

Recent Trends and Current Sources of the Gender Wage Gap in the U.S.

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Abstract

Between 1983 and 2001 the female to male hourly wage ratio increased from 70% to 80%. I use the Current Population Survey (CPS) outgoing rotation groups, merged with data on occupational characteristics, to identify basic sources of that trend and the National Longitudinal Survey of Youth, 1979 cohort (NLSY79) to analyze in more depth the gender gap for workers ages 35-43 in 2000. The CPS analysis indicates that gender differences in basic demographic variables accounted for a larger share of the unadjusted wage gap in the 1980s than in the 1990s, primarily because of convergence in schooling. Years of work experience are not measured in the CPS. However, I infer that the gender gap in *actual* work experience is likely to have continued to narrow in the 1990s (it is known to have narrowed in the 80's) because women's returns to *potential* experience continued to increase relative to men's; and this was a significant factor in narrowing the unadjusted wage gap. (My inference is based on the presumption that the return to *potential* experience in part reflects the ratio of *actual* to *potential* experience.) However, women and men continue to be employed in quite different occupations. As other factors have converged, occupational characteristics, reflecting features that are compatible with women's dual home/market roles, account for a larger component of the wage gap. Adjusted for male-female differences in demographic, workplace and occupational characteristics, the female/male wage ratio rose from 84% in 1983 to 90% in 2001.

Analysis of data from the NLSY show that the gross log wage differential in 2000 was 0.246, corresponding to a wage ratio of 78.2%. Years of schooling and scores on the AFQT explain little of the differential. But actual work experience accounts for up to half of the wage gap, depending on the model. When child-related, occupational and workplace characteristics are included along with human capital variables, the unexplained gap is reduced to 0.05 and adding the percent female in the occupation further reduces the gap to 0.025. Separate analysis of the NLSY cohort by education reveals that the gender gap in work experience accounts for a particularly large share of the high school wage gap. At the high school level the wage gap falls to 3% accounting only for work experience and other human capital variables; it is eliminated when occupational characteristics and a variable measuring the %female in the occupation are added. The unadjusted wage gap is larger for college graduates than it is at the high school level. Field of college major—a harbinger of occupational choice—accounts for a significant share of the gap. The residual gap is about 6 percentage points when both field of college major and occupational characteristics are included. I conclude that the unadjusted gender gap can be explained to a large extent by non-discriminatory factors. Those factors seem rooted in the role differential between women and men in the home.

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Over the past 50 years the labor force participation rates of women and men have converged considerably (Figure 1). In 1948, 32 percent of women were in the labor force. By 2002 this percentage had increased to about 61, not very far below the 76 percent participation rate of men, which had declined by 13 percentage points over the same period. An important element in this change was the dramatic rise in market work among married women with children under the age of 18 whose labor force participation increased from a rate of 18 percent in 1950 to 71 percent in 2000.

Thus, over the years, at the stages in the life cycle considered to be the prime years of labor force activity, women shifted much of their time from home-based to market-based activities. (The convergence in labor force participation is particularly striking for men and women in the 25- 54 year old age range, shown separately for ages 25-34 and 45-54 in Figure 2.)

However, for much of the last 50 years the rise in women's labor force activity and its growing convergence with that of men did not appear to be matched by a narrowing of the gender gap in pay. Between 1955 and 1980, the most commonly cited measure of that gap--the female to male ratio of median annual earnings of full-time year-round workers--hovered around 60 percent. But using the same measure, the ratio began to rise after 1980, reaching 69 percent in 1989 and 74 percent in the mid 1990s, after which it leveled off. Based on a more accurate measure of wage rates --the average hourly wage (available since 1979)-- the gender gap is smaller, but the pattern of change is similar and the ratio rises from 66 percent in 1979 to 80 percent in 1993 and then stabilizes (Figure 3). The hourly wage gap has narrowed at all ages and education levels during the 1979-2001 period, although the pattern of change differs somewhat

(Figure 4). During the 1980s the 25-34 year old group experienced the greatest narrowing both at the high school and college levels, while the gap for these groups widened somewhat in the 1990s. However, the gap at ages 45-54 continued to narrow in the 1990s at both education levels.¹

For reasons I expand on below, a "true" measure of the gender wage gap must take into account other important work-related differences between women and men than differences in hours worked, age and education. Due to their greater share of family responsibilities, women still do not acquire as much work experience as men. Moreover, the demands of home also can influence career and work choices. The trade-offs involved in such choices can be difficult to measure, but I believe they have become an increasingly important component of the remaining wage gap.

In this paper, I first review the trend in the hourly wage gap over the period 1979-2001 and consider the effect on the wage gap of gender differences in readily available measures of skill and other factors that affect wages such as schooling and characteristics of the occupation and workplace. For this part of the analysis I use the outgoing rotation groups of the Current Population Survey (CPS ORG) merged with data on occupational characteristics. The CPS, however, has well known and important limitations for analyzing gender differences, such as the lack of measures of lifetime work experience. I then turn to an analysis of the current (2000) gender gap, using data from the National Longitudinal Survey of Youth (NLSY79).

¹ The same difference in the pattern of convergence over time by age prevails when the data are disaggregated by percentile point in the wage distribution.(See Appendix Figure 1.) Within an age group the patterns are quite similar at all points in the distribution.

I. Special Factors Underlying Gender Differences in Skills

In comparing the earnings of different demographic groups it is usually important to examine the effect of productivity differences between the groups that might account for any earnings differential. In the case of differences in earnings between racial and ethnic groups of the same sex, productivity differences most often stem from differences in the quantity and quality of education and other human capital acquired at home as well as in school. Differences in productivity between men and women, however, are not likely to be due to differences in social and educational background. Sisters and brothers are generally exposed to the same parental environment and attend the same quality schools. Their current educational attainment and their cognitive skills, as measured by achievement test scores, are similar.

Instead, the main source of productivity differences between women and men stems from the lesser amount of time and energy that many women can commit to labor market careers as a result of the division of labor within the family.² And even though women's home responsibilities have fallen dramatically over the past fifty years, they are nonetheless, still significant. Consequently, women are less likely than men to work continuously after leaving school and therefore are less likely to gain experience that can only be acquired on the job. In addition, anticipation of child related work interruptions and the need to coordinate home responsibilities with market work are likely to influence choice of occupation and type of firm.

One can argue whether the source of these gender role differences is a form of societal discrimination rather than an outcome of biological and other deeply rooted psychological and

² In an extension of his work on the economics of the family Gary Becker has developed a model of the allocation of energy which shows how the energy demands of childcare and housework reduce the energy available for market work (Becker, 1985).

cultural factors. However, by the time they are old enough to make choices many women make different choices than men regarding the extent of career attachment.

Current data continue to show the strong effect of the presence of children, particularly young children, on work participation and on hours of work among those who do work. In March, 2001, at ages 25-44, the prime period for career development, 34 percent of women with children under the age of six were out of the labor force, compared to 16 percent of women without children. Thirty percent of employed mothers worked part-time, compared to 11 percent of women with no children. Among men, however, the presence of children is associated with an increase in work involvement. Only four percent of men with children under the age of six are out of the labor force, and among employed fathers only two percent work part-time.

Home responsibilities are also likely to have an impact on the scope and conditions of market work even among women employed full-time who as shown in time-use data continue to assume primary responsibility for child-care and other home-related work. The 1975-76 Michigan time-use study found that married women employed full-time, spent almost 25 hours per week on work in the home and close to 39 hours a week on market work (including travel time to work). Married men with a full-time job averaged 12 hours a week of home work activities and close to 48 hours a week on market work. There is some evidence that between the 70's and 80's women further reduced time spent doing domestic work while men increased it (Juster and Stafford, 1991; Blau, 1998). Moreover, this pattern was observed in other developed countries. However, in all the countries examined a significant gender gap remained in the allocation of time to housework and market. Women's continuing involvement in child care and other home responsibilities, even while working full-time, is bound to reduce energy available for market work and influence the type of jobs that women seek (Becker, 1985).

The expectation of withdrawals from the labor force and the need to work fewer hours during the week are likely to influence the type of occupations that women train for and ultimately pursue. More subtle factors such as the level of stress at work and the ability to take unplanned time off for family emergencies are also likely to influence the choice of occupation and work place. Thus certain characteristics of jobs may affect women's occupational choices because they are particularly compatible or incompatible with women's dual home/market roles. These adaptive occupational choices will tend to lower the market earnings of women relative to men.

For example, some occupations require lengthy investment in skills with applicability only to highly specific market activities (e.g., aerospace engineer, surgeon, top management in large, complex organizations). The pay-off to such investments is obviously reduced when years in the labor force are reduced. Moreover, skills depreciate during periods of withdrawal from work (Jacob Mincer and Haim Ofek, 1982); and the rate of depreciation is likely to vary depending on the rate of technological change and obsolescence of the skills acquired. Fields such as physics, where knowledge depreciates rapidly have disproportionately fewer women. Other types of schooling and training are more general in their applicability to different situations and impart skills that are less prone to depreciate. For example, nursing and teaching skills are valuable to mothers and can be practiced widely in different settings with relatively little additional firm-specific training.

Although women have greatly increased their participation in higher education and now account for more than half of the bachelor's and master's degrees granted in the United States women still differ significantly in the field of their degrees. Consistent with the findings discussed above, women are less likely than men to take advanced degrees in fields with high

rates of depreciation because of rapid technological change, or in fields strictly limited to market applications with little spillover to home or leisure activities. For example, women earned 39 percent of all Ph.D's awarded in 1995, but earned only 12 percent of Ph.D's in engineering, 18 percent of those in computer science, 24 percent of those in the physical sciences, 25 percent of those in economics and 7 percent of those in finance. However, women earned 62 percent of Ph.D's in education, 57 percent of those in English literature and 64 percent of those in fine arts. At the Masters level women earn 55 percent of all Masters degrees, but account for 37 percent of Masters in Business Administration (MBA's) and within the business fields, only 28 percent of those in finance.

Certain characteristics of the work place are more compatible with women's home responsibilities than others. The depreciation in skills and earnings related to complete withdrawal from the labor force may be ameliorated by work situations that accommodate the need for less demanding work while raising a family. Part-time work is the most obvious manifestation of this adjustment. Even if a woman does not always work part-time she may be more likely to choose an occupation or job setting that provides a shorter and/or more flexible work week in the event it may be needed, or a more informal work setting where time off for unpredictable events is acceptable.

Both work attachment and the choice of occupation are expected to be important determinants of women's earnings and important factors underlying the gender wage gap. In the analysis discussed below I incorporate measures and proxies for these factors. I examine the factors associated with changing level of the wage gap over the past two decades using data from the CPS and then examine sources of the current differential for a cohort of workers using the more comprehensive and detailed variables of the NLSY.

