%	\$51,864	\$64,177
16	Florida	84.0%	\$50,563	\$60,201	41	Oklahoma	80.8%	\$45,853	\$56,776
17	North Carolina	83.6%	\$51,711	\$61,870	42	Iowa	80.7%	\$51,145	\$63,372
18	Illinois	83.3%	\$59,502	\$71,395	43	Wyoming	80.3%	\$50,152	\$62,469
19	Kentucky	83.3%	\$49,277	\$59,165	44	Ohio	79.3%	\$51,851	\$65,375
20	New Mexico	83.3%	\$50,164	\$60,234	45	Michigan	79.2%	\$52,393	\$66,132
21	Nebraska	83.1%	\$51,375	\$61,827	46	North Dakota	78.7%	\$51,633	\$65,646
22	Connecticut	82.9%	\$66,096	\$79,701	47	Alabama	76.7%	\$46,985	\$61,286
23	Tennessee	82.9%	\$50,326	\$60,714	48	West Virginia	76.2%	\$46,096	\$60,488
24	Nevada	82.8%	\$50,327	\$60,753	49	Idaho	75.6%	\$50,108	\$66,255
25	Virginia	82.8%	\$61,112	\$73,833	50	Utah	73.6%	\$52,177	\$70,917
26	South Dakota	82.8%	\$50,661	\$61,219	51	Louisiana	73.1%	\$45,594	\$62,340

Source: AAUW analysis of ACS and CPS data (U.S. Census Bureau).⁴⁵

Factors Contributing to the Pay Gap

The pay gap is not caused by one single issue, and it won't be solved by one fix. Several forces work together to shape women's earnings — and those forces often hit women of color, women with disabilities, and LGBTQ+ women hardest. And because these forces also shape who gets hired, who gets promoted, who can stay in stable jobs, and who faces harassment or exclusion at work, the pay gap alone understates the full reach of pay inequity.

- **Occupational Segregation.** Women and men still tend to work in different kinds of jobs. Fields dominated by women — like care work, education, and many service jobs — pay less than fields dominated by men, even when the work requires similar skill, education, and training.⁴⁶ These jobs are also less likely to offer benefits such as paid time off, health insurance, and retirement plans. Occupational segregation also has a racial dimension. Black and Hispanic/Latina women are more likely to be concentrated in lower-paid jobs, even when they have the same education and experience as other workers.
- **Caregiving Responsibilities and Motherhood Penalty.** Becoming a parent affects women's careers very differently than men's. Mothers are often seen as less committed to work and are six times less likely to be recommended for hire than women without children.⁴⁷ Because caregiving still falls disproportionately on mothers, many women reduce their hours or step out of work to care for children or family members. That time away can limit promotions, slow pay growth, and reduce lifetime earnings.
- **Employer Practices.** Pay gaps also grow when employers use practices that may hide or reproduce bias. These include relying on prior salary history to set pay, banning workers from talking about wages, failing to share salary ranges, and retaliating against workers who ask questions about pay. When past pay is used to set new pay, discrimination follows women from job to job — even when they are doing the same work as men. Women in the public sector⁴⁸ and in unions⁴⁹ often face smaller pay gaps because pay systems are more transparent.
- **Gender and Racial Discrimination.** Direct discrimination remains a real driver of pay inequity: women still face bias in hiring, evaluations, promotions, and compensation, and women of color often face compounded discrimination tied to both gender and race. Each year, the U.S. Equal Employment Opportunity Commission (EEOC), the agency that enforces federal workplace civil rights laws, receives thousands of complaints of pay discrimination based on sex, race, disability, and other protected classes.⁵⁰ Many of these are decided or resolved in favor of the person who filed the charge.



How Can We Reduce Pay Inequity?

There isn't one pay gap — there are many — and it won't close through individual effort alone. Progress requires policymakers, employers, and workers moving together to change the rules, incentives, and practices that shape pay.

Federal Policy

In 2025–26, federal actions have narrowed the tools that help prevent and address pay discrimination. The EEOC rescinded its 2024 workplace-harassment guidance, weakening a roadmap for workers, including women of color and LGBTQ+ workers, to challenge harassment at work. A 2025 executive order revoked Executive Order 11246, ending long-standing equal-employment and affirmative-action requirements for federal contractors. Budget proposals seek to eliminate the U.S. Department of Labor's Women's Bureau, which researches women's work and wages.

These moves are a reminder that progress on pay equity is not automatic. To close the pay gaps women face, Congress and federal agencies must strengthen and enforce civil-rights protections, maintain transparency tools that make inequities visible, and set national standards that cannot be easily reversed.

Five Steps Congress and Agencies Must Take:

Strengthen and fully enforce the Equal Pay Act.

