

RESEARCH REPORT | OCTOBER 24, 2024

# The Persistent Latina Hourly Earnings Gap— A Threat to Prosperity

Sonja Diaz

Veronica Terriquez

Jonathan Ong



## Understanding the Wage Gap through Hourly Earnings

The gender wage gap—the difference between the earnings of men and women—remains a persistent problem in the United States.<sup>1</sup> Latinas, the nation’s largest minority group of women, experience a wage gap greater than that of any other racial/ethnic group of women.<sup>2, 3</sup> Between 1990 and 2020, full-time, year-round Latina workers consistently earned less than 60 cents for every dollar earned by non-Hispanic white men.<sup>4</sup> The COVID-19 global pandemic in 2020 heightened awareness of the financial hardships experienced by Latinas as they disproportionately took on family caregiving roles to the detriment of their jobs and careers.<sup>5, 6, 7</sup> Since then, the number of Latinas in the US labor force has fluctuated, and the wage gap for Latinas continues to affect their well-being and the well-being of their loved ones.<sup>8</sup>

Latina Equal Pay Day, observed this year on October 3, 2024, offered an opportunity to assess the wage disparities experienced by Latinas. Research from the National Women’s Law Center on median earnings, using data from the US Census Bureau’s Current Population Survey, suggests that in 2023 Latinas with full-time, year-round employment were typically paid just 58 cents for every dollar paid to non-Hispanic white men.<sup>9</sup> The difference, 42 cents, produces an annual gap of \$32,070 when the median earnings for full-time, year-round Latina workers are compared to those of their non-Hispanic white male peers. For Latinas who enter the workforce today, this shortfall grows to an estimated \$1.3 million over the forty years of a typical career.<sup>10</sup>

This report expands on other wage gap analyses by focusing on hourly earnings. We draw on the 2023 American Community Survey (ACS) PUMS 1-year data (released October 17, 2024) to investigate the scope of the Latina hourly earnings gap.<sup>11</sup> We review the causes of the gap and highlight the growth and youthfulness of the Latina population. In 2023, the hourly earnings gap affected Latina workers more than most other women workers: Latinas were paid only 62 cents for every dollar paid to non-Hispanic white men. Latinas in the labor force would need to complete an additional twenty-four hours of work per week to reach parity with non-Hispanic white male peers. We demonstrate that when compared to white men with a comparable level of education, the gap is widest for Latina workers who are college educated. This earnings gap, we contend, poses a serious threat to the prosperity of a large number of US workers and their families.

## Trends and Causes of Earnings Inequality

The wage gap is both a cause and a symptom of broader gender inequalities, reflecting unequal educational opportunities, discrimination in the labor market, occupational segregation, barriers to career advancement, immigration-related factors, and the lack of affordable childcare and eldercare that limits women’s careers. Discrimination and stereotyping often channel women, particularly Latinas, into fields offering lower pay and jobs with limited upward mobility.<sup>12</sup> This occupational segregation means that even when Latinas possess education and skills that are comparable to those of their peers, Latinas frequently find themselves concentrated in sectors that traditionally offer lower wages and fewer benefits. Latinas and other women with children also face a significant “motherhood penalty,” which refers to the financial and professional disadvantages that women may encounter when they have children.<sup>13</sup> Additionally, Latinas often have less access to supportive workplace policies, such as paid family leave or affordable childcare, which exacerbates the economic toll of motherhood. Providing primary care for elders as well as children puts women into a “sandwich” role that can further constrain career opportunities and advancement.<sup>14</sup> Undocumented Latinas often face high rates of labor exploitation and frequent violations of labor laws, as well as legal barriers that prevent them from accessing living-wage jobs and high-quality employment opportunities.<sup>15</sup> These factors, combined with systemic barriers and outright workplace discrimination, contribute to the disproportionately large pay gap experienced by Latinas and underscore the need for targeted policy interventions that enhance career options, expand public support for childcare and eldercare, reduce workplace discrimination, and offer a pathway to citizenship.

The persistence of wage inequality in the United States has grave consequences for the nation’s economic, political, and social fabric. Latinas are a growing, youthful, and diverse demographic group whose share of the nation’s population, labor force, and electorate will increase as older non-Hispanic whites decline in population. Within Latina/o households, and in comparison, to their Latino peers, Latinas are more likely to hold business and professional occupations, have higher college degree attainment, and serve as breadwinners.<sup>16</sup> The pernicious wage disparity that Latinas experience exacerbates the systemic inequality that they face in the areas of health access, housing, education, and full employment. Over time, this economic disadvantage is compounded, particularly when considering long-term factors like retirement savings and Social Security benefits. The lower wages that Latinas receive reduce household income, affecting children’s quality of life, healthcare access, and educational opportunities, and they contribute to systemic poverty, especially in single-parent households led by women.