II. Findings from the Current Population Survey: 1979-2001

The CPS analysis is based on data from the CPS outgoing rotation group files (CPS ORG) merged with data on occupational characteristics from the Department of Labor's Fourth Dictionary of Occupational Titles (DOT), 1991 revision. The analysis includes part-time and full-time wage and salary workers, ages 20-60.

The major changes that have occurred during the 1979-2001 period in the gender differential in earnings-related characteristics are detailed in Table 1.

Women continue to be much more likely than men to work part-time (19% versus 5% in 2001) although that difference narrowed. With respect to education, women gained relative to men at the college level. By 2001 they were somewhat more likely than men to be college graduates and were almost as likely to receive a higher degree. Women also have been entering occupations requiring more job-specific skills, as measured by SVP (specific vocational preparation), the time required to attain the average level of proficiency in an occupation--a DOT variable. The gender gap in SVP declined by almost half between 1984 and 1994 and has since declined further, but at a slower rate.

Women and men remain, however, in occupations that are disproportionately female or male. In 2001 women on average worked in occupations in which the percent female was close to 68%; men worked in occupations that were only 30 % female. The percent female in an occupation is one simple way of measuring the characteristics of an occupation that are conducive to women's particular needs. However, in the CPS analysis I have taken the more direct path of including specific characteristics of occupations as individual variables.³

³ The occupational variables include, in addition to SVP, whether the occupation was blue collar, the percent of workers in the occupation that worked part-time, the percent that worked 47 hours a week or more, the proportion in the occupation that left the labor force from one year to the next, and a series of variables that could lead to

Returns to “potential experience”. As a number of studies have shown, there is evidence that the actual years of lifetime work experience of employed women increased during the 1980s (M.Anne Hill and June O'Neill, 1992). In fact, the narrowing of the work experience gap was a key factor causing the gender wage gap to narrow during the 80's (June O'Neill and Solomon Polachek, 1993; Francine Blau and Lawrence Kahn, 1997). Nonetheless, longitudinal data show that a significant experience gap remains. The CPS, however, contains no direct measure of years of work experience. The standard way of inferring past work experience in the CPS is to construct "potential experience" ---essentially the number of years since leaving school (or since age 17, if the person left school at a younger age). Actual experience is reasonably close to potential experience for men. For women that is not the case. The return to potential experience is typically lower for women than for men, and the fact that the difference between actual and potential experience is larger for women than for men, likely accounts for at least part of the difference in returns. Therefore, if women's actual experience has been catching up to their potential experience one would expect that the effect of potential experience on the female wage rate would increase over time for women, and more so than for men, if the return to experience generally was rising for other reasons.

As shown in Table 2, that is in fact what has happened. I have conducted a series of annual cross-sectional regressions for the years 1979-2001, separately by sex, in which the log wage is regressed on potential experience (quadratic specification), schooling, whether worked part-time and basic demographic controls. The results indicate that evaluated at 15 years of potential experience, the return for both women and men increased from 1979 until about 1995 after which it declined somewhat. However, women's returns to potential experience increased

compensating wage differences because of hazardous conditions, fumes, high noise levels, lifting requirements, and exposure to outdoor conditions.

much more rapidly than men's, and the difference between men and women narrowed sharply. This suggests that the relative quantity and/or quality of women's accumulated work experience probably continued to rise through 2001.

The return to higher levels of schooling--college grad vs. HS grad and post college schooling vs. college grad-- are also given in Table 1. Women have had higher returns than men in both. Women's higher return to schooling at the college level and beyond may reflect in part a return to work experience since actual work experience is not held constant in the CPS regressions and lifetime work experience of women is positively related to schooling. Using the NLSY and holding actual work experience constant I find somewhat higher returns to education for men when I compare men and women of the same age in both the CPS and the NLSY. Similarly the effect of schooling increases for women relative to men when work experience variables are omitted in NLSY regressions.

The "adjusted" wage gap using available CPS variables. To discern the effect of gender differences in characteristics on the wage gap and how the relation may have changed, I have conducted a series of standard decompositions based on the results of the CPS annual regressions using different model specifications. The adjustments address the question of how much the wage gap would change if women had the same characteristics as men and the difference in characteristics was evaluated by the male (or female) coefficient associated with each variable.

The results are displayed in Figure 5 (male coefficients) and Figure 6 (female coefficients).⁴ Three model specifications are shown and contrasted with the unadjusted female/male wage ratio. Using the male coefficients, Model 1, which adjusts for potential experience,

⁴ Regression specifications and complete results are available on request from the author.

schooling, whether worked part-time, and basic demographic controls, raises the wage ratio by about five percentage points in the early years, but by only 3.5 percentage points in the later years. (The declining male-female differential in characteristics such as part-time work and higher education help account for the decline in the difference between the unadjusted and adjusted wage ratios.) The wage adjustment is smaller when female coefficients are used, primarily because the wage penalty for part-time work is lower for women than for men

Model 2 adds a series of variables measuring occupational characteristics including SVP and other variables that are proxies for aspects of working conditions (see footnote _below.). Occupational characteristics account for a more substantial portion of the wage gap. (I have not added these variables prior to 1983 because of the major change in occupational codes.). The female/male wage ratio, adjusted for all model 2 variables, increased from 84 percent in 1983 to 90 percent in 2001; the unadjusted ratio rose from 70 percent to 80 percent over the same period. The addition of FEM (Model 3), the proportion female in the respondent's occupation, has little effect on the results, suggesting that FEM is highly correlated with occupational characteristics.⁵

The effects are smaller when female coefficients are used, largely because women's earnings are less negatively affected by working in occupations that provide part-time work and allow for labor force turnover. Men who work in part-time jobs typically do so involuntarily because of a temporary problem, such as a job loss. It is also likely that jobs that women take that are not part-time offer other, less readily observable features that accommodate women's need for flexibility. Therefore the pay differential between part-time and full-time jobs may be weakened in the case of women.

⁵ In an extensive analysis of the effect of occupation on the gender wage gap, David Macpherson and Barry Hirsch (1995) find that the effect of FEM on the wage rate is sensitive to model specifications and is negative and significant in female as well as in male regressions under certain specifications.

In sum, however, even with the relatively skimpy variables available in the CPS, the adjusted pay gap is much smaller than the unadjusted ratio would indicate.

III. Findings from the NLSY

Analysis of data from the NLSY79 permits a more complete assessment of the extent to which important differences in human capital and job and occupational characteristics can explain the gender gap in wages. The analysis uses the 2000 NLSY when the cohort has reached ages 35-43.

Table 3 lists and defines variables. Table 4 displays the differences in the characteristics of the NLSY men and women at all educational levels and as well as separately for those with no more than a high school education and for those with one year of college or more. Table 5 shows the proportion of the wage gap "explained" by sets of variables in three model specifications, using alternatively, male and female coefficients. (Regression results are provided in the Appendix.) Here are the highlights:

1. The gross log wage differential in 2000 was 0.246, corresponding to a wage ratio of 78.2%. Years of schooling and scores on the AFQT explain hardly any of the differential because women and men differ little in these characteristics.
2. Differences in the various aspects of actual work experience account for much of the gap. (Work experience variables include full-year equivalent years of work experience, which is measured as the total number of weeks worked since age 18 divided by 52, as well as the proportion of lifetime weeks worked that were part-time, full-year equivalent tenure on current job and the number of years out of the labor force.) Using Model 1, a basic human capital specification, work experience accounts for 0.1343 of the unadjusted log wage gap, which is more than half of the whole wage gap and 70 percent of the explained portion of

the gap with male coefficients. Although it is reduced, the contribution of work experience remains large when other, inter-correlated variables are added as in Models 2 and 3.

3. Using model 1 with female coefficients, the vector of work experience variables accounts for less of the log wage differential--0.0845, primarily because part-time work and years out of the labor force have a significant, but much weaker negative effect on women's wages than on men's. That is consistent with the results of the CPS regression analysis. Citing care of children as a reason for being out of the labor force is associated with a somewhat stronger negative effect on pay for women than it is for men. (Note that 58% of women and only 13 % of men cite care of children.) However, working for a non-profit firm or for the government has a weaker negative effect on pay for women than it does for men.
4. Together, all of the Model 1 variables using male coefficients explain 0.1880 of the log wage gap, leaving an unexplained gap of 0.0583. Using female coefficients the unexplained gap is reduced to 0.1078.
5. The addition of occupational characteristics in Model 2 reduces the unexplained portion of the gap only slightly-- to 0.0506 with male coefficients and to 0.0900 using female characteristics.
6. Model 3 adds the variable FEM, the percent female in the occupation. For men FEM has a strong negative effect. It accounts for 0.0436 of the gap and reduces the effect of the occupational characteristics with which it is obviously correlated. But in the separate regressions for women, the effect of FEM is weak but positive and consequently has no effect on the outcome. Including all of the variables in Model 3 reduces the unexplained gap to 0.0253, a wage ratio of 97.5%. The comparable ratio using female coefficients is 91.3%.

I have conducted additional analysis of the NLSY cohort separately by schooling level. (See Table 6 for the results for those with no more than a high school education and Table 7 for those with one or more years of college.)

Gender differences in work experience are much greater at the high school level than they are for college grads. Consequently, work experience accounts for a particularly large share of the gap. At the high school level the wage gap falls to 3% using Model 1; it is eliminated when occupational characteristics and FEM are added.

The unadjusted wage gap is larger for college graduates than it is at the high school level. Field of college major—a harbinger of occupational choice—accounts for a significant amount of the gap, a result consistent with that of Charles Brown and Mary Corcoran (1997). At the college graduate level FEM does not have a significant effect on the outcome. The results are similar whether the male or female coefficients are used. The unexplained gap is about 6 percentage points when both field of college major and occupational characteristics are included, and that is the case using either the male or female coefficients.

IV. Concluding Comments

Understanding the gender gap in pay is important because even in the absence of any labor market discrimination it is unlikely that the wage rates of women and men would be equal. As I have shown in this paper, the unadjusted gender gap can be explained to a large extent by non-discriminatory factors. Skill differences between men and women have narrowed when measured in terms of schooling or even as actual years of work experience. However, other differences in work investments appear to have changed much more slowly. Women continue to work part-time more than men and to choose work situations such as work in non-profit institutions and occupations that can more easily be accommodated with home responsibilities.

