

## EXECUTIVE SUMMARY

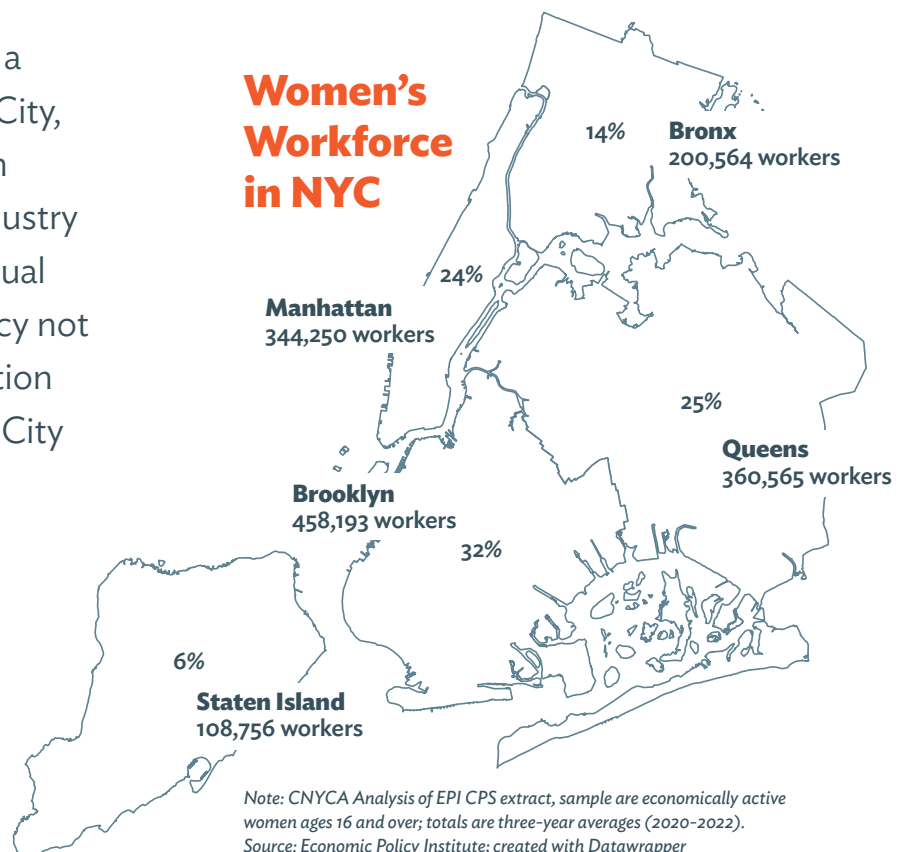
# Unequal Ground

The Impact of Industrial and Occupational Segregation  
on Women's Economic Outcomes in New York City

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**In Fall 2023, Women Creating Change and the Center for New York City Affairs initiated a series focusing on gender-related economic challenges with the release of *Closing the Gender Pay Gap*.**

This groundbreaking report highlighted a persistent gender pay gap in New York City, and revealed that women earn less than men in nearly every occupation and industry despite legislative advances since the Equal Pay Act of 1963. Notably, the discrepancy not only persists across all races and education levels, but it has worsened in New York City over the past 25 years.



Building on this work, our series continues with a second report focusing on occupational and industrial segregation. With a deep dive into how the uneven distribution of men and women across job types and economic sectors contributes to wage disparities, this report examines the structural labor-market factors that funnel women into lower-paying employment and perpetuate economic inequity. By exploring both occupational and industrial segregation, we aim to shed light on the complex interplay of elements that limit women's access to and success within higher-paying, male-dominated fields.