In the 2024 presidential election, Latinas’ policy attitudes and political preferences will shape the outcomes of down-ballot races across the country and determine which presidential candidate garners the 270 electoral college votes needed to prevail. The Latina vote is particularly important in Arizona and Nevada—battleground states in which Latinas represent over 20 percent of the electorate.<sup>17</sup> Latinas are the most underpaid demographic in the United States, as our research has affirmed. National polling for the 2024 election cycle has shown that the economy is a leading issue for voters, and recent polls of Latina voters affirms the importance of a healthy economy for voters.<sup>18</sup> A study conducted in 2023 found that two-thirds of Latinas surveyed considered the gender wage gap a “big problem.”<sup>19</sup>

# The Growing and Youthful Latina Labor Force

In 2023, Latinas made up approximately 18 percent of the US female civilian labor force and their presence in the workforce is steadily growing (fig. 1). The rest of the female civilian labor force is broken down as follows: 57 percent were non-Hispanic white, 13 percent were Black, 7 percent were Asian American and Pacific Islander (AAPI), and 5 percent were American Indian and Alaska Native (AIAN) or some other race or combination of races.

**Figure 1.** Percentage of Latinas in the US Female Labor Force, 2023



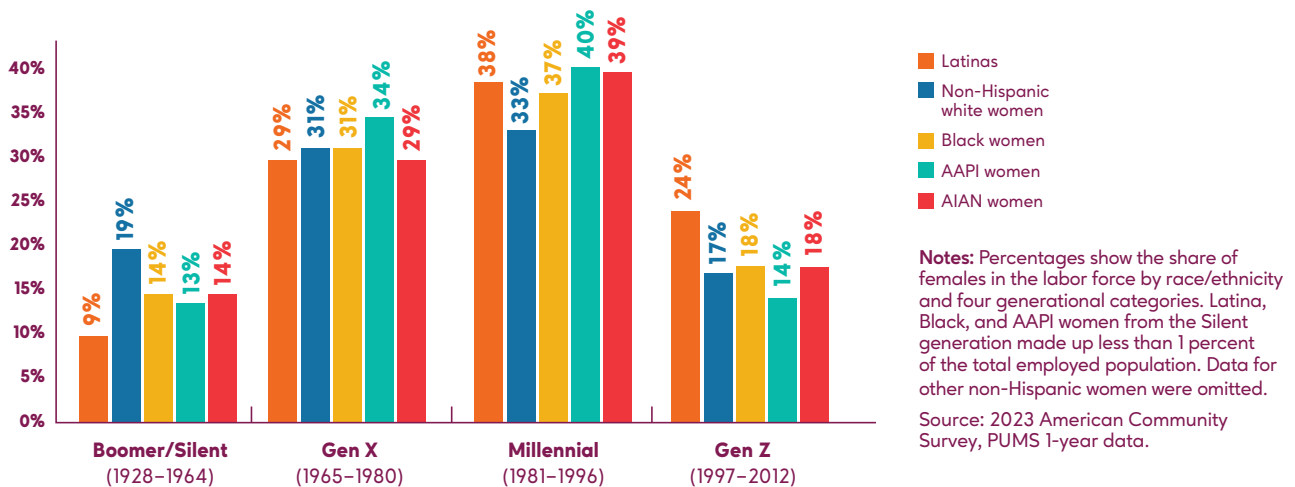
Source: 2023 American Community Survey, PUMS 1-year data.

Figure 2 represents the US female civilian labor force by race/ethnicity in 2023, broken down by generation. As a group, Latinas were comparatively young, and their representation in the labor force has been growing while white women have been aging out of the labor force at a disproportionate rate. Among all Latinas in the labor force, 24 percent were in Generation Z (born between

1997 and 2012), compared to only 17 percent of all non-Hispanic white women. Additionally, 38 percent of Latinas in the labor force were millennials (born between the years 1981 and 1996) and are thus positioned to become leaders in their respective fields in the next few years, compared to 33 percent for non-Hispanic white women. At the other end of the spectrum, only 9 percent of the Latinas in the labor force were baby boomers or members of the silent generation. Conversely, among non-Hispanic white women in the labor force, the percentage of baby boomers and silent generation members was more than double the percentage of Latinas, at 19 percent.