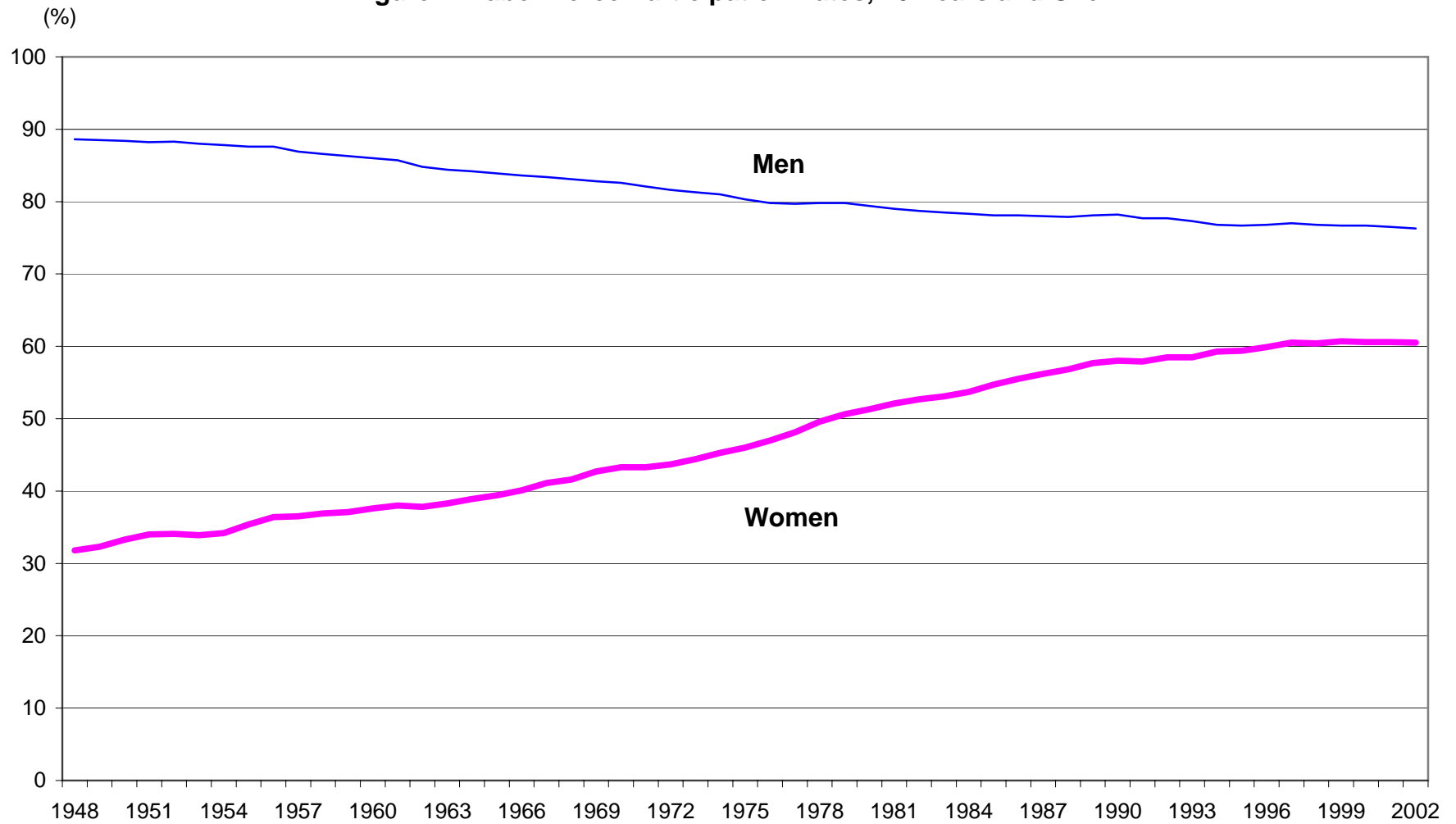
Those factors are unlikely to change radically in the near future unless the roles of women and men in the home become more nearly identical.

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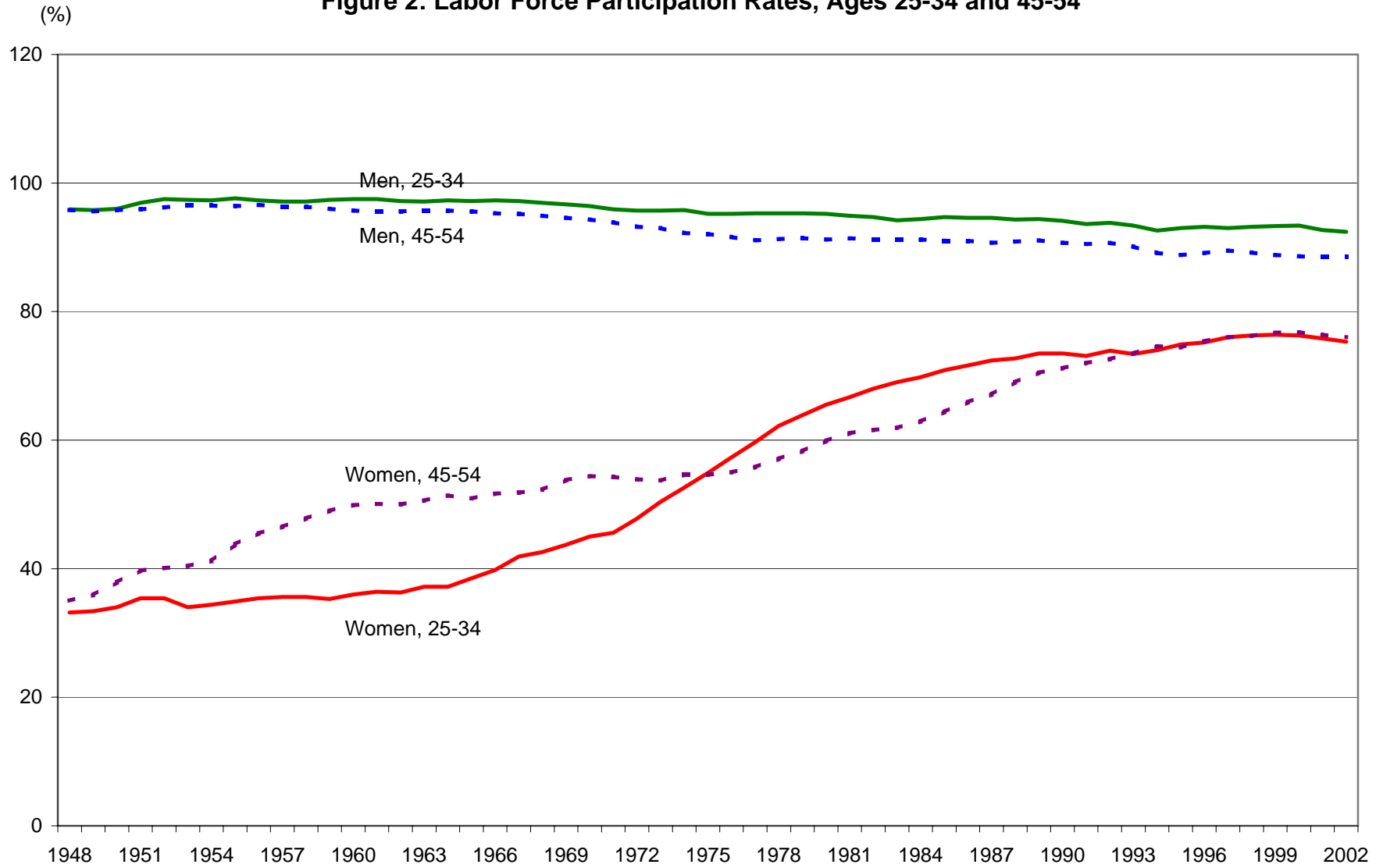
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Figure 1: Labor Force Participation Rates, 20 Years and Over



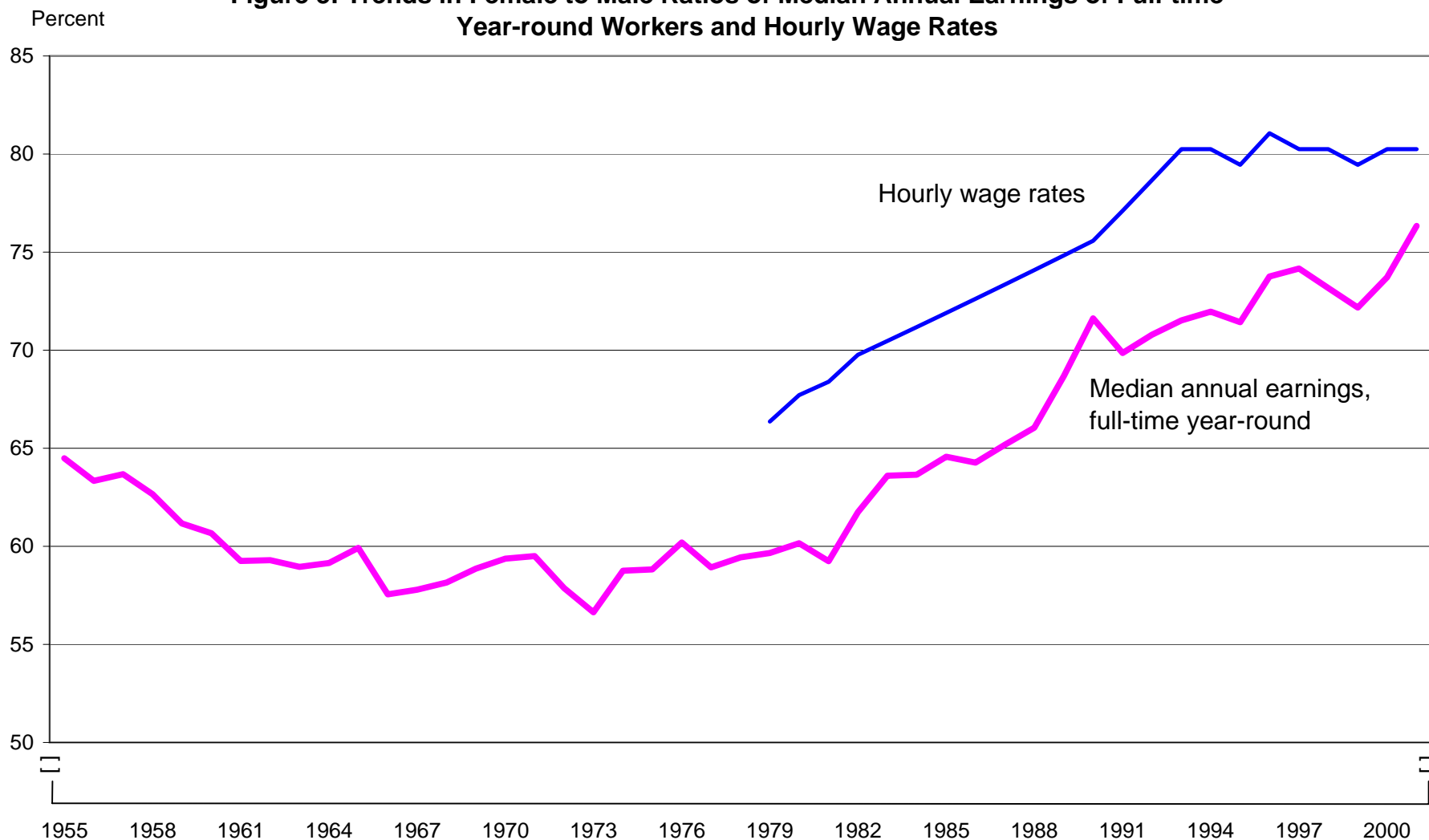
Source: Bureau of Labor Statistics, date from the Current Population Survey (<http://www.bls.gov/data/home.htm>), annual average CPS monthly data.

