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@TheIFS

Women and Men at Work



Economic
and Social
Research Council

Introduction

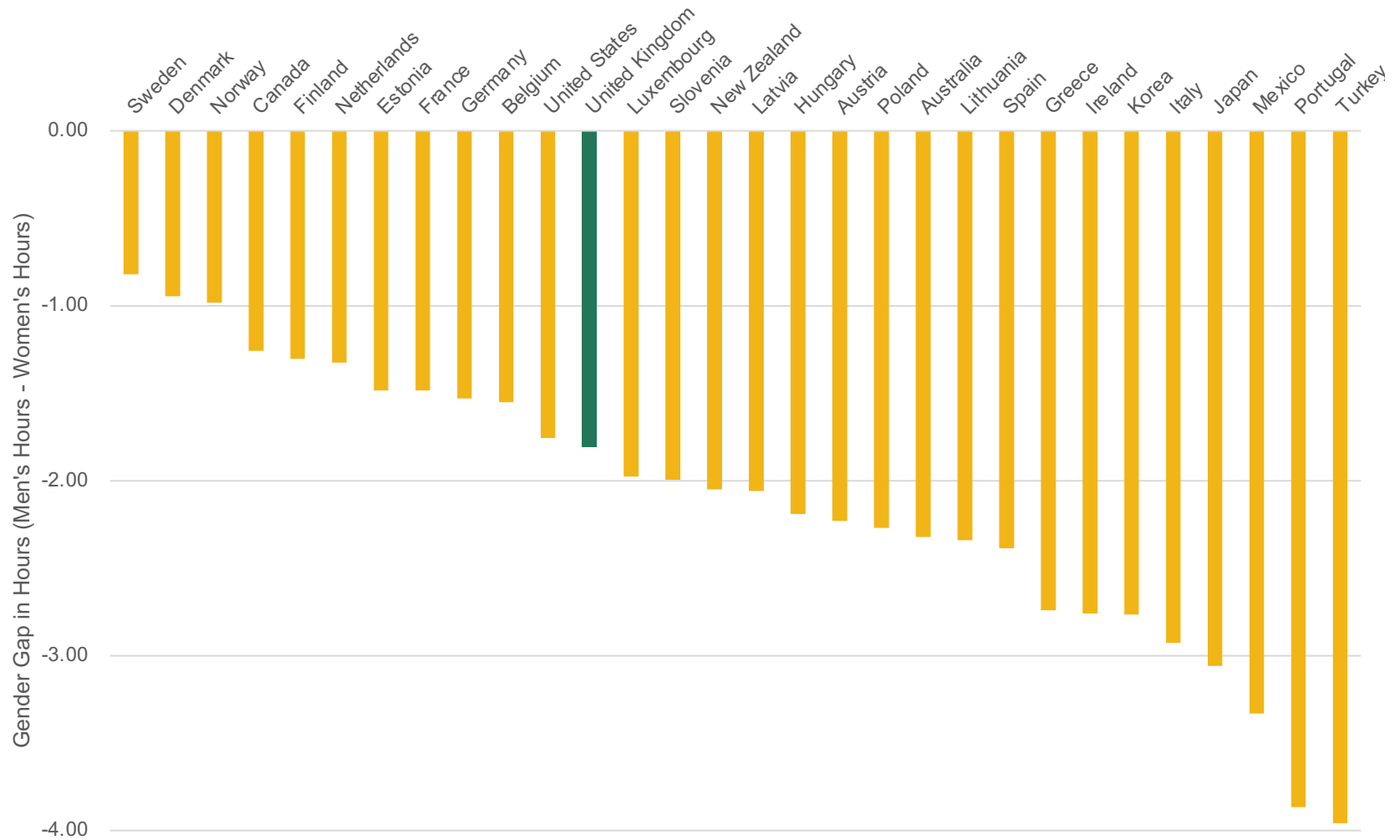


- Aim: Explore patterns, causes and consequences of gender inequalities in work in the UK
- Huge gender gaps remain in work in the UK:
 - women doing the greater share of unpaid care work
 - men work for pay at higher rates and for longer hours
 - and are better remunerated for their work
- Today:
 - Outline magnitudes, patterns and trends on between and within inequalities
 - Dig into the potential causes of persistence
 - Touch on ways forward

Why do gender pay gaps matter?

- Inequalities in material living standards and economic vulnerabilities
 - Women live in poorer households
 - ...consume a disproportionately low share of household resources
 - ...and are vulnerable to economic dependence on men
- Losses in wellbeing
 - Women miss out on intrinsic satisfactions of market work
 - Men miss out on intrinsic satisfactions of care work
 - Without a more equal distribution of domestic responsibilities, women's employment come at the expense of their leisure
- Implications for aggregate efficiency and growth: misallocation inside and outside the HH

