Are We There?
The Search for Amenities and The Early-Career Gender Pay Gap

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Motivation

Persistence of residual gender wage gap among recent cohorts of US workers

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  - Job-protected parental leave Appendix

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  (Halzack, 2012 *WaPo*; Michelson, 2021 *Harvard Business Review*)
  - Schedule flexibility Appendix
  - Job-protected parental leave Appendix
- More employers offer amenities to highly educated workers
  (Cain Miller, 2018, 2019 *NYT*; Fuhrmans, 2018 *WSJ*; Shellenbarger, 2005 *WSJ*)

Research Questions

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  → constraints to job search?

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→ Gender differences in wage gains from job changes

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→ **Price of** work-life balance enhancing **amenities** higher for women **explains 42% of growth in early-career pay gap** due to search.

Reduced-Form Evidence

Data, Sample Selection & Characteristics

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- National Longitudinal Survey of Youth (1997)

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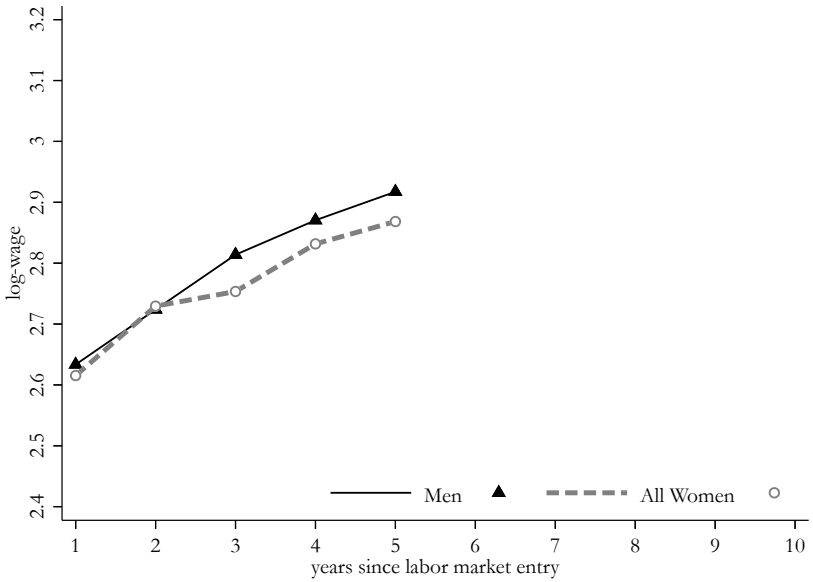
Sample Characteristics

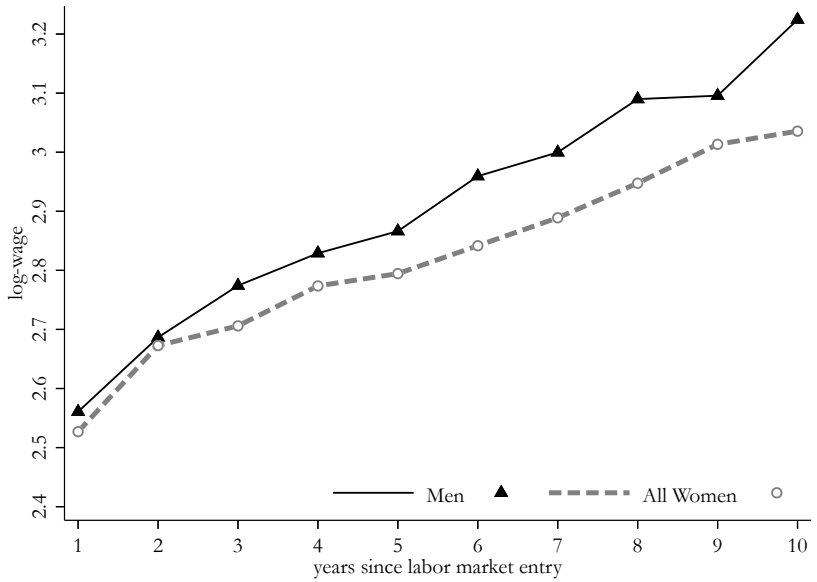
- $>$ 50% of workers change at least one job by 5th year of experience Appendix
- % workers in jobs providing amenities rise over time Appendix
- wages and gender wage gap rise over time Appendix