Figure 2: Labor Force Participation Rates, Ages 25-34 and 45-54



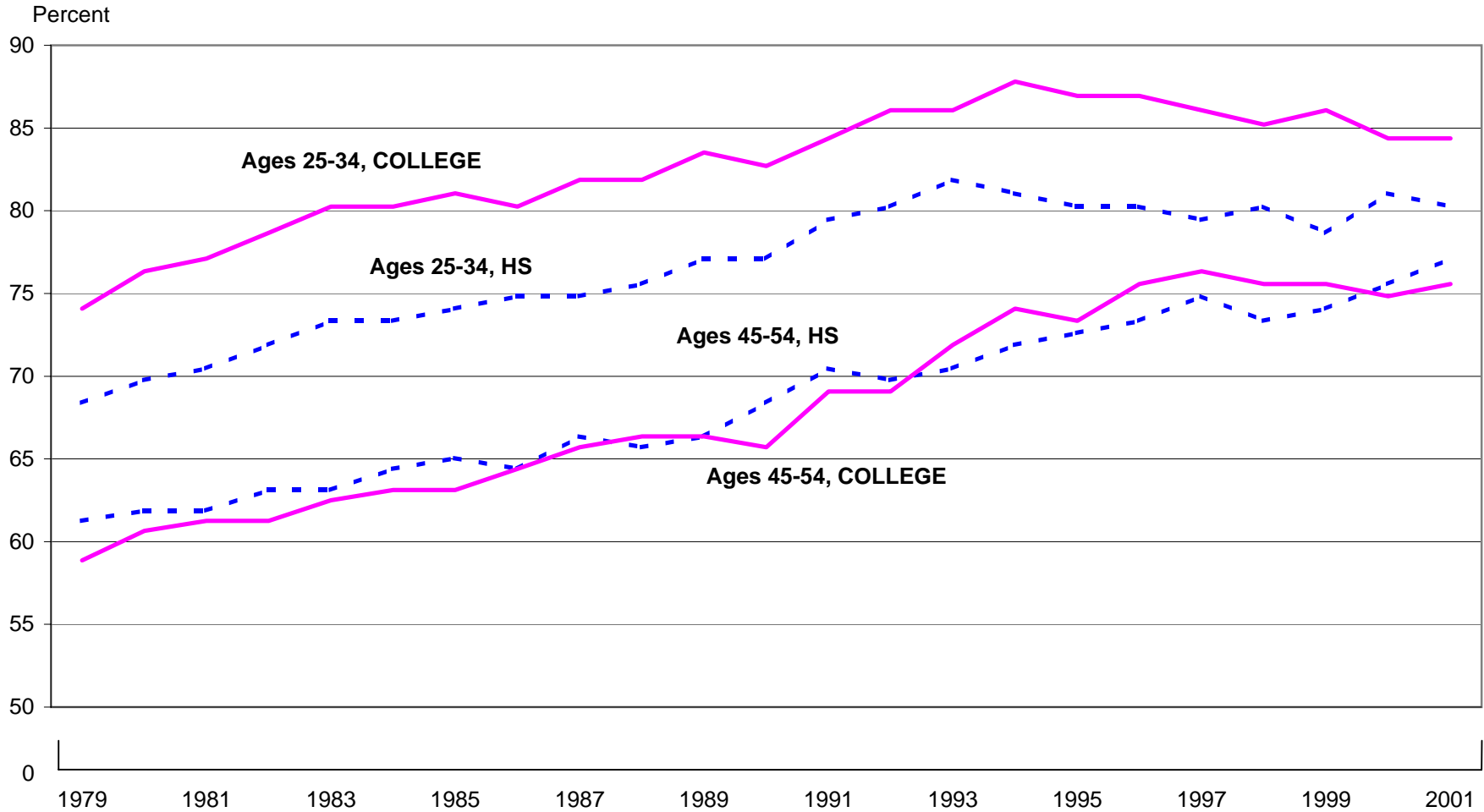
Source: Bureau of Labor Statistics, date from the Current Population Survey (<http://www.bls.gov/data/home.htm>), annual average CPS monthly data.

Figure 3: Trends in Female to Male Ratios of Median Annual Earnings of Full-time Year-round Workers and Hourly Wage Rates



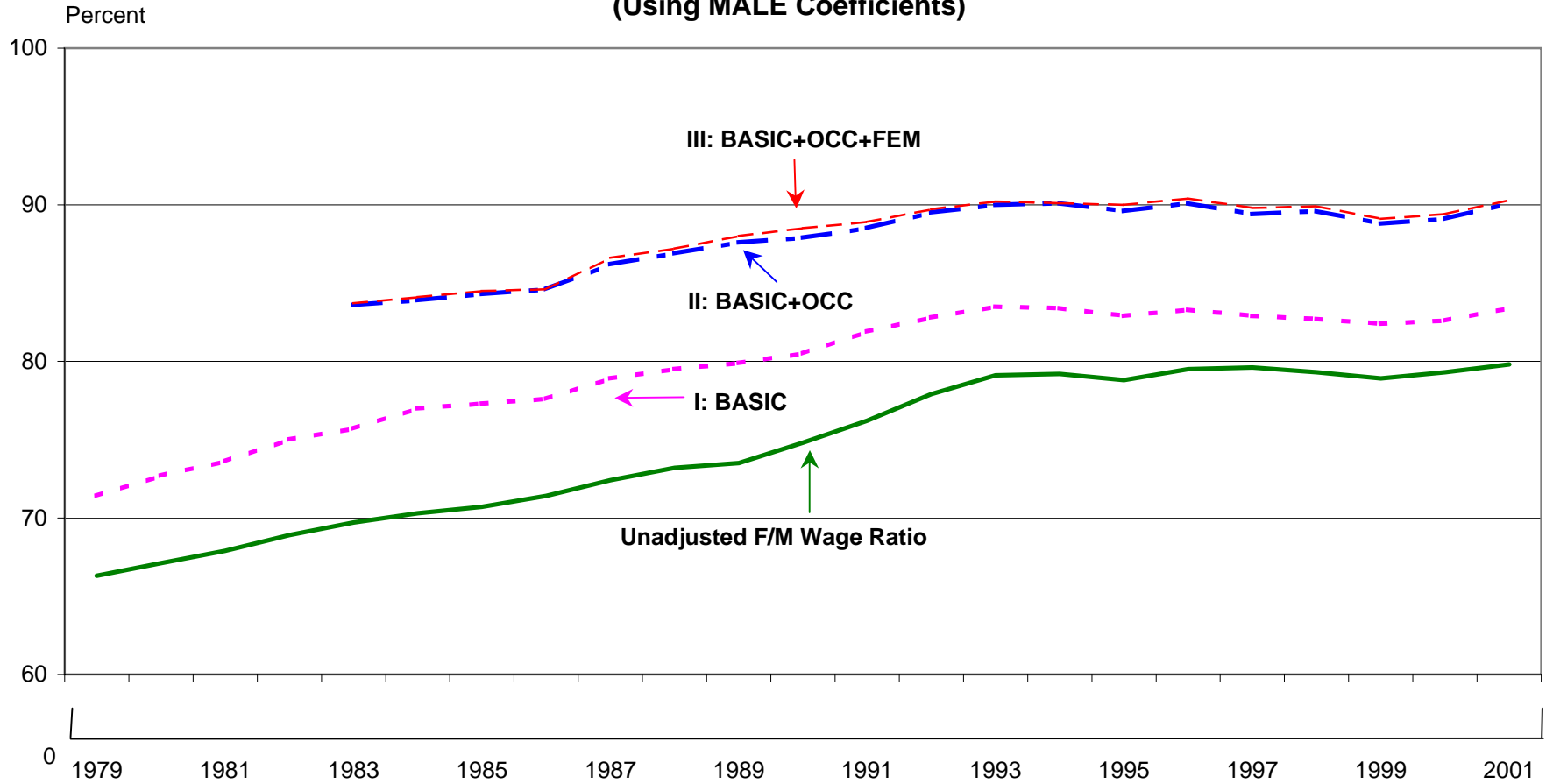
Source: Median annual earnings series, referring to all full-time year-round workers, is from the U.S. Bureau of the Census, Current Population Survey (CPS), Historical Income Tables; hourly wage ratios are estimated from annual average of the CPS monthly Outgoing Rotation Groups (ORG) and are restricted to wage and salary workers ages 20-60 excluding students. The hourly wage (exponentiated log wage) is the reported wage for those paid by the hour and it is estimated for those reporting usual weekly earnings and usual weekly hours