Gaps in Unpaid Work

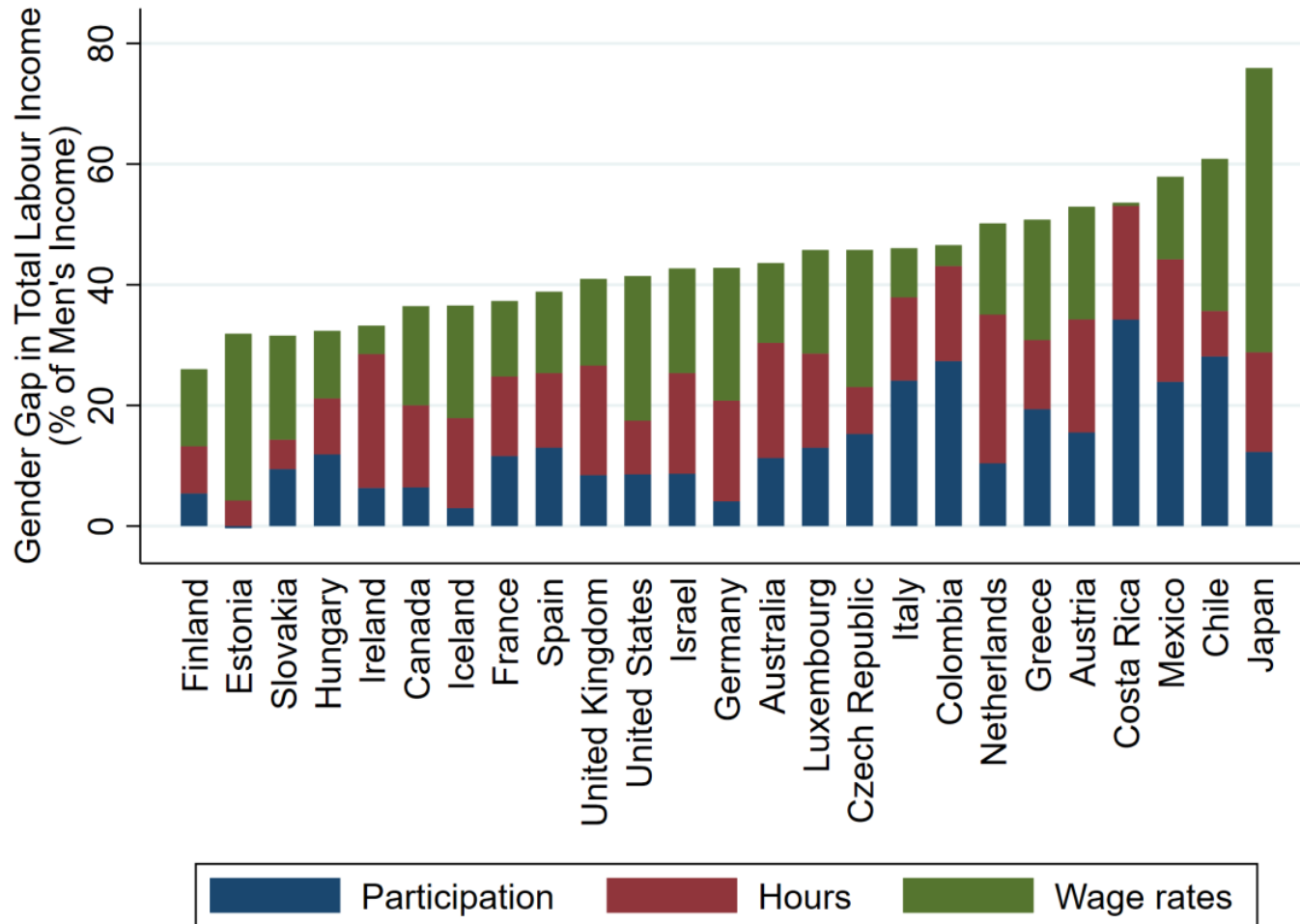


Gender Gaps in Paid Work

$$\begin{aligned} &\text{Total Earnings} \\ &= \\ &\text{Employment} \times \text{Hours} \times \text{Hourly Wage} \end{aligned}$$

