Maryland
DEPARTMENT OF LABOR






Equal Pay Day Report

Women Face Persistent Wage Gaps in Maryland

By Sapna Mehta, Michael Siers, and Ajani Pierce

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Executive Summary

Each year, Equal Pay Day has been used to symbolize roughly how far into the following year women need to work to earn as much as men. Equal Pay Day provides an opportunity to examine the gender wage gap, its causes, and its impacts. Families depend on women's earnings now more than ever – in Maryland and nationwide, more than 40% of mothers are the lead or only wage earner.[1] Yet full-time working women are typically paid less than full-time working men.

According to data averaged over a five-year period from 2018 to 2022, Maryland has the fourth smallest wage gap in the country: women who work full-time, year-round in Maryland are typically paid only **86 cents** for every dollar their male counterparts make.

However, women of every race and ethnicity are paid less than white, non-Hispanic men, at all education levels, and much broader disparities exist for some groups. In Maryland, for every dollar a white, non-Hispanic man makes:

- **Hispanic women or Latinas are paid 50 cents –** a wage gap of 50 cents;
- **American Indian and Alaska Native women are paid 56 cents** – a wage gap of 44 cents;
- **Black or African American women are paid 67 cents –** a wage gap of 33 cents;
- **White women are paid 79 cents** – a wage gap of 21 cents; and
- **Asian women are paid 86 cents** – a wage gap of 14 cents.

Compared with other states, the wage gap for Hispanic women or Latinas in Maryland is the 4th worst nationwide. The wage gap for Black or African American women is the 9th smallest nationwide. While Black or African American women experience smaller per dollar disparities between white, non-Hispanic men in Maryland than they do nationally and in several other states, they are still only paid a fraction of what white, non-Hispanic men are paid.

Maryland has many high-wage jobs. This means women tend to be paid more in Maryland than in many other regions of the country, but it also means that wage gaps translate to significant income and wealth gaps over time. Median earnings for full-time women workers in Maryland are $65,507. This is the third highest level in the nation but over $24,000 less than the median earnings for white, non-Hispanic men ($89,814). Calculated over a career, this leads to some of the largest lifetime earnings gaps in the nation.

Compared to white, non-Hispanic men, in Maryland:

- The lifetime wage gap for **Hispanic women or Latinas is over $1.8 million –** the 4th highest gap, when compared to other states.
- The lifetime wage gap for **American Indian and Alaska Native women is over $1.5 million –** the 6th highest gap.
- The lifetime wage gap for **Black or African American women is over $1.1 million –** the 16th highest gap.
- The lifetime wage gap for **white women is over $750,000 –** the 8th highest lifetime.
- The lifetime wage gap for **Asian women is over $500,000 –** the 26th highest gap.

This report also provides information about gender wage gaps in Maryland's 13 local workforce development areas (LWDAs). At the LWDA level, the majority of women in Maryland are paid less than their white, non-Hispanic male counterparts. In 11 out of 13 LWDAs, at least one racial or ethnic group experiences over $1 million in lost wages over a lifetime. The size of the overall gender pay gap varies from county to county, based on a number of factors including demographic characteristics and industry concentrations. Since Black and Latino men, in particular, also

experience a wage gap when compared with white women,[2] counties with higher percentage populations in these groups tend to see smaller differences between men and women as a whole.

The Moore-Miller Administration has focused on work, wages, and wealth—and closing wage gaps addresses all three. There are many causes of the gender wage gap, including occupational crowding,[3] pay secrecy, gendered caregiving responsibilities, and the lack of quality, affordable child care, which impact the job opportunities available to women. Addressing pay gaps–of all types–requires systematic efforts to address these issues. Policies like responsible procurement, paid leave, pay range transparency, investments in child care and care workers, as well as strategic investments in workforce training and education, can help to close gender wage gaps.

The Maryland Department of Labor is charged with enforcing the state's Equal Pay for Equal Work Act, a law that prohibits employment and wage discrimination by gender, as well as other laws that protect workers' pay and rights on the job. The Department also analyzes labor market conditions to better understand the needs of workers and employers and the state labor market.

This report focuses on gender, but as noted above, many other groups experience pay and opportunity disparities. The Department hopes that publishing this report will guide policy development and resource deployment in a way that benefits not only women, but all workers, and leads to a more competitive, inclusive, and robust state economy.

Introduction

Equal Pay Day is an annual observance established to call attention to the persistent pay disparities between men and women. Despite federal and state laws prohibiting wage discrimination on the basis of gender, race, and other protected characteristics, the gender wage gap has persisted. Nationwide, women earn 81 cents for every dollar men make according to 2018-2022 data from the US Census, with women of color experiencing larger disparities.

Although this report focuses on the gender pay gap, many other groups face persistent wage gaps including people of color, workers with disabilities, older workers, veterans, LGBTQI+ individuals, and others. Women who belong to multiple groups often experience compounded wage gap effects.

Women's earnings are more important than ever. More than 60% of Maryland women participate in paid work in the labor force,[4] and the percentage of women who are the primary or sole breadwinner in their family continues to increase. Some analyses indicate that in Maryland and nationwide, more than 40% of mothers are the lead or only wage earner.[5] Yet women are more likely than men to live in poverty. Single-parent households headed by women experience a poverty rate of 16.4% in Maryland, compared to a rate of 6.2% for all Maryland families.[6] Many women and their families are struggling to make ends meet.