Figure 4: F/M Hourly Wage Ratios by Education and Age Group



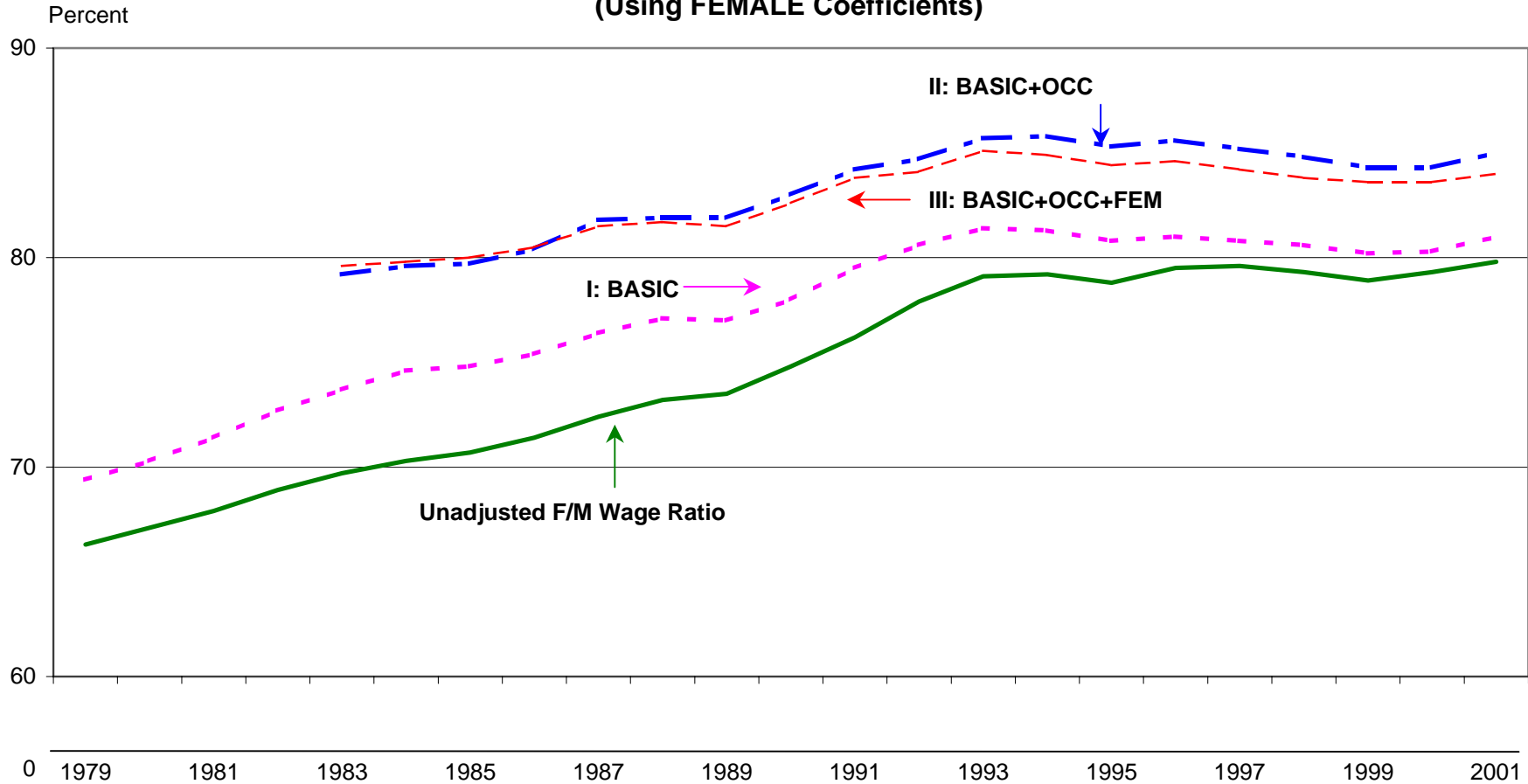
Source: The hourly wage ratios are estimated from annual average of the CPS monthly Outgoing Rotation Groups (ORG) and are restricted to wage and salary workers excluding students. The hourly wage (exponentiated log wage) is the reported wage for those paid by the hour and it is estimated for those reporting usual weekly earnings and usual weekly hours.

**Figure 5: Unadjusted and Regression Adjusted Hourly Wage Ratios
(Using MALE Coefficients)**



Note: The regression samples are based on data for wage and salary workers ages 20-60 from the CPS Outgoing Rotation Groups (ORG) merged with measures of occupational characteristics (see text) . The hourly wage (exponentiated log wage) is the reported wage for workers paid by the hour and it is estimated for those reporting usual weekly earnings and usual weekly hours. Separate regressions were run for each year. Model I: BASIC includes potential work experience, schooling, whether worked part-time, in gov't, region, SMSA, race. Model II: BASIC plus occupational characteristics (excluding FEM), including union; Model III: BASIC plus Occ., union and FEM.

**Figure 6: Unadjusted and Regression Adjusted Hourly Wage Ratios
(Using FEMALE Coefficients)**



Note: The regression samples are based on data for wage and salary workers ages 20-60 from the CPS Outgoing Rotation Groups (ORG) merged with measures of occupational characteristics (see text) . The hourly wage (exponentiated log wage) is the reported wage for workers paid by the hour and it is estimated for those reporting usual weekly earnings and usual weekly hours. Separate regressions were run for each year. Model I: BASIC includes potential work experience, schooling, whether worked part-time, in gov't, region, SMSA, race. Model II: BASIC plus occupational characteristics (excluding FEM), including union; Model III: BASIC plus Occ., union and FEM.

Table 1
Changes in Characteristics of Male and Female Workers (CPS)
20-60 Years of Age

	1979	1984	1989	1994	1999	2001
Proportion:						
High school dropout:						
Men	0.206	0.155	0.131	0.110	0.108	0.103
Women	0.160	0.116	0.096	0.075	0.075	0.072
Difference (M-W)	0.046	0.039	0.035	0.035	0.032	0.030
College graduate:						
Men	0.144	0.167	0.173	0.182	0.192	0.193
Women	0.135	0.157	0.169	0.182	0.199	0.202
Difference (M-W)	0.009	0.010	0.004	0.000	-0.007	-0.009
Higher degree:						
Men	0.075	0.088	0.096	0.090	0.093	0.095
Women	0.043	0.059	0.072	0.077	0.086	0.089
Difference (M-W)	0.032	0.030	0.024	0.012	0.007	0.006
Part-time:						
Men	0.044	0.061	0.058	0.060	0.051	0.053
Women	0.226	0.241	0.226	0.214	0.195	0.190
Difference (M-W)	-0.182	-0.180	-0.168	-0.154	-0.144	-0.137
Union:						
Men	-	0.273	0.229	0.213	0.188	0.179
Women	-	0.182	0.159	0.163	0.140	0.141
Difference (M-W)	-	0.091	0.070	0.050	0.048	0.038
Blue collar occupation:						
Men	-	0.461	0.450	0.439	0.429	0.442
Women	-	0.131	0.123	0.109	0.100	0.093
Difference (M-W)	-	0.329	0.327	0.330	0.329	0.349
Months of specific vocational preparation required in occupation (SVP):						
Men	-	30.028	30.489	29.205	30.149	30.456
Women	-	21.126	23.308	24.375	26.146	26.526
Difference (M-W)	-	8.902	7.181	4.830	4.003	3.930
Percent female in 3-digit occupation:						
Men	-	29.101	29.218	30.368	30.147	30.277
Women	-	71.812	69.795	69.545	67.827	67.525
Difference (M-W)	-	-42.711	-40.577	-39.177	-37.680	-37.248

Source: Annual average of CPS monthly Outgoing Rotation Groups (ORG). Population restricted to wage and salary workers excluding students (except in 1979). Specific Vocational Preparation (SVP) is from the Dictionary of Occupational Titles, 1991 edition, and at the 3-digit occupational level.

Table 2
Male and Female Returns to Potential Experience and Educational Attainment
(Workers Ages 20-60)

Year	Returns to Potential Experience at 15 Years ¹⁾ (Increase in Log Wage)			College Grad. vs. HS Graduate ²⁾ (Increase in Log Wage)			Higher Degree vs. College Grad. ²⁾ (Increase in Log Wage)		
	Men	Women	Difference (M - W)	Men	Women	Difference (M - W)	Men	Women	Difference (M - W)
1979	0.447	0.207	0.240	0.264	0.278	-0.014	0.080	0.161	-0.081
1980	0.431	0.216	0.215	0.273	0.287	-0.014	0.095	0.153	-0.058
1981	0.439	0.223	0.216	0.279	0.292	-0.013	0.078	0.159	-0.081
1982	0.461	0.245	0.216	0.295	0.304	-0.009	0.070	0.145	-0.075
1983	0.497	0.263	0.234	0.308	0.322	-0.015	0.076	0.167	-0.092
1984	0.491	0.281	0.210	0.327	0.349	-0.022	0.076	0.172	-0.096
1985	0.497	0.288	0.209	0.345	0.367	-0.023	0.091	0.156	-0.065
1986	0.489	0.299	0.190	0.339	0.371	-0.032	0.095	0.149	-0.055
1987	0.471	0.305	0.166	0.343	0.379	-0.037	0.086	0.145	-0.059
1988	0.469	0.302	0.167	0.346	0.386	-0.041	0.081	0.138	-0.057
1989	0.482	0.307	0.175	0.387	0.414	-0.027	0.124	0.170	-0.046
1990	0.474	0.306	0.168	0.399	0.435	-0.036	0.139	0.148	-0.009
1991	0.477	0.312	0.165	0.395	0.420	-0.025	0.141	0.172	-0.031
1992	0.472	0.331	0.141	0.408	0.437	-0.028	0.153	0.168	-0.016
1993	0.463	0.334	0.129	0.413	0.438	-0.025	0.149	0.176	-0.027
1994	0.474	0.357	0.117	0.424	0.488	-0.065	0.178	0.222	-0.044
1995	0.477	0.358	0.119	0.422	0.495	-0.073	0.174	0.210	-0.036
1996	0.465	0.347	0.118	0.394	0.460	-0.066	0.178	0.222	-0.044
1997	0.452	0.350	0.102	0.405	0.464	-0.059	0.167	0.206	-0.039
1998	0.429	0.340	0.089	0.437	0.475	-0.037	0.173	0.199	-0.026
1999	0.425	0.306	0.119	0.448	0.487	-0.040	0.194	0.204	-0.011
2000	0.407	0.312	0.095	0.450	0.486	-0.036	0.174	0.202	-0.028
2001	0.398	0.309	0.089	0.449	0.485	-0.035	0.176	0.199	-0.023

¹⁾ The increase in the log wage at 15 years of potential experience is derived from the coefficients on potential experience evaluated at 15 years. Potential experience is measured as the smaller of (age-17) or (age-schooling-6).

²⁾ Education returns are coefficients on the relevant education dummies in cross-sectional log wage regressions.

Note: All regressions hold constant region, race, MSA size, whether worked in government and whether worked part-time. Analysis is restricted to wage and salary workers ages 20-60.

Source: CPS Outgoing Rotation Groups (ORG) for the years indicated (annual average of all months).

Table 3

VARIABLES USED IN NLSY REGRESSIONS

Demographic (age, race, Hispanic origin, lives in the South, lives in SMSA)

AFQT Score (percentile)

Schooling (dummy variables), 0-10 years, 10-12 years, HS diploma or equivalent, college 1-3 years, college 4 years, college 5 years or more, BA/BS or equivalent degree, MA or equivalent, Ph.D or professional degree

Life-time Work Experience

Full-year equivalent (FYE) years worked = Weeks worked since age 18 divided by 52
FYE years out of the labor force = Weeks out of the labor force since age 18 divided by 52
Ever out of labor force since 18 (0, 1)
Tenure- years on current job (weeks divided by 52)
PT- percent of weeks worked since age 18 that were part-time.

Workplace Characteristics

Union - covered by union contract (0,1)
Government sector- worked for government sector (0,1)
Nonprofit firm- worked for nonprofit firm (0,1)

Child Related Variables

Has had any children (0,1);
Age at first birth was 30 or more (0,1);
Child care- ever cited care of children as reason for being out of labor force (0,1)

Occupational Characteristics (3-digit level)

SVP (months required to become proficient at occupation, DOT)
Other DOT variables: Exposure to work hazards (0,1); to fumes or breathing hazards (0,1); to high noise (0,1); to outdoor conditions (0,1); required strength rated medium (0,1)
Labor force turnover- % in occupation who were in the labor force in year t and out of the labor force in March of year t+1(CPS, averaged over 1994-1998)
Computer/database- % use a computer on job for database work (Sept 2001 CPS)
Computer/programming- % use a computer on job for programming (Sept 2001, CPS)

Field of College Major (0,1) variables:

CS (computer science); finbus (finance, international business, economics); accounting; other business fields; biology; science/engineering (excluding bio); social and political science and related fields; education, library science, home economics; humanities, language and other liberal arts; nursing; other health professions (excludes pre-med); psychology; agriculture; military science and other.