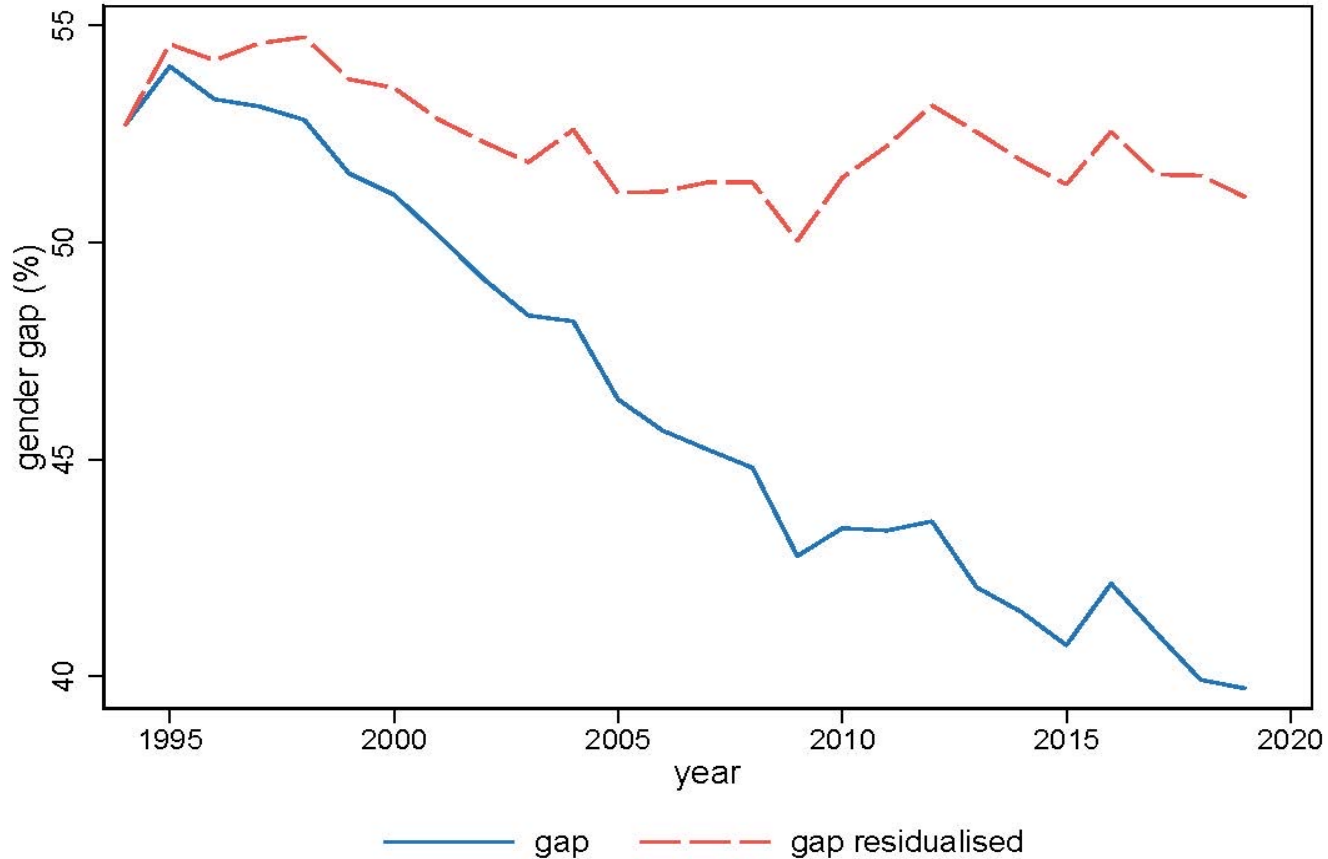
This is the earnings gap

Figures for various countries

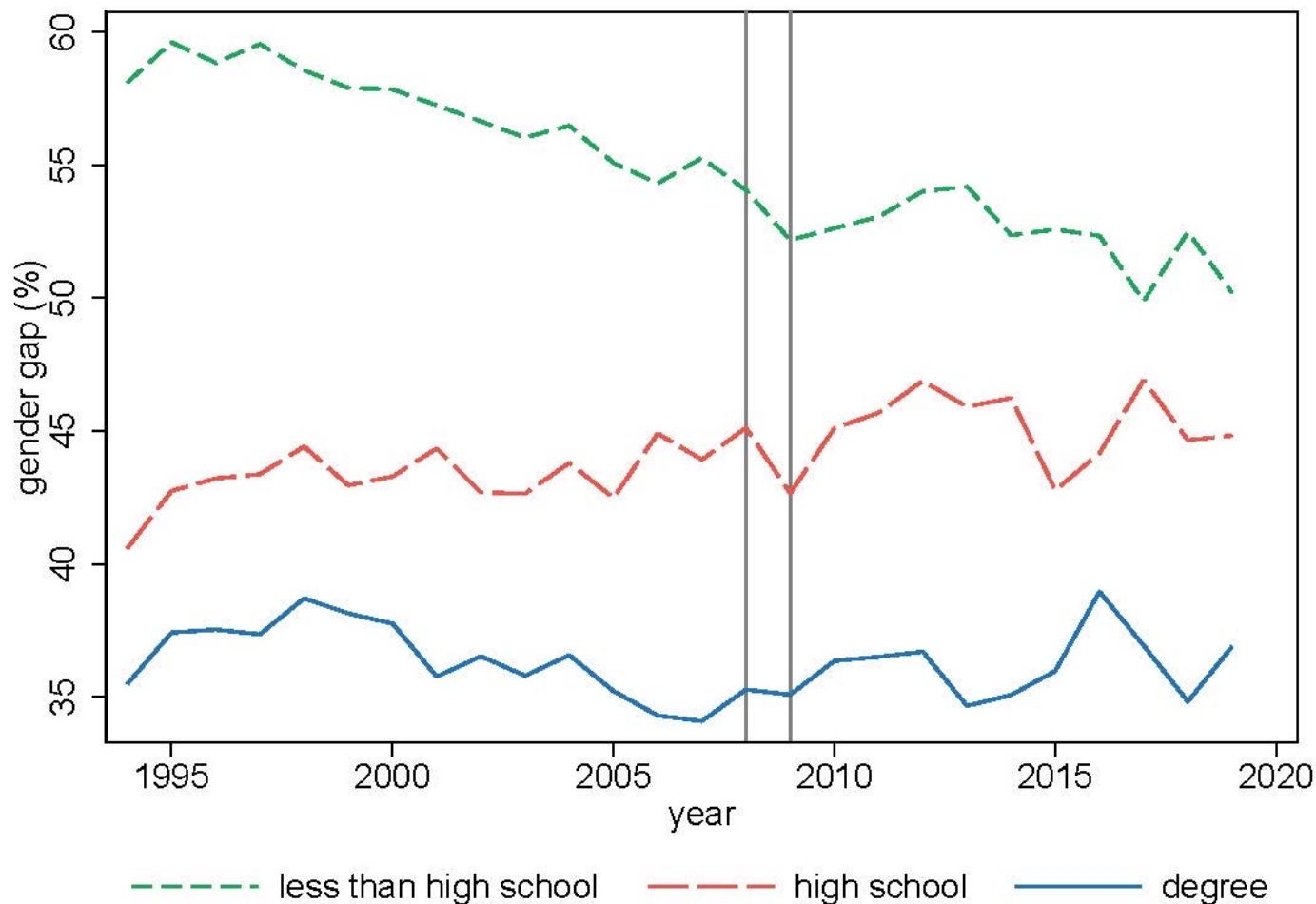


Earnings Gap is closing