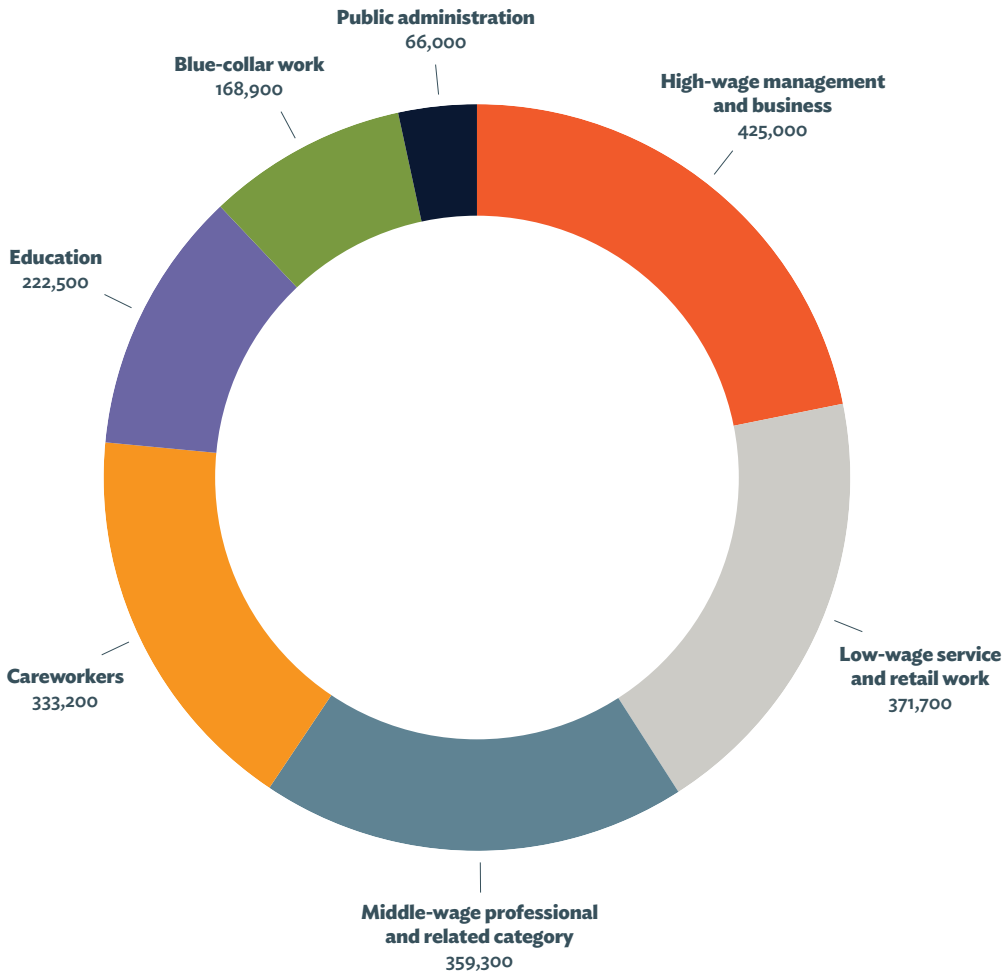
The repercussions of these systemic barriers are profound, influencing not only immediate income but also lifetime earnings, retirement security, and overall economic autonomy. This report underscores the urgent need for multifaceted strategies to dismantle these deeply rooted divisions and support women in advocating for themselves and others. Exposing gender-based economic barriers is a first step in fostering resilient communities, creating lasting generational wealth, and enhancing the quality of life, thereby strengthening our democracy and building a more just and equitable society.

**THE FINDINGS IN THIS REPORT INCLUDE AN ANALYSIS OF 1) THE OVERALL GENDER PAY PENALTY; 2) THE GLASS PAY CEILING; AND 3) THE OCCUPATIONAL PAY PENALTY.**

**Overall Gender Pay Penalty and Women's Workforce Map:**

- + The gender pay gap is produced by a complex range of factors, from social expectations to discrimination. However, here we offer a simple model that controls for education, experience, industry of employment, marital status, and having children, to show that being a woman has a statistically significant negative impact on earnings, as does being a worker of color. Holding demographic, educational, and employment experience constant, we find that being a woman is associated with an eight-percent pay penalty compared to men.
- + A map of New York City women workers reveals where women are over- or underrepresented in seven broad industry categories across each borough.