FEM: percent female in three-digit occupation (based on CPS ORG averaged over 1999-2000)

Table 4
Characteristics of NLSY Men and Women (Ages 35-43) in 2000

	Total			HS graduate or less			College graduate or more		
	Men	Women	Diff. (M-W)	Men	Women	Diff. (M-W)	Men	Women	Diff. (M-W)
AFQT	42.29	39.61	2.68	27.50	26.76	0.74	72.25	65.09	7.16
<i>Schooling completed:</i>									
<10 years	5.63	3.67	1.96	---	---	---	---	---	---
10-12 years	19.42	15.87	3.55	34.40	32.17	2.23	---	---	---
high school graduate	---	---	---	55.62	60.41	-4.79	---	---	---
college, 1-3 years	21.20	28.58	-7.38	---	---	---	---	---	---
college, 4 years	12.82	12.26	0.56	---	---	---	---	---	---
college, 5 years or more	9.55	10.00	-0.45	---	---	---	42.69	44.92	-2.23
B.A./B.S. or equivalents	15.11	15.07	0.04	---	---	---	---	---	---
M.A. or equivalents	3.85	4.86	-1.01	---	---	---	17.22	21.70	-4.48
Ph.D. or professional degree	1.59	0.70	0.89	---	---	---	6.66	3.16	3.50
Years worked (FYE)	16.14	14.20	1.94	15.92	12.90	3.02	16.45	16.03	0.42
% PT	8.66	15.71	-7.05	7.05	13.89	-6.84	12.48	20.35	-7.87
Tenure (years)	6.49	5.70	0.79	6.33	5.25	1.08	6.69	6.41	0.28
% ever out of labor force	95.95	98.84	-2.89	95.18	99.06	-3.88	98.84	99.45	-0.61
Years out of labor force (FYE)	2.51	5.41	-2.90	2.46	6.55	-4.09	2.97	3.97	-1.00
Childcare (0,1)	12.85	58.12	-45.27	16.34	71.13	-54.79	5.50	33.38	-27.88
Children (0,1)	75.31	82.08	-6.77	77.87	88.53	-10.66	69.61	68.54	1.07
% age at first birth =>30 (0,1)	13.85	9.48	4.37	7.97	4.99	2.98	27.64	19.51	8.13
% covered by union contract (0,1)	20.87	18.16	2.71	20.58	14.28	6.30	17.66	27.47	-9.81
% government (0,1)	12.91	19.41	-6.50	9.29	12.91	-3.62	18.81	30.36	-11.55
% nonprofit firm (0,1)	4.66	9.45	-4.79	2.87	5.17	-2.30	8.54	16.07	-7.53
Characteristics of occupation (3-digit level):									
SVP (months) (DOT)	30.22	26.15	4.07	20.69	18.39	2.30	53.13	43.59	9.54
Computer/database (CPS)	30.85	36.66	-5.81	19.96	29.65	-9.69	55.47	49.15	6.32
Computer/programming (CPS)	8.83	7.73	1.10	5.26	5.99	-0.73	17.02	11.47	5.55
Work hazards (0,1) (DOT)	9.13	1.35	7.78	11.75	1.43	10.32	1.74	0.55	1.19
Fumes or breathing hazards (0,1) (DOT)	4.56	0.40	4.16	6.59	0.50	6.09	0.58	0.00	0.58
High noise (0,1) (DOT)	33.69	8.44	25.25	46.16	12.34	33.82	8.25	3.71	4.54
Strength requirement (0,1) (DOT)	24.50	10.61	13.89	34.12	14.84	19.28	3.62	2.75	0.87
Outdoor conditions (0,1) (DOT)	22.07	3.73	18.34	29.53	4.74	24.79	5.35	1.79	3.56
Labor force turnover (CPS)	3.56	4.59	-1.03	3.97	5.11	-1.14	2.63	3.59	-0.96
FEM (CPS, ORG)	28.86	65.10	-36.24	23.67	63.21	-39.54	39.66	63.54	-23.88
Field of college major ¹⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	√	√	√

¹⁾ Field of college major is a series of 14 dummy variables including only in college graduate regressions. (See Table 3).

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the March CPS, the CPS ORG, and the Dictionary of Occupational Titles (1991).

Table 5
Explaining the Wage Gap in 2000 Between NLSY Women and Men
(Ages 35-43)

	Using male coefficients			Using female coefficients		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
<i>Log Wage Gap Attributable to Differences in Characteristics:</i>						
Demographic	0.0085	0.0067	0.0068	0.0054	0.0038	0.0038
Education	-0.0108	-0.0071	-0.0073	-0.0065	-0.0051	-0.0051
AFQT	0.0096	0.0063	0.0063	0.0099	0.0075	0.0075
Work experience since age 18	0.1343	0.1036	0.1031	0.0845	0.0555	0.0556
Work place characteristics	0.0229	0.0231	0.0222	0.0103	0.0138	0.0139
Child related factors	0.0235	0.0167	0.0173	0.0348	0.0342	0.0342
Occupational characteristics:						
<i>SVP</i>	---	0.0129	0.0119	---	0.0062	0.0063
<i>Other</i>	---	0.0334	0.0173	---	0.0404	0.0413
Percent female in occupation	---	---	0.0436	---	---	-0.0018
<i>Unadjusted log wage gap</i>	0.2463	0.2463	0.2463	0.2463	0.2463	0.2463
<i>Gap explained by model</i>	0.1880	0.1957	0.2210	0.1385	0.1563	0.1556
<i>Unexplained gap</i>	0.0583	0.0506	0.0253	0.1078	0.0900	0.0907
Observed F/M wage ratios:	78.2	78.2	78.2	78.2	78.2	78.2
Adjusted F/M wage ratios:	94.3	95.1	97.5	89.8	91.4	91.3

Note: Decomposition results shown are derived from results of separate regressions for men and women ages 35-43 in the NLSY79 sample in 2000. See Table 3 for list of variables.

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, the CPS ORG, and the Dictionary of Occupational Titles (1991).

Table 6
Explaining the Wage Gap in 2000 Between NLSY Women and Men
Who Completed High School or Had Less Schooling (Ages 35-43)

	Using male coefficients			Using female coefficients		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
<i>Log Wage Gap Attributable to Differences in Characteristics:</i>						
Demographic	0.0024	0.0017	0.0018	0.0040	0.0032	0.0033
Education	-0.0002	0.0002	0.0001	-0.0018	-0.0006	-0.0007
AFQT	0.0029	0.0021	0.0021	0.0024	0.0018	0.0018
Work experience since age 18	0.1672	0.1292	0.1283	0.1325	0.0987	0.0984
Work place characteristics	0.0176	0.0177	0.0172	0.0074	0.0112	0.0109
Child related factors	0.0226	0.0137	0.0143	0.0195	0.0267	0.0268
Occupational characteristics:						
<i>SVP</i>	---	0.0089	0.0082	---	0.0007	0.0004
<i>Other</i>	---	0.0458	0.0193	---	0.0208	0.0123
Percent female in occupation	---	---	0.0641	---	---	0.0143
<i>Unadjusted log wage gap</i>	0.2430	0.2430	0.2430	0.2430	0.2430	0.2430
<i>Gap explained by model</i>	0.2126	0.2194	0.2555	0.1640	0.1625	0.1676
<i>Unexplained gap</i>	0.0304	0.0236	-0.0125	0.0790	0.0805	0.0754
Observed F/M wage ratios:	78.4	78.4	78.4	78.4	78.4	78.4
Adjusted F/M wage ratios:	97.0	97.7	101.3	92.4	92.3	92.7

Note: Decomposition results shown are derived from results of separate regressions for men and women ages 35-43 in the NLSY79 sample in 2000. See Table 3 for list of variables.

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, the CPS ORG, and the Dictionary of Occupational Titles (1991).

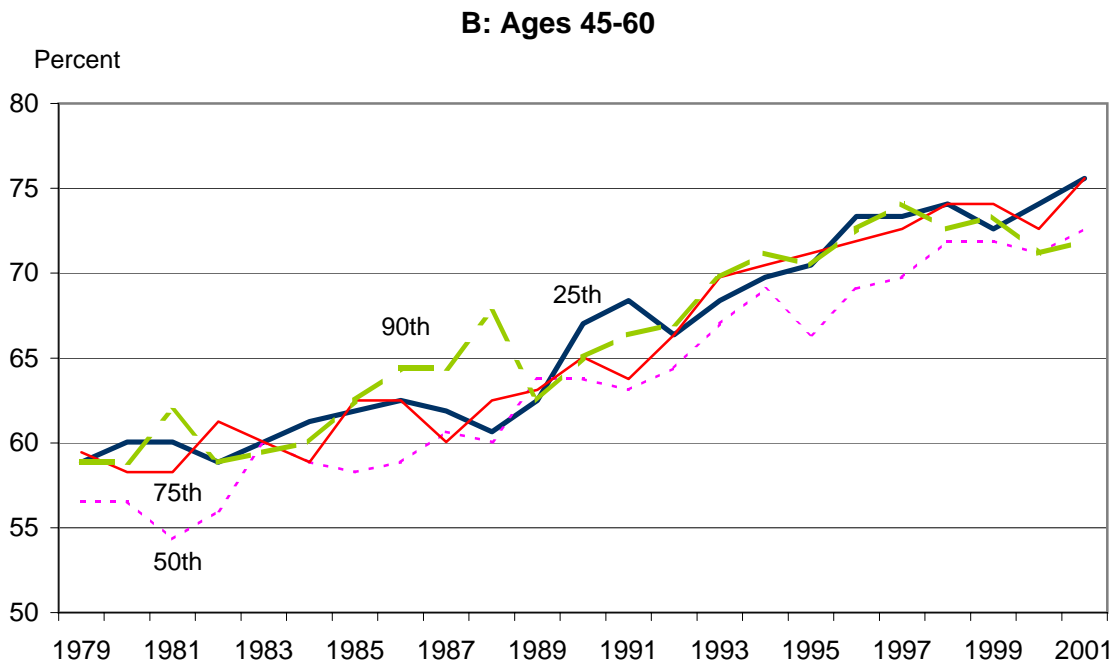
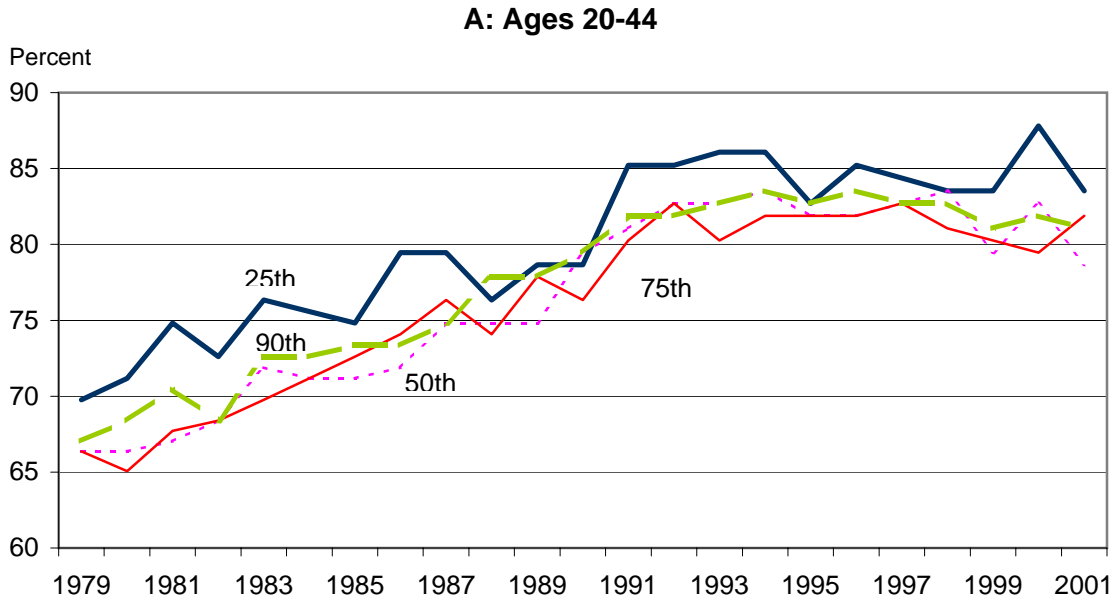
Table 7
Explaining the Wage Gap in 2000 Between NLSY Women and Men
Holding College or Higher Degrees (Ages 35-43)

