Media Briefings

WOMEN, WAGES AND HOUSEWORK: How closing the gender pay gap splits chores more evenly

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Eliminating the gender gap in wages would lead to married women doing much less housework. That is one of the findings of research by Alexandros Theloudis, to be presented at the Royal Economic Society's annual conference in Brighton in March 2016.

His study finds that as the gender gap has narrowed, it has increased the probability that married women work in the labour market. It has also decreased the amount of time that they devote to household chores and increased their husbands' share of household work.

The research looks at the causes for these changes by studying how families have split up work time in the United States over the past three decades. It finds that both higher wages and changes in bargaining power within the household are important when the gender wage gap narrows.

When the gender gap closes by 10%, women tend to do 14% less housework and 4% more employed work. Half of this effect is because they can earn more from working (which means that the household can pay somebody else to do the work). The other half is because they now have more power to decide how the housework is split in the first place (which means that men have to pick up more of the share).

These findings suggest that eliminating the gender gap entirely would cause women to become 18 percentage points more likely to work full-time in the labour market and even out the time spent on housework by reducing it (mostly for women) by as much as seven hours per week.

More...

How does the narrowing gender wage gap affect family time allocations? The convergence between men's and women's wages over the last three decades – what economists call the narrowing of the 'gender wage gap' – has increased the probability that married women work in the labour market, decreased the amount of time they devote to household chores and increased their husbands' share of household work.

Married women have reallocated their time towards more market and less household work not only due to the higher monetary reward of market work (higher wages) but also because they became relatively stronger in the household decision process.

Married men and women's division of time is different nowadays from what it was 30 or 40 years ago. More women are attached to the labour market today and more of them work longer hours. This is true even during the childbearing years. Also, while women have halved the time they devote to household chores, their husbands still get involved in household duties (and market work) nearly as much as they did three decades ago.

This research investigates how married people's time allocations have been affected by the convergence between men and women's wages over the last three decades. He hypothesises that the convergence has a direct monetary effect on family planning (by increasing women's monetary reward for market work) as well as an indirect one through affecting the way that decisions between spouses are made in the household: men and women may differ in the extent to which they can tailor the household decisions to their tastes, and the gender wage gap may influence the bargaining power they have to do so.

The author develops a model of household decision-making that he uses to reproduce patterns in family time allocations in the United States since 1980. The data reveal that both mechanisms – monetary reward and changes in bargaining power – are important when the gender wage gap narrows.

A 10% closing of the gap in favour of women decreases women's household work by 14% and increases their rate of full-time market work by 4%. Half of the decrease in women's household work is due to the higher monetary reward of market work, thus to women switching to some form of market work. The other half is due to women becoming relatively stronger in the household decision process, and therefore able to enjoy more leisure.

The rise in women's market work is the result of two opposite forces: the higher monetary reward pushes women's market work up (dominating force) whereas their improved bargaining power pushes work down replacing it with leisure.

As the income that women bring into the household rises, the spouses are in a better financial position to replace household chores such as childcare or cleaning with similar services purchased from the market. In principle, this could benefit men too by cutting down their household work (monetary effect).

In reality, however, men keep their household work unchanged as their weakening bargaining position counterbalances the monetary effect. As women become more powerful thanks to a narrower gender wage gap, they shift household work from themselves to their husbands.

These findings are suggestive of the likely implications the elimination of the gender wage gap would have for family time allocations. If men and women were paid the same on average wages, women would be up to 18 percentage points more likely to work full-time in the labour market.

This increase, which would be particularly strong in the early childbearing years, is primarily due to women with young children entering the labour market while they would not participate previously. Overall, women's rates of market work would tend to mimic men's.

Finally, the elimination of the gender wage gap would render the allocation of time devoted to household chores more equal between spouses by reducing, predominantly, women's work in the household by as much as seven hours per week.

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