

The Gender Wage Gap (for Doubters)

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Nationally, the gender wage gap for white women compared to white, non-Hispanic men is 22%. The gap is more pronounced for women with disabilities and women of color. Women with disabilities earn 13% less than women without disabilities and 26% less than men without disabilities. Compared to white men, nationally the wage gap is 11% for Asian women, 38% for Black women, 38% for Native Hawaiian or Pacific Islanders, 42% for American Indian or Native American women, and 46% for Hispanic/Latinx women. On average, Vermont fares slightly better with a wage gap of 16%, or nearly \$8,000. This difference is not insignificant; it would pay for half a year's groceries for a family of four, or for four months of childcare for two children.¹

The wage gap persists at every level of education. When compared to their similarly situated male peers, women who have not completed high school face a gender wage gap of 30.1%, and college graduates face a wage gap of 14.7%. In fact, Vermont women, on average, must complete some college to earn the same as a Vermont man who did not complete high school.²

If not an education gap, what drives the discrepancy in earnings? Change The Story VT, our partnership initiative with Vermont Works for Women and the Vermont Women's Fund, has identified three key contributors to the gender wage gap: occupational segregation; time out of the labor force; and gender norms, bias, discrimination, and violence.

OCCUPATIONAL SEGREGATION

Many workers remain clustered in fields that are predominately male, which tend to pay more, or predominately female, which tend to pay less. Critics argue that occupational segregation reflects voluntary choices, and not discrimination. However, the wage gap persists within occupations, and occupational segregation is itself driven by discrimination.

Career choices are not made in a vacuum; they are influenced by years of external input. Studies confirm gender socialization and the expectations of behavior, roles and attitudes of parents and teachers guide individuals into professions deemed "gender appropriate".³

The wage gap persists even within occupations and is widest in many occupations where the gender ratio is roughly even. Female financial managers fill 57% of jobs in that field but face a wage gap of

29.3%.⁴ Notably, studies have shown that when more women enter predominately male occupations, the average wage decreases. When computer programming became a predominately male occupation, pay went up; when more women became park rangers, pay went down.⁵ Researchers have found that this is a result of the devaluation of work done by women.⁶

TIME OUT OF THE LABOR FORCE

Societal values about child-rearing influence women's careers. Women are more than twice as likely to work part-time than men and are seven times more likely to cite childcare obligations as the reason. According to Let's Grow Kids, 70% of Vermont children age 5 and younger have all available parents in the workforce. Childcare can cost a family of four earning \$50,000 per year up to 41% of their income. Childcare's high cost puts pressure on parents to reduce hours or leave the workforce entirely to make ends meet. Women more often reduce their hours or leave the workforce, largely because they earn less on average. This time away comes at a high long-term cost: by leaving the workforce until her child is in kindergarten, a 35-year-old new mother earning the median, full-time wage for women loses \$433,000 in income, lost wage increases and retirement assets, perpetuating the gender wage gap.⁷

GENDER NORMS, BIAS, DISCRIMINATION, AND VIOLENCE

40% of the wage gap can be attributed to gender norms and expectations, biases, or overt discrimination. Differences in pay start the day a girl gets her first allowance, where a study of 10,000 families showed that boys earned twice as much as girls, on average, for weekly chores. Women are 28% less likely to be promoted to management, with Black and Hispanic women faring even worse.⁸

76% Americans believe that the ideal situation for men with young children is to work full time, while only 33% of Americans believe that it is ideal for women with small children to work full time.⁹ These values contribute to decisions women make about their careers, and to decisions about whether and how much time to take out of the workforce when becoming a parent.

Parents who do work full-time face different impacts on their wages, depending on their gender. On average, fathers who work full-time are rewarded with a “fatherhood bonus”, a 6% increase in earnings, whereas mothers who work full-time face a “motherhood penalty”, a 4% decrease in earnings for each child they’ve had.¹⁰

Mothers still spend almost twice as much time on childcare and housework per week than fathers.¹¹ Furthermore, in homes with two full-time working

parents, mothers do more to manage children’s schedules and activities, and take on more when their children fall ill.¹² When mothers take on a disproportionate share of unpaid labor, it leaves them with less time to engage in the paid labor force.

Women also lose income as a result of widespread harassment and violence. Eight in 10 women who experience harassment leave their jobs within two years.¹³ The estimated lifetime cost who has experienced intimate partner violence is \$103,767. Many women report that their abusers undermined their ability to work to maintain power and control. Women who have been sexually assaulted are nearly three times as likely to be depressed and more than twice as likely to have elevated anxiety, both of which can also affect a person’s earnings.¹⁴

CONCLUSIONS

Women don’t choose to earn less than men, but are socialized to choose occupations that pay lower wages. They spend more time out of the workforce to take care of their families. They face gender bias and discrimination both in and out of the workforce. If we want to change this story for women, we must continue to enact well-crafted policy solutions to address these inequities and continue to evaluate and discuss our own internal beliefs and biases about women’s role in our society, the importance of equitable parenting, and how we (under)value work performed by women.

NOTES

¹ Change the Story Vermont, [Women, Work and Wages in Vermont](#), 2019.

² *Id.*

³ Ramaci, Tizina, et al, [Gender stereotypes in occupational choice](#), 2017.

⁴ Change the Story Vermont, [Women, Work and Wages in Vermont](#), 2019.

⁵ Miller, Claire Cain. [As Women Take Over a Male-Dominated Field, the Pay Drops](#), New York Times, 2016.

⁶ Levanon, England, and Allison, [Occupational Feminization and Pay: Assessing Causal Dynamics Using 1950-2000 U.S. Census Data](#), Social Forces 88, 865-891 (2009).

⁷ Change the Story Vermont, [Women, Work and Wages in Vermont](#), 2019.

⁸ *Id.*

⁹ Horowitz, Juliana Menasce. [Despite challenges at home and work, most working moms and dads say being employed is what’s best for them](#), Pew Research, 2019.

¹⁰ Budig, Michelle, [The Fatherhood Bonus and The Motherhood Penalty: Parenthood and the Gender Gap in Pay](#), Third Way, 2014.

¹¹ Glynn, Sarah Jane, [An Unequal Division of Labor](#), Center for American Progress, 2018.

¹² Patten, Eileen, [How American parents balance work and family life when both work](#), Pew Research Center, 2015.

¹³ Shaw, Hegewisch, and Hess, [Sexual Harassment and Assault at Work: Understanding the Costs](#), Institute for Women’s Policy Research, 2018.

¹⁴ Change the Story Vermont, [Women, Work and Wages in Vermont](#), 2019.