

# Massachusetts Wage Gap 2017



In recent decades, The Commonwealth of Massachusetts has made significant strides towards achieving intersectional gender equality.

## **New Pay Equity Law**

August 2016 marked the signing of historic equal pay legislation, giving Massachusetts one of the most expansive pay equity laws in the country. Beginning in July 2018, employers in Massachusetts will no longer be allowed to ask employees about salary history, the first ban of its kind in the United States.<sup>1</sup> The new law simultaneously promotes salary transparency, incentivizes internal audits for wage gaps, and requires equal pay for comparable work. The legislation passed in Massachusetts, which has been in the pipeline for almost 20 years, has become a model nationwide.<sup>2</sup>

According to the Census Bureau's 2015 American Community Survey, the median annual earnings for full-time, year-round male workers in Massachusetts are \$61,761 while the median earnings for women are \$51,343.<sup>3</sup> The average woman in Massachusetts makes 83 cents for every dollar earned by a white, non-Hispanic male counterpart. Despite the robust pay equity legislation passed in August 2016, the wage gap still persists and is not predicted to close in our state until 2058.<sup>4</sup>

## **How do other facets of identity impact the wage gap?**

### **Race/ethnicity**

The pay ratio is even more extreme for Massachusetts women of non-white races and ethnicities. Asian women make 80 cents on the dollar, Native women make 63 cents on the dollar, African-American women make 61 cents on the dollar, and Latina women make 50 cents on the dollar.<sup>5</sup> In 2017, we will observe the following dates in recognition of the gender wage gap.

March 7<sup>th</sup> – Asian Women's Equal Pay Day

April 4<sup>th</sup> – Women's Equal Pay Day

July 31<sup>st</sup> – African American Women's Equal Pay Day

September 25<sup>th</sup> – Native Women's Equal Pay Day

November 2<sup>nd</sup> – Latina Women's Equal Pay Day

### **Age**

Nationally, young women between the ages of 15-24 who work year-round, full time earn approximately 90 cents for every dollar a man makes.<sup>6</sup> This pay ratio drops significantly for women once they turn 35 and continues to decrease through retirement.<sup>7</sup> Women ages 45-64 who work full time, year round make approximately 72 cents for every dollar earned by a male counterpart.

### **Education**

Women, regardless of educational attainment, face a wage gap compared to male peers who possess the same level of education. For example, women in Massachusetts with graduate or professional degrees have median earnings of \$62,440 while their male counterparts have median earnings of \$91,825.<sup>8</sup> This is a wage gap of 32 percent. For women with college degrees, there is a wage gap of 33 percent. For those women with some college education or an associate's degree, there is a wage gap of 31 percent. Most glaringly, women in Massachusetts who have graduated from high school face a wage gap of 36 percent. Finally, for women who have not completed a high school education, there is a wage gap of 29 percent.

## Motherhood Penalty

On average, mothers earn less than childless women. In the U.S., Women lose roughly 7 percent of their salaries per child while men who become fathers generally see an increase in their salaries, known as the fatherhood bonus.<sup>9</sup> Mothers in Massachusetts make 71 cents for every dollar earned by fathers.<sup>10</sup> Additionally, employers are more likely to hire childless women when compared to mothers, even mothers who did not leave the workforce.<sup>11</sup>

## Sexual orientation

Gay and bisexual men are usually paid anywhere between 10 and 32 percent less than similarly qualified heterosexual counterparts while lesbian women make approximately 20 percent less than both gay and heterosexual men.<sup>12 13</sup>

## Gender identity

Nationally, average earnings decrease by roughly 33 percent for workers who undergo transitions to female.<sup>14</sup>

## Occupational Segregation

While there is a gender wage gap across almost all industries and occupations, women are also more likely to work in "pink-collar" jobs, which have historically offered lower salaries. Jobs traditionally occupied by men typically have higher median salaries than jobs traditionally occupied by women, even when both jobs require the same level of skill or education.<sup>15</sup> However, occupational segregation can only account for 25 percent of the gender wage gap.<sup>16</sup>

<sup>1</sup> Jen Hubley Luckwaldt, "Asking for Salary History Could Soon Be Illegal in All 50 States," *PayScale*, last accessed February 22, 2017, <http://www.payscale.com/career-news/2016/09/asking-salary-history-soon-illegal-50-states>.

