



## The Gender Wage Gap in Utah

### Setting the Stage

In 2016, American women earned approximately 20% less than men.<sup>1</sup> This gap has narrowed substantially since 1963, when the Equal Pay Act was passed and women earned 41% less than men;<sup>2</sup> yet a gap persists, and a half century later women are still paid less than men in almost every occupation.<sup>3</sup> In Utah, a woman earns approximately 71 cents per dollar that a man earns (though reports vary, several recent national studies show a gap between 70–71 cents), and according to the American Association for University Women, we have the nation's fourth-largest gender wage gap for year-round full-time workers.<sup>4</sup> With 43.9% of Utah's workforce comprised of women<sup>5</sup> and 72.1% of adult women participating in the paid workforce in the past 12 months (slightly higher than the national average of 71.5%),<sup>6</sup> this topic is highly relevant to the wellbeing of Utah women. Closing the gender wage gap will strengthen women's economic impact in their families, communities, and the state.

*Utah has one of the largest gender wage gaps in the nation; women earn 71 cents per dollar that a man earns.*

This research snapshot focuses on three main areas:

- 1) An overview of the gender wage gap and its definition, components, and significance;
- 2) An analysis of some of the unique factors leading to a large gender wage gap in Utah; and
- 3) A discussion of possible ways to close the gender wage gap in the state.

### Wage Gap Overview

Simply stated, the gender wage gap is the difference between what women and men earn for paid work. The gap can be measured in many ways, and as metrics become more specific and comprehensive, the gap generally narrows, but remains significant.<sup>7</sup> The gap is a complicated and disputed topic,<sup>8</sup> and some argue it is a myth or simply the result of women's choices. It is impossible to identify a single explanation for the gender wage gap due to the interconnected web of related factors,<sup>9</sup> including educational attainment, recruitment practices, negotiation skills and expectations, job assignment and type of work, hours worked, occupational segregation, occupational tenure,

lower earnings in traditionally female occupations, time spent on family care, and discrimination based on gender, compounded by race/ethnicity and age.

The gender wage gap is a crucial component of gender equality in the overall economy,<sup>10</sup> and though the gap narrowed considerably from 1970–1990, largely because of increased educational attainment and workforce participation among women, the rate of progress has slowed since the 1990s.<sup>11</sup> Additionally, though researchers can identify many factors leading to a wage gap, some elements remain unexplained and unquantifiable. Recent studies have shown an 8% wage gap in the U.S. workforce when men and women have comparable factors.<sup>12</sup> Researchers at Cornell University suggest the underlying reason for the gap is that “Work done by women simply isn't valued as highly.”<sup>13</sup> Their research shows that when women enter a male-dominated field, the pay drops, and conversely, when men enter fields where women have held the majority of jobs, wages increase. These scholars assert that a substantial portion of the gap can be attributed to “pure discrimination.” Proponents of gender pay equity assert that whether or not factors are easy to quantify, we must address all facets of the wage gap in order to reduce it.<sup>14</sup>

The generally accepted U.S. wage gap of 80 cents on the dollar is based on all workers performing full-time, year round paid work. When the gap is measured by weekly or hourly work, it is smaller, but it excludes such items as annual bonuses, which can be a substantial part of overall pay.<sup>15</sup> There are many identifiable factors that may play into the disparity. For example, the gender wage gap is narrower for younger workers but increases as they age. A recent study showed a 7% pay gap between men and women one year out of college, even when controlling for college major, industry and job choice, and other factors.<sup>16</sup> Over time, the gap grows for various reasons, including breaks in labor force participation, which would decrease relative experience and possibly relevant skills. Time spent out of the workforce can have a major effect on earnings, and the wage gap is, in fact, smaller for older women who have worked continuously through their careers.<sup>17</sup> A wage gap factor often related to time spent out of the workforce is motherhood, and research has repeatedly shown a professional “motherhood penalty,” specifi-

cally in pay but also in other areas of career success, such as the failure to be promoted as rapidly as men. Working fathers do not experience such setbacks.<sup>18</sup>