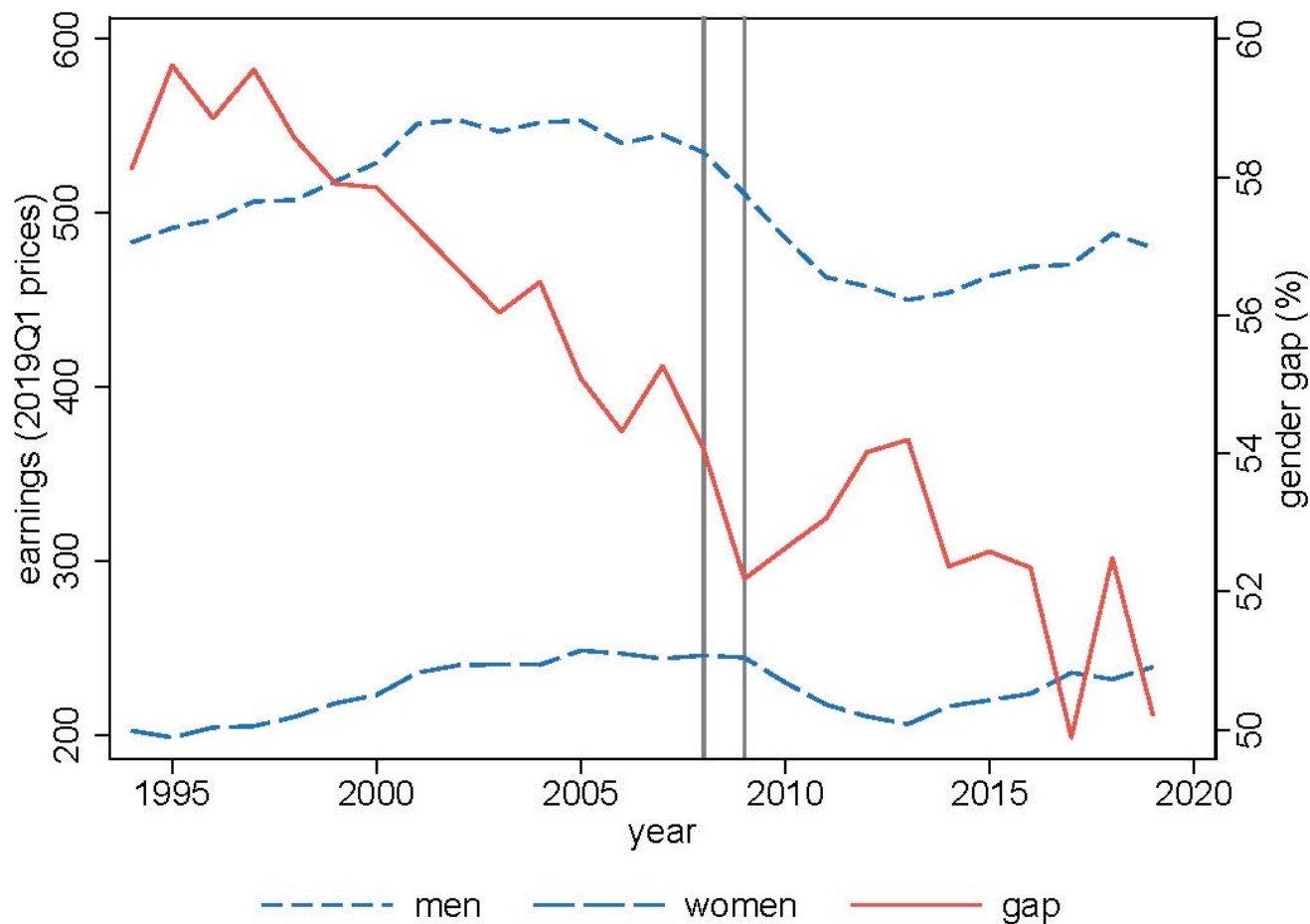
But not conditional on education



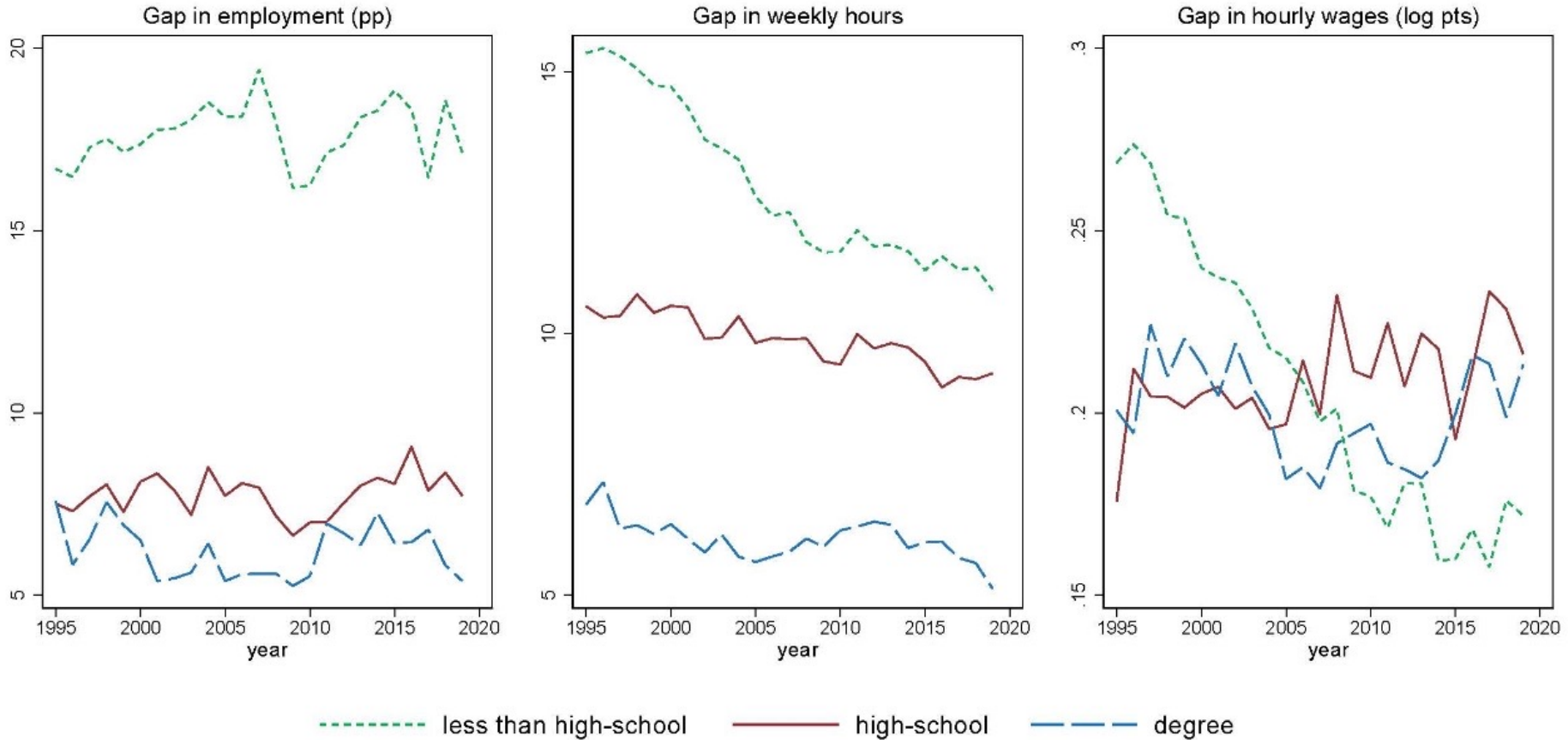
Gap is closing only at the bottom of the education distribution