The gender pay gap arises soon after labor market entry

Figure 1: Composition Adjusted Mean Log-Wages



(a) Enter Labor Market in 2000-2012



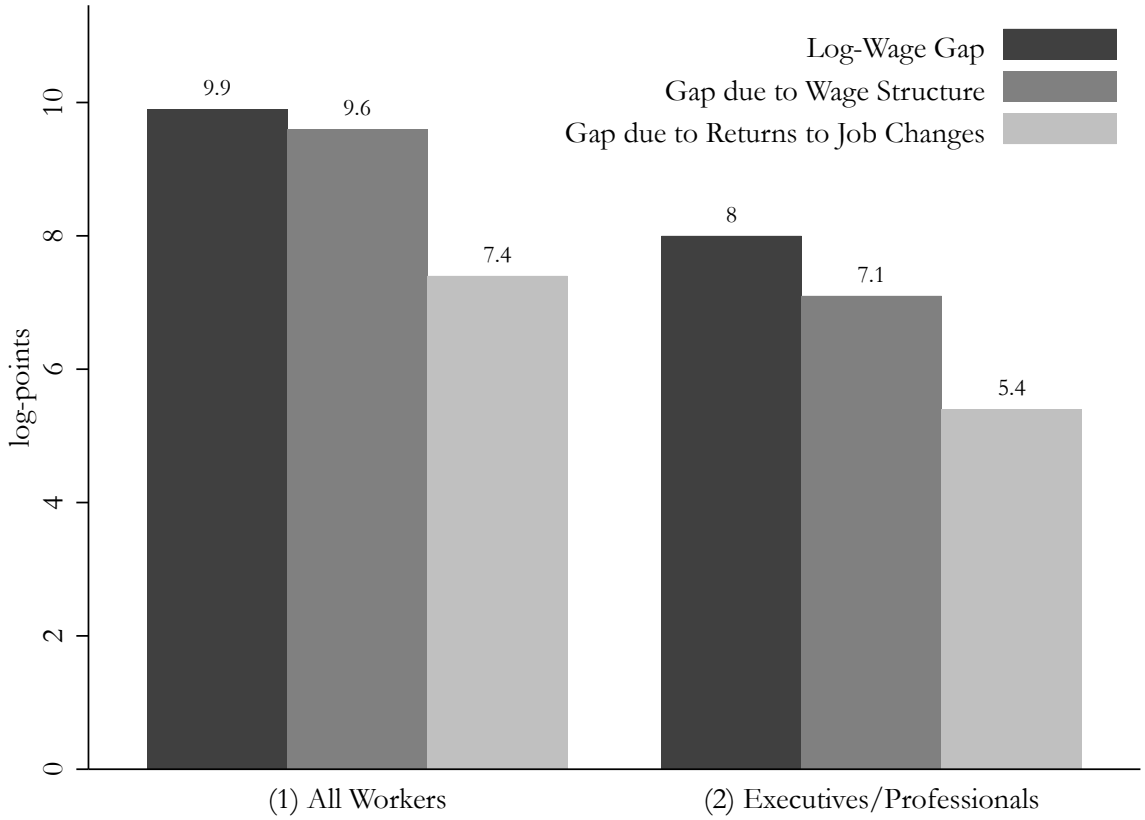
(b) Enter Labor Market in 2000-2007

Appendix: Figure by parental status

Appendix: composition adjusted wages

Returns to job changes explain the early-career pay gap

Figure 2: Average Hourly Pay Gap Decomposition - Selected Results



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Returns to job changes explain the early-career pay gap

Figure 2: Average Hourly Pay Gap Decomposition - Selected Results

Differences across genders in returns to job changes explain

- 75% of the pay gap,

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Returns to job changes explain the early-career pay gap

Figure 2: Average Hourly Pay Gap Decomposition - Selected Results

Differences across genders in returns to job changes explain

- 75% of the pay gap, 67.5% of the gap among executives & professionals.

