## Trying to close the gender pay gap — 60 years after the Equal Pay Act

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By Heather Furnas Updated June 2, 2023, 12:00 p.m.



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On June 10, 1963, President John F. Kennedy probably considered the gender pay gap closed after he signed the <u>Equal Pay Act</u> prohibiting wage discrimination on the basis of sex. Yet his own state of Massachusetts saw the need to pass the <u>2016 equal pay law</u>, and even now, women still earn <u>14 percent less</u> than men. Today hope hangs on two state Senate bills that would require salary transparency <u>within companies</u> (S.1191) and <u>by industry</u> (S.1181). Both have <u>been referred</u> to the Joint Committee on Labor and Workforce Development.

If research on Danish companies holds true in the United States, these bills, if passed, should help bridge the gap. In 2006, the Danish government mandated companies with 35 or more employees to report gender wage gaps. Not only did the pay gap narrow, but companies under mandate hired and promoted more women. That's great news, but not everyone works for a company. If we as a society don't address other factors that depress women's wages, the gap won't disappear.

A major wage-suppressor is children, at least for the women who have them. Before becoming parents, men and women earn about the same, according to a study of <a href="business school">business school</a> graduates by Princeton University economist Henrik Kleven, but after becoming parents, men earn 60 percent more than women. Mothers often grab jobs offering flexibility, <a href="whitealsoontenges">which alsoontenges</a> often pay less, an average drop of <a href="4">4</a> percent with each child, while fathers' wages <a href="increase 6">increase 6</a> percent with each child. Mothers seeking full-time employment can be hit with a "motherhood penalty," a term Stanford University sociologist Shelley Correll coined after she found that hiring managers would offer an interview twice as often to childless female candidates as to equally qualified mothers.

Childbearing isn't the only barrier women face. Even accounting for mothers' shorter work hours and <u>fathers' greater overtime</u>, the wage gap persists.

In my own field of medicine, we would expect an equal average hourly rate for male and female physicians in the same specialty — and yet <u>female doctors</u> earn 25 percent to 36 percent less than their male colleagues. <u>The pay gap is widest in the surgical subspecialties</u>, including in my own specialty of <u>plastic surgery</u>. The male surgeons bill 19 percent more than the female surgeons, so they earn more. The difference could be that female plastic surgeons work fewer hours or they turn down high-value cases, but a 2021 <u>JAMA Surgery study</u> points to a more troubling explanation. Most referring doctors — especially men — refer patients to male surgeons. With one exception: They refer patients with lower-valued, nonoperative needs to the female surgeons. The study's authors could identify <u>only one significant factor</u> determining referrals — the surgeon's sex.

The preference for men starts in training. Male and female medical faculty members tend to rate male residents higher in almost every category. But here's the kicker: Studies show that on average, patients with diabetes, heart attacks, and other diagnoses resulting in hospital admission have better outcomes when they are under the care of female physicians. US and Canadian surgical patients also fared better with female surgeons. Female doctors are more likely to explore patients' social circumstances, collaborate with colleagues, and follow guidelines — great for patients but no help in gaining raises, promotions, or high-value referrals.

Everyone, including medical faculty, is blind to their own <u>unconscious bias</u>, so <u>merit-based compensation systems</u> that include performance reviews often result in <u>lower pay</u> for women in the same job as higher-paid men. Despite available objective performance metrics, women who substantially <u>outperform men</u> often get no better recognition and <u>few promotions</u>. Astronomers at the Hubble Space Telescope figured out a way to work around decision makers' biases: For telescope access, applicants filled out <u>anonymized</u> forms — no names or pronouns — and female astronomers saw a dramatic rise in their reviewers' ratings.

Even if companies paid men and women equally for the same job, they often work in different industries. The manufacturing and construction jobs that attract men pay more than the caregiving and service jobs that attract women. Men's higher pay is often justified because they are 10 times more likely to be killed at work, but caretakers carry the responsibility for the lives

of the vulnerable — babies, children, and the elderly. The issue is bias more than risk — when a field attracts more women, <u>pay falls</u>.

It will take time to equalize wages for genderized jobs, but there is plenty to do now. If we get these things right, Kennedy's Equal Pay Act might finally result in equal pay for equal work.