<sup>2</sup> The National Law Review, "California's Expanding Fair Pay Act," last accessed March 15, 2017, <http://www.natlawreview.com/article/california-s-expanding-fair-pay-act>.

<sup>3</sup> Kevin Miller, "The Simple Truth About The Gender Pay Gap (Spring 2017)," *The American Association of University Women*, last accessed February 22, 2017, [http://www.aauw.org/aauw\\_check/pdf\\_download/show\\_pdf.php?file=The-Simple-Truth](http://www.aauw.org/aauw_check/pdf_download/show_pdf.php?file=The-Simple-Truth).

<sup>4</sup> "The Status of Women in Massachusetts, 2015: Highlights," *Institute for Women's Policy Research*, accessed February 22, 2016, <http://statusofwomendata.org/wp-content/uploads/2015/08/Massachusetts-Fact-Sheet.pdf>.

<sup>5</sup> "The Wage Gap, State by State," National Women's Law Center, last accessed February 22, 2017, <http://nwlc.org/resources/wage-gap-state-state/>.

<sup>6</sup> "The Wage Gap: The Who, How, Why, And What To Do," *National Women's Law Center*, last modified September 2016, <http://nwlc.org/wp-content/uploads/2016/09/Wage-Gap-Who-How-Why-and-What-To-Do-2016.pdf>.

<sup>7</sup> Kevin Miller, "The Simple Truth About The Gender Pay Gap (Spring 2017)," *The American Association of University Women*, last accessed February 22, 2017, [http://www.aauw.org/aauw\\_check/pdf\\_download/show\\_pdf.php?file=The-Simple-Truth](http://www.aauw.org/aauw_check/pdf_download/show_pdf.php?file=The-Simple-Truth).

<sup>8</sup> "Median Earnings in the Past 12 Months (in 2015 Inflation-Adjusted Dollars) by Sex by Educational Attainment for the Population 25 Years and Over," *United-States Census Bureau*, last accessed February 22, 2017, [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_15\\_5YR\\_B20004&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_B20004&prodType=table)

<sup>9</sup> Sarah Jane Glynn, "The Wage Gap for Women: The Consequences of Workplace Pay Inequity for Women in America," *Center for American Progress*, last modified August 12, 2012, <https://www.americanprogress.org/issues/economy/news/2012/08/16/12029/fact-sheet-the-wage-gap-for-women/>.

<sup>10</sup> "The Wage Gap For Mothers, State by State," *National Women's Law Center*, last modified November 2016, <http://nwlc.org/wp-content/uploads/2016/05/Wage-Gap-for-Mothers-State-By-State-1.pdf>.

<sup>11</sup> Kevin Miller, "The Simple Truth About The Gender Pay Gap (Spring 2017)," *The American Association of University Women*, last accessed February 22, 2017, [http://www.aauw.org/aauw\\_check/pdf\\_download/show\\_pdf.php?file=The-Simple-Truth](http://www.aauw.org/aauw_check/pdf_download/show_pdf.php?file=The-Simple-Truth).

<sup>12</sup> Ibid.

<sup>13</sup> "The Wage Gap: The Who, How, Why, And What To Do," *National Women's Law Center*, last modified September 2016, <http://nwlc.org/wp-content/uploads/2016/09/Wage-Gap-Who-How-Why-and-What-To-Do-2016.pdf>.

<sup>14</sup> Ibid.

<sup>15</sup> Kevin Miller, "The Simple Truth About The Gender Pay Gap (Spring 2017)," *The American Association of University Women*, last accessed February 22, 2017, [http://www.aauw.org/aauw\\_check/pdf\\_download/show\\_pdf.php?file=The-Simple-Truth](http://www.aauw.org/aauw_check/pdf_download/show_pdf.php?file=The-Simple-Truth).

<sup>16</sup> Sarah Jane Glynn, "The Wage Gap for Women: The Consequences of Workplace Pay Inequity for Women in America," *Center for American Progress*, last modified August 12, 2012, <https://www.americanprogress.org/issues/economy/news/2012/08/16/12029/fact-sheet-the-wage-gap-for-women/>.

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