	Using male coefficients				Using female coefficients			
	Model 1	Model 2	Model 3	Model 4	Model 1	Model 2	Model 3	Model 4
Log Wage Gap Attributable to Differences in Characteristics:								
Demographic	0.0067	0.0064	0.0072	0.0071	0.0040	0.0038	0.0047	0.0046
Education	0.0027	0.0006	0.0005	0.0007	0.0046	0.0027	-0.0018	-0.0017
AFQT	0.0277	0.0232	0.0154	0.0155	0.0297	0.0271	0.0195	0.0196
Work experience since age 18	0.0919	0.0656	0.0596	0.0595	0.0350	0.0313	0.0064	0.0067
Work place characteristics	0.0603	0.0419	0.0381	0.0396	0.0299	0.0190	0.0207	0.0218
Child related factors	0.0363	0.0324	0.0324	0.0324	0.0660	0.0649	0.0519	0.0517
Field of college major	---	0.0491	0.0312	0.0348	---	0.0441	0.0184	0.0208
Occupational characteristics:								
SVP	---	---	0.0219	0.0234	---	---	0.0246	0.0263
Other	---	---	0.0328	0.0372	---	---	0.0976	0.1011
Percent female in occupation	---	---	---	-0.0202	---	---	---	-0.0127
Unadjusted log wage gap	0.2956	0.2956	0.2956	0.2956	0.2956	0.2956	0.2956	0.2956
Gap explained by model	0.2257	0.2192	0.2392	0.2299	0.1693	0.1928	0.2421	0.2381
Unexplained gap	0.0699	0.0764	0.0564	0.0657	0.1263	0.1028	0.0535	0.0575
Observed F/M wage ratios:	74.4	74.4	74.4	74.4	74.4	74.4	74.4	74.4
Adjusted F/M wage ratios:	93.2	92.6	94.5	93.6	88.1	90.2	94.8	94.4

Note: Decomposition results shown are derived from results of separate regressions for men and women ages 35-43 in the NLSY79 sample in 2000. See Table 3 for list of variables.

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the March CPS, the CPS ORG, and the Dictionary of Occupational Titles (1991).

Appendix Figure 1: F/M Ratios in Log Hourly Wage at Different Percentile in the Wage Distribution by Age Groups



Source: CPS monthly data for the Outgoing Rotation Groups (ORG). Population are restricted to those who ages 20-60, with positive hourly wage rates. The hourly wage, adjusted in 2001 dollars, is the reported wage for those paid by the hour and it is estimated for those paid on another basis using reported usual weekly earnings and usual weekly hours.

Appendix Table 1
Mean Percent Female in Occupation and Hourly Wage Rates
by Gender, Ages 20-60

	Mean % female in OCC		Mean Hourly Wage		F/M Wage Ratio
	Women	Men	Women	Men	
1984	71.8	27.1	11.90	17.04	0.698
1985	71.4	27.6	12.05	17.10	0.705
1986	71.2	28.1	12.36	17.32	0.714
1987	71.3	28.3	12.47	17.18	0.726
1988	70.9	28.4	12.42	16.90	0.734
1989	70.6	28.9	12.51	17.17	0.728
1990	70.3	29.4	12.67	17.06	0.742
1991	70.3	29.6	12.73	16.81	0.757
1992	70.1	30.1	12.79	16.64	0.768
1993	69.8	30.5	12.88	16.50	0.781
1994	69.1	29.9	13.00	16.44	0.791
1995	68.6	30.1	12.95	16.47	0.786
1996	68.6	30.3	12.84	16.23	0.791
1997	68.3	30.4	13.01	16.41	0.793
1998	68.0	30.6	13.51	17.32	0.780
1999	67.9	30.7	13.76	17.74	0.776
2000	67.7	30.7	13.90	17.86	0.778
2001	67.7	30.9	14.21	18.12	0.784

Source: CPS monthly data for the Outgoing Rotation Groups (ORG). Population are restricted to those who ages 20-60, with positive hourly wage rates and excluding students. The hourly wage, adjusted in 2001 dollars, is the reported wage for those paid by the hour and it is estimated for those paid on another basis using reported usual weekly earnings and usual weekly hours.

Appendix Table 2
Explaining the wage differential between women and men; Results of wage regressions: log hourly wage in 2000,
Total Group, ages 35-43, NLSY79

	Women						Men					
	Model 1		Model 2		Model 3		Model 1		Model 2		Model 3	
	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.
AFQT (% score)	0.004	9.59	0.003	7.28	0.003	7.28	0.004	8.85	0.003	6.18	0.003	6.16
<i>Schooling completed:</i>												
<10 yrs.	-0.090	-2.03	-0.055	-1.31	-0.055	-1.30	-0.044	-1.09	-0.018	-0.47	-0.022	-0.56
10-12 yrs.	-0.005	-0.21	-0.005	-0.20	-0.005	-0.19	0.002	0.07	-0.001	-0.04	-0.001	-0.05
college, 1-3 yrs.	0.096	4.63	0.074	3.77	0.074	3.74	0.160	6.51	0.112	4.67	0.114	4.77
college, 4 yrs.	0.352	7.57	0.284	6.41	0.284	6.40	0.466	8.60	0.350	6.66	0.355	6.75
college, 5 yrs. +	0.316	6.07	0.259	5.24	0.259	5.22	0.460	7.55	0.311	5.25	0.318	5.36
B.A., B.S.	-0.043	-0.99	-0.047	-1.15	-0.047	-1.15	0.001	0.03	-0.018	-0.37	-0.019	-0.39
M.A.(or eq.)	0.132	2.24	0.108	1.93	0.108	1.94	0.178	2.53	0.157	2.32	0.160	2.38
Ph.D. (or prof.)	0.379	3.67	0.264	2.69	0.265	2.69	0.355	4.14	0.297	3.60	0.298	3.61
FYE yrs. worked since 18	0.012	1.17	0.008	0.85	0.008	0.84	-0.009	-0.75	-0.008	-0.77	-0.009	-0.85
FYE yrs. worked since 18 SQ	0.000	1.12	0.000	1.02	0.000	1.02	0.001	2.72	0.001	2.59	0.001	2.68
% PT of FYE yrs.	-0.267	-4.73	-0.116	-2.14	-0.117	-2.14	-0.578	-5.57	-0.390	-3.89	-0.383	-3.81
Tenure (yrs.)	0.023	4.78	0.024	5.13	0.024	5.13	0.024	4.62	0.022	4.55	0.022	4.57
Tenure (yrs.) SQ	-0.001	-2.59	-0.001	-2.99	-0.001	-2.99	-0.001	-2.97	-0.001	-2.87	-0.001	-2.91
Ever OLF since 18 (0,1)	0.019	0.26	0.004	0.06	0.004	0.06	-0.068	-1.51	-0.065	-1.51	-0.066	-1.52
Yrs. OLF since 18	-0.006	-1.10	-0.003	-0.56	-0.003	-0.56	-0.016	-3.32	-0.011	-2.48	-0.011	-2.48
OLF due to child care	-0.074	-3.56	-0.070	-3.57	-0.070	-3.56	-0.061	-2.33	-0.046	-1.84	-0.047	-1.87
has children<18 (0,1)	0.036	1.62	0.021	1.01	0.021	1.01	0.080	3.85	0.070	3.54	0.067	3.36
age of first birth =>30 (0,1)	0.090	3.24	0.092	3.51	0.092	3.51	0.029	1.13	0.015	0.61	0.154	0.62
union	0.078	3.49	0.100	4.66	0.100	4.66	0.145	6.53	0.178	8.13	0.179	8.18
government employee	-0.074	-3.37	-0.101	-4.81	-0.101	-4.79	-0.140	-5.13	-0.130	-4.92	-0.125	-4.74
non-profit employee	-0.070	-2.60	-0.095	-3.70	-0.096	-3.66	-0.207	-5.11	-0.206	-5.30	-0.193	-4.90
SVP required in occup.			0.002	3.67	0.002	3.56			0.003	6.27	0.003	5.66
% female in 3-digit occ.					0.000	0.13					-0.012	-2.32
<i>Control for age, race, smsa</i>	Yes		Yes		Yes		Yes		Yes		Yes	
<i>Control for other occupational characteristics</i>	No		Yes		Yes		No		Yes		Yes	
Adj. R-Square	0.3726		0.4391		0.4390		0.3844		0.4367		0.4375	
Dependent mean (log hourly wage)			2.5046						2.7509			
Sample size			3271						3090			

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, and the Dictionary of Occupational Titles (1991).