Congress should modernize the Equal Pay Act by tightening employer defenses, increasing penalties, and strengthening workers' ability to challenge pay discrimination — core aims of the Paycheck Fairness Act. This is the federal foundation for holding employers accountable.

Protect and expand federal pay data reporting and pay transparency.

Congress and the EEOC should strengthen employer pay data reporting (including by gender and race/ethnicity) so agencies can identify systemic disparities and take action — and ensure this data collection can't be quietly reduced or eliminated. Pair pay data with stronger transparency standards that curb pay secrecy and help workers spot inequities sooner.

Require equal pay for jobs of equivalent value (comparable worth).

Move beyond a narrow "equal work" test. Require equal pay for jobs that use similar skill, effort, and responsibility, even if job titles differ — a key step toward reducing job segregation and the chronic underpayment of women-dominated work.

Raise the wage floor and eliminate subminimum wages.

Increase the federal minimum wage and end subminimum wage systems — especially the tipped minimum wage and the disability subminimum wage — that disproportionately trap women of color, and workers with disabilities in poverty-level pay.

Strengthen anti-harassment and anti-discrimination protections.

Provide robust protections and enforcement against workplace harassment and discrimination, and make federal civil rights law explicit for sexual orientation and gender identity through the Equality Act. Clear, uniform protections are essential for pay equity, especially for LGBTQ+ workers and women facing intersecting biases.

State Policy

States are essential partners in advancing pay equity. Even when federal protections are weakened or unevenly enforced, states can set stronger standards, close loopholes, and create real transparency for workers. In recent years, many states have moved faster than Congress to modernize equal pay laws — and in 2026, that leadership matters more than ever. State action can protect workers now and build momentum for stronger national policy later.

Five Steps States Must Take:

Ban salary history so past discrimination can't follow workers.

Salary history bans prohibit employers from asking applicants about prior pay. This prevents old inequities from being used to justify lower wages in new jobs.

Require pay transparency and protect wage discussions.

Pay transparency laws require employers to disclose wage or salary ranges for positions, often in job postings. Wage-disclosure/discuss-pay protections ensure workers can talk about pay or ask about coworkers' wages without fear of retaliation. Together, these policies help workers spot inequities and negotiate fairly.

Collect and report pay data to enforce the law.

Pay data reporting laws require employers to submit pay data — often broken down by gender and race — to a state agency. That data helps identify patterns of inequity and target enforcement where it's most needed.

Use broader standards for "equal work."

Many states go beyond the federal Equal Pay Act's narrow "equal work" definition by adopting standards like "substantially similar," "comparable," or "similarly employed" work. This reduces job-title loopholes and better addresses occupational segregation.

Expand protections and strengthen anti-retaliation enforcement.

States can extend pay-equity protections beyond sex to include race, ethnicity, gender identity, sexual orientation, age, disability, and national origin. Strong anti-retaliation protections ensure workers who raise concerns or file complaints are protected from punishment.

Broader Solutions for Pay Equity

Closing pay gaps through stronger equal pay laws and enforcement is essential – but it is not enough on its own. The pay gap reflects what women are paid once they're in a job, while pay inequity also shows up in who can get good jobs, who can stay in them, and who can advance.

That's why the solutions below go beyond wages. They address the systems that shape women's work lives and earnings over time – especially caregiving burdens, access to opportunity, and control over reproductive health. Together, these policies help reduce pay inequity in its full scope, not just the headline gap.

- **Access to Affordable Higher Education.** Affordable degrees raise women's earnings and reduce unemployment risk, but cost barriers still keep too many women out. Policymakers should protect and expand Pell Grants and work-study, strengthen income-driven repayment, and preserve and expand Public Service Loan Forgiveness.
- **Paid Leave.** Paid sick days and paid family and medical leave help women who carry most caregiving responsibilities stay attached to the workforce without losing income. When workers can take paid time off for pregnancy, family care, or their own health, they are more likely to remain employed, recover financially, and protect long-term earnings and retirement security.
- **Reproductive Health.** Access to contraception and abortion care supports women's autonomy, which in turn affects education and work. When women can decide if and when to have children, they are better able to pursue higher education and participate fully in the labor force.
- **Childcare Access.** Affordable, high-quality childcare increases women's workforce participation and stability. It helps families maintain income, avoid forced part-time work or job loss, and build savings, including saving for future children.



Employer Solutions

Employers have enormous power to close pay gaps — and the best employers treat pay equity as a strategy issue, not just a legal one. Research shows that organizations focus on pay equity mainly to keep good employees (60%), make sure pay is fair (52%), and attract strong candidates (49%).⁵¹ In other words, fair pay helps employers compete for talent and build trust at work.

The Society for Human Resource Management (SHRM) and other employer-focused experts emphasize that because pay gaps are built into workplace systems, they need system-wide fixes: review pay, close gaps, keep them from coming back, and explain pay decisions clearly.⁵²

Five Steps Employers Must Take:

Run regular pay equity audits — and fix what you find.

