

Millennials and the pay gap

Jacob Galley

Data show that the pay gap—the difference between men’s and women’s earnings—is narrowing. This phenomenon is being driven by the Millennial generation, which is composed of people ages 18–32. A recent publication by the Pew Research Center titled “[On pay gap, Millennial women near parity—for now](#)” (Pew Research Center, December 11, 2013) uses information from a Pew Research survey administered in October 2013 as well as statistics from the Census Bureau and the Bureau of Labor Statistics to shed light on the pay gap and Americans’ perceptions of it.

Over the 32-year period examined in the Pew Research study, only women’s wages made strides. In 1980, men earned an inflation-adjusted \$18.57 per hour, while women earned \$11.95 (in 2012 dollars). By 2012, the gap had diminished as men earned \$17.79 compared with women’s earnings of \$14.90. The study also showed that the hourly earnings of women ages 25–34 were 93 percent of the hourly earnings of men the same ages in 2012; in contrast, the proportion for women of all ages was 84 percent of men’s earnings.

A considerable amount of the change can be attributed to gains in educational attainment for women. Among people ages 25–32, 38 percent of women hold a bachelor’s degree compared with 31 percent of men, and higher educational attainment for women than men is expected to continue because current postsecondary enrollment rates are higher for women than men, 45 percent versus 38 percent, among 18–24 year olds in 2012.

The Pew Research study shows that 67 percent of those surveyed say that the United States needs to continue making changes to bring about equality in the workplace, while 29 percent believe the needed changes have already been made. Experts theorize that past and present differences in pay may be attributed, at least in part, to gender stereotypes, discrimination, professional networks that favor men, and women’s relative lack of willingness to negotiate for raises and promotions. Interestingly, when asked about their own workplace, most men (73 percent) and women (75 percent) say that men and women are paid about the same for performing the same work. The survey also found that men are more likely than women to want to be a top manager: 58 percent of Generation X (ages 33–48) men say they want to be the boss compared with only 41 percent of women in that same age group. Among the Millennial generation, men’s and women’s career goals are more similar as 70 percent of men and 61 percent of women would like to be a boss or top manager someday.

Some of the starkest differences between men’s and women’s views are evident in their responses to questions about children and careers. Among working parents, 51 percent of mothers and just 16 percent of fathers say having children makes it harder for them to advance in their career.

It follows that more mothers than fathers said their career had been interrupted in various ways by children. But there is no such gender gap among childless Millennials, as both men and women believe that having children will likely make it harder for them to advance in their career. Interestingly, although Millennial men and women appear to be starting their careers on fairly equal footing, Millennial women nonetheless believe that women face an uphill climb for equal treatment by society and by employers.