DEI Perspectives

Gender and Race Pay Gap

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Introduction

The brewing industry is in constant flux, with new beer styles and products (e.g., seltzers, low/no alcohol brews, etc.) entering the market regularly. As the population and beer consumers continue to diversify, data will continue to play a major role in understanding the industry's behavior. Data analytics historically have been leveraged to inform decision-making. Benchmarking data provides valuable insight into salaries at different levels and in different business areas and locations.

Recently, DEI (diversity, equity, and inclusion) data has been included in benchmarking surveys in the brewing industry. This is a commendable effort that when paired with data analytics can lead to defining the status of salary parity in the brewing industry. However, the available data sets treat salary and DEI data as separate categories, making cross-analysis difficult. This DEI Perspective presents the case for collecting DEI and salary data together to improve cognizance of salary parity in the brewing industry.

Wage Gap Status

The Pew research center tracks wage gap information using a proprietary method that accounts for part- and full-time workers (1). This data is segmented in terms of gender as well as race. In 2020, the gender wage gap was analyzed, revealing that while it had decreased over the latter part of the twentieth century, women made 84% of what their male counterparts earned (2). This number decreased during the pandemic recovery to 80%. It should be noted, however, that in some metropolitan areas young women out earn men (3).

Racial wage gap data for 2015 shows that Asian men earned 117% compared with white men, whereas Asian women earned 87% as much as white men. In both groups (i.e., men and women), Hispanics were the lowest earning group (men earned 69% and women earned 58%), followed by blacks (men earned 73% and women earned 65%). The study mentions that most of these wage disparities can be explained by differences in levels of education, experience, and industry, among other factors (4).

A Need for Robust Data in the Brewing Industry

Providing access to comprehensive data regarding gender and race wage gaps in the brewing industry is critical to support effective action to secure equal pay. Additionally, robust data also helps to better determine how the gap is impacted where gender, race, and ethnicity intersect. Current data comparing the wage gap between women and men shows the wage gap is closing, with women earning 83¢ to the $1 earned by men (5). Women of color (i.e., Hispanic, black, and mixed-racial) who are grouped into that statistic are the lowest earners in America (underpaid and less able to build savings and withstand economic downturns). As illustrated in Figure 1, this is one example where data helps to fill in the blanks in the incomplete picture of where disparities lie and what needs to be addressed. Comprehensive data strengthens actions to secure equal pay for minorities, especially when gender, race, and ethnic lines cross and effectively widen the gap. Without data, it is impossible to show where disparities lie (or that they are even real) (6).

The Brewers Association collected data regarding gender, race, and ethnicity and occupations broken down by position in 2018 (Table 1). This information is the first step in collecting data to support securing equal pay. The next step is to create a more comprehensive picture by providing information on compensation broken down by gender, race, and ethnicity, as well as pay bands for each occupational category (6).

The gender wage gap is much wider for most women of color

Comparing 2020 median earnings of full-time, year-round workers by race/ethnicity and sex

Note: The gender wage gap is calculated by finding the ratio of women's and men's median earnings for full-time, year-round workers and then taking the difference. People who have identified as Hispanic or Latino may be of any race.

Source: For all groups, authors calculated the gender wage gap using data from U.S. Census Bureau, "Current Population Survey: PINC-05. Work Experience-People 15 Years Old and Over, by Total Money Earnings, Age, Race, Hispanic Origin, Sex, and Disability Status: 2020," available at https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-05.html (last accessed September 2021).

Figure 1. Full-time median earnings comparison (5).

Table 1. 2018 Brewers Association race and gender benchmarking data

Brewery Worker Race and Ethnicity

Position	American Indian or Alaskan Native (%)	Asian (%)	Black or African American (%)	Hispanic or Latino (%)	Native Hawaiian or Pacific Islander (%)	White (%)	Other (%)
Owner(s)	3.7	1.9	1	2.4	0	88.4	0.6
Production staff (Brewers)	3	0.6	0.6	4	0	89	0.3
Production Staff (Non-brewers)	3.7	0.5	4.7	7.8	0.3	79.4	0.6
Production Staff (Managers)	2	1.5	0.4	4.9	0	87.9	0
Production Staff (Non-managers)	7	0.3	3.5	7.4	0	76.2	0.3

Brewery Worker Gender

Position	Male (%)	Female (%)
Owner(s)	77.4	22.6
Production Staff (Brewers)	92.5	7.5
Production Staff (Managers)	91.1	8.9
Production Staff (Non-managers)	86.7	13.3
Production Staff (Non-brewers)	86	13.9

Data from a 2018 Brewers Association benchmarking survey showing the demographic makeup of the industry. Source: Excerpted from Brewers Association Brewery Owner and Employee Diversity 2018 Benchmarking Survey.

Implications for not providing comprehensive data reflecting gender, race, and ethnicity and salaries broken into brewing occupational categories can have real-world effects, such as depressed wages, devalued work, and harm to families who rely on the wages of minorities affected by the gender, race, and ethnic wage gap (6).

Barriers to Accessing Comprehensive Data

There are many factors that may influence the difficulties surrounding collecting and accessing robust data reflecting gender, race, and ethnicity and salaries broken into brewing occupational categories. Some of those barriers can be

- Differences in hours worked (e.g., women versus men) and hours spent handling caregiving responsibilities
- Discrimination
- Lobbying to limit access to data
- Limiting federal enforcement agencies
- Politically or monetarily motivated efforts to suppress data access

Better Data Is Possible

This DEI Perspective aims to shed light on the need for granular benchmarking data to understand current wage parity status in the brewing industry. Professional organizations and guilds are key players in developing a data-gathering strategy that helps establish the status quo, while simultaneously protecting member data. Designing yearly voluntary reporting surveys is the first step toward gathering better data. While the list of questions may be extensive, this will allow for data correction factors such as education and experience. Additionally, this data should be aggregated at the state or regional level to ensure individual privacy and security. Standardized data sets can be made available to members for further analysis. The resulting insights can help shape the future of the brewing industry.

References

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