EXECUTIVE SUMMARY

The 2021 gender wage gap in Greater Boston remains at 30¢; women on average were paid 70¢ for every dollar earned by a man. This is the same gender wage gap the Boston Women’s Workforce Council identified in its 2019 analysis of 100% Talent Compact Signer payroll data.

Reasons for future optimism exist, however, even with persistence of the wage gap.

■ The fact that the gender wage gap did not change in Greater Boston is a testament to the creative energy our Compact Signers harnessed to keep their workforce employed during the global pandemic. For months, labor economists predicted a narrowing of the gender wage gap due to low-wage-earning women dropping out of the workforce. Data from our Compact Signers do not support that theory.

■ Salaries increased by 12% for all workers despite the stresses of the pandemic.

■ Commitment by Compact Signer employers to close gender and racial wage gaps is stronger than ever with more Signers contributing their data in 2021 compared to 2019. This report now includes approximately 156,000 workers, roughly 14% of the Greater Boston workforce.

■ The 2021 racial wage gap decreased slightly to 24¢ from 25¢ in 2019.

■ Asian and American Indian/Alaskan Native women both experienced a narrowing of their gender and racial wage gaps in 2021 to 30¢. In 2019, the gap for Asian women was 33¢ and 32¢ for American Indian/Alaskan Native women.

These data also indicate that we still have tremendous work to do to close the gender and racial wage gaps in Greater Boston.

■ Black/African American and Hispanic/Latina women continued to have the highest gender and racial wage gaps of 51¢ and 55¢, respectively.

■ In only two of eight job categories, Laborers and Administrative Support Workers, did women earn roughly the same as men. Job categories are defined by the US Equal Employment Opportunity Commission (EEOC).1

■ Women earned 31¢ for each dollar of cash performance pay men earned.

■ The two industries with the largest percentage of women in their workforce—Nonprofit (excluded hospitals, which reported in the Health Care category) and Professional Services—also showed the widest gender wage gaps at 39¢ and 32¢, respectively.

1“Summary_EEOC_ Job Categories,” n.d.
2021 GENDER WAGE GAP

Definition: Difference between the average compensation for working women and men.

ANNUAL COMPENSATION BY GENDER | Figure 1

Women, on average, continued to experience a 30¢ gap between their wages and those of men in 2021. This is the same wage gap we saw in 2019.

Said another way, women earned only 70% of every man’s dollar.

Annual compensation was 12% higher overall for both men and women in 2021 versus 2019.

TOTAL COMPENSATION INCLUDING PERFORMANCE PAY | Figure 2

The gender wage gap widened to 35¢ when performance pay was included because men, on average, earned over 3x the amount in performance pay as women. In 2019, the gender wage gap including performance pay was 34¢.

It should be noted that not all job categories receive a significant amount of performance pay.
The largest gender wage gaps this year were among Sales Workers and Service Workers. Female Service Workers continued to experience the highest overall gender wage gap of any job category at 50¢, although it did decrease from the 2019 gap of 55¢.

**Shifts Since 2019**

**Wage Gap Decreases**

Laborers/Helpers was the only job category that paid women 2¢ more on every $1.00 earned by a man. This was a big difference from 2019 when female Laborers/Helpers earned 26¢ less to every man’s dollar. Not as dramatic, but still noteworthy, were wage gap decreases in the job categories of Craft Workers, Mid-Levels, Service Workers and Executives. This was particularly good news for female Executives since this job category ranked as the one with the second largest gender wage gap in 2019.

Female Administrative Support Workers were close to pay equity at 99¢, but this is a drop from 2019 where they earned 2¢ more on every man’s earned $1.00.

**Wage Gap Increases**

Sales Workers and Operatives saw the most dramatic gender wage gap increase from 2019 to 2021, increasing from 25¢ to 46¢ and from 7¢ to 22¢, respectively.
The racial wage gap decreased by 1¢ from our 2019 measurement, from 25¢ to 24¢.