As a youthful and growing demographic, Latinas are essential for sustaining economic growth. Younger workers tend to be more adaptable to new technologies and are often more entrepreneurial, and they play a vital role in creating new businesses and developing emerging industries. The economic well-being of Latina workers is critical, as they contribute significantly to household income and, in some cases, serve as primary breadwinners. Furthermore, Latinas are active taxpayers, and they play an integral role in supporting their communities.

**Figure 2.** US Female Labor Force by Race/Ethnicity and Generation, 2023

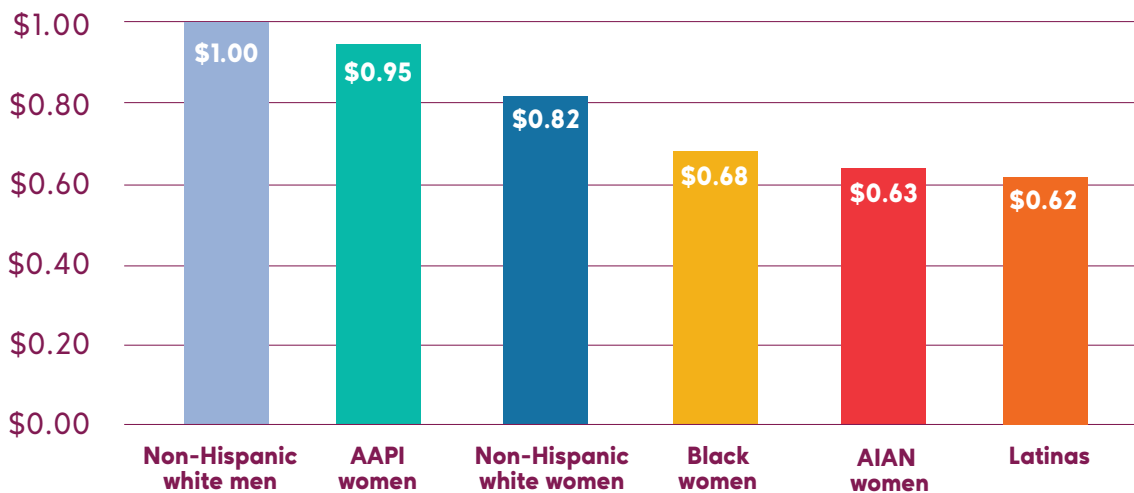


## The Hourly Earnings Gap between Latinas and White Men

Latinas experience significant inequality in hourly compensation (fig. 3). As a whole, Latinas in the United States face a significant hourly earnings gap, earning 62 cents in the time it took a non-Hispanic white man to earn a dollar in 2023. This is similar to the gap experienced by AIAN women, who earned 63 cents. Black women made slightly more, at 68 cents. In comparison, non-Hispanic white women were paid 82 cents. The amount for AAPI women was

95 cents, but it is important to recognize significant variation in earnings among AAPI women, with some ethnic groups benefiting from intergenerational socioeconomic advantages while others face significant barriers to economic well-being.<sup>20</sup> These findings add another dimension to the evidence of the financial burden that the gender pay gap places on women, especially women of color.

**Figure 3.** Hourly Earnings Gap for Females in the US Labor Force, by Race/Ethnicity, 2023



Source: Authors' estimates using 2023 American Community Survey PUMS 1-year data.