**New York City Women's Workforce (2022)**



*Note: CNYCA Analysis of EPI CPS extract; sample are economically active and are ages 16 and over. Source: Economic Policy Institute; created with Datawrapper*

Women working in carework, low-wage, and blue-collar jobs are concentrated primarily in Queens and the Bronx. Conversely, Manhattan and Brooklyn tend to disproportionately house women working in those industries we expect to be better compensated (high-wage professional, education, and public administrative). And yet, all boroughs have low-paid women workers, including Brooklyn, which is home to 50 percent of home-health careworkers and 45 percent of human-services workers.

- + For example, 40 percent of women working in high-wage industries reside in Manhattan (compared to 23 percent of women overall), while 27 percent of women careworkers live in the Bronx (compared to 14 percent of overall women workers). Lower-wage women workers are overrepresented in outer boroughs, an economic fact that shapes their neighborhoods and families.

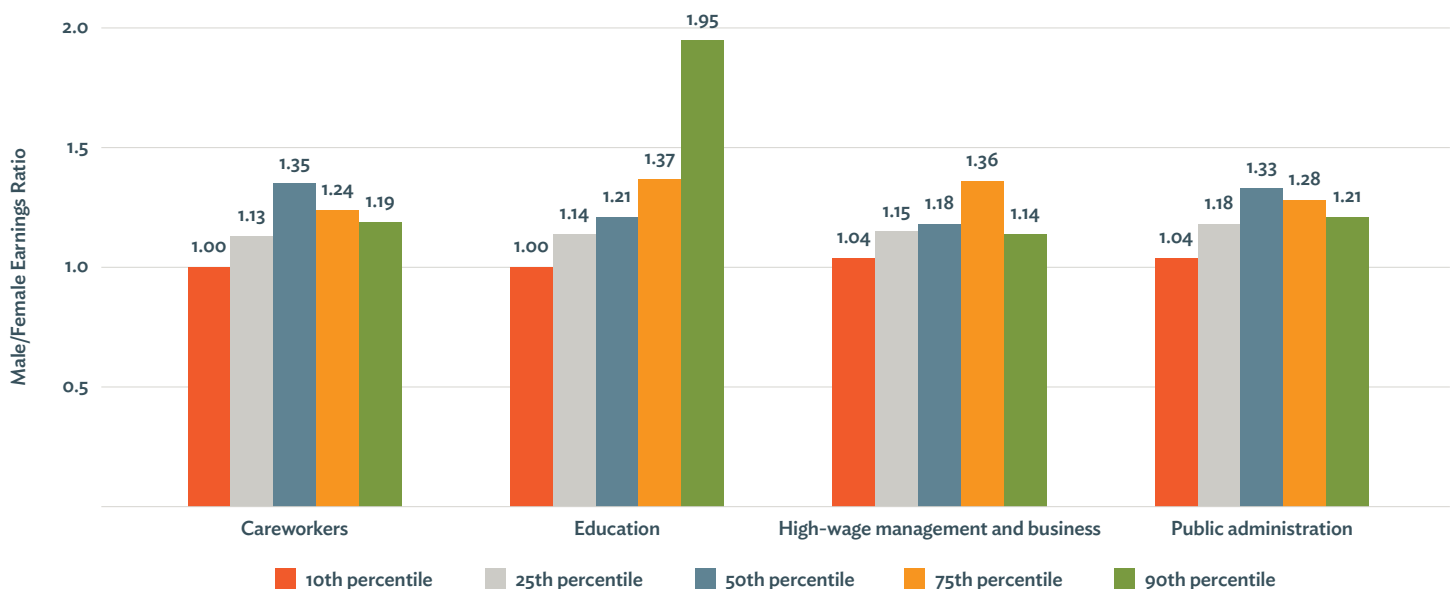
### The Glass Pay Ceiling:

- + Earnings inequality between men and women persists across all industries, but gender pay inequality is greater in some industries and also at some income levels. In the education and the high-wage business and management sectors, there is greater earnings inequality as workers climb the income ladder; male and female education workers in the 10th percentile have approximately equal earnings, but men in the 90th percentile earn nearly twice as much as their full-time women counterparts. Men at the top of the earnings ladder are pulling away from their female counterparts, which is likely due to discrimination, occupational segregation, and women spending time out of the paid labor force to raise children.

