

#### OFFICE OF HUMAN RESOURCES

Marc Elrich County Executive

Traci L. Anderson Director

### MEMORANDUM

July 3, 2023

TO:	Evan Glass, President Montgomery County Council				
FROM:	Traci L. Anderson, Director Office of Human Resources	J			

SUBJECT: Report: Biennial Gender-Based Pay Equity Analysis, FY21

#### Introduction

In accordance with Montgomery County Code Section 33-25(2)(b), and as required under Council Bill 4-19, the Office of Human Resources (OHR) has compiled the first biennial gender pay equity report, which presents findings on the County's progress toward gender pay equity.

For benchmarking purposes, this report utilizes data from the 2021 U.S. Census American Community Survey,<sup>1, 2</sup> as it offers the most recent and relevant data available on income by gender. By comparing the national, state, and county U.S. Census statistics to disaggregate County employee data queried using Oracle data systems,<sup>3</sup> OHR can better identify areas in need of further analysis or improvement. The U.S. Census includes employed and unemployed individuals 16 and older, as well as those individuals actively seeking employment. Limitations are presented in this data, as it does not account for full-time/part-time preference, nor does it reflect full-time income. This report compares County employee salaries to the gross pay of full-time employed individuals, as reflected in U.S. Census. Additionally, "wage gap" and "cents-on-the-dollar" comparisons are often reported in aggregate, and do not consider career types, relative levels of positions and/or career focus or industry, or other factors that could affect pay. As noted by the U.S. Census Bureau, "There are a multitude of factors that may contribute to

<sup>&</sup>lt;sup>1</sup> American Community Survey, US Census, "C24090 | Sex by Class Of Worker for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over", March 1, 2023, https://data.census.gov/table?q=C24090 <sup>2</sup> American Community Survey, US Census, "B19325 | Sex by Work Experience in the Past 12 Months by Income in the Past 12 Months (In 2021 Inflation Adjusted Dollars) for the Population 15 Years and Over", March 1, 2023, https://data.census.gov/table?q=B19326

<sup>&</sup>lt;sup>3</sup> Oracle Systems Assignment Model, Montgomery County Government, March 1, 2023

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earnings differences between women and men: age, number of hours worked, presence of children, and education. The types of jobs women and men hold, and the earnings difference among these occupations also contribute to gaps in overall earnings."<sup>4</sup>

Montgomery County employees fall under one of four assignment categories: Full-Time Regular, Full-Time Temporary, Part-Time Regular, or Part-Time Temporary. Over the last five years, Full-Time Regular represented 90% of the total base salary paid by the County. For these reasons, the focus of this report will be pay comparisons for Full-Time Regular Employees in FY21 using wage gap and cents on the dollar comparisons.

Gender pay equity among full-time County employees was analyzed in the following categories; 1) all employees, 2) employee job group and, 3) Equal Employment Opportunity (EEO) Category. This analysis includes both gross and base pay comparisons. Gross pay compares County employee gender wage gaps to be compared against the U.S. Census Bureau data for Montgomery County, state and national labor force populations. Since gross pay of County employees includes differentials and other pay increases, such as overtime and longevity, respectively, that are generally awarded based on seniority and extended lengths of service, their wage gap at base salary provides a more accurate baseline to consider as it more closely correlates to salary-setting practices.

#### Definitions

*Employee Job Group* categorizes employees by union representation, non-represented, or management status.

Employee Job Group	Description	Number of FT Employees	Percentage of All FT Employees
MCGEO	Municipal County Government Employees Organization, consists of union represented employees (OPT and SLT Bargaining Units)	4,454	52.1%
GSS	General Salary Schedule, consists of unrepresented employees	1,294	15.1%
FOP	Fraternal Order of Police, consists of sworn police employees (Police Officers, Master Policer Officers, and Police Sergeants)	1,187	13.9%
IAFF	International Association of Firefighters, consists of employees of the MCG Fire Rescue Service	1,172	13.7%
MLS	Management Leadership Service (Manager I-III)	391	4.6%
PLS	Police Leadership Service, consists of Police Lieutenants and Police Captains	52	0.6%

<sup>&</sup>lt;sup>4</sup> Megan Wisniewski, US Census, "What Is the Gender Wage Gap in Your State?", March 1, 2022, https://www.census.gov/library/stories/2022/03/what-is-the-gender-wage-gap-in-your-state.html

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*EEO Category* groups employees into eight areas as defined by the Equal Employment Opportunity Commission (EEOC), based on major duties as well as knowledge, training, and level of skill required for the job.