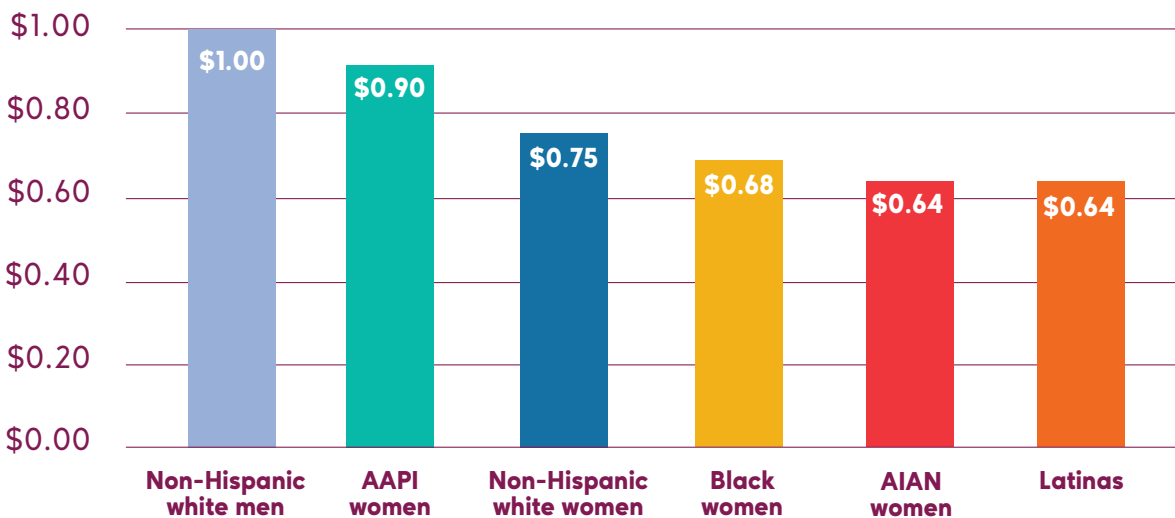


## The Hourly Earnings Gap for Latina Degree Holders

Although a college education generally enhances job opportunities and increases earnings for women, it has done little to close the compensation gap between women and men. In the last half century, the proportion of women receiving baccalaureate and postgraduate degrees increased dramatically.<sup>21</sup> Further, the number of Latinas who earned a baccalaureate degree or higher has more than tripled, growing from 1 million in 2000 to 3.5 million in 2021.<sup>22</sup> Younger Latinas have a higher rate of college degree completion than older Latinas.<sup>23</sup> Yet many college-educated Latinas and other women of color experience significant disparities in hourly pay (fig. 4).

In 2023, in terms of hourly earnings, Latinas with a baccalaureate degree or higher earned just 64 cents for every dollar paid to similarly educated non-Hispanic white men. This amount is the same for American Indian women, increases slightly for Black women (68 cents), and increases even more for non-Hispanic white women (75 cents) and AAPI women (90 cents). In other words, when compared to non-Hispanic white men with a college degree, women who have invested in higher education are not realizing the same economic returns when hourly earnings are the basis for analysis. In fact, for some women in the labor force, as their educational attainment increases, the earnings gap widens instead of narrows. This is especially true for Latinas and other women who are under-represented in institutions of higher education.

**Figure 4.** Hourly Earnings Gap for Females in the US Labor Force with a College Degree (BA) or Higher, by Race/Ethnicity, 2023



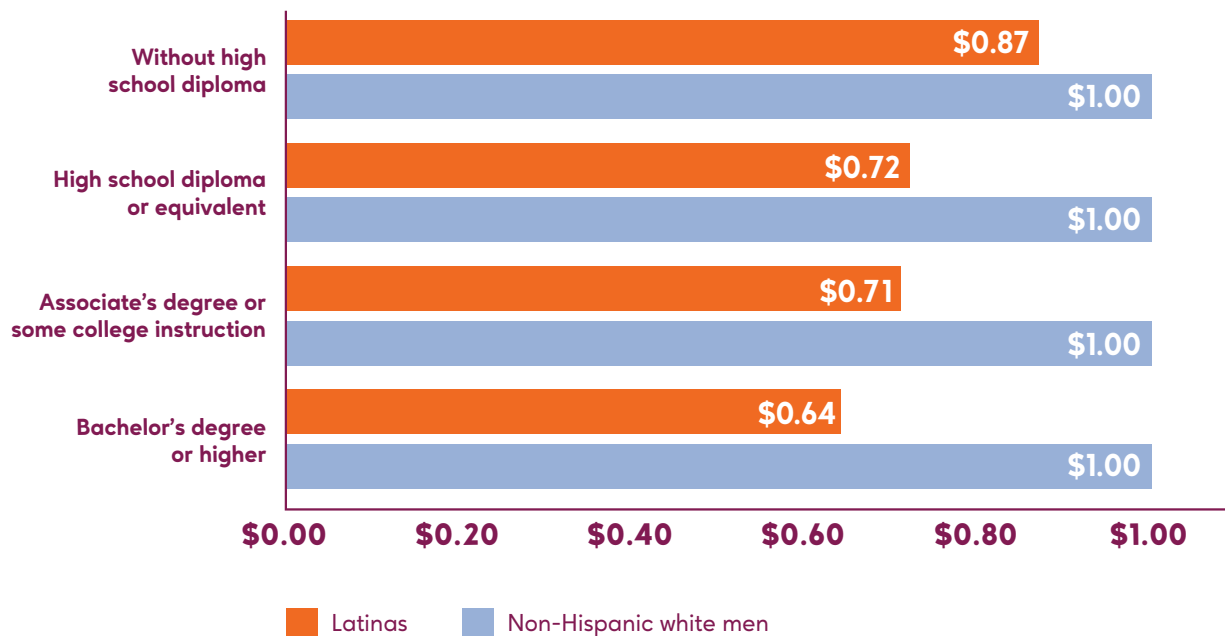
Source: Authors' estimates using 2023 American Community Survey PUMS 1-year data.