### New York's Changing Occupational Structure and the Gender Occupational and Industrial Pay Penalties:







- + Occupational segregation, or the uneven distribution of men and women across different professions, is a critical driver of gender pay inequity, influencing women's earning potential, career trajectories, and the financial stability of their families.
- + By dividing the New York City economy into five broad occupational categories, we show that its occupational structure has shifted over the past two decades, with a decreasing proportion of low-wage service jobs and an increasing proportion of middle-wage white-collar work, as well as high-wage business and management jobs. While this benefits all workers who shift into these high-earning fields, we show that men, who make up 59 percent of high-wage jobs in management and business, have benefited more from this shift than women.
- + Moreover, persistent within-occupation pay inequity means that men make more than women in all occupations, even those in which women make up the majority of workers.
- + The occupational differences between New York's male and female workforces are pronounced. For men 20 years ago, blue-collar work and low-wage service jobs dominated available employment. In 2022, high-wage management and business occupations and low-wage work were a majority of male employment.
- + Women workers have a different occupational story in New York City. Low-wage work still dominates at 30 percent of economically active women, despite a 15-point decrease since 2003. The slice of the women workforce employed in

## Gender Pay Inequity by Earnings Level (2018-2022)



Note: CNYCA Analysis of EPI CPS extract; sample work full-time and are ages 16 and over. Source: Economic Policy Institute; created with Datawrapper

# Effects of Demographic and Productivity Characteristics on Average Wages in New York City

Demographic Group	Impact on Average Wages
Race and Gender	Percentage Change in Average Wage Relative to White Men
White Women	-13%
Men of Color	-16%
Women of Color	-23%
Education Level	Percentage Change in Average Wage Relative to Less Than High School
High School	18%
Some College	25%
College	60%
Advanced Degree	86%
Industry of Employment	Percentage Change in Average Wage Relative to Low-wage Service Industry
 High-wage industry	34%
 Middle-wage industry	16%
 Education industry	18%
 Blue-collar industry	8%
 Carework industry	-7%
 Public Administration	21%
Marital Status	Percentage Change in Average Wage Relative to Unmarried Men
Married Men	10%
Unmarried Women	-13%
Married Women	-12%

Note: CNYCA Regression Analysis of EPI CPS extract; all economically active respondents. Alternating years (2018, 2020, and 2022 specifically) are included in the regression analysis to eliminate the possibility of multiple data points from individual respondents entering the analysis. Source: Economic Policy Institute

high-wage business and management jobs has increased to 20 percent in the past 20 years, but remains a full 10 percentage points below male representation in these occupations. At the same time, 20 percent of economically active females are employed as caregivers, compared to only five percent of economically active males.

This critical analysis of the persistent gender-based occupational and industrial segregation in New York City is essential to the broader work of understanding and dismantling the deep-rooted barriers that prevent equitable access to economic opportunities for women and gender-expansive individuals.

Available census data sources root this analysis in a gender binary that fails to capture the experiences of gender-expansive, transgender, and gender-nonconforming people for whom gender- and race-based discrimination is equally pertinent. In this sense, the sample is not fully representative of the wider population. The prevailing literature finds that LGBTQ+ and gender-nonconforming people face unique and interrelated economic barriers, that the gender pay gap is persistent across sexual orientation, and that regardless of sexual orientation, women tend to have lower earnings than men. Due to data constraints, this report relies on the reported sex of respondents, though the policy connections and implications we draw out are important for LGBTQ+ and gender-nonconforming people.