Wage gaps make it difficult for women to fully participate in the labor force because lower wages mean their work has less economic impact. It may be more economical for these workers to engage in unpaid work such as family care or participate in non-traditional or informal work arrangements. At the time of this report's publication (March 2024), Maryland has had the largest drop in labor force participation since February 2020 of any state, and unlike many other states, labor force participation has not returned to pre-pandemic levels.[7] Closing gender and racial wage gaps can support greater labor force participation and thus stronger economic growth for our state.

Addressing pay gaps is an important part of the Maryland Department of Labor's work. Numerous programs in the Department, including job training and registered apprenticeship, professional licensing, and paid family and medical leave are aimed at supporting labor force participation and expanding workforce opportunity. In addition, the Department's Labor and Industry Division is charged with enforcing the state's Equal Pay for Equal Work Act, which prohibits employment and wage discrimination based on gender, as well as other State laws that protect workers' pay and rights on the job, including minimum wage and overtime, paid sick days and the right to receive pay when due.

Gender Wage Gaps in the United States and Maryland

Maryland workers have historically been paid more than workers elsewhere in the country. According to data from the U.S. Census averaged over a five-year period from 2018 to 2022, the median earnings for a full-time worker in Maryland are $70,700 compared to the median earnings for a full-time worker in the United States, $57,377. Maryland has the fifth-highest median earnings in the nation.[8]

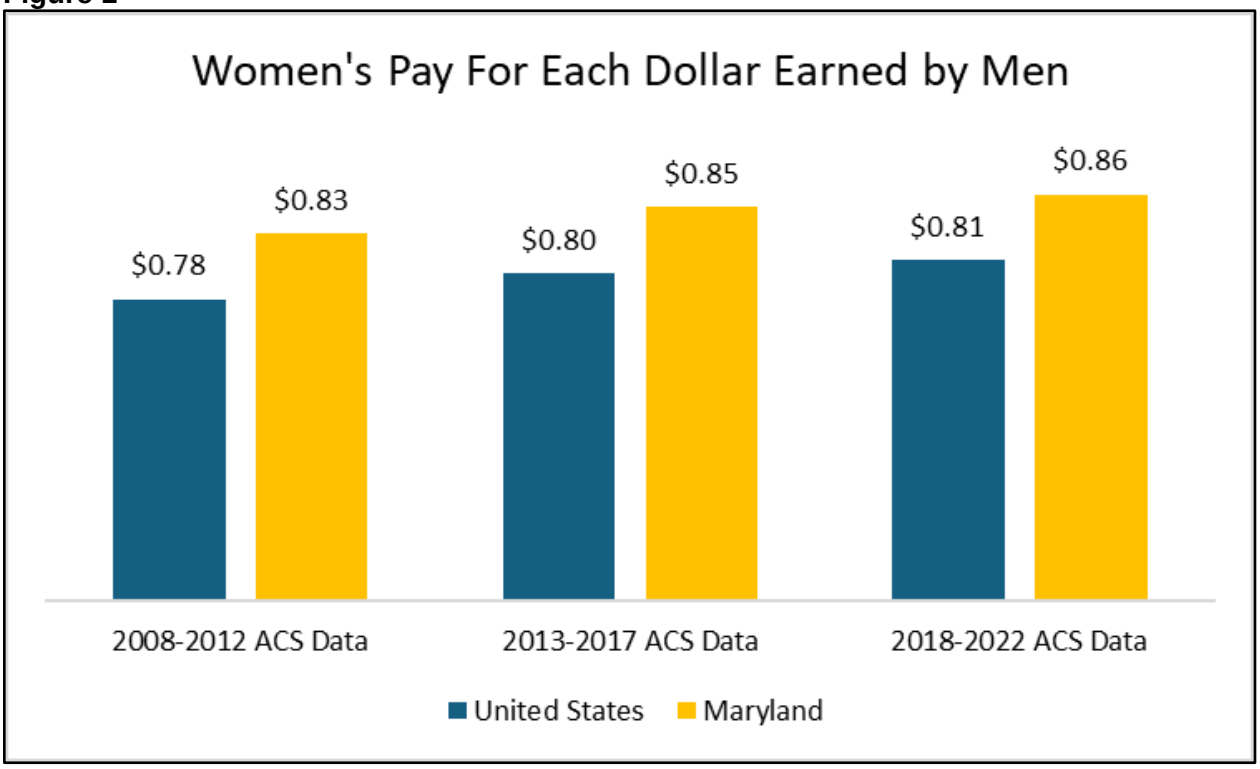
Both men and women in Maryland make more than their counterparts nationwide:

- In Maryland, median earnings for men are $75,869 relative to $62,824 nationwide. Maryland has the fifth-highest median earnings for men in the nation.[9]
- Maryland women had median earnings of $65,507 relative to $51,123 nationwide. The median earnings for Maryland women working full-time are the third-highest in the nation.

Despite the fact that women in Maryland are paid more than women nationwide, women in the state are still paid $10,362 less per year than men. **This means that women who work full-time, year-round in Maryland, are typically paid 86 cents for every dollar paid to their male counterparts.** Maryland's gender wage gap is the **4th smallest in the country** – women nationwide make 82 cents for every dollar men are paid.