The rank order of total compensation by racial group changed when including performance pay, with Black/African American employees earning less than Hispanic/Latinx employees.
2021 GENDER AND RACIAL WAGE GAP

**Definition:** Difference between the average compensation of women by specific race versus white men.

### ANNUAL COMPENSATION BY GENDER AND RACE

*Figure 9*

<table>
<thead>
<tr>
<th>Race</th>
<th>2019 Gender/Racial Wage Gap</th>
<th>2021 Gender/Racial Wage Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>33¢</td>
<td>30¢</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>32¢</td>
<td>30¢</td>
</tr>
<tr>
<td>Native Hawaiian/Pacific Islander</td>
<td>42¢</td>
<td>37¢</td>
</tr>
<tr>
<td>White</td>
<td>30¢</td>
<td>30¢</td>
</tr>
<tr>
<td>Black/African American</td>
<td>51¢</td>
<td>51¢</td>
</tr>
<tr>
<td>Hispanic/Latina</td>
<td>55¢</td>
<td>55¢</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>41¢</td>
<td>45¢</td>
</tr>
</tbody>
</table>

When broken down by race, we did see some closing of the gender and racial wage gap. Asian and American Indian/Alaskan Native women both joined white women at an average gap of 30¢ in 2021; whereas in 2019, the gap for Asian women was 33¢ and for American Indian/Alaskan Native women it was 32¢.

Black/African American and Hispanic/Latina women did not experience a closing of the gender and racial wage gap. As in 2019, the average gap for these two groups remained at 51¢ and 55¢, respectively.

### PERFORMANCE PAY FOR WOMEN BY RACE

*Figure 12*

The difference in performance pay by gender and race was stark. Black/African American and Hispanic/Latina women earned approximately 7¢ to a white man’s bonus dollar, the same as in 2019.

In relation to white women, Black/African American and Hispanic/Latina women earn four to five times less in performance pay. Advancing Black/African American and Hispanic/Latina women to more senior jobs could be one way to close this gap.

*Figure 10*

In comparison to white men, however, women of color, on average, experienced larger gender and racial wage gaps—at 35¢—than white women who were at 30¢.

Women earned less than men in all racial groups.

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**TENURE AND INDUSTRY**

**Tenure**

Our Compact Signer data include the length of time individuals were employed at reporting companies. Overall, men had a little more than 2.5 years of tenure than women. In certain job categories, however, tenure was very similar, but levels of compensation were strikingly different.

**ANNUAL COMPENSATION BY JOB CATEGORY WITH TENURE (IN YEARS)**  

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Men ($)</th>
<th>Women ($)</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professionals</td>
<td>$92,024</td>
<td>$58,302</td>
<td>10.3</td>
</tr>
<tr>
<td>First/Mid Level</td>
<td>$122,029</td>
<td>$74,935</td>
<td>10.9</td>
</tr>
<tr>
<td>Exec/Sen Level</td>
<td>$245,764</td>
<td>$131,347</td>
<td>13.5</td>
</tr>
</tbody>
</table>

**TOTAL COMPENSATION BY JOB CATEGORY WITH TENURE (IN YEARS)**  

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Men ($)</th>
<th>Women ($)</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professionals</td>
<td>$95,687</td>
<td>$58,097</td>
<td>10.2</td>
</tr>
<tr>
<td>First/Mid Level</td>
<td>$136,704</td>
<td>$78,999</td>
<td>10.9</td>
</tr>
<tr>
<td>Exec/Sen Level</td>
<td>$345,916</td>
<td>$162,168</td>
<td>13.5</td>
</tr>
</tbody>
</table>

We saw this difference most dramatically in the Executive job category where the tenure difference between men and women was small at approximately 8 months more for men, but the difference in annual compensation was large with female Executives, on average, earning almost $90,000 less. This difference became even greater when performance pay was added to the mix at a gap of almost $280,000.

**Data Analysis**

**Industry**

Current confidentiality protocol required at least eight reporting companies in one industry for that specific cohort/industry to be part of the data analysis. This represented 46% of all employee records submitted by Compact Signers.