The findings of this report not only illuminate the enduring challenges within our labor markets; they reinforce the need for a concerted and comprehensive approach to fostering systemic change. It is clear that addressing occupational and industrial segregation starts with improving income levels and changing social customs. These changes are prerequisites to leveling the playing field for women, creating lasting generational wealth, and enhancing the quality of life for all. In turn, progress on these fronts will strengthen our democracy. As such, this endeavor aligns with Women Creating Change’s mission to raise awareness about gender disparities, equip our community with necessary tools and resources, advance gender equity across all sectors of society, and fortify the Center for New York City Affairs’ commitment to providing economic research that improves the livelihoods of New York’s most vulnerable workers.

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## POLICY RECOMMENDATIONS

The issues in this report point to systemic gender-equity problems that saturate the New York City economy, putting women employed in all types of jobs, of different races, ethnicities, and income levels at a disadvantage in the workforce. Both systemic change and incremental changes, in many policy spheres, will be necessary to combat such pervasive disparity.

Our city is fortunate to have many elected leaders, including many women, serving on the City Council and in the State Legislature in a position to advocate for policy changes to address these inequities. Given the pervasiveness of the economic structures and practices that stand in the way of the equitable treatment of women in the economy, they need to seize on all available labor, budget, tax, and other policy levers. Action is needed to address these problems at their roots where possible, while simultaneously advancing incremental policies that point toward a more equitable future.

Economic justice for women begins in the workplace. Women leaders must champion policy changes that raise pay (both through a higher minimum wage and through pay equity for careworkers backed by funding better pay in City and State budgets), improve our tattered worker safety net, and advocate for policies that promote retirement savings by low- and moderate-income workers, and for tax policies that aid working families. The systemic nature of gender pay inequity means that all available policy levers—budget, labor standards, and tax policy—should be seized to raise pay and improve working conditions.



Here we articulate a broader perspective that our policy leaders, elected officials, and advocates should bear in mind to understand this systemic problem. There should, in particular, be a strong focus on policy changes that would primarily benefit low-income women workers of color. But the gender earning-inequality problem is vast and demands broad-based change in how we value women's work, support women workers, and create a fair environment for all workers, especially the lowest-earning, to thrive in New York City.

### Pay and Salary

## 1. Pay Transparency Requirements

New York State's pay transparency law requires employers with four or more employees to disclose compensation ranges in job postings, promotions, and transfers. Though the law went into effect in 2023, there are several routes to further strengthen the rules, including:

- ☐ **Require Covered Companies to Provide Clear Information on How Salaries Are Determined:** This is a way to further ensure equitable compensation, including tighter posted-salary bands, to increase the impact of the legislation.
- ☐ **Strengthen and Enforce Penalties and Public Accountability:** The New York State Department of Labor imposes civil penalties for noncompliance, but these could be strengthened through increased enforcement, public reporting, and higher fines for repeat offenders.
- ☐ **Require Record Retention by Employers:** Maintaining records of compensation ranges and job descriptions would ensure transparency and provide a paper trail for auditing and compliance checks.
- ☐ **Cover Independent Contractors and Interns:** These are protected in New York City but not statewide.

## 2 • Protect Workers From Salary History Questions

The use of salary history in employee selection and hiring can reinforce gendered wage gaps and result in hiring women at suppressed salaries. Since 2017, New York employers have been prohibited from asking about a prospective employee's salary history. The City and State can strengthen such protections by encouraging businesses, especially large firms, to conduct **regular gender pay audits** to identify and address gender-based wage discrepancies. Larger companies should be required to report audit results to a public database, fostering accountability and enabling data-driven policymaking. Such accounting will have a systematic impact on the labor market; by raising wages for women especially at the largest businesses, wages will be pulled up for other women workers in similar jobs.

## 3 • Public Sector Pay Equity

The recently released 2024 Pay Disparity Report by the New York City Council highlighted ongoing wage disparities in the municipal workforce, particularly affecting women of color. To address these issues, several policy recommendations were proposed:

- **Introduction 515:** A proposed local law mandating that agencies submit annual reports analyzing compensation data, also requiring the Equal Employment Practices Commission to conduct an annual comparable-worth analysis.
- **Introduction 527:** A proposed local law intended to evaluate and expand diverse recruitment and retention within City agencies, mandating annual reporting on civil-service examinations and agency training programs, along with providing information on these exams to high school juniors and seniors.