Employers should review pay data at consistent intervals to spot gaps by gender, race, disability status, and other factors. Audits only matter if employers act on them by raising pay for workers who are underpaid. More equitable organizations are far more likely to do both.

Post clear pay ranges and explain how pay is set.

Publishing salary ranges in job postings and sharing pay bands internally reduces guesswork in hiring and promotion. It also helps applicants negotiate on a level playing field and builds accountability for employers. Transparent pay policies are a common practice in more equitable workplaces.

Stop using prior salary history.

Basing new pay on old pay carries forward earlier discrimination and locks in past inequities. Employers should set pay using market data, job requirements, and a worker's skills — not what someone was paid before.

Protect workers who discuss pay.

Pay gaps are hard to catch when salaries are secret. Employers should clearly allow employees to discuss wages and ban retaliation against anyone who asks about pay or raises concerns. This creates a workplace where inequities can be identified early and corrected.

Standardize pay and promotion decisions, and train managers.

Pay should not depend on who negotiates the hardest or who a manager "feels" deserves more. Employers should use consistent pay practices, define pay bands, hold decision-makers accountable, and train managers to make unbiased pay decisions and communicate them clearly. These steps are strongly associated with higher-equity organizations.

Individual Solutions

It's smart for all of us to proactively negotiate our compensation, benefits, and work roles throughout our careers. But workers can only do so much on their own – which is why individual action must go hand-in-hand with stronger employer practices and public policy.

Did you **KNOW**

AAUW helps women build both earning power and long-term security through **Start Smart** and **Work Smart salary-negotiation** trainings and **Money Smart financial-literacy workshops**. Work Smart teaches women how to research their market value, talk about salary and benefits, and negotiate confidently for a new job, raise, or promotion.



Five Steps Individuals CanTake:

- Know your value and research market pay.**
Look up pay ranges for similar jobs in your area and field so you can set a fair target based on data, not assumptions.
- Negotiate pay early and often.**
Use what you've learned to negotiate a starting salary, a raise, or a promotion. Even small increases add up over a lifetime. Work Smart provides practical tools and practice for these conversations.
- Negotiate for benefits beyond salary.**
If salary flexibility is limited, ask for benefits that raise your total compensation – like flexibility, paid leave, or professional-development funding that helps you grow into higher-paid roles.
- Invest in your skills and financial stability.**
Use professional development to build credentials, leadership skills, or new competencies that increase earning potential over time. Pair that with strong financial habits such as budgeting, saving, and debt management through programs like AAUW's Money Smart.
- Support coworkers and push for systemic change.**
Employees can support and encourage colleagues, share information when safe, and speak up for fair pay practices at work. And because no one can negotiate their way out of discrimination, individual action also includes advocating for pay transparency, paid leave, childcare, and strong anti-discrimination enforcement in your community, and at the ballot box.





Appendix A: Key Federal Milestones on Equal Pay

Past gains in women's earnings followed major federal civil-rights protections and expanded access to higher education. But progress has stalled for roughly two decades. The milestones below highlight federal actions that strengthened workplace fairness and educational opportunity — both essential to narrowing pay gaps over time.

1963: Equal Pay Act

Required employers to pay women and men equal wages for equal work. At the time, women earned about 59 cents for every dollar earned by men.

1964: Civil Rights Act (Title VII)

Prohibited employment discrimination based on race, color, religion, sex, or national origin. Later interpretations and amendments clarified protections related to pregnancy and caregiving.

1967: Age Discrimination in Employment Act (ADEA)

Protected workers age 40 and older from discrimination in hiring, pay, and other employment practices.

1973: Rehabilitation Act (Section 503)

Required federal contractors to prohibit discrimination and take affirmative steps to employ and advance qualified people with disabilities.

1978: Pregnancy Discrimination Act

Clarified that discrimination based on pregnancy, childbirth, or related medical conditions is a form of sex discrimination under Title VII.

1990: Americans with Disabilities Act

Prohibited discrimination against people with disabilities in employment and other areas of public life and required reasonable accommodations.

1991: Civil Rights Act of 1991

Strengthened federal employment-discrimination protections, including by allowing jury trials, and compensatory and punitive damages in certain cases.

2009: Lilly Ledbetter Fair Pay Act

Clarified that pay discrimination can occur not only when a decision is made, but each time a worker is affected by that discriminatory pay decision.

2022: Pregnant Workers Fairness Act

Required reasonable workplace accommodations for pregnancy, childbirth, and related medical conditions. Despite ongoing legal challenges, the law remains in effect and continues to protect workers' rights.

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- AAUW members and advocates make their voices heard on legislation regarding education, economic security, and civil rights through AAUW's Action Network.
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