Maryland's wage gap has not closed significantly in over a decade, as shown below in Figure 1.

Figure 1



Source: MDOL analysis of U.S. Census Bureau, American Community Survey, 2008-2012, 2013-2017, and 2018-2022

When race and ethnicity are introduced, gender pay disparities increase significantly for most women of color relative to white, non-Hispanic men, as Figure 2 makes clear. For example, **Hispanic women or Latinas in Maryland are paid fifty cents for every dollar paid to white,**

non-Hispanic men in the state. Hispanic women or Latinas in Maryland must work a year and a half to make what a white, non-Hispanic man is paid. Generally speaking, wage gaps also persist between men and women of the same racial or ethnic background.[10]

Figure 2

Wage Gaps For Maryland Women by Race and Ethnicity, Relative to White, Non-Hispanic Men

Racial/Ethnic Group	Wage Women Earn For Every Dollar a White Non-Hispanic Man Earns	Wage Gap	Maryland Ranking
Asian	$0.86	$0.14	19
White, Non-Hispanic	$0.79	$0.21	24
Black or African American	$0.67	$0.33	9
American Indian and Alaska Native	$0.56	$0.44	34
Hispanic or Latina	$0.50	$0.50	48

Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022.

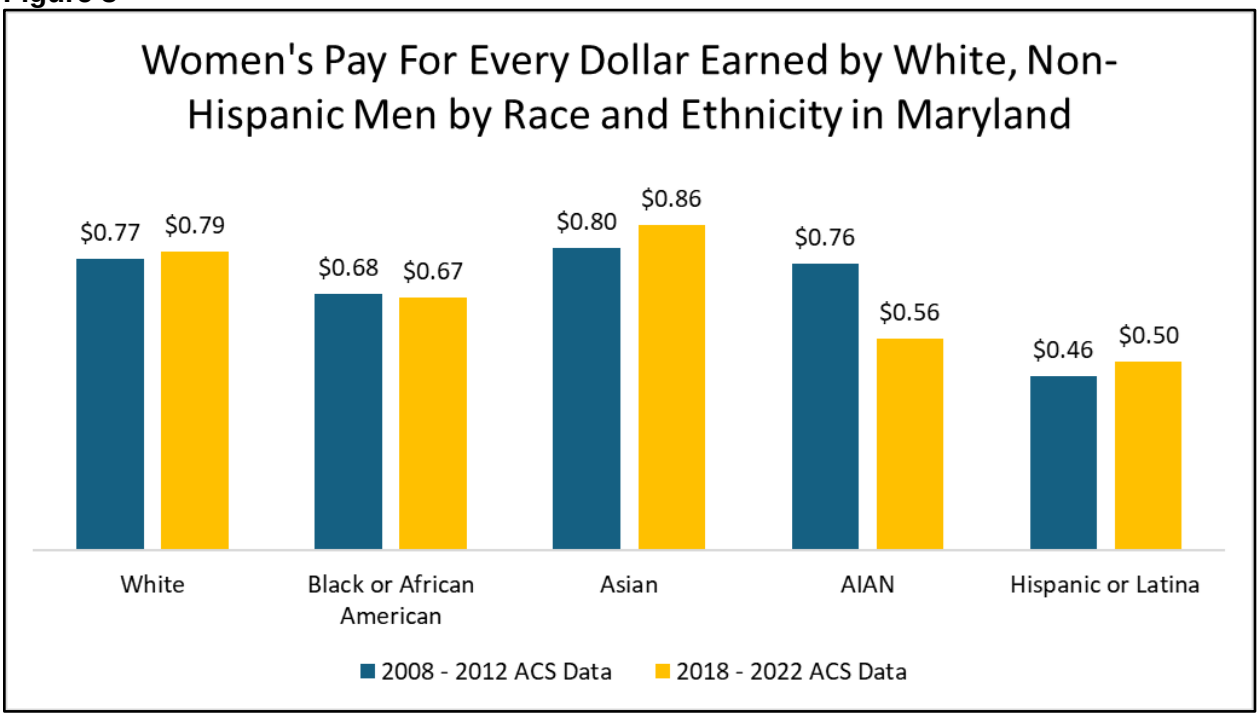
A comparison with other states reveals that some women of color experience larger wage gaps when compared with white, non-Hispanic men in Maryland than they do in other states. **Hispanic women or Latinas** and **American Indian and Alaska Native women experience larger disparities in Maryland** than they do nationally and in most other states.

- The wage gap for Hispanic women or Latinas is the 4th worst nationwide.
- The wage gap for American Indian and Alaska Native women 18th worst nationwide.

Also, notable is the wage gap for Black or African American women ranks 9th nationwide. While Black or African American women experience smaller disparities in Maryland than they do nationally and in several other states, they are still paid only 67 cents for every dollar paid to white, non-Hispanic men.

As Figure 3 shows, when both race and ethnicity are taken into account, wage gaps in Maryland have remained relatively consistent over time. For example, Black or African American women are paid $0.68 for every dollar white, non-Hispanic men made according to 2008 to 2012 data from the US Census; one decade later, this figure remained relatively flat at $0.67. Asian women did make strides relative to white, non-Hispanic men and saw their median pay rise from $0.80 per dollar to $0.86 per dollar.