Latinas with a bachelor’s or postsecondary degree generally earn more than those with less education. At the same time, these educated women face a pay gap that is wider than that experienced by Latinas without a college degree (fig. 5). Latinas who did not have the opportunity to obtain a high school diploma made 13 cents less per hour when compared to non-Hispanic white men who also lacked a high school diploma. The earnings gap for Latinas with a high school diploma was 28 cents less and 29 cents less for Latinas with some college or an associate’s degree, than every dollar paid to similarly educated non-Hispanic white men.

Meanwhile, Latinas with a bachelor’s degree or higher earned 36 cents less than every dollar earned by non-Hispanic white men with a bachelor’s degree.

Differences in occupation account for some of the hourly earnings gap experienced by Latinas with a college degree, but it is not merely personal preference that steers college-educated Latinas into lower-paying fields. Gender discrimination and stereotyping play a part in defining career paths, and they also contribute to lower pay for Latinas even within the same occupational categories.<sup>24</sup>

**Figure 5.** Hourly Earnings Gap for Latinas in the US Labor Force, by Educational Attainment, 2023



Source: Authors’ estimates using 2023 American Community Survey PUMS 1-year data.

## The Hourly Earnings Gap in Terms of Hours Worked

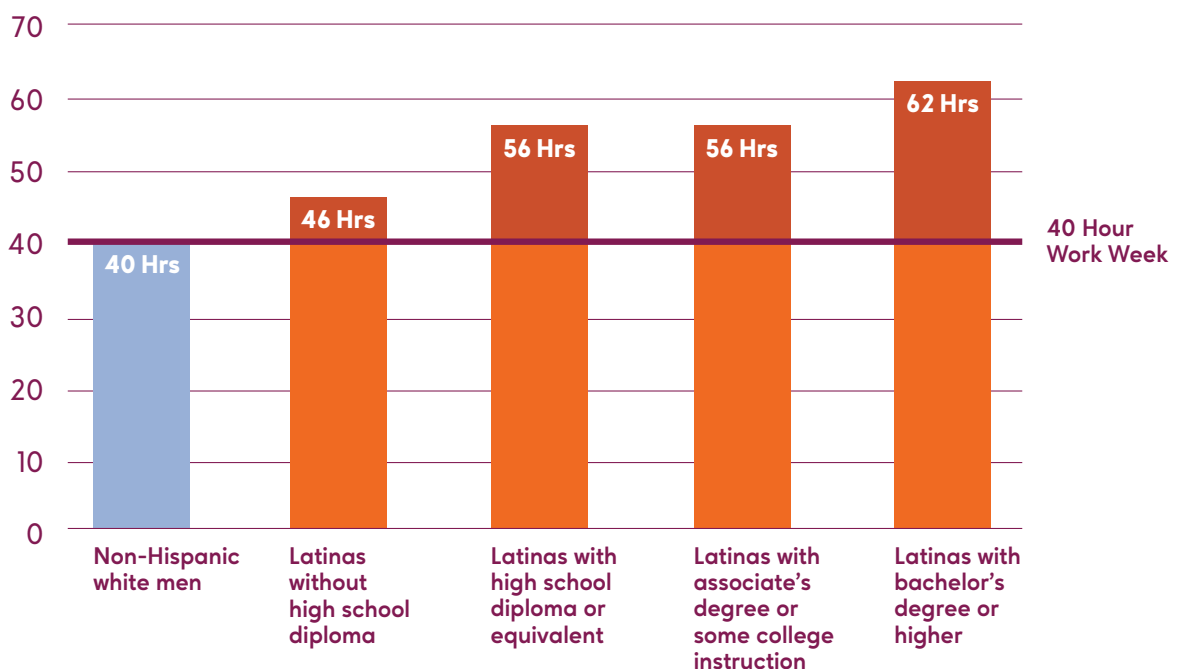
Given the gap in hourly earnings, Latinas must work additional hours to make as much money as their white male counterparts. To illuminate how the hourly earnings gap significantly undermines the economic status of Latinas in the labor force, we quantify how many additional units of labor are required for females to reach parity with their non-Hispanic white male peers with the same level of educational attainment (fig. 6).