**WAGE GAPS BY INDUSTRY**  

<table>
<thead>
<tr>
<th>Industry</th>
<th>% Women</th>
<th>Women’s Earnings vs. Men’s $1.00</th>
<th>Gender Wage Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonprofit</td>
<td>58%</td>
<td>64% vs. Men’s $614</td>
<td>39¢</td>
</tr>
<tr>
<td>Professional Services</td>
<td>64%</td>
<td>68¢ vs. Men’s $68¢</td>
<td>32¢</td>
</tr>
<tr>
<td>Info/Tech</td>
<td>41%</td>
<td>74¢ vs. Men’s $74¢</td>
<td>26¢</td>
</tr>
<tr>
<td>Public Sector</td>
<td>49%</td>
<td>75¢ vs. Men’s $75¢</td>
<td>25¢</td>
</tr>
<tr>
<td>Finance</td>
<td>49%</td>
<td>77¢ vs. Men’s $77¢</td>
<td>23¢</td>
</tr>
<tr>
<td>Manufacturing, Construction, Utilities</td>
<td>25%</td>
<td>81¢ vs. Men’s $81¢</td>
<td>19¢</td>
</tr>
</tbody>
</table>

Women made up 58% of the Nonprofit industry in our sample and experienced a gender wage gap of 39¢. Professional Services consisted of 64% women and saw a gender wage gap of 32¢. Financial Services tied for third in terms of percentage of women at 49% but had the second lowest gender wage gap at 23¢. The lowest wage gap was in the Manufacturing, Construction, and Utilities industry at 19¢.
APPENDIX

Methodology

Part of the commitment employers make when signing the 100% Talent Compact is to anonymously report data for their full-time employees to the BWWC biennially. Compact Signers submit their aggregated employee data using a unique web-based software program that employs encryption utilized by the BWWC’s data partner, the Rafik B. Hariri Institute for Computing and Computational Science & Engineering at Boston University.

Employee data submitted by reporting organizations used the Equal Employment Opportunity Component 1 (EEO-1 form) job categories required for federal reporting. The data, therefore, reported to the BWWC mirrored data required for federal reporting under the rules of the EEOC.

The BWWC provided training for Compact Signers during April 2021 prior to data submission in May. The data collected included all full-time employees on payroll at an organization as of December 31, 2020.

Within each job category, employers were asked to provide:
- Gender
- Race/Ethnicity
- Tenure
- Annual Compensation (base pay and overtime)
- Performance Pay (cash only)

Since reporting organizations may differ among reports, year-to-year comparisons can be made only at a high level. The strict protocols we observe to secure confidentiality would need to be changed to mine the data more granularly.

The BWWC recruits Compact Signers with offices located within the Interstate 495 beltway surrounding the city of Boston.

Greater Boston demographics, used as comparison against our data set, were derived from translating 2018 EEOC county level information into zip codes falling within Interstate 495. In total, these zip codes covered 97% of the population within Essex, Middlesex, Plymouth, Norfolk, and Suffolk counties.

Current confidentiality protocol required at least eight reporting companies in one industry for that specific cohort/industry to be part of the data analysis. This represented 46% of all employee records submitted by Compact Signers.

The cohorts excluded were Health Care, Education, Administrative Services, Marketing/ Media, Legal Services, Biotech/Pharma and Real Estate. Continued recruiting of more Compact Signers in these areas should help us expand our industry data in coming years.

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APPENDIX

NUMBER OF COMPACT SIGNER PARTICIPANTS 2019 VS. 2021

<table>
<thead>
<tr>
<th>Year</th>
<th># of Employers</th>
<th>Total Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>123</td>
<td>136,437</td>
</tr>
<tr>
<td>2021</td>
<td>134</td>
<td>155,925</td>
</tr>
</tbody>
</table>

Compact Signer participation in data collection increased by 9% from 2019 to 2021. This growth resulted in a 14% increase in total employee records and now covers approximately 13.5% of the Greater Boston workforce according to data from the EEOC.

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2 https://www.eeoc.gov/statistics/employment

EEC data for Boston counties do not list Executives or Laborers and Helpers due to “privacy issues.”
As in past reports, the 2021 Compact Signer data set was skewed by gender with 58% women and 42% men. The gender breakdown of the Greater Boston workforce as reflected in the 2018 EEOC data was more balanced at 51% women and 49% men.

Overall, the racial breakdown of our data set was very similar to that of the Greater Boston workforce. Note that the 2018 Greater Boston data source did not include data for certain racial categories.¹
Our sample has more employees in the Professionals job category and fewer Sales and Service Workers than Greater Boston as a whole.

Our sample has more employees in the Professionals job category and fewer Sales and Service Workers than Greater Boston as a whole.2

Men, on average, had a few more years of tenure than women in the Compact Signer data set.