
Inequality By Design: The Gender Pay Gap Is Widening, Again

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How much does three cents matter to you?

Since the 1960s, the gender pay gap has been gradually closing, until now. The gender pay gap has widened for the second year in a row, which has not happened in over 60 years (Pew Research Center 2025). In 2025, women with a master's degree earn less, on average, than men with a bachelor's degree (National Partnership for Women & Families 2023). As a current Master of Public Policy student and a woman, I see the impacts of the pay gap firsthand. It is more than tables and graphs, it is something that affects me and my peers. Historically, the gender wage gap has been labeled as a personal choice, placing the blame on women, rather than the discriminatory and harmful policies that have allowed the effects of the gender wage gap to continuously worsen. Alternatively, policy can be used to lessen the wage gap through labor protections, minimum wage increase, and anti-discrimination laws (National Partnership for Women & Families 2023). Solving the gender wage gap benefits more than just women, it has the potential to pull millions above the poverty line, and, in turn, benefit the overall economy. If tradition is the opium of the masses, then policy is the prescription – providing the opportunity to heal, harm, or numb.

History: Feminization of Poverty

Policies can act as the “hand of god,” deciding what you say, eat, do, and if you live. Historically, the U.S. has highlighted policies that protect our rights rather than those that can negatively shape our future. It was only in 1963 when the Equal Pay Act prohibited the practice of paying women less than men for the same position (EEOC n.d.). In 1971, it became illegal for women to be barred from practicing law (Supreme Court Historical Society n.d.). In 1974, women gained the legal protection to open bank accounts without a male signer (U.S. Department of Justice n.d.). These policies reveal that gender equity is not merely a social justice issue but a matter of economic resilience and national prosperity.

Diana Pearce coined the phrase “feminization of poverty” to describe the ongoing pattern of women being the majority of those living in poverty (Pearce 1990). Despite this term being created in 1989, the pattern has unfortunately continued and shows limited potential to cease in the future. The Census Bureau revealed that in 2024, the wage gap had increased for men and women working full-time for the second year in a row (U.S. Census Bureau 2025). In 2024, women who worked full-time earned 81 cents for every dollar paid to men, which was down from the 83 cents in 2023 and the 84 cents in 2022 (U.S. Census Bureau 2025; NWLC 2025). 3 cents may not seem significant, in fact, women have been told repeatedly over the years that it isn’t significant enough to warrant action or care. 3 cents across all women working full-time in the U.S. adds to the ongoing feminization of poverty, especially when you consider that we lost 3 cents in just two years. How much more must be lost before we, the women of the U.S., are significant enough for change?

Pay disparity harms all women, but it cannot go unstated that it will continue to disproportionately harm some more than others. The harm of the wage gap is more severe for black women, who were paid 65 cents for every dollar paid to white men in 2024, compared to 69 cents just two years ago (NWLC 2025). Transgender women experience a pay gap of approximately 60 cents for every dollar white male workers earn. Disabled women who work full-time make approximately 56 cents for every dollar earned by white men (HRC n.d.; IWPR n.d.). A society that allows half its population to fall behind cannot call its economy strong.

Today: Widening Pay Gap

Economic and social drivers of pay inequality range greatly, but occupational segregation is viewed as a leading contributor to the pay gap, as it is created out of the social biases and barriers that push certain genders toward certain sectors and positions (NWLC 2025). Women make up 69 percent of the lowest-wage labor force and are far more likely to work hourly positions than men (NWLC 2017). There are countless fields where women are a more prevalent portion of workers than men, but they make up a lower number of managerial positions (Pew Research Center 2024). Women consistently outperform male colleagues in performance reviews, yet they continue to have their future capabilities underestimated by 8.3 percent lower ratings (Li n.d.). Misogynistic views of a woman's ability, ongoing cultural assumptions of women as homemakers, and other compounding factors continue to harm women's opportunity for promotion in the workplace. Nevertheless, women continue to be blamed, told they have to try harder and prioritize their career while managing the household and raising children, often a task that falls squarely on their shoulders (IWPR n.d.).