In 2023, Latinas in the labor force would have had to work sixty-four hours—twenty-four hours beyond the typical work week—to reach parity with the weekly earnings of non-Hispanic white men. Again, findings varied by educational attainment. For Latinas who did not earn a high

school diploma or the equivalent, Latinas would have had to work six more hours than white men with the same level of education to achieve the same pay. The number of additional hours rose as educational attainment increased. Latinas with a high school diploma and those with an associate degree or some college education would have had to work sixteen additional hours, and those with a bachelor’s degree or higher would have had to work twenty-two additional hours to match their non-Hispanic white peers.

This analysis of hourly earnings highlights the widespread pay disparities facing Latinas in the US civilian labor force and demonstrates the clear need to address wage discrimination and other factors that contribute to the economic inequalities that Latinas experience.

**Figure 6.** Equivalent Hours Needed per Week for Latinas to Achieve Wage Parity with a Non-Hispanic White Males’ 40-Hour Work Week, by Educational Attainment, 2023



Source: Authors’ estimates using 2023 American Community Survey PUMS 1-year data.



## The Latina Hourly Earnings Gap and Economic Equity

Despite Latinas' rising educational attainment, the pay gap persists between Latinas and most other workers. This report focuses on Latinas' hourly earnings and the pay disparities between Latinas and their white male peers. Because Latinas play an outsize role in providing care for family members, the pay gap often undermines the economic well-being of entire households. The pay gap also impacts the broader US economy, and this effect will increase as Latinas' share of the labor force outpaces that of white workers.

As the number of Latinas in the nation's population, workforce, and electorate increases,

the pay gap will pose an increasing risk of acute economic degradation that can deepen racial and gender disparities. Addressing these issues requires urgent, comprehensive policy interventions that can empower Latina workers. Impactful measures will reduce occupational segregation, expand family care support, provide pathways to citizenship, and strengthen protections against workplace discrimination. The political responsiveness of elected officials is critical, especially as the growing Latina demographic continues to influence the electorate and drive demand for policies that support economic equity.

### A Note about Data and Methodology: Annual versus Hourly Earnings

The findings in this report are based on the authors' estimates, which were calculated from the authors' tabulation of data drawn from the 2023 American Community Survey (ACS) Public Use Microdata Sample (PUMS). The ACS is an ongoing survey conducted by the US Census Bureau that collects demographic, social, economic, and housing data from a representative sample of the American population. PUMS provides one-year and five-year data files that offer individual-level information from a subsample of ACS respondents. PUMS allows researchers to produce customized tables and analyses.

Annual earnings and hourly earnings provide different insights into economic disparities between men and women. Recently published data—released to mark Latina Equal Pay Day, October 3, 2024—focuses on the median annual earnings of workers.<sup>25</sup> These analyses measure total income over a year, offering a broad view of gender pay disparities by accounting for differences in work hours, employment type (full-time versus part-time), overtime, bonuses, and access to high-paying jobs. This approach highlights systemic issues like occupational segregation, career interruptions due to caregiving, and unequal access to top positions. However, it can mask hourly differences in pay, especially for women, who disproportionately work part-time and have fewer overtime opportunities.

Hourly earnings provide a clear measure of pay for each hour worked, making hourly earnings an effective tool for directly comparing compensation for equal time worked and for exposing gender pay disparities. Isolating hourly rates can demonstrate the economic outcomes associated with discrimination and other systemic inequalities. Hourly earnings are calculated by dividing total annual earnings by total hours worked for the year. Earnings include wages, salaries, and self-employment income.

By examining hourly earnings, policymakers and advocates can develop targeted strategies to close the pay gap, addressing not only equal pay for equal time worked but also structural changes to the practices of labor markets and other institutions (e.g., education systems) that can ensure fair economic opportunities for Latinas.

