

Bankrate

The Motherhood Penalty: Fathers Earned 31% More in Annual Wages Than Mothers in 2023

Mothers could potentially miss out on half a million in career earnings based on 2023 wage gap data

NEW YORK - June 26, 2024 - Full-time working mothers with children under the age of 18 earned 31% less than their male counterparts in 2023, according to a new Bankrate report. Using the Census Bureau's 2023 Current Population Survey data, Bankrate analyzed the wage gaps between various groups of men and women, all of whom are employed full time, with and without children under 18 years old in their households. Comparatively, Bankrate's analysis shows no salary-related "penalty" for men when it comes to parenthood, as fathers appear to experience a wage bonus over time after they have children. Click here for more information:

<https://www.bankrate.com/banking/savings/motherhood-penalty-study/>

Of all the groups in Bankrate's analysis, the largest pay gap is between mothers with children younger than 18 in the household and fathers with children under 18 in the household. Mothers with children under 18 earned a median salary of \$55,276 in 2023, while fathers with children under 18 earned \$72,280 in 2023. This equates to mothers with children younger than 18 earning 76 cents for every dollar their male counterparts earned last year. Assuming those earnings remain the same over time, mothers could lose as much as \$500,000 over a 30-year career, according to Bankrate's calculations.

"The pay gap between mothers and fathers often stems from unequal household labor and caregiving responsibilities," said Bankrate Analyst Alex Gailey. "Household work and caregiving demands are more likely to affect women's labor force participation and pay once they become parents, as they typically shoulder a greater share of these responsibilities. Soaring childcare costs are forcing many women to pick between their careers and families, posing a broader risk to women's progress in the workforce."

Another significant pay gap was between fathers with children under 18 and men with no children under 18 in their households. Specifically, fathers with children under 18 earned \$72,280 versus men with no children under 18 who earned \$58,864, a roughly

23% gap. Assuming earnings stay the same, that can lead to a difference of more than \$400,000 in wages between the two groups over a span of 30 years.

Single men with children under 18 and single women with children under 18 also have a significant pay gap among the groups analyzed. In 2023, single mothers with children under 18 earned an average of \$43,888, while single fathers with children under 18 earned an average of \$52,728, a wage gap of approximately 20%. Assuming earnings stayed the same, this equates to roughly \$265,000 in lost wages for single working mothers over three decades, according to Bankrate's calculations.

"While we've seen significant progress in women's labor force participation and wages over the last few decades, our analysis shows there's still room for improvement, particularly for working mothers," added Gailey. "The gender pay gap and motherhood penalty are systemic issues that affect women's finances. While individuals can't resolve these challenges alone, women can navigate them by focusing on what they can control. This involves establishing a support system, tracking spending, automating savings and advocating for better pay and benefits."

<https://www.bankrate.com/banking/gender-pay-gap-statistics/>

Among the groups analyzed, the smallest pay gaps were between single women with no children under 18 and single men with no children under 18, showing a 7% difference in median annual earnings (\$47,892 vs. \$51,480). This was followed by women with no children under 18 and mothers with children under 18, indicating an 8% difference in median annual earnings (\$51,064 vs. \$55,276), and partnered and unpartnered women with no children under 18 versus partnered and unpartnered men with no children under 18, reflecting a 15% difference in median annual earnings (\$51,064 vs. \$58,864).

Methodology:

Bankrate aggregated median weekly earnings from the Census Bureau's 2023 Community Population Survey to analyze wage gaps among the following full-time working groups:

- Women without children under 18 vs. mothers with children under 18
- Mothers with children under 18 vs. fathers with children under 18
- Women without children under 18 vs. men without children under 18 (partnered and unpartnered)
- Single women without children under 18 vs. single men without children under 18
- Men without children under 18 vs. fathers with children under 18

- Single mothers with children under 18 vs. single fathers with children under 18
- Married women without children under 18 vs. married men without children under 18

All figures are in 2023 dollars, rounded to the nearest whole dollar. The analysis uses median weekly wages for all full-time wage and salary workers regardless of race or ethnicity, and self-employed people are excluded.

Unless specified, full-time working women and men with or without children under 18 could have any marital status (partnered or unpartnered). Full-time working mothers and fathers have at least one child under 18 at home. Women and men without children under 18 mean the householder does not have any children in the household under 18 and they may have older children who are not part of their household. In the analysis, “single” is defined as a person who’s never been married, is married but the spouse is absent in the household, separated, divorced or widowed.

Median annual earnings for all groups are derived by multiplying median weekly earnings by 52 weeks. Median hourly wages and cent per dollar figures for all groups are derived by dividing median weekly earnings by 40 hours, which assumes a full-time work week.

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For more information:

Sara Dramer

Public Relations Specialist

sara.dramer@bankrate.com

929-205-9713