While the pay gap is substantial among all American women, it is even higher among women from specific racial and ethnic groups. Compared to U.S. White men, White women earn 75.3%, Black women earn 63.3%, Native American women earn 57.7%, and Hispanic/Latina women earn 54.4%.<sup>19</sup> Hence gender and race compound to increase the pay gap. Additionally, all women nationally earn less than men in their same racial or ethnic groups.<sup>20</sup> The combination of gender and race widens the pay gap even more in Utah, where Black women earn only 56%, Native American women earn 51%, and Hispanic/Latina women make 47% of what White men make.<sup>21</sup>

Occupational segregation (the tendency for some jobs and industries to be heavily occupied by one gender) has always been a major factor in the wage gap, as male-dominated fields generally pay more than those that are dominated by women.<sup>22</sup> Yet scholars also recognize there are major discrepancies between men's and women's pay even within the same occupations and that increasing the parity within such occupations is necessary.<sup>23</sup> Certain occupations have a greater disparity in wages than others, especially those that reward traditional practices such as long, inflexible work days. For example, a recent national study showed occupations categorized as "business" had the largest difference, whereas those labeled "technology" had the smallest. In fact, women younger than 45 in some technology and science occupations actually earned more than men.<sup>24</sup> Researchers hypothesized that the parity in wages in the technology sector could exist in part because "tech appears to enable women to work part-time or to work more flexibly."<sup>25</sup>

Several other factors are commonly recognized as playing a role in the gender wage gap, including women being less likely to negotiate aggressively for a salary, or being penalized or unsuccessful when trying to do so.<sup>26</sup> This is largely because of socialization (women are not taught to ask for what they need),<sup>27</sup> but also from the unconscious bias that arises when women break social norms and negotiate for themselves and employers respond negatively. In addition, women nationwide do more unpaid care work than men, which often means women are more likely to work part-time or give up promotions. In Utah, the gap between men's and women's share of unpaid work is higher than the national average.<sup>28</sup> These factors can contribute to a lifetime of lower earnings.

## The Wage Gap in Utah

Despite Utah having some of the fastest-growing incomes in the United States,<sup>29</sup> Utah's prosperity does not necessarily extend to all segments of the population, specifically working women. Utah has unique cultural and demographic factors that may contribute to the high gender wage gap. For example, about 60% of Utahns identify as members of the Church of Jesus Christ of Latter-day Saints (Mormon).<sup>30</sup> Mormon culture emphasizes marriage and motherhood as a high priority for women, which is demonstrated by the fact that Utah has the nation's highest marriage rate, the earliest age for marriage,<sup>31</sup> the second-highest fertility rate,<sup>32</sup> and the largest average household size.<sup>33</sup> These factors contribute to the high gender wage gap, since many women in the state prioritize family during their key earning years, which can leave them at a disadvantage in wage potential and actual pay.

Some may believe the large gap is not a concern for many Utah women who choose to prioritize family over career, yet despite common perceptions that Utah women are primarily homemakers, they are actually found in the labor force in similar percentages as the rest of the nation. This includes both married women and the many thousands of Utah women who are single and are both breadwinner and homemaker. However, despite the high rate of women in the workforce, many are very likely to have lower-paying jobs with little career advancement. Occupational segregation is prevalent, with many women clustered in job sectors that pay well below the state average. Please see our previous research snapshot, [Labor Force Participation Among Utah Women](#), for more information.

Experts have noted that some women in Utah fail to plan adequately for a workforce career, since they assume motherhood will be their "prime career."<sup>34</sup> With that assumption, it is reasonable to think that women, who may already see themselves in a weaker position to negotiate than men, may not assert themselves in recruiting and salary conversations if they do not consider their careers to be long term. This cultural assumption may also impact employers' hiring, pay, and promotion decisions. Some Utah women work in low-wage jobs to help make ends meet or to obtain benefits, but they do not ever consider themselves on a career track, despite working for many years.<sup>35</sup> Also, the expectation by some women that they won't work outside the home leads to less educational preparation. Utah women are less likely than men to earn graduate or professional degrees,<sup>36</sup> which would lead to higher-paying jobs. Utah women have moved more slowly than women nationally into careers that have traditionally been male dominated and higher paying.<sup>37</sup> Another possible factor in the wage gap is that some Utah men