Figure 3



Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2008-2012, and 2018-2022.
Each bar represents five years of American Community Survey data.
AIAN represents American Indian and Alaska Native
White refers to non-Hispanic white

Lifetime Wage Gaps

When these wage gaps are extrapolated over the span of a whole career, the numbers provide a fuller picture of the impact facing women in Maryland. Lifetime wage gaps are determined by taking the difference in median earnings and expanding the difference over a 40-year career. Maryland women stand to lose **$414,480** over the course of a 40-year career compared to all men.[11]

When taking into account race and ethnicity, the numbers are even starker. Lifetime wage gaps are larger for women of all races and ethnicities in Maryland than in the U.S. as a whole.

Figure 4

Lifetime Wage Gaps for Women in Maryland by Race/Ethnicity, Compared to Non-Hispanic White Men

Racial/Ethnic Group	Lifetime Wage Gap	Maryland Ranking
Hispanic/Latina	$1,811,440	48
AIAN	$1,578,560	46
Black/African American	$1,186,000	36
Non-Hispanic White	$751,960	44
Asian	$502,280	26

Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022.
AIAN represents American Indian and Alaska Native

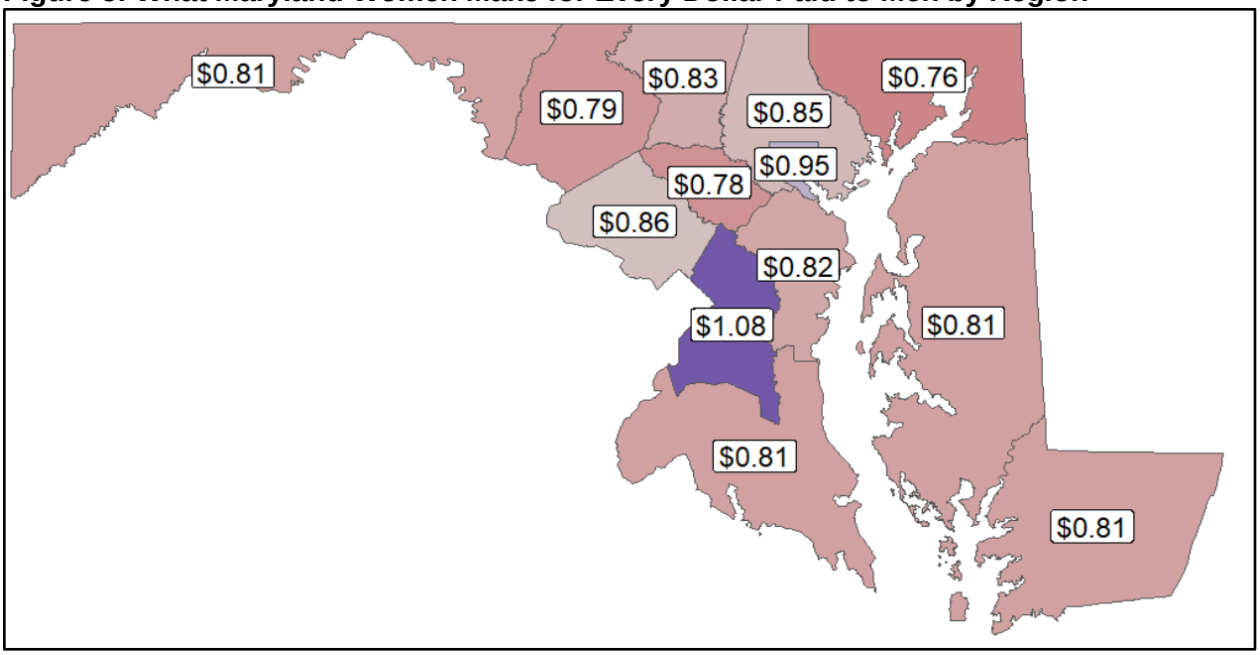
Gender Wage Gaps by Local Workforce Development Areas

Maryland's 13 local workforce development areas (LWDAs) are designated geographic areas within the state. Some areas are standalone counties (e.g., Anne Arundel) while other areas include a group of counties (e.g., Western Maryland represents Garrett, Allegany, and Washington counties). Figure 5 and Figure 6 display what women are paid compared to men in each LWDA.

While women make less than men in 12 of Maryland's 13 LWDAs, Prince George's County is the exception. In Prince George's County, women are paid $1.08 for every dollar a man makes. This is due in part to the fact that Prince George's County is a majority Black or African American county: 64.1% of the county's population identifies as Black or African American.[12] In Prince George's County, Black or African American women's median earnings are higher than Black or African American men and this brings the overall numbers down for men.[13]

Racial and ethnic majorities similarly contribute to the gender wage gap in Baltimore City being the second smallest in the state - women are paid 95 cents for every dollar a man makes. Women in Baltimore County and Montgomery County women have similar wage gaps to the state at 85 and 86 cents respectively.

