

## THE GENDER PAY GAP THAT STILL NEEDS TO BE CLOSED

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They “do the same work, are exempt from no rules or duties, and most of them have fathers, mothers, sisters or brothers dependent upon them. Why, then, should women not receive the same salaries?” This question was asked in a circular sent by equal-pay suffragettes to female teachers in New York’s public schools in 1905.

In most rich countries such outright discrimination is history. A woman doing the same job for the same employer earns 98 cents to the dollar paid to a man. Yet the gender pay gap persists. In most rich countries, the median full-time wage for women is 85% of that for men.

Women earn less than men because their careers differ in two ways. The occupations that many opt for, such as teaching and nursing, are less lucrative than those chosen by men, perhaps because of the long history of putting less value on women’s work. They often miss a first promotion because they are on maternity leave. Later they take less demanding jobs with poor prospects. Often they are overqualified for their new role, but somebody has to pick the kids up from school.

It is not the place of governments to tell young people what careers to pursue, nor to tell parents how to divide their responsibilities. But the underuse of women’s skills is a waste for individual women and society alike.

The careers men and women want are more similar than the careers they end up in. Women are as ambitious as men, more likely than men to go to university, and equally likely to ask for promotion. Young men are much less likely than their fathers to see themselves solely as breadwinners. Many want to play a big part in their children’s upbringing.

Helping both sexes fulfil their aspirations is more complicated than passing an equal-pay law. Fortunately, it does not require social engineering or the sort of costly special treatment for working mothers that put some employers off hiring or promoting young women in the first place.

The first step is well-designed parental leave. In America, the only rich country with no such entitlement for new mothers, many of them drop out of the labour force. Unless some leave is reserved for fathers, as in Norway and Sweden, couples tend to opt for the mother, who has stayed home after the birth, to take all of it.

Many of such policies cost money. But they offer high returns. Paternity leave has been shown to make a father more engaged throughout his children’s upbringing, helping them to thrive. And women whose careers have not been derailed by motherhood will pay higher taxes later.