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may be able to take on more rigorous and time-intensive careers, thereby boosting their earnings, since many have the support of a stay-at-home spouse. Utah has the largest gap in the nation between fathers' and mothers' participation in the labor force.<sup>38</sup>

Recent events have shown a divide in public attitudes regarding the gender wage gap in Utah. In 2017 State Senator Jake Anderegg, R-Lehi, sponsored Senate Bill 210, which proposed a study to investigate the gender pay gap. Due to lack of support, it failed in the legislative session.<sup>39</sup> In response to this proposed legislation, a local political leader wrote a letter to the editor claiming that equal pay for women would hurt men. He wrote, "If businesses are forced to pay women the same as male earnings, that means they will have to reduce the pay for the men they employ, simple economics."<sup>40</sup> This letter received widespread (even national) attention and backlash. Critics argued that such attitudes about "breadwinning" vs. "staying in the home" were antiquated and harmful and would make it harder for "Utah families to flourish and for our businesses to compete and rise on a national stage."<sup>41</sup>

## Closing the Gender Wage Gap in Utah

The gender wage gap is a complex, multi-faceted issue that affects everyone, especially the 42% of American women who are the primary or sole breadwinner in their homes. This number is much lower in Utah, 26.3%, the lowest rate in the nation. Still, 46.4% of Utah women contribute at least 25% of their family's total income, which means that women's relatively low wages do affect Utah households and families.<sup>42</sup> Furthermore, there are 88,000 families in Utah that have a female head of household, and more than 25% of these households live below the poverty line.<sup>43</sup> The poverty level is even higher (37.5%) for female headed households with children under 18, and when children under age five are present, the poverty rate is 46.9%.<sup>44</sup> Because of the very low household income, most of these families rely on public assistance in one form or another. Reducing the wage gap is a critical goal, yet it will take concerted efforts by many stakeholders, including educators, corporations, and legislators.

From an educational standpoint, girls in Utah need encouragement to attend and graduate from college, particularly at the bachelor's degree level and higher. Young people also need a clear understanding of the realities of the Utah labor force, including the fact that most women will likely be employed for much of their lives, so they can plan accordingly.<sup>45</sup> Women of all ages would benefit from a greater awareness of the career opportunities available to them, including those in occupations and industries currently dominated by men, many of which are much higher paying. Additionally, there are numerous organizations within the state that instruct and support women who

are wishing to re-launch into careers after time spent away from the workforce. It is imperative to deliver these services to the women who need them most, including low-income women who may work for many years in low-wage jobs and are unlikely to advance without training and support.

Forward-thinking companies who wish to thrive in a time of low unemployment and a tight labor market<sup>46</sup> would do well to explore flexible work arrangements and alternative career pathways for women who are highly capable and skilled but may not fit into the standard eight-to-five mold. This flexibility would allow some women to pursue better-paying jobs and fill much-needed positions in the workplace while still maintaining favorable work-life integration. This would also require all family members to renegotiate some of the unpaid care responsibilities within households to allow employed men and women the opportunity to thrive both personally and professionally.

Finally, policy makers could create and strengthen laws that would support pay equity. Utah has some existing legal protection for equal pay, but that protection is considered to be "weak,"<sup>47</sup> and more can be done to help women who are, in some cases, fighting outright discrimination. In addition to more robust equal pay regulations, efforts to require transparency surrounding wages, increase access to affordable childcare, and encourage greater access to family leave (for both men and women) would also help to narrow the wage gap.

## Conclusion

Rather than arguing "if" there is a gender wage gap in Utah, efforts could be better spent on "why" there is a wage gap and addressing specific factors contributing to it. Actions by individuals, companies, universities, government, and other community organizations to remove the barriers to equal pay will improve the lives of Utah's women and their families and boost the economic well-being of all.

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*Acknowledgement:* This snapshot is possible through the generous donations of the Utah Women's Giving Circle, the Peterson Family Foundation, and the Woodbury School of Business at Utah Valley University. Special thanks to Alex Peterson for her preliminary research and to Lecia Langston, Erin Jemison, Representative Rebecca Chavez Houck, Senator Jani Iwamoto, and Tonja Bowen Bishop for their valuable feedback.

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