Figure 5: What Maryland Women Make for Every Dollar Paid to Men by Region



Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018 - 2022

Figure 6

What Maryland Women Make for Every Dollar Paid to Men by Region	
Area	**What Women Make for Every Dollar Men Make**
United States	***$0.81***
Maryland	***$0.86***
Anne Arundel County	$0.82
Baltimore City	$0.95
Baltimore County	$0.85
Carroll County	$0.83
Frederick County	$0.79
Howard County	$0.78
Lower Shore	$0.81
Montgomery County	$0.86
Prince George's County	$1.08
Southern Maryland	$0.81
Susquehanna	$0.76
Upper Shore	$0.81
Western Maryland	$0.81

Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018 - 2022

When gender and race are taken into account, and wages are compared to white, non-Hispanic men, larger disparities resurface. The gender and racial wage disparities in Maryland's local LWDAs are generally consistent with the disparities seen at the state level. As shown in Figure 7, at the LWDA level, most women are paid less than their white, non-Hispanic male counterparts. One notable exception is Western Maryland. Asian women in Western Maryland are paid more than their white, non-Hispanic counterparts.

- **White Women**:
  - The wage gap between white, non-Hispanic women and white, non-Hispanic men is smallest in Baltimore City and Baltimore County. White, non-Hispanic women in Baltimore City and Baltimore County make 90 cents for every dollar white, non-Hispanic men are paid (10 cent wage gap).
  - The wage gap between white, non-Hispanic women and white non-Hispanic men is largest in Howard County. White women in Howard Country are paid 74 cents for every dollar white, non-Hispanic men are paid (26 cent wage gap).

- **Black or African American Women**:
  - The wage gap between Black or African American women and white, non-Hispanic men is smallest in Carroll County. Black women in Carroll Country make 90 cents for every dollar white, non-Hispanic men are paid (10 cent wage gap).
  - The wage gap between Black or African American women and white non-Hispanic men is largest in Montgomery County. Black or African American women in Montgomery County make 51 cents for every dollar white, non-Hispanic men are paid (49 cent wage gap).

- **Hispanic Women or Latinas:**
  - The wage gap between Hispanic women or Latinas and white, non-Hispanic men is smallest in Carroll County. Hispanic women or Latinas women in Carroll County make 76 cents for every dollar white, non-Hispanic men are paid (24 cent wage gap).
  - The wage gap between Hispanic women or Latinas and white, non-Hispanic men is largest in Montgomery County. Hispanic women or Latinas in Montgomery Country make 36 cents for every dollar white, non-Hispanic men are paid (64 cent wage gap).

- **Asian Women:**
  - In Western Maryland, Asian women make more than white, non-Hispanic men. Asian women are paid $1.41 for every dollar white, non-Hispanic men are paid.
  - The wage gap between Asian women and white, non-Hispanic men is largest in the Lower Shore. Asian women in the Lower Shore are paid 57 cents for every dollar white, non-Hispanic white men are paid (43 cent wage gap).

Figure 7

What Maryland Women Make for Every Dollar Paid to White, Non-Hispanic Men by Region

Area	White*	Black/African American	Hispanic/Latina	Asian
Maryland	***$0.79***	***$0.67***	***$0.50***	***$0.86***
Anne Arundel County	$0.78	$0.74	$0.60	$0.66
Baltimore City	$0.90	$0.58	$0.64	$0.83
Baltimore County	$0.90	$0.66	$0.59	$0.87
Carroll County	$0.81	$0.90	$0.76	$0.92
Frederick County	$0.78	$0.66	$0.50	$0.89
Howard County	$0.74	$0.62	$0.41	$0.78
Montgomery County	$0.78	$0.51	$0.36	$0.65
Prince George's County	$0.86	$0.79	$0.41	$0.70
Lower Shore	$0.82	$0.58	$0.53	$0.57
Southern Maryland	$0.77	$0.72	$0.66	$0.60
Susquehanna	$0.76	$0.68	$0.67	$0.87
Upper Shore	$0.79	$0.56	$0.69	n/a
Western Maryland	$0.80	$0.71	$0.67	$1.41

Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022.
Note: Sample size is too small to estimate American Indian and Alaska Native gaps.
n/a means insufficient data available
*White refers to white, non-Hispanic

As shown in Figure 8, when taken over a lifetime, the loss in wages to women across race and ethnicity across the majority of LWDA is astounding.

- In 11 out of 13 LWDAs, at least one racial or ethnic group experiences over $1 million in lost wages over a lifetime.
- In Howard and Montgomery Counties, all women, regardless of race or ethnicity, experience over $1 million in lost lifetime wages.
- In Howard and Prince George's Counties, Hispanic women or Latinas lose over $2 million over the course of a lifetime, and in Montgomery County, they lose over $3 million.

- In Montgomery County, Black or African American women experience over $2 million in lost wages over a lifetime.

Figure 8

Lifetime Wage Gaps for Women in Maryland at the Regional Level by Race/Ethnicity, Compared to Non-Hispanic White Men

Area	White*	Black/African American	Hispanic/ Latina	Asian
Maryland	*$751,960*	*$1,186,000*	*$1,811,440*	*$502,280*
Anne Arundel County	$815,880	$944,120	$1,488,280	$1,240,440
Baltimore City	$313,760	$1,388,360	$1,195,320	$561,120
Baltimore County	$639,120	$1,120,520	$1,347,640	$431,280
Carroll County	$620,320	$330,920	$791,520	$268,520
Frederick County	$782,520	$1,234,360	$1,816,280	$387,000
Howard County	$1,266,520	$1,820,120	$2,854,120	$1,081,520
Montgomery County	$1,115,520	$2,520,120	$3,336,960	$1,819,880
Prince George's County	$499,280	$757,000	$2,101,920	$1,086,400
Lower Shore	$445,972	$1,076,941	$1,218,699	$1,121,068
Southern Maryland	$858,369	$1,020,516	$1,254,049	$1,453,502
Susquehanna	$795,383	$1,064,408	$1,075,772	$435,077
Upper Shore	$607,054	$1,258,419	$878,572	n/a
Western Maryland	$499,174	$716,405	$825,179	-$1,001,568