## Safety Net and Tax Credit Reforms

- **Albany legislative deliberations in the spring 2024 post-budget session may result in a long-overdue modernization of New York's State's temporary disability insurance (TDI) program.** TDI provides partial wage replacement for workers who suffer from non-work-related injuries or illnesses, including cancer, and are unable to work. Maximum TDI benefits have been capped at a paltry \$170 weekly since 1989. TDI benefits should provide wage replacement of at least 67 percent, with the maximum set at two-thirds of the state's average weekly wage.
- **Long-overdue unemployment insurance reforms are also needed.** Because many low-wage jobs (which are more likely to be held by workers of color) are disproportionately subject to economic fluctuations, such as those experienced during the Covid-19 pandemic, New York needs to finance unemployment benefits on a sound basis so that the benefit structure can be modernized to keep pace with that of neighboring states. New York's current benefits provide a shrinking wage-replacement rate that has fallen below national averages.
- **The Working Families Tax Credit** would streamline the Empire State Child Credit, the Earned Income Tax Credit, and the dependent exemption all into one credit that is easier for families to access. Additionally, this proposed legislation would expand eligibility for these credits to immigrant tax filers.

## Education, Mentorship, and Career Development

- **The city currently offers a number of programs for addressing gender disparities in the sciences and business**, including Women.NYC, powered by the New York City Economic Development Corporation. It offers programs such as "Pivot to Growth," which helps women navigate career shifts into high-growth industries such as technology, life sciences, renewable energy, and the green economy. Women.NYC's initiatives targeting Black women in technology, such as the LevelUP tech cycle in collaboration with the Brooklyn Public Library, also provide instruction, mentoring, and financial coaching to help participants advance professionally and build wealth.

- Especially given the shift in New York City's economy over the past 20 years toward more high-wage business and tech jobs, further supports are needed to help women enter and remain in current and emerging high-paying fields: Critical to leveling the gender playing field in high-paying, often demanding, jobs is offering support services, including business education and training, legal advice, and connections to childcare and health care resources. These help remove systemic barriers that women often face in the workforce.

- Establish career development and mentoring programs and flexible work arrangements:** Moreover, once women enter this field, they need ladders to advance, including mentoring, sponsorship, and leadership training, as well as incentives to employers to provide more opportunities for women to gain experience in leadership roles. One way for employers to support women into high-level or leadership positions is to expand policies that allow flexible work schedules, remote work, and parental leave.

- Intervening Early:** New York City has many programs aimed at offering students experience in the sciences and business, including the Department of Youth and Community Development's after-school programs (COMPASS NYC) that serve young people and STEM Matters NYC, which offers summer enrichment programs designed to engage students in technology and engineering. Girls Inc. of NYC offers programs such as Project Accelerate to encourage young women to consider tech careers. There are many publicly and privately funded programs, including the Science Research and Mentoring Program (SRMP) at the American Museum of Natural History and Double Discovery Center's Summer Academy at Columbia University, which invites 9th and 10th graders from first-generation and low-income backgrounds to a five-week summer academy.

- Encourage Systemization:** If systematized through state, city, and private support, these programs have the potential to encourage women from diverse backgrounds to engage with high-paying business, tech, and scientific fields that are traditionally seen by them as inaccessible.



### Support Working Women in the Carework Sector

- Public Sector:** Advocates should make clear that while cost-of-living adjustments to keep up with municipal labor-contract increases are a good start, more is needed to close the 20-40% pay gap with counterparts in the public sector. The city needs to create room for that investment in its budget.
- Childcare Workers:** The Empire State Campaign for Child Care advocates the broad goal of universal childcare in New York State, as well as better pay for workers in the field. Their current priorities include a state Childcare Workforce Fund to assist low-income families in accessing childcare.



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**This report is the second in a series that will examine economic  
barriers to full civic participation among New York women.**

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