

DEEPER IN DEBT


WOMEN AND STUDENT LOANS

UPDATED MAY 2019

THE LANDSCAPE OF COLLEGES IS CHANGING

Today's U.S. college student body is more racially and ethnically diverse than ever before—and increasingly female. Women will earn 57 percent of bachelor's degrees in 2019. In fact, women will outpace men in obtaining degrees at all levels of higher education.

This comes at a time when the cost of college attendance is at a record high: The price tag of a college education has more than doubled over the past generation—while household incomes have barely budged. As a result, more students are taking out loans and leaving school with an unprecedented level of student debt. **This is especially true for women, who tend to take on more debt. And in part because of the gender pay gap, they take longer – and struggle more – to pay it off. The problem is even worse for women of color.**

103% 
**INCREASE IN
PRICE TAG* OF A COLLEGE EDUCATION
SINCE 1987**

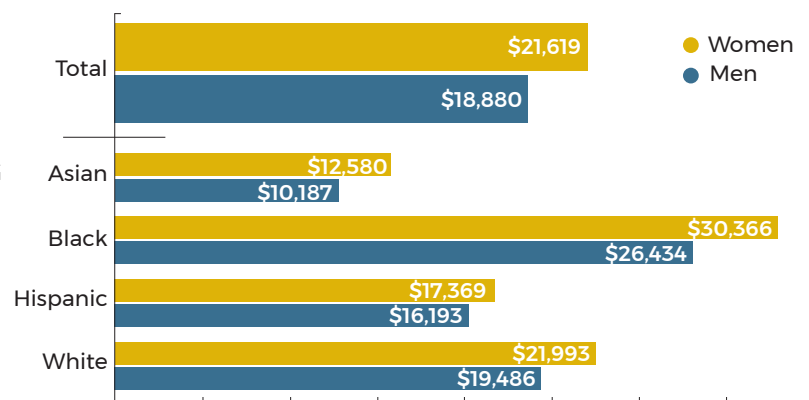
*INCLUDES TUITION, ROOM AND BOARD AND OTHER EXPENSES.

14% 
**INCREASE IN
MEDIAN HOUSEHOLD INCOME
SINCE 1987**

WOMEN HOLD ALMOST TWO-THIRDS OF THE OUTSTANDING STUDENT LOAN DEBT IN THE U.S. THAT'S ABOUT **\$929 BILLION.**

Source: AAUW analysis of the Federal Reserve Bank of New York's Quarterly Report of Household Debt and Credit data

DEBT FOR STUDENTS GRADUATING WITH A BACHELOR'S DEGREE MEAN CUMULATIVE DEBT



Source: AAUW analysis of the National Center for Education Statistics' National Postsecondary Student Aid Study data

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THE GENDER PAY GAP FOR COLLEGE GRADUATES

MEDIAN WEEKLY FULL-TIME EARNINGS OF BACHELOR'S DEGREE HOLDERS

	Median Weekly Full-Time Earnings	Ratio to White Men	Dollar Gap
White Men	\$1,385		
Asian Women	\$1,129	82%	\$256
Black Women	\$877	63%	\$508
Hispanic Women	\$910	66%	\$475
White Women	\$1,005	73%	\$380

From the moment women graduate from college, they face a gender pay gap. **This makes it even harder to pay off their larger share of student debt.**

74% PORTION OF MALE GRADUATES' EARNINGS THAT WOMEN GRADUATES ARE PAID

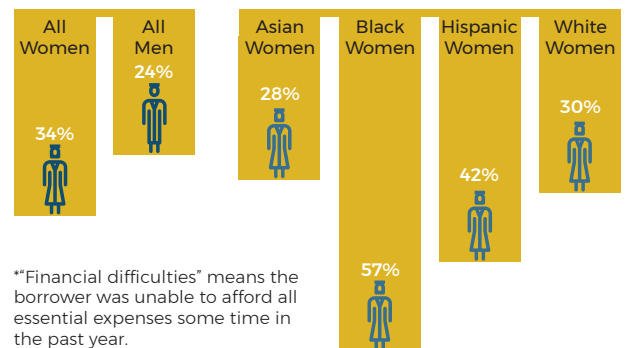
Source: AAUW analysis of the U.S. Bureau of Labor Statistics' 2016 Usual weekly earnings summary data

STUDENT DEBT AFFECTS WOMEN'S LONG-TERM ECONOMIC SECURITY

Women take about two years longer than men to repay student loans and are more likely to struggle economically as they do so. **As a result, women often put off saving for retirement, buying a home, or starting a business.**

The situation is more dire for Black and Hispanic women who pay off student loan debt even more slowly and experience more financial difficulties as they do so.

COLLEGE GRADUATES WHO REPORT FINANCIAL DIFFICULTIES WHILE REPAYING STUDENT LOANS*



*"Financial difficulties" means the borrower was unable to afford all essential expenses some time in the past year.

Source: AAUW Analysis of the National Center for Education Statistics' Baccalaureate and Beyond Longitudinal Study data

HOW DO WE SOLVE THE PROBLEM?

1

CONGRESS must protect and expand Pell Grants for low-income students to reduce the amount of student loan debt they have to take on to complete a degree. In addition, passing stronger legislation to address the gender pay gap is critical.

2

STATE AND FEDERAL LEGISLATORS should increase funding for public colleges and universities and support efforts to move toward tuition- and debt-free options for students.

3

THE DEPARTMENT OF EDUCATION and lawmakers should make it easier for students to enroll in income-driven repayment options to help mitigate some women's financial difficulties. In addition, student loan borrowers should have protections from abusive and fraudulent practices by schools, lenders, and loan servicers.

4

INSTITUTIONS can address both the academic and overall financial needs of students, such as affordable access to child care.

5

INDIVIDUALS can join organizations like AAUW that work to close the gender pay gap. Find out more at www.aauw.org.

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