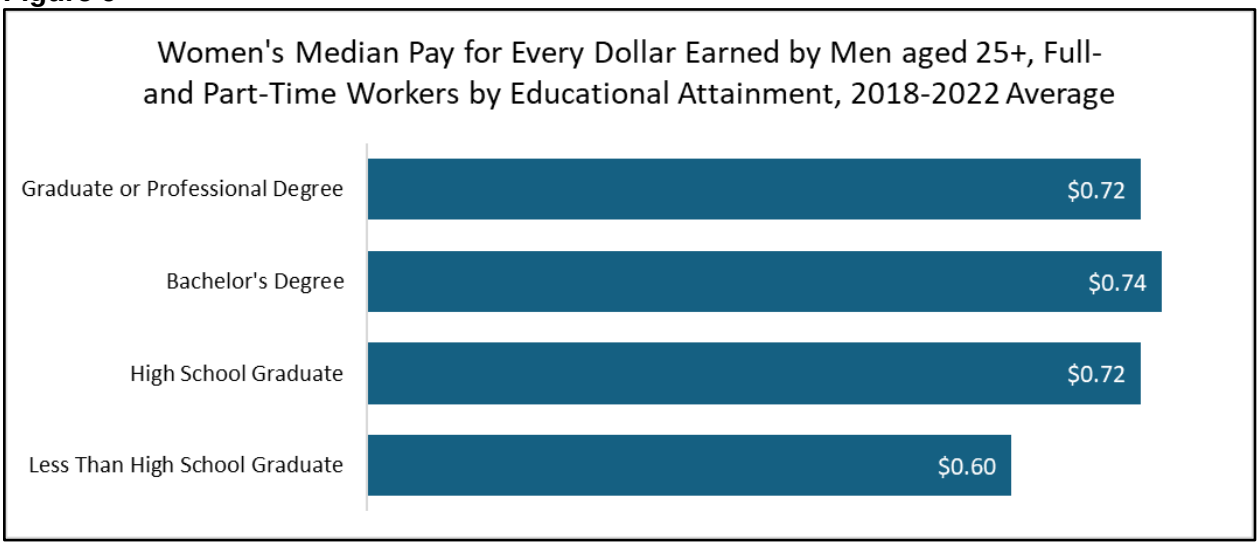
Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022.
Note: Sample size is too small to estimate American Indian and Alaska Native gaps.
n/a means insufficient data available
*White refers to non-Hispanic, white

Wage Gaps by Education

Generally, as individuals achieve higher levels of education their pay increases. According to the Census Bureau's educational attainment earnings data for workers aged 25+, the gender pay gap is greatest for women with less than a high school diploma or equivalent and is smallest for women with a bachelor's degree.

As shown in Figure 9, among workers with less than a high school diploma, women are paid an estimated 60 cents for every dollar paid to white men with similar levels of education. Among workers with a bachelor's degree, women are paid an estimated 74 cents for every dollar paid to men with similar levels of education.