EEO Category	Number of FT Employees	Percentage of All FT Employees
Protective service workers	3,076	36.0%
Professionals	2,187	25.6%
Service/Maintenance	884	10.3%
Administrative support (including clerical and sales)	724	8.5%
Technicians	642	7.5%
Officials and administrators	391	4.6%
Skilled Craft Workers	406	4.7%
Paraprofessionals	224	2.6%
Other	16	0.2%

*Cents on the Dollar* is a measurement of how much women earn for every dollar that their male counterparts earn. This is calculated by dividing the median female full-time salary by median male full-time salary. When the value is less than \$1.00, women are earning less than their male counterparts. When the value is more than \$1.00, women are earning more than their male counterparts.

*Wage Gap* is calculated as the difference between full-time male and female median salaries. Positive dollar amounts indicate higher median salaries for men whereas negative dollar amounts indicate higher median salaries for women.

Region	Wage Gap	Cents on the Dollar
Nationwide	\$11,575	\$0.81
Maryland	\$10,041	\$0.86
Montgomery County, MD	\$12,869	\$0.86
Source: US Census American	Community Survey 2	021 Madian Incomo <sup>5</sup>

Source: US Census American Community Survey - 2021 Median Income

*Length of Service Gap* is calculated as the difference between median male full-time and median female full-time length of service. A positive number indicates a higher median length of service for males whereas a negative number indicates a higher length of service for females. Oracle data does not include prior relevant experience, which can affect salary determination at time of hire.

<sup>&</sup>lt;sup>5</sup> American Community Survey, U.S. Census, "B19326 | Median Income in the Past 12 Months (in 2021 Inflation-Adjusted Dollars) by Sex by Work Experience in the Past 12 Months for the Population 15 Years and Over with Income", March 1, 2023, https://data.census.gov/table?q=B19326

#### **Gender Pay Equity Analysis**

### All Employees

Gross pay wage gap comparison of full-time county employees by gender indicates that the wage gap for County employees is smaller than that of the Montgomery County, MD full-time employed population. As shown in Figure 1, at an enterprise level, there is a ten-cent wage gap between female and male employee gross pay. One factor of consideration is the length of service gap, with the median male employee employed by the County 1.83 years longer than the median female employee. When narrowing the focus of gender wage gap analysis to base salary, as seen in Figure 2, the median female employee earns two cents on the dollar more than the median male employee.

Gross Pay Metrics		Demographics		Length of Service Comparison	
Group	Cents on the Dollar	Wage Gap	Total Count	F/M %	Length of Service Gap
MCG Full-Time Employees	\$0.90	\$10,410	8,550	37%/63%	1.83
Montgomery County, MD Full- Time Employed Population	\$0.86	\$12,869	392,051	45%/55%	N/A
Maryland Full-Time Employed Population	\$0.86	\$10,041	2,253,285	46%/54%	N/A
National Full-Time Employed Population	\$0.81	\$11,575	109,545,164	44%/56%	N/A

#### **Figure 1. Gross Pay Comparison**

### Figure 2. Base Salary Comparison

Count of Gender				<b>Base Salary Metrics</b>		Length of Service Comparison	
Group	F	М	Total	Cents on	Wage	Length of	
				the Dollar	Gap	Service Gap	
MCG FT Employees	3,188	5,362	8,550	\$1.02	(\$1,678)	1.83	

### By Employee Job Group

When wages are compared with an Employee Job Group categorization and gross pay, every job group's wage gap is smaller than national, state or county labor force populations, as seen in Figure 3, with nearly full pay equity or complete pay equity for four out of six job groups. The largest wage disparity noted (88 cents on the Dollar) correlates with the largest Length of Service disparity. This disparity in gross pay is completely eliminated when narrowing the focus to base salary, where the same job group earns a full Dollar on the Dollar. Figure 4 shows all six employee job groups are near, at, or above complete pay equity.

Gross Pay Metri	cs	Demogr	aphics	Length of Service Comparison	
Group	Cents on the Dollar	Wage Gap	Total Count	F/M %	Length of Service Gap
PLS	\$1.03	(\$3,808)	52	19%/81%	(2.86)
MLS	\$0.98	\$2,343	391	50%/50%	0.35
IAFF	\$0.96	\$4,867	1,172	6%/94%	2.28
MCGEO	\$0.96	\$3,457	4,454	45%/55%	(0.18)
GSS	\$0.92	\$9,045	1,294	53%/47%	1.26
FOP	\$0.88	\$13,157	1,187	19%/81%	3.99
Montgomery County, MD Full-Time Employed Population	\$0.86	\$12,869	392,051	45%/55%	N/A
Maryland Full-Time Employed Population	\$0.86	\$10,041	2,253,285	46%/54%	N/A
National Full-Time Employed Population	\$0.81	\$11,575	109,545,164	44%/56%	N/A