# Endnotes

- 1 Francine D. Blau and Lawrence M. Kahn, “The Gender Wage Gap: Extent, Trends, and Explanations,” *Journal of Economic Literature* 55, no. 3 (2017): 789–865, DOI: 10.1257/jel.20160995.
- 2 Note on race/ethnicity categories: Data for this study was drawn from the 2023 American Community Survey (ACS) Public Use Microdata Sample (PUMS). Survey respondents were asked to self-identify their sex (male or female); whether they were of Hispanic, Latino, or Spanish origin; and their race. In this study, Latinas are women of any race who self-identified that they are of Hispanic, Latino, or Spanish origin. The other categories—AAPI, Black, AIAN, and non-Hispanic white—are women who self-identified their race and indicated that they are not of Hispanic, Latino, or Spanish origin.
- 3 Eleanor Delamater and Gretchen Livingston, “5 Facts about Latinas in the Labor Force,” US Bureau of Labor Statistics, October 20, 2021, <https://blog.dol.gov/2021/10/20/5-facts-about-latinas-in-the-labor-force#:~:text=Looking%20back%20over%20the%20past,gap%20over%20that%20time%20period>.
- 4 Ibid. The wage gap narrowed by more than 10 cents for white women and closed for Asian women during the same time period.
- 5 “Latinas Deserve More,” National Women’s Law Center, December 8, 2022, <https://nwlc.org/latinas-deserve-more>.
- 6 Cassandra Hernández, Diana Garcia, Paula Nazario, Michael Rios, and Rodrigo Domínguez-Villegas, *Latinas Exiting the Workforce: How the Pandemic Revealed Historic Disadvantages and Heightened Economic Hardship* (UCLA Latino Policy and Politics Initiative, 2021), <https://latino.ucla.edu/wp-content/uploads/2021/10/Latinas-Exiting-the-Workforce.pdf>. According to the Bureau of Labor Statistics, the labor force participation rate of Latinas between the ages of twenty-five and fifty-four in May 2021 was 67 percent, dropping from 71 percent before the pandemic; cited in Astrid Galvan, “Latinas Left Workforce at Highest Rate, See Slow Recovery” Associated Press, June 16, 2021, <https://apnews.com/article/coronavirus-pandemic-technology-race-and-ethnicity-health-lifestyle-e21f94341735cc2c59042edcb09fb345>.
- 7 Misael Galdámez and Gabriella Carmona, *All Work and No Play: Unpaid Latina Care Work during the Covid-19 Pandemic* (UCLA Latino Policy and Politics Initiative, 2022), <https://latino.ucla.edu/research/latina-care-work-covid19/>.
- 8 Qingfang Wang and Wei Kang, “Race/Ethnicity and Employment Insecurity: Impacts of COVID-19 on the US Labor Force and Beyond,” *Population Research Policy Review* 43 (2024), art. 64, <https://doi.org/10.1007/s11113-024-09911-5>.
- 9 Ashir Coillberg, “Because of the Wage Gap, Latinas Stand to Lose Nearly \$1.3 Million over a 40-Year Career,” National Women’s Law Center, September 2024, <https://nwlc.org/resource/equal-pay-for-latinas/>. Further, when part-time and part-year workers were included in the sample, Latinas were typically paid only 51 cents for every dollar paid to non-Hispanic white men.
- 10 Ibid.
- 11 US Census Bureau, 2023 American Community Survey (ACS) 1-Year Public Use Microdata (PUMS).
- 12 Olga Alonso-Villar and Coral del Río, “Disentangling Occupational Sorting from Within-Occupation Disparities: Earnings Differences among 12 Gender–Race/Ethnicity Groups in the U.S.,” *Population Research and Policy Review* 42 (2023), art. 45, <https://link.springer.com/article/10.1007/s11113-023-09791-1>.
- 13 Employers may perceive mothers as less committed to their jobs, leading to fewer promotions and raises compared to their male counterparts or even childless women. See Patrick Ishizuka, “The Motherhood Penalty in Context: Assessing Discrimination in a Polarized Labor Market,” *Demography* 58, no. 4 (2021): 1275–1300, <https://read.dukeupress.edu/demography/article/58/4/1275/174038/The-Motherhood-Penalty-in-Con-text-Assessing>; and Douglas Almond, Yi Cheng, and Cecilia Machado, “Large Motherhood Penalties in US Administrative Microdata,” *Proceedings of the National Academy of Sciences of the United States of America* 120, no. 29 (2023), <https://www.pnas.org/doi/full/10.1073/pnas.2209740120>.
- 14 Given the lack of a safety net for aging working-class immigrants, some Latinas find themselves in the role of primary caregiver for aging parents or relatives, which can limit their availability for full-time work or pursuing opportunities for career advancement.