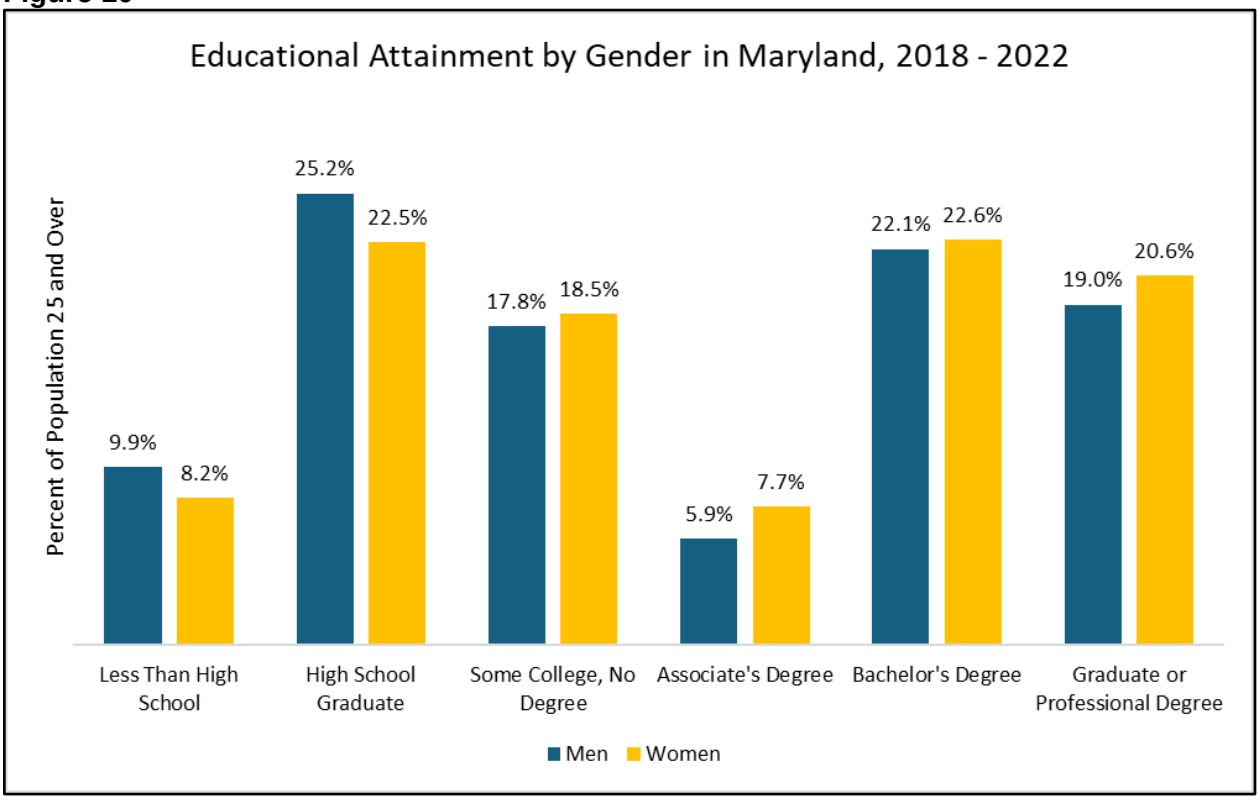
Figure 9



Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022

Disparities in educational attainment do not appear to be drivers of the gender wage gap in Maryland. As illustrated below in Figure 10, educational attainment is roughly equal among men and women. For example, 43.2% of Maryland women have a Bachelor's degree or greater, compared to 41.2% of men.

Figure 10



Source: MDOL analysis of U.S. Census Bureau, American Community Survey data, 2018-2022.

Drivers of the Gender Wage Gap

There are a number of drivers of the gender wage gap, including occupational crowding, differences in caretaking responsibilities, lack of pay transparency, insufficient access to training and educational opportunities, and low unionization rates. Additional factors including misclassification of workers and workplace bias and discrimination, and trends toward gig and informal work also impact wage disparities. Below we discuss a few of these key factors.

Occupational Crowding

For a host of reasons including barriers to entry and inequities in opportunity, women–and especially women of color–are more likely to be concentrated in low-quality jobs that pay low-wages, have few benefits, and limited opportunities for advancement.

One way to measure this phenomenon is through occupational crowding. Occupational crowding measures disparities in national and state labor markets, including under-representation ("crowding out") of particular demographic groups in high wage occupations and over-representation in low-wage ones.[14] Occupational crowding is measured through a crowding index (described in the appendix). The crowding index measures, for each occupation, whether women in Maryland are employed in that occupation proportionately to their level of education.[15] For example, a crowding index of 2 suggests that there are twice as many women employed in an occupation compared to expectations given their levels of education. Conversely, an index of 0.5 means there are half as many women as expected.

Figure 11 below shows the top ten occupations in Maryland that women are "crowded into."

Figure 11

Top Ten Occupations in Maryland That Women are "Crowded Into"

Occupation	Crowding Index	Median Wages
Maids and housekeeping cleaners	2.06	$19,874
Childcare workers	2.06	$9,065
Hairdressers, hairstylists, and cosmetologists	1.99	$18,371
Hosts and hostesses, restaurant, lounge, and coffee shop	1.98	$5,666
Nursing assistants	1.98	$30,772
Secretaries and administrative assistants, except legal, medical, and executive	1.92	$45,000
Preschool and kindergarten teachers	1.92	$29,000
Receptionists and information clerks	1.91	$29,226
Dental assistants	1.87	$35,072
Dental hygienists	1.86	$70,000

Source: MDOL analysis of 2018-2022 US Census ACS data using IPUMS.

As Figure 11 shows, women in Maryland are generally crowded into (over-represented) in low-wage occupations. Median wage and salary income in these ten occupations is generally below the Maryland average.

In contrast, Figure 12 shows the ten occupations women are most "crowded out of" (under-represented). These occupations include some of the most in-demand occupations in Maryland, such as engineers, software developers, and computer and information systems managers.

Figure 12

Top Ten Occupations in Maryland That Women are "Crowded Out of"		
Occupation	**Crowding Index**	**Median Wages**
Driver/sales workers and truck drivers	0.2	$43,723
Other engineers	0.31	$119,415
Police officers	0.36	$88,849
Laborers and freight, stock, and material movers, hand	0.44	$28,329
Software developers	0.47	$122,859
Computer occupations, all other	0.53	$90,000
Computer support specialists	0.57	$80,375
Miscellaneous production workers, including equipment operators and tenders	0.57	$43,236
Chief executives and legislators	0.59	$170,000
Computer and information systems managers	0.61	$136,780

Source: MDOL analysis of 2018-2022 US Census ACS data using IPUMS.

Occupational crowding reflects systemic biases in the labor market and beyond. Workers may be sorted into different occupations through disparities in access to education and training, transportation, caregiving supports, as well as hiring and workplace discrimination, among other reasons. This can result in different levels of pay for men and women.

Caregiving

Due to gendered caretaking responsibilities and expectations in our society, women typically bear a disproportionate share of family caregiving responsibilities. Inadequate access to quality, affordable childcare can result in women working fewer hours than male counterparts, resulting in fewer promotions and advancement opportunities, or women choosing careers with more flexibility but lower pay. Quality child care is unaffordable for many working families in Maryland—recent data places Howard County and Montgomery County Maryland as the 18th and 19th costliest counties nationwide for center-based infant care in the country.[16] Where paid sick leave or paid family and medical leave is not available, women may need to take unpaid time away from work to care for loved ones, leave or be fired from a job due to caregiving needs, or be forced to leave the labor force altogether due to caregiving needs, all of which can impact wages.