Recently that is because men are earnings less

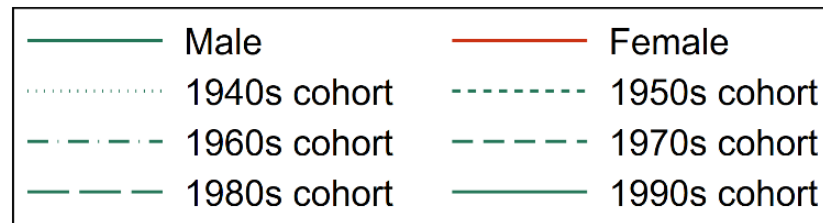
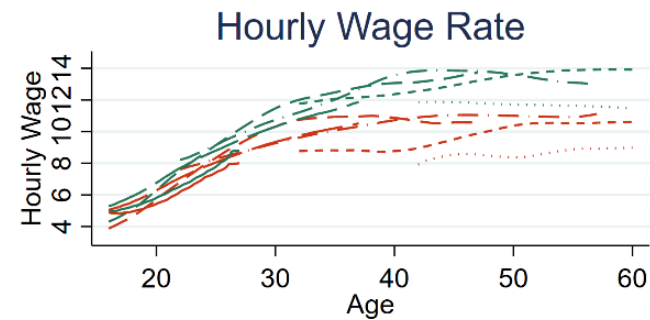
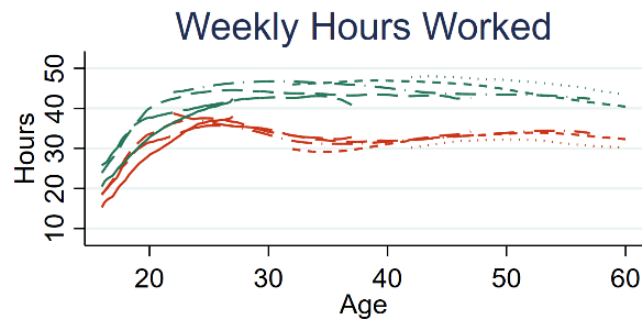
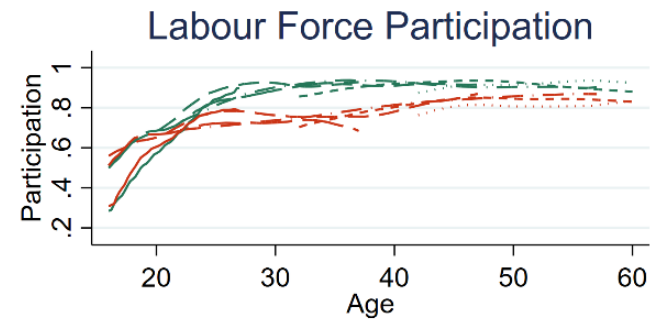
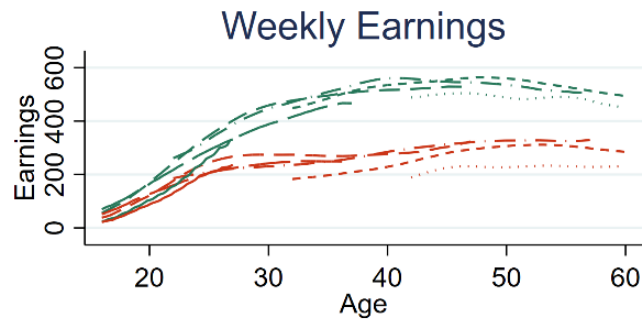


The gender wage gap is now larger for educated workers

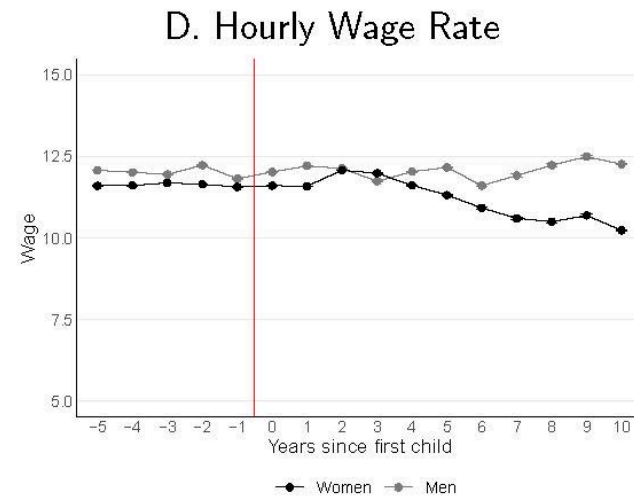
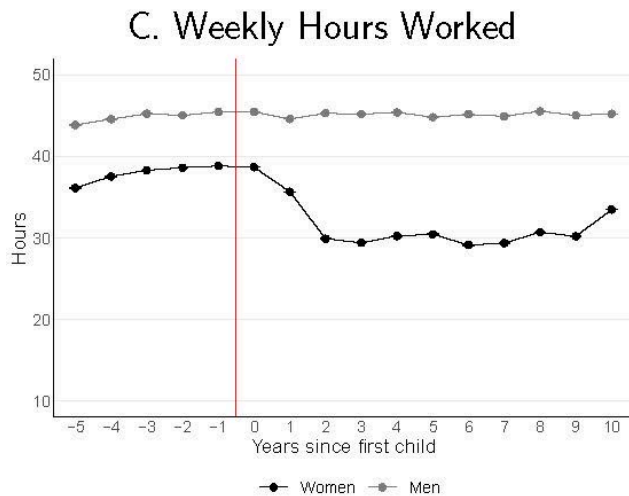
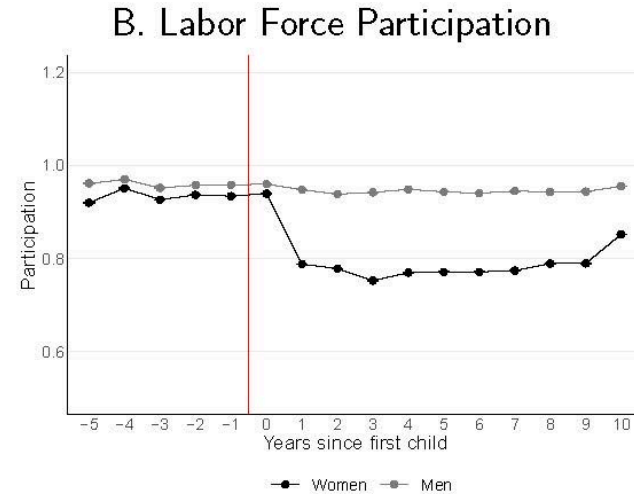
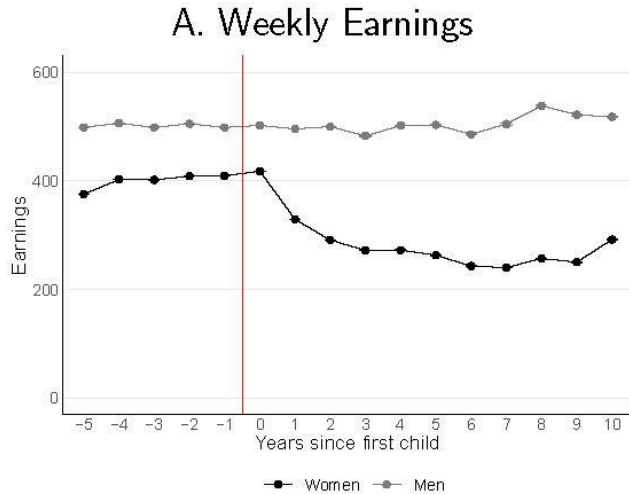


