



TEXAS WOMEN AND THE WAGE GAP

New Data Reveals \$60.1 Billion in Annual Economic Impact

As a follow-on to *The 2024 Economic Issues for Women in Texas Report*, Texas Women's Foundation has released a white paper outlining the annual economic impact of the wage gap in Texas. This paper serves as a "Corporate Leader's Guide to Driving Workforce Sustainability" - offering data, insights and strategies designed to increase employee satisfaction, productivity, and retention and ensuring the continued strength of Texas' \$2.4 trillion economy, increasingly dependent on women.

Key Facts

- Representing **46% of the Texas workforce**, women play a pivotal role in driving the growth and innovation of the state's \$2.4 trillion economy.
- **Texas women earn an average of 83%** of what Texas men earn and Women of Color earn even less.
- This equates to **\$60.1 billion in lost earnings** for women each year and has a direct impact on consumer spending and economic growth.
- The wage gap in Texas has widened over time, **growing more than 27%** since 2019.
- Over her lifetime, the average Texas woman stands to **lose \$750,000 in earnings**, impacting her ability to achieve economic security, stability, and success for herself and her family.
- Sadly, the wage gap widens as women achieve advanced degrees. Women with graduate or professional degrees **earn \$37,000 less** each year than their male counterparts.
- The lack of access to affordable child care has an additional **\$11.4 billion annual impact** in lost productivity.

The future of Texas's economic growth depends on smart investments in workforce sustainability—businesses that take action today will be the ones leading tomorrow.

Additional Highlights

Texas Women and the Wage Gap

- Between 2013 and 2023, **the number of women working full-time, year-round increased by 33%**, outpacing the 25% growth among men during the same period.
- Demographic projections indicate that **the population of women in Texas will continue to grow and outpace men by over a million by 2060**, increasing the already pivotal role women play in the workforce.
- **Texas women consistently earn less than men in nearly every income bracket.** Middle income earners lose between \$54K-87K across their lifetimes, while the top earners lose \$833K.
- In addition to compensation, **access to affordable child care and career mentorship and sponsorship are critical factors** in women's abilities to participate fully, consistently and productively in the workforce.
- **Closing the wage gap could cut poverty among working women by nearly half (48%),** effectively lifting thousands of families out of hardship.

The Business Case for Texas Businesses

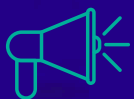
- **Investing in flexible scheduling boosts productivity.** A 2024 study found that employees working from home two days a week are as productive and likely to be promoted as their full-time office counterparts, with hybrid schedules reducing resignations by 33%.
- **Investing in education has strong ROI.** A widely cited study showed that Cigna's investment in its education reimbursement program delivered 129% ROI by improving performance and reducing turnover.
- **Investing in employee development drives retention.** Studies show that companies with strong leadership development programs experience higher retention rates and improved profitability.
- **Investing in mentorship drives profitability.** Research shows that employees with mentors are five times more likely to be promoted. In 2022, companies with structured mentorship programs reported profits 18% higher than the industry average.
- **Investing in women's leadership drives success.** Fortune 500 firms with a greater number of women executives consistently outperform industry peers across key financial metrics, including profit margins and shareholder returns.

Download the white paper for additional context and source of information.

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