# Figure 3. Gross Pay Comparison

# Figure 4. Base Salary Comparison

Coun	t of Gen	der	Base	e Salary Metrics	Length of Service Comparison
Job Group	F	М	Cents on the Dollar	Wage Gap	Length of Service Gap
MCGEO	1,994	2,460	\$1.07	(\$5,010)	(0.18)
PLS	10	42	\$1.03	(\$4,245)	(2.86)
FOP	230	957	\$1.00	\$461	3.99
GSS	692	602	\$0.99	\$1,542	1.26
MLS	196	195	\$0.99	\$1,684	0.35
IAFF	66	1,106	\$0.95	\$4,160	2.28

# By EEO Category

When wages are compared with an EEO Category categorization and gross pay, there are six categories of jobs with a wage gap smaller than national, state or county labor force populations, and two categories (paraprofessionals and skilled craft workers) that experienced a larger wage gap than state and county labor force populations, as seen in Figure 5. The largest wage disparity noted (skilled craft workers, 68 cents on the Dollar) again correlates with the largest Length of Service disparity. In addition, females only represent three percent of this EEO Category.

Paraprofessionals and skill craft workers' wage gaps narrow considerably at base salary, as seen in Figure 6. Given the sizeable Length of Service gap for skilled craft workers and substantial underrepresentation of females currently in this EEO Category, the wage gap should narrow if the median female Length of Service continues to mature and more females are hired into these positions.

Gross Pay Metrics		Demographics		Length of Service Comparison	
Group	Cents on the Dollar	Wage Gap	Total Count	F/M %	Length of Service Gap
Administrative Support	\$1.08	(\$5,134)	724	68%/32%	(6.94)
Officials and Administrators	\$0.98	\$2,301	391	50%/50%	(0.35)
Professionals	\$0.92	\$8,102	2,187	68%/32%	(0.20)
Service/Maintenance	\$0.90	\$7,581	884	18%/82%	1.23
Technicians	\$0.92	\$7,821	642	34%/66%	1.38
Protective Service Workers	\$0.91	\$10,315	3,076	16%/84%	0.51
Montgomery County, MD Full-Time Employed Population	\$0.86	\$12,869	392,051	45%/55%	N/A
Maryland Full-Time Employed Population	\$0.86	\$10,041	2,253,285	46%/54%	N/A
Paraprofessionals	\$0.84	\$14,040	224	62%/38%	2.57
National Full-Time Employed Population	\$0.81	\$11,575	109,545,164	44%/56%	N/A
Skilled Craft Workers	\$0.68	\$26,495	406	3%/97%	3.94

# **Figure 5. Gross Pay Comparison**

Category	Count			Base Salary Metrics		Length of Service Comparison
EEO Category	F	М	Total	Cents on the Dollar	Wage Gap	Length of Service Gap
Administrative Support	492	232	724	\$1.16	(\$9,318)	(6.94)
Officials and Administrators	196	195	391	\$0.99	\$1,684	(0.35)
Protective Service Workers	478	2,598	3,076	\$0.96	\$3,800	0.51
Paraprofessionals	139	85	224	\$0.95	\$4,010	2.57
Professionals	1,492	695	2,187	\$0.93	\$7,455	(0.20)
Technicians	217	425	642	\$0.91	\$7,764	1.38
Service/ Maintenance	158	726	884	\$0.90	\$5,417	1.23
Skilled Craft Workers	11	395	406	\$0.81	\$13,507	3.94

# Figure 6. Base Salary Comparison

# Conclusion

Overall, the Cents on the Dollar metric for County full-time female employees is approximately 3.5% higher than the female labor force working full-time in Montgomery County, MD. At the median, female County employees earn more in base salary than male County employees, despite a two-year length of service gap. The base salary cents on the dollar statistic, a comparison of median base salary by gender which excludes tax and benefit deductions as well as items like overtime and longevity pay, shows full gender pay equity.

The County has implemented several practices to contribute to establishing and maintaining gender pay equity.

- In accordance with the County Pay Equity Act, the County does not ask job applicants about their salary history. OHR issued guidance to departments and hiring managers regarding the County's pay equity expectations including a reminder that salary history must not be requested during the recruitment and selection process.
- OHR conducts pay equity analyses at the time of hire and conducts internal salary equity reviews and market compensation studies for employees in certain job classes, to ensure an equitable pay structure.
- As an employer, the County publicly posts all salary schedules with consistent pay ranges for job classes based on factors such as experience, education, and performance. These schedules and other data supplied by OHR provide transparency to current and prospective employees.

Based on this review, the County's pay program ensures equity at a level outpacing local, state and national labor markets. The County remains committed to enhancing salary setting policies and practices to achieve greater gender pay equity.