- 15 Ruth Milkman, *Immigrant Labor and the New Precariat* (Wiley, 2020).
- 16 Lauren Mora and Mark Hugo Lopez, *Key Facts about U.S. Latinas with Graduate Degrees* (Pew Research Center, 2023), <https://www.pewresearch.org/short-reads/2023/10/03/key-facts-about-us-latinas-with-graduate-degrees/>.
- 17 Veronica Terriquez, Steven Carmona Mora, and Sonja Diaz. 2024. *Latina Voters Can Shape the Future of American Politics* (UCLA Chicano Studies Research Center, 2024), <https://latinafutures.org/rigorous-research/research-brief-latina-voters-2024/>.
- 18 Mohamad Moslimani and Sahana Mukherjee, *How Latinas View Hispanic Women’s Situation in the U.S.* (Pew Research Center, 2024), <https://www.pewresearch.org/race-and-ethnicity/2024/05/15/how-latinas-view-hispanic-womens-situation-in-the-u-s/>. See also “Reproductive Justice Is a Top Priority for Latina/x Women Voters,” *Intersections of Our Lives*, [2024], <https://intersectionsfourlives.org/wp-content/uploads/2024/05/Intersections-Latinax-Fact-Sheet-Eng.pdf>.
- 19 Mohamad Moslimani and Sahana Mukherjee, *Half of Latinas Say Hispanic Women’s Situation Has Improved in the Past Decade and Expect More Gains* (Pew Research Center, 2024), 40, <https://www.pewresearch.org/race-and-ethnicity/2024/05/15/half-of-latinas-say-hispanic-womens-situation-has-improved-in-the-past-decade-and-expect-more-gains/#:~:text=At%2022.2%20million%2C%20Latinas%20account,female%20racial%20or%20ethnic%20group>.
- 20 Cynthia Feliciano and Yader R. Lanuza, “An Immigrant Paradox? Contextual Attainment and Intergenerational Educational Mobility,” *American Sociological Review* 82, no. 1 (2017): 211–41; and C. Aujean Lee, Nina M. Flores, and Lauren D. Hom, “Learning from Asian Americans: Implications for Planning,” *Journal of Planning Education and Research* 44, no. 2 (2021), <https://journals.sagepub.com/doi/abs/10.1177/0739456X211006768?journalCode=jpea>.
- 21 Paula England, Paul Allison, and Han Sun, “Why Are Some Academic Fields Tipping toward Female? The Sex Composition of U.S. Fields of Doctoral Degree Receipt, 1971–2002,” *Sociology of Education* 80, no. 1 (2007): 23–42, <https://journals.sagepub.com/doi/abs/10.1177/003804070708000102>; and Claudia Buchmann and Thomas A. DiPrete, “The Growing Female Advantage in College Completion: The Role of Family Background and Academic Achievement,” *American Sociological Review* 71, no. 4 (2006): 515–41, <https://doi.org/10.1177/000312240607100401>.
- 22 Citlali Tejeda and Misael Galdámez, *Facts about Latina Educational Attainment* (UCLA Latino Policy and Politics Institute, 2024), <https://latinodatahub.org/#/research/facts-about-latina-educational-attainment-in-the-united-states>. The report notes that in 2021, 25 percent of Latinas aged twenty-five to thirty-four obtained a baccalaureate degree or higher compared to just 16 percent of Latinas aged fifty-five to sixty-four.
- 23 Ibid.
- 24 Alonso-Villar and del Río, “Disentangling Occupational Sorting.”
- 25 Coillberg, “Because of the Wage Gap, Latinas Stand to Lose Nearly \$1.3 Million over a 40-Year Career.”

## Authors' Bios

**Sonja Diaz** is a civil rights attorney and policy advisor who is recognized for advancing Latina representation and opportunities. As cofounder of the Latina Futures 2050 Lab, she leads initiatives addressing Latina underrepresentation in positions of power and influence. She cofounded and directed the first multi-issue think tank focused on Latina/os in the University of California system. She holds a JD from UC Berkeley, an MPP from UCLA, and a BA from UC Santa Cruz.

**Veronica Terriquez** is a sociologist who examines the intersections of race, class, and gender through interdisciplinary research. As director of UCLA's Chicano Studies Research Center and cofounder of the Latina Futures 2050 Lab, she leads research initiatives focused on transitions to adulthood and gender equity while advancing UCLA's goals as an emerging Hispanic-Serving Institution. Dr. Terriquez holds a PhD in sociology from UCLA, an MA in education from UC Berkeley, and a BA from Harvard University.

**Jonathan Ong**, based in Los Angeles, is a quantitative researcher at Ong & Associates whose work focuses on urban analytics and data-driven solutions for addressing social inequality. His research explores the intersections of data, neighborhoods, and social justice. Holds a MCS in computer science from Arizona State University and a BA from UCLA.