Policies that support quality, affordable childcare and paid leave can help women to remain in the workforce and pursue higher-paying work opportunities. Under the Moore-Miller administration, Maryland has expanded support for childcare and provided incentives to increase the availability of affordable options. In its Fiscal Year 2025 budget, the Administration proposed an unprecedented $488 million to strengthen the Child Care Scholarship Program to help families enroll in high quality, affordable childcare. Additionally, the Maryland Department of Labor is working to implement a statewide paid family and medical leave program to ensure that workers can take paid time away from work to care for a new child, aging parent, or sick family member.

Pay Standards and Pay Transparency

As referenced above, women tend to be overrepresented in lower-paying jobs, a factor that helps to drive the persistent gender wage gap. While women make up just less than half of the workforce,[17] women make up nearly two-thirds of the low-paid workforce and women of color are over represented in these jobs.[18] Increasing the pay in these jobs, such as by increasing the minimum wage or using public levers to improve the pay and benefits provided in care sector jobs can have a positive impact on reducing wage gaps.[19]

Since women are likely to be crowded into low-wage, service sector, and informal economy jobs, they are at particular risk for wage theft when an employer fails to pay a worker the full wages to which they are legally entitled.[20] Requiring employers to provide clear pay statements or pay stubs that note an employee's pay rate, pay date, and benefits accrued makes it easier for employees to recognize wage theft and recoup lost wages.

In addition, although recent research shows that women have increasingly sought to negotiate better pay, they still are paid less. When job applicants have better contextual information going into negotiations, like the range of pay, these gender differences in negotiation outcomes diminish.[21] Pay transparency helps reduce the information disparity between employers and workers.[22] Maryland's Equal Pay for Equal Work law already prohibits employers from requesting salary history, and requires employers to provide wage or salary information to job applicants "upon request." Requiring job postings to include wage or salary information without a specific request, increases transparency and enhances employees' negotiating power. Laws to this effect have been adopted in several states and the Maryland General Assembly is considering similar legislation in the 2024 session.

Right to Organize and Workforce Training

Only 10% of the U.S. workforce is unionized, and women have lower unionization rates than men.[23] Hourly wages for women represented by unions are significantly higher than for non-unionized women with comparable characteristics,[24] and collective bargaining agreements generally have standardized and transparent wage rates for similarly skilled workers, as well as delineated processes for advancement, which help support equitable career progression. Ensuring that workers can exercise their democratic right to organize can help narrow gender and racial wage gaps.[25]

Currently, men disproportionately hold many jobs in industries that pay family-sustaining wages that do not require a college degree. For example, women hold just 4% of the jobs in construction trades—jobs like carpenters, electricians, pipefitters, and painters.[26] Emphasizing skills-based hiring; expanding and diversifying registered apprenticeship programs, and making strategic investments in workforce training and education programs, particularly in high-growth industries, can help more women and people of color to enter high wage occupations and thus address wage disparities.

These are only a few key drivers of the gender wage gap and policies that can help narrow these gaps, many other key policies are needed.

Conclusion

This report highlights the persistent and enduring gender wage gaps in Maryland. Strategies to close these gaps will not only benefit women, but also people of color, people with disabilities, older people, veterans, LGBTQI+ individuals, and others. Ensuring all Marylanders can fully participate in the labor force, will strengthen the state economy. This work will require intentional and deliberate efforts and the Maryland Department of Labor and Moore-Miller Administration are committed to doing that hard work.

Methodology

Gender Wage Gap

The gender wage gap refers to the difference in earnings between women and men. It is typically measured by comparing the median earnings for full-time, year-round workers. Full-time workers are used in an attempt to reduce the variability that comes with part-time work. The estimates include workers aged 16+. Earnings are adjusted for inflation and exclude the armed forces. Median earnings are used to eliminate any outliers, the low and high earners.

MDOL utilized data from the U.S. Census Bureau's 2018-2022 American Community Survey (ACS) to estimate gender wage gaps. Using the ASC data allows for a larger sample size for each estimate thus allowing for a reduced margin of error.

Occupational Crowding

One way to measure segregation within Maryland's labor market and its impact on the gender wage gap is through occupational crowding. Occupational crowding was developed in the 1970s to measure how Black or African American men were under-represented ("crowded out") of high wage occupations and over-represented in low-wage ones.[27] The concept has been further expanded on and researched by economists such as William Darity, Michelle Holder, and Darrick Hamilton to measure disparities in national and state labor markets while controlling for education as an explanatory variable.[28][29][30]

To determine occupational crowding, MDOL estimated the "crowding index" for over 500 occupations in Maryland using 5-year ACS data from the US Census.[31] The crowding index is estimated using the following formula:

$$\frac{\text{(Number of women employed in an occupation) / (Total number of workers in the occupation)}}{\text{(Number of women with necessary education for the job) / (Total number of workers with necessary education)}}$$

In simple language, the crowding index measures, for each occupation, whether women in Maryland are employed in that occupation proportionately to their level of education.[32]

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