Gaps open up in the mid-20s

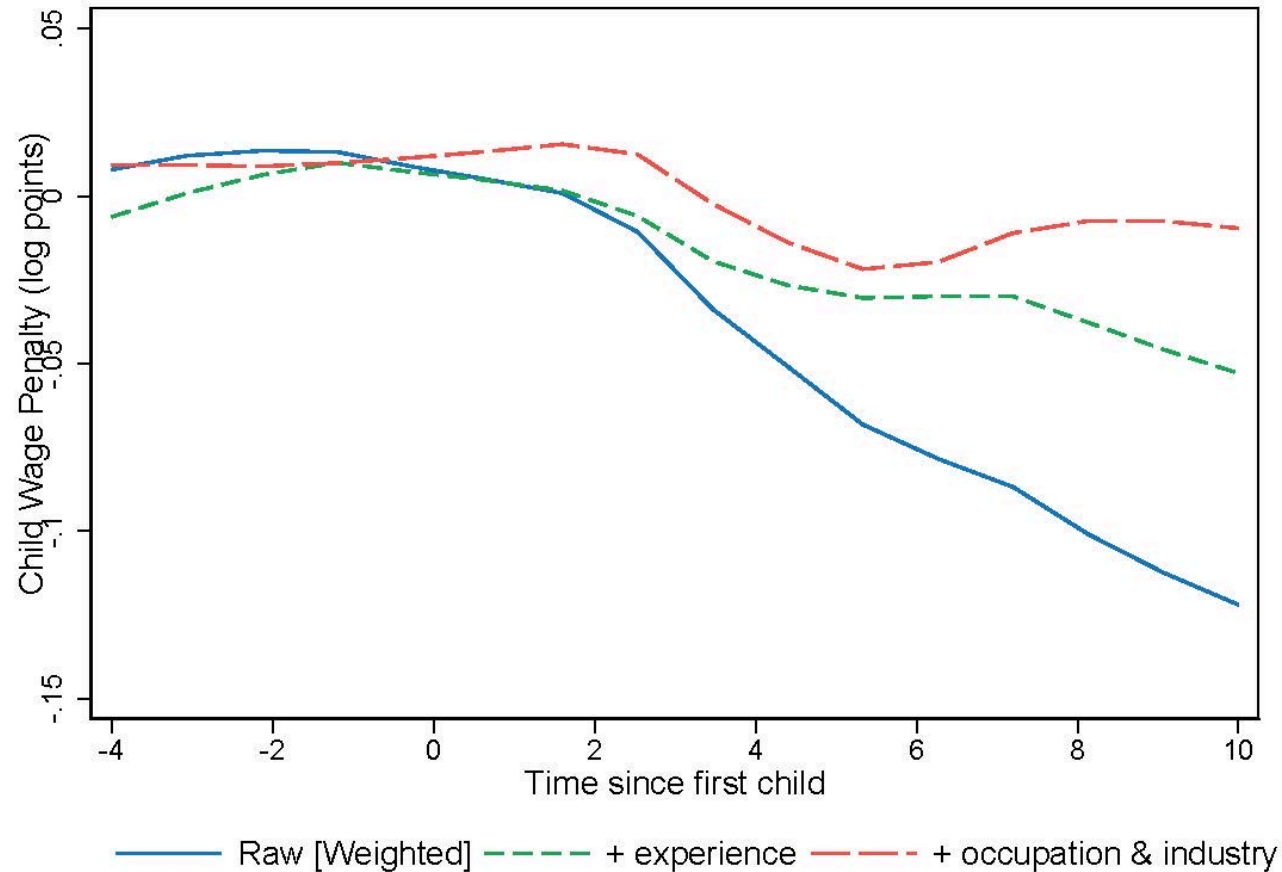
As they always did



Coinciding with parenthood



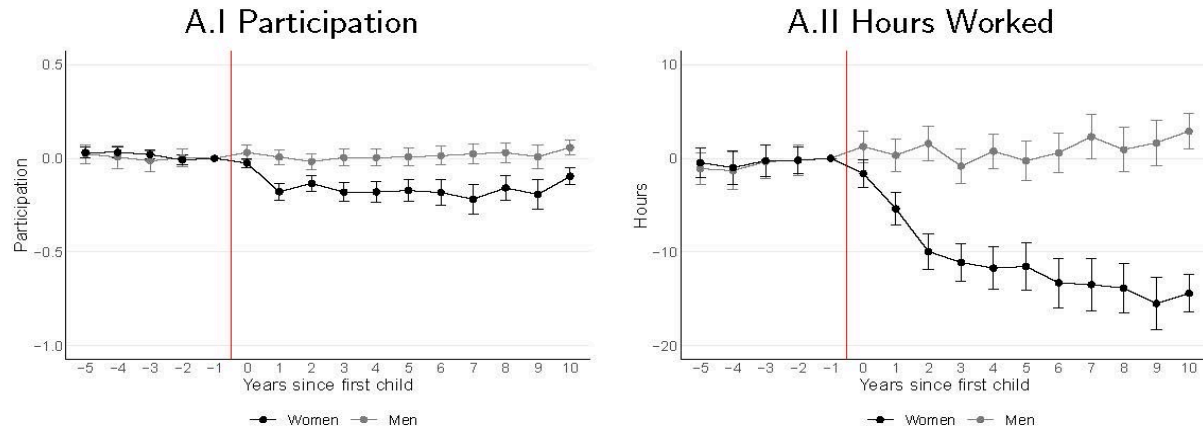
We do know why the wage gaps are opening



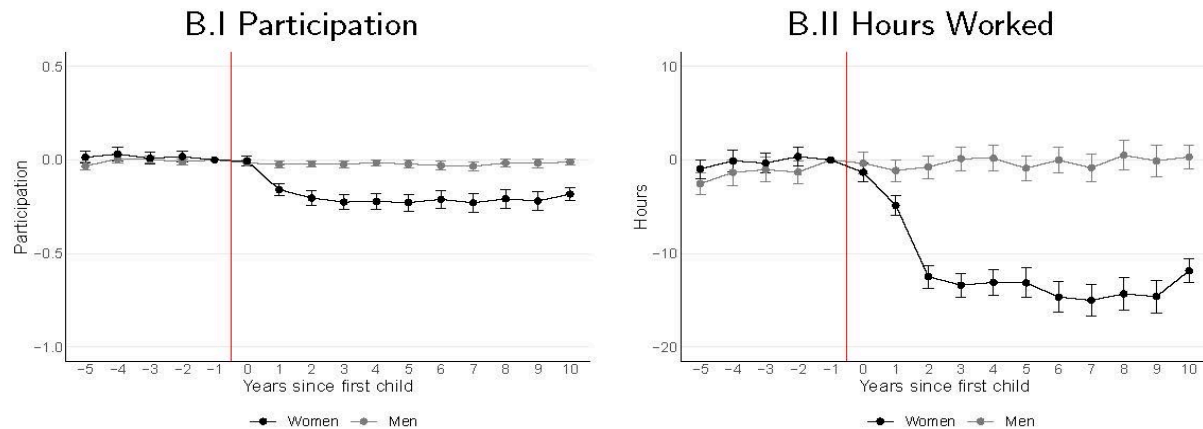
What drives gender gaps?