Appendix Table 3
Explaining the wage differential between women and men; Results of wage regressions: log hourly wage
in 2000, high school graduate or less , ages 35-43, NLSY79

	Women						Men					
	Model 1		Model 2		Model 3		Model 1		Model 2		Model 3	
	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>
AFQT (% score)	0.004	6.55	0.003	4.78	0.003	4.79	0.004	6.76	0.003	5.40	0.003	5.47
<i>Schooling completed:</i>												
10-12 yrs.	0.066	1.56	0.034	0.82	0.035	0.86	0.037	0.98	0.006	0.17	0.009	0.26
high school graduate	0.067	1.57	0.029	0.70	0.031	0.74	0.022	0.59	-0.002	-0.04	0.001	0.03
FYE yrs. worked since 18	0.005	0.45	0.004	0.32	0.004	0.34	-0.043	-3.26	-0.035	-2.79	-0.036	-2.87
FYE yrs. worked since 18 SQ	0.001	1.38	0.001	1.31	0.000	1.30	0.002	4.37	0.002	3.81	0.002	3.90
% PT of FYE yrs.	-0.285	-3.72	-0.143	-1.92	-0.141	-1.89	-0.354	-2.78	-0.181	-1.48	-0.173	-1.41
Tenure (yrs.)	0.026	3.92	0.027	4.29	0.027	4.29	0.029	4.83	0.025	4.34	0.025	4.40
Tenure (yrs.) SQ	-0.001	-2.37	-0.001	-2.84	-0.001	-2.84	-0.001	-3.59	-0.001	-3.14	-0.001	-3.20
Ever OLF since 18 (0,1)	-0.029	-0.26	-0.018	-0.17	-0.015	-0.14	-0.034	-0.68	-0.046	-0.96	-0.045	-0.96
Yrs. OLF since 18	-0.011	-1.63	-0.007	-1.15	-0.007	-1.12	-0.026	-4.79	-0.020	-3.88	-0.020	-3.89
OLF due to child care	-0.053	-1.83	-0.062	-2.22	-0.063	-2.23	-0.050	-1.75	-0.032	-1.17	-0.032	-1.20
has children<18 (0,1)	0.095	2.81	0.076	2.34	0.076	2.35	0.058	2.31	0.047	1.98	0.044	1.84
age of first birth =>30 (0,1)	0.016	0.33	0.023	0.51	0.024	0.53	0.050	1.32	0.043	1.19	0.043	1.20
union	0.114	3.65	0.140	4.59	0.139	4.56	0.208	7.85	0.231	8.96	0.232	9.04
government employee	-0.007	-0.21	-0.039	-1.26	-0.037	-1.18	-0.051	-1.42	-0.032	-0.92	-0.027	-0.76
non-profit employee	0.001	0.03	-0.041	-0.93	-0.036	-0.80	-0.115	-1.88	-0.087	-1.48	-0.067	-1.13
SVP required in occup.			0.000	0.48	0.000	0.25			0.004	5.71	0.004	5.17
% female in 3-digit occ.					-0.004	-0.70					-0.016	-2.49
<i>Control for age, race, smsa</i>	Yes		Yes		Yes		Yes		Yes		Yes	
<i>Control for other occupational characteristics</i>	No		Yes		Yes		No		Yes		Yes	
Adj. R-Square	0.2881		0.3452		0.3450		0.2890		0.3587		0.3606	
Dependent mean (log hourly wage)			2.3069						2.5499			
Sample size			1604						1744			

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, and the Dictionary of Occupational Titles (1991).

Appendix Table 4
Explaining the wage differential between women and men; Results of wage regressions: log hourly wage in 2000,
college graduate or more , ages 35-43, NLSY79

	Women								Men							
	Model 1		Model 2		Model 3		Model 4		Model 1		Model 2		Model 3		Model 4	
	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.	Coeff.	t-stat.
AFQT (% score)	0.004	4.07	0.003	3.62	0.002	2.47	0.002	2.48	0.004	3.61	0.003	3.06	0.002	2.07	0.002	2.09
<i>Schooling completed:</i>																
1 or more yrs. post graduate	0.010	0.21	0.036	0.71	0.031	0.67	0.032	0.67	0.002	0.03	0.005	0.08	-0.013	-0.23	-0.013	-0.24
M.A.(or eq.)	0.152	2.59	0.151	2.60	0.126	2.34	0.126	2.34	0.197	2.83	0.226	3.25	0.205	2.97	0.202	2.92
Ph.D. (or prof.)	0.334	2.86	0.295	2.48	0.131	1.17	0.134	1.19	0.330	3.29	0.309	2.93	0.270	2.54	0.271	2.54
FYE yrs. worked since 18	0.039	1.15	0.033	0.96	0.039	1.26	0.039	1.24	0.078	1.79	0.076	1.76	0.051	1.20	0.051	1.19
FYE yrs. worked since 18 SQ	-0.000	-0.18	-0.000	-0.15	-0.000	-0.17	-0.000	-0.17	-0.002	-1.16	-0.002	-1.05	-0.001	-0.47	-0.001	-0.45
% PT of FYE yrs.	-0.269	-2.01	-0.245	-1.81	-0.113	-0.90	-0.113	-0.89	-0.937	-3.56	-0.702	-2.62	-0.665	-2.48	-0.665	-2.48
Tenure (yrs.)	0.026	2.06	0.025	2.01	0.019	1.67	0.019	1.70	0.006	0.41	0.004	0.32	0.009	0.67	0.009	0.68
Tenure (yrs.) SQ	-0.001	-1.49	-0.001	-1.42	-0.001	-1.02	-0.001	-1.04	0.000	0.09	0.000	0.18	-0.000	-0.10	-0.000	-0.10
Ever OLF since 18 (0,1)	0.320	1.24	0.385	1.51	0.195	0.82	0.200	0.84	-0.201	-1.00	-0.103	-0.52	-0.056	-0.28	-0.052	-0.26
Yrs. OLF since 18	0.002	0.15	0.001	0.08	0.020	1.34	0.019	1.30	-0.001	-0.05	0.007	0.49	0.010	0.66	0.010	0.67
OLF due to child care	-0.175	-3.56	-0.168	-3.43	-0.128	-2.80	-0.127	-2.78	-0.115	-1.24	-0.105	-1.14	-0.107	-1.17	-0.107	-1.17
has children<18 (0,1)	0.034	0.73	0.009	0.19	0.008	0.19	0.007	0.16	0.067	1.30	0.073	1.43	0.056	1.10	0.057	1.12
age of first birth =>30 (0,1)	0.206	3.95	0.220	4.26	0.199	4.13	0.199	4.13	0.042	0.82	0.030	0.58	0.024	0.47	0.024	0.47
union	-0.005	-0.09	0.034	0.63	0.067	1.35	0.065	1.29	-0.003	-0.05	0.046	0.73	0.094	1.45	0.094	1.46
government employee	-0.125	-2.37	-0.083	-1.56	-0.108	-2.17	-0.112	-2.22	-0.291	-4.69	-0.219	-3.48	-0.222	-3.45	-0.229	-3.50
non-profit employee	-0.200	-3.66	-0.168	-3.05	-0.198	-3.86	-0.202	-3.89	-0.351	-4.58	-0.280	-3.62	-0.288	-3.74	-0.297	-3.78
SVP required in occup.					0.003	2.86	0.003	2.85					0.002	2.10	0.002	2.18
% female in 3-digit occ.							0.005	0.50							0.008	0.60
<i>Control for age, race, smsa</i>	Yes		Yes		Yes		Yes		Yes		Yes		Yes		Yes	
<i>Control for field of college major</i>	No		Yes		Yes		Yes		No		Yes		Yes		Yes	
<i>Control for other occupational characteristics</i>	No		No		Yes		Yes		No		No		Yes		Yes	
Adj. R-Square	0.2018		0.2334		0.3478		0.3471		0.1634		0.1965		0.2172		0.2165	
Dependent mean (log hourly wage)					2.9127								3.2083			
Sample size					728								691			

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, and the Dictionary of Occupational Titles (1991).

Appendix Table 5
Coefficients of fields of study in wage regressions in 2000,
college graduate or more , ages 35-43, NLSY79

	Women						Men					
	Model 2		Model 3		Model 4		Model 2		Model 3		Model 4	
	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>	<i>Coeff.</i>	<i>t-stat.</i>
Fields of Study in College:												
Computer and information science	0.184	1.38	0.188	1.49	0.186	1.48	0.284	2.05	0.220	1.56	0.217	1.54
Accounting	0.224	1.84	0.136	1.18	0.133	1.16	0.050	0.34	0.023	0.15	0.019	0.13
Finance, international business, economics	0.448	2.73	0.431	2.83	0.430	2.82	0.289	1.81	0.288	1.82	0.284	1.79
Other business fields	0.051	0.48	0.082	0.82	0.082	0.81	0.191	1.52	0.178	1.42	0.175	1.40
Social and political science	0.107	0.93	0.159	1.47	0.158	1.46	0.085	0.65	0.086	0.65	0.085	0.65
Education, library science, home economics	-0.092	-0.88	-0.017	-0.18	-0.023	-0.23	-0.154	-1.10	-0.117	-0.84	-0.125	-0.89
Humanities, language and other liberal arts	0.026	0.23	0.133	1.24	0.132	1.23	-0.054	-0.39	-0.011	-0.08	-0.014	-0.10
Biology	-0.203	-1.25	-0.064	-0.42	-0.062	-0.41	-0.069	-0.37	-0.084	-0.45	-0.086	-0.46
Other science, engineering	0.207	1.56	0.155	1.24	0.158	1.26	0.192	1.49	0.152	1.18	0.157	1.22
Nursing	0.214	1.83	0.302	2.68	0.288	2.48	0.417	1.43	0.473	1.63	0.446	1.52
Other health professions (e.s. physical therapy)	0.152	1.30	0.186	1.68	0.180	1.61	0.247	1.59	0.256	1.65	0.245	1.57
Psychology	0.008	0.07	0.123	1.04	0.120	1.01	-0.143	-0.90	-0.104	-0.66	-0.112	-0.70
Agriculture	0.273	0.54	0.014	0.03	0.020	0.04	0.046	0.24	0.087	0.45	0.084	0.43
SVP required in occup.			0.003	2.86	0.003	2.85			0.002	2.10	0.002	2.18
% female in 3-digit occ.					0.005	0.50					0.008	0.60
Control for age, race, smsa	Yes		Yes		Yes		Yes		Yes		Yes	
Control for basic variables	Yes		Yes		Yes		Yes		Yes		Yes	
Control for other occupational characteristics	No		Yes		Yes		No		Yes		Yes	
Adj. R-Square	0.2334		0.3478		0.3471		0.1965		0.2172		0.2165	
Dependent mean (log hourly wage)			2.9127						3.2083			
Sample size			728						691			

Source: National Longitudinal Survey of Youth (NLSY79) merged with measures of occupational characteristics (3-digit level) from the September 2001 CPS, the CPS March, and the Dictionary of Occupational Titles (1991).