

Women Need One More Degree Than Men to Earn the Same, Says New Georgetown University Study

Women have surpassed men in educational attainment, but their path to equal pay remains inhibited by discrimination and their concentration in low-paying majors and occupations

(Washington, D.C., February 27, 2018) Women are going to college and graduating in greater numbers than men. They are also increasingly pursuing high-paying majors in STEM and business. Yet, women still make just 81 cents for every dollar earned by men, according to new analysis from the Georgetown Center on Education and the Workforce (Georgetown Center). Even when comparing men and women with equal education, with the same college majors working in the same occupation, women still earn only 92 cents for every dollar earned by men, says the report, *Women Can't Win: Despite Making Educational Gains and Pursuing High-Wage Majors, Women Still Earn Less than Men*.

Earnings for women have always trailed those for men. Women have responded by going to college and enrolling in much greater numbers than men. Roughly 3 million more women in the United States are currently enrolled in postsecondary education than men. Women make up the majority of recipients of Associate's degrees (61%), Bachelor's degrees (57%), Master's degrees (60%), and Doctoral degrees (52%). Women's educational accomplishments have contributed to the narrowing of the gender wage gap. A woman earned just 57 cents for every dollar paid to a man in 1975, whereas now, a woman earns 81 cents on the dollar paid to a man. While education has reduced the gender wage gap, the report finds that it has not erased it.

"Women's earnings still lag their exceptional educational progress," said Anthony P. Carnevale, lead author of the report and director of the Georgetown Center. "At the heart of the gender wage gap is discrimination in pay for the same sets of qualifications and experience."

"The standard apology for the wage gap has been that women have less tenure in their jobs due to child care responsibilities," said Nicole Smith, co-author of the report and chief economist at the Georgetown Center. "However, close to 48 percent of women of childbearing age do not have children, and this does not seem to affect their earnings potential in a positive way."

Women have been using the postsecondary education system to help them enter lucrative fields—17 percent of engineering majors today are women, for example, compared to 1 percent in 1970. At the same time, women are as concentrated as ever in the lowest earning majors. About 76 percent of all education majors are now women, virtually unchanged since 1970. Also, 72 percent of psychology majors are women today, compared to 44 percent in 1970.

Even when women choose high-paying majors, they tend to select the least lucrative sub-majors. For example, in STEM women concentrate in biological and life sciences (54% women), one of the lowest paying majors, as opposed to engineering (17% women). More women are majoring in business, but their specific majors, such as human resources (65% of all HR majors are women), tend to be in the least lucrative of the possible choices. Only 33 percent of women major in finance, one of the more lucrative majors in business.

Even in high-paying occupational fields, women generally are not in the highest-paying occupations: 27 percent of CEOs, 44 percent of lawyers and 43 percent of physicians and surgeons are women. In comparison, 59 percent of market research analysts and marketing specialists, 85 percent of paralegals and legal assistants, and 89 percent of registered nurses are women.

Other report findings include:

- Socially and culturally bolstered sex-segregated interests and values contribute to differential choices of college majors and subsequent occupational choice.
- Career progress for women is inhibited because they are still disproportionately responsible for child care and extended family care.
- Women's labor force participation rates are low in the United States compared to many other developed nations. The other developed countries have smaller gender wage gaps and laws that are more supportive of women who have children or are taking care of elderly relatives.
- A small share of men can still make it with a high school diploma, but women need more than high school, and ideally at least a bachelor's degree to make family-sustaining wages.
- The wage gap grows with graduate school, in part, because women are concentrated in lower-paying Master's degrees in fields like education and counseling.

The Georgetown Center researchers found that a complex set of reasons has kept this gender wage disparity in place. When it comes to earning equal pay, without major social and legal changes, women seem to be at the mercy of six rules:

- **Rule 1:** Get one more degree in order to have the same earnings as a man.
- Rule 2: Pick majors that pay well, as major choice largely determines earnings.
- Rule 3: If you major in liberal arts, get a graduate degree to attain middle class earnings.
- Rule 4: Negotiate your first paycheck well, as it will impact your lifetime earnings. The gender wage gap increases with age, peaking by their early 50s.
- **Rule 5:** Be careful with postsecondary vocational certificates because they have limited labor market value for women.
- Rule 6: If you don't pursue a BA, consider getting an industry-based certification.

Access the full report and video for, *Women Can't Win: Despite Making Educational Gains and Pursuing High-Wage Majors*, *Women Still Earn Less than Men* at cew.georgetown.edu/GenderWageGap.

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