Hypothesis 1: Comparative Advantage

A. Woman Earnt More

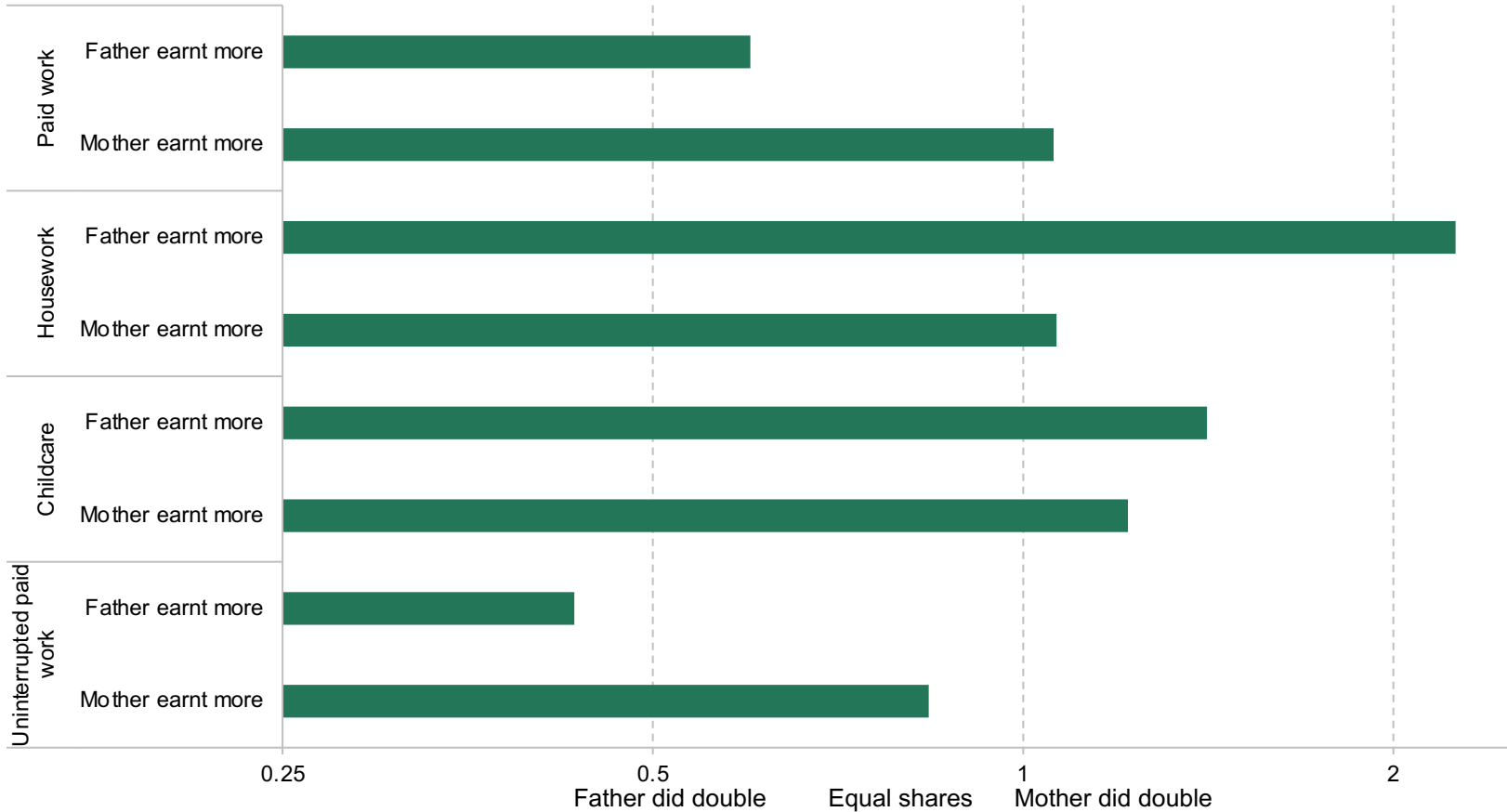


B. Man Earnt More



What drives gender gaps?

Hypothesis 1: Comparative Advantage



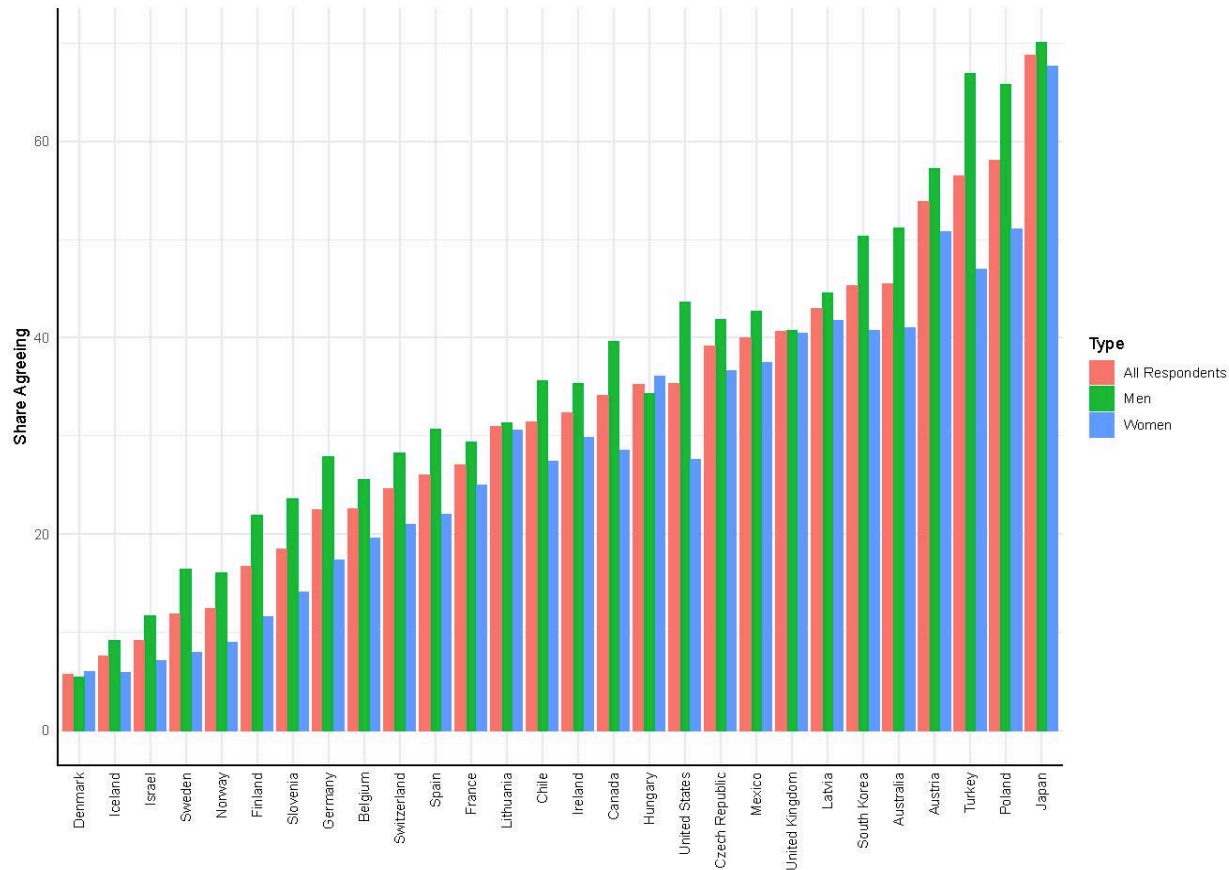
What drives gender gaps?

