

Women 'Returners' and the Gender Pay Gap

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Abstract

It is well known already that the lifetime costs to women of having children are extremely high (Joshi, 1992). Despite a well publicised growth in labour force participation by mothers, and their earlier return to paid employment in recent decades, a number of studies has shown that motherhood also incurs a 'wage penalty' (Waldfogel, 1997; Avellar and Smock, 2003; Budig and England 2001). That is, once back in paid work, mothers earn significantly less than childless women. Some, but not all of this difference is due to differences in patterns of working between mothers and other women, for example mothers' increased likelihood of being employed part time.

Since most women have at least one child, the lower pay of mothers contributes in a major way to the pay gap between men and women. Although pay equity legislation may reduce the gender pay gap in hourly rates of pay, discrimination against mothers will continue to depress the wages of the average woman compared with the average man, unless additional strategies to improve the economic position of mothers are successfully pursued.

The focus of this paper is on the factors affecting the incomes of women who have returned to the paid labour force after having taken time away as mothers: a group we refer to as 'returners'. We examine some of the processes by which women 'returners' become low paid workers. We then look at ways in which social policies might begin to address some of the hidden factors contributing to the additional pay inequity facing returners.