Women in America must do two things in order to decrease their likelihood of living in poverty: never have children and never get old. When a woman has a child, her likelihood of falling below the poverty line increases by 33 percent (Columbia University Center on Poverty and Social Policy n.d.). Upon turning 65 years old, women are 80 percent more likely to live in poverty than men (Davis Journal 2025). The wage gap's influence here is quite simple; less income means women have less money to put into retirement accounts or pay into Social Security, meaning they have less income in their older age. With women being more likely to live in poverty in their later years, the ongoing impact of both the gender wage gap and its compounding results are exemplified. Such structural disadvantages mean that even small policy changes, such as minimum wage stagnation, cuts to employment protections, and paid leave policies, disproportionately impact women and, as such, widen the existing economic gap between genders (NWLC 2019; U.S. Congress 2023; IWPR 2025).

Tomorrow: Policy as a Prescription

Despite the most recent data on the gender pay gap being from 2024, we can make some inferences on 2025's numbers based on a variety of factors. The U.S. federal government is the country's largest employer (GAO n.d.), and in the last 10 months, layoffs have caused a rise in unemployment rates and impacted women at all stages of their career (GAO n.d.; BLS n.d.; Callahan

2025). Furthermore, continued attacks on DEI both inside the government and in the public sector are exacerbating already significant harms towards women, BIPOC, disabled, and LGBTQ+ workers (ACLU n.d.). A policy shift is happening in real time, and it can be seen through this administration's decisions to fire the Equal Employment Opportunity Commission (EEOC) commissioners while undercutting employment anti-discrimination protections and eliminating the offices tasked with investigating claims of workplace discrimination (National Partnership for Women & Families 2025). Research institutions and university research departments have cut the use of language deemed problematic by this administration, including the words women, gender, minority, and bias (The Guardian 2025). A word that is notably not included in this list of banned words is "men".

While anti-discrimination practices are important, there are additional policies that can alleviate the less noticeable hardships women face in the workforce. Policies such as pay transparency and enforcement, paid family medical leave, and minimum wage all play a role in women's economic success and thus, America's. Current gender pay equity policies put a significant burden on the accuser to make their case and leave a significant chance of retribution on the part of the employer. Policies such as the proposed Paycheck Fairness Act aim to lessen this burden by strengthening protections for the employee, clarifying the 1963 definition of "equal work", and shifting the burden of proof to the employer through enforcement protocols (U.S. Congress 2023).

The Family and Medical Leave Act (FMLA) and Paid Sick Leave (PSL), play an essential role in protecting women's employment and economic security (DOL n.d.). FMLA requires 12 weeks of unpaid leave with job protection, and has been shown to narrow the gender wage gap by providing parents with protected time off following the birth or adoption of a child (IWPR 2025). Furthermore, research has shown that state-level PSL policies increase the rate of women's employment by 1.2 percent, with an average increase in income of \$2,347 (Pichler, Wen, and Ziebarth 2020). These effects are strongest among mothers, and especially those living in poverty. FMLA and PSL have both been shown to increase labor force participation, especially for women, and increase the number of hours worked upon returning to work (Joint Economic Committee n.d.).

Federal minimum wage is \$7.25, a full-time worker who never misses a day of work due to illness, transportation issues, vacation, or holidays will still fall \$570 below the poverty line (DOL n.d.). Minimum wage workers have to take no time off and work an extra 2 weeks in order to fall just above the poverty line.

$$((\$7.25 \times 40) \times 52) - \$15,650 = - \$570$$

((minimum wage x full-time hours) x weeks in year) – federal poverty line

The disproportionate number of women that work low wage positions further clarifies the need to raise the minimum wage. When women make up two thirds of the minimum wage workers, while experiencing a wage gap, the impact of this issue will continue to be felt by families, social programs, and the greater economy (Center for American Progress n.d.). Minimum wage jobs often do not pay a livable wage, even if paid for full-time work. Raising the minimum wage to \$15 an hour would benefit 19 million women, of which, 8 million are mothers (Center for American Progress n.d.). Passing The Raise the Wage Act would lift the minimum wage for the lowest-paid workers and has the potential to narrow the wage gap by 34 percent (NWLC 2019; U.S. Congress 2025).

Government layoffs, rise in costs, stagnant wages, and a political shift towards conservative policies continue to widen the gender pay gap and exacerbate existing societal failures (NWLC n.d.). A through line of these policy suggestions is that not a single one of them will solely impact women, they will also benefit men. Women will be more impacted by such changes because they are already facing economic inequalities that are not being addressed. Policy has the ability to cause harm or to do right by those it governs. Whether the next decade deepens or narrows this divide will depend on policymakers' choices. Narrowing the gender pay gap isn't just a woman's issue; it's an issue for the entire U.S. economy.

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