Hypothesis 2: Policy Environment

- Many aspects of the policy environment reinforce the status quo
 - E.g. parental leave, expensive childcare coupled with short hours
 - Inconsistency between job protection for mothers and gender neutrality in work place : impossible to make up for lost time
- At the same time, the impacts of new policies aiming to increase gender equality have often been underwhelming
 - E.g. low take up of shared parental leave
 - Small push unlikely to do the trick
- Gendered norms and fixed gender roles limit the impacts of many new policies

What drives gender gaps?

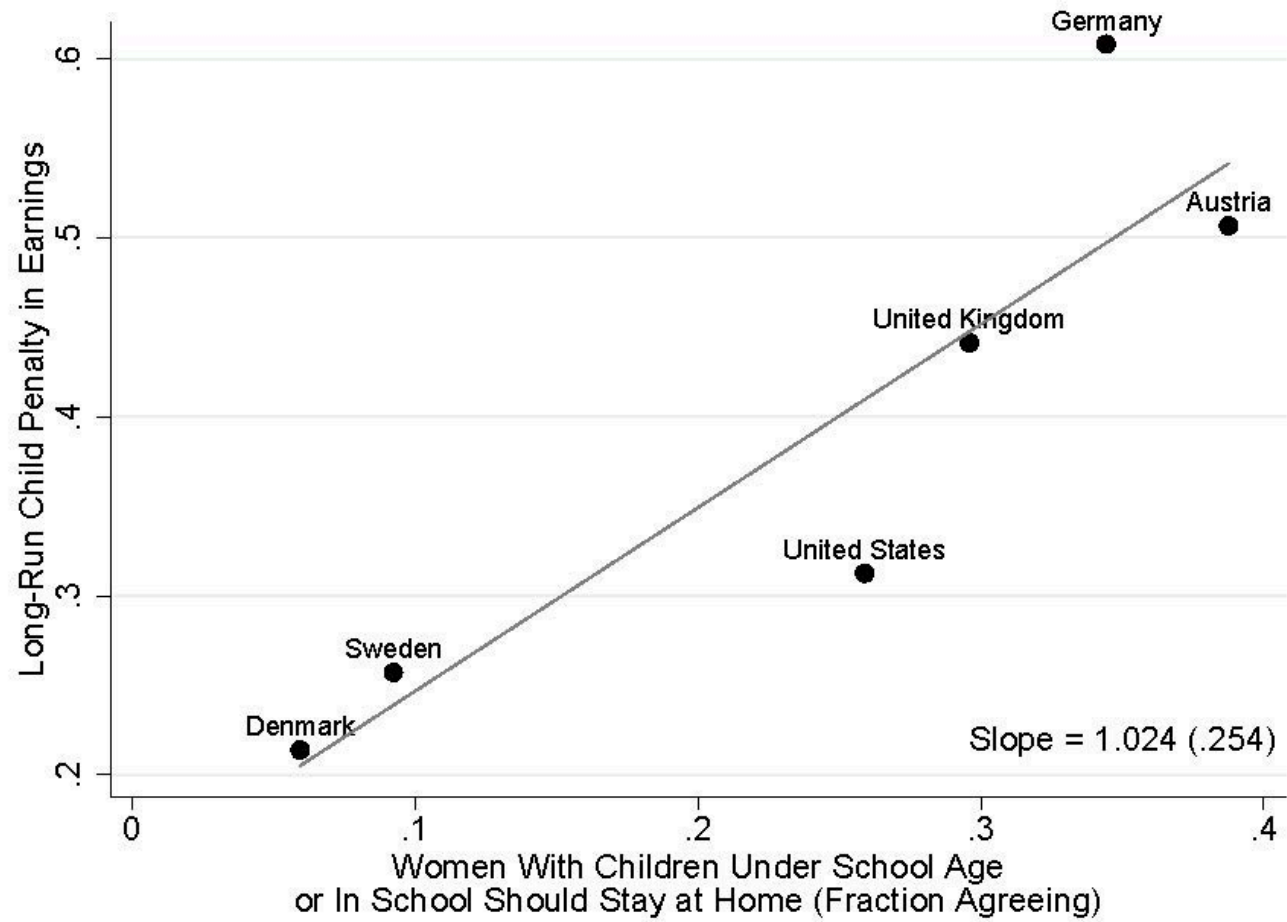
Hypothesis 3: Traditional attitudes



In the UK, 40% of adult men and women agree that 'A woman should stay at home when she has children under school age'

Attitudes towards gender roles

Correlation with child penalties



A way forward?

- Attitudes and social norms are not immutable.
- May change when a critical mass of people make choices outside of the existing norm
- Ambitious policies could have outsized impacts if they both:
 - address the financial and practical constraints to gender equality
 - begin to shift norms around the sharing of work
- Successful policies may even pay for themselves by putting women's and men's talents to better use
- New technologies may help... or not
 - WFH: flexibility or return to the 50s?
 - Expanding SE: freedom or subsistence?

THANK YOU!