Appendix

Wage gains for job changers are lower among women

(a) Baseline specification

$$
\begin{aligned}
w_{it} = \alpha &+ \beta_1 \text{exp}_{i,t-1} + \beta_2 \text{exp}^2_{1,t-1} + \delta \text{change\_job}_{i,t-1} + \\
&+ \gamma \text{change\_job}_{i,t-1} * \text{exp}_{i,t-1} + \eta \text{change\_job}_{i,t-1} * \text{exp}^2_{i,t-1} + \\
&+ x'_{i,t-2}\psi + \nu_i + \varepsilon_{i,t} \qquad (1)
\end{aligned}
$$

Appendix: variables

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(b) Heterogeneity in Reason for Job Change

$$w_{it} = \alpha + \beta_1 \text{exp}_{i,t-1} + \beta_2 \text{exp}^2_{1,t-1} + \sum_{k=1}^{K} \delta_k \text{change\_job\_reason}_{k,i,t-1} + \\ + \sum_{k=1}^{K} \gamma_k \text{change\_job\_reason}_{k,i,t-1} * \text{exp}_{i,t-1} + \\ + \sum_{k=1}^{K} \eta_k \text{change\_job\_reason}_{k,i,t-1} * \text{exp}^2_{i,t-1} + x'_{i,t-2}\psi + \varepsilon_{i,t} \tag{2}$$

Appendix: variables

Appendix: job change reasons

Table 6 - Returns to Job Change

	(a) Compare All Job Changers with Job Stayers		(b) Compare Job Shoppers with Job Stayers	
	M	F	M	F
	(1)	(2)	(3)	(4)
Actual Experience=AE at (t-1)	0.0767**	0.0808	0.0771**	0.0759
	(0.0378)	(0.0574)	(0.0372)	(0.0586)
AE(t-1) Squared	0.0008	-0.0025	0.0010	-0.0021
	(0.0036)	(0.0059)	(0.0036)	(0.0060)
Change Job in t-1(**I**[Change(t-1)])	-0.2575	-0.0056	-0.2597*	-0.0245
	(0.1703)	(0.0895)	(0.1468)	(0.1252)
AE(t-1)***I**[Change(t-1)]	0.1375	0.0572	0.1739**	0.0662
	(0.0866)	(0.0482)	(0.0837)	(0.0605)
AE(t-1)Sqr***I**[Change(t-1)]	-0.0108	-0.0078	-0.0160	-0.0079
	(0.0099)	(0.0060)	(0.0106)	(0.0081)
Adjusted R^2	0.123	0.107	0.135	0.107
N	1790	2188	1790	2188
Job Change Motive	N	N	Y	Y
Occ. & Ind. $t-2$	Y	Y	Y	Y
Additional Contr.	Y	Y	Y	Y

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- Results robust for unmarried and childless workers. Appendix: Robustness

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- The likelihood to work in amenity-providing firm rises with experience

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→ Job search & job changes affect the gap

→ Compared to men, women may

  - Be more willing to renounce to wage gains in exchange for amenities →**preferences**
  - Receive lucrative job offers at lower rate →**search frictions**
  - Receive job offers entailing lower wages →**job offers**

Appendix: Quit Probabilities

Structural Hedonic Search Model

Search model with amenities & gendered workers

Builds on

Hwang, Mortensen & Reed (1998); Bonhomme & Jolivet (2009)

Estimation

Sequential Maximum Likelihood (Bonhomme & Jolivet, 2009)

Set-up

- Partial equilibrium
- Preferences, search frictions and job offers are gender-specific
- Job offers vary by workers' type and career

Model set-up and equilibrium

- **Workers' utility**

$$u_g(w, \mathbf{a}) = w + \delta_g' \mathbf{a} \tag{3}$$

$w = ln(W)$ = log-wage
$\mathbf{a}$ = [**flexibility**; **parental leave**; child care; long hours]'
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Unemployed $\rightarrow$ accept any job offer

Employed $\rightarrow P(\text{mobility}) = q + \lambda_1 \bar{F}_u(w_t + \delta' \mathbf{a}_t) + \lambda_2$ (4)

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(4)

- Equating Flows In and Out of Employment $\rightarrow$ **s.s. distribution of** $(w, \mathbf{a})$

$$g(w, \mathbf{a}) = (1 + k) \frac{f(w, \mathbf{a})}{(1 + k\bar{F}_u(w + \delta' \mathbf{a}))^2} \tag{5}$$

The Model:
allows to estimate preferences accounting for workers' constraints

- Cross-sectional relation between wages and amenities depends on

$$g(w, \mathbf{a}) = (1 + k) \frac{f(w, \mathbf{a})}{(1 + k\bar{F}_u(w + \delta' \mathbf{a}))^2} \tag{6}$$

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- Knowledge of $g(w, \mathbf{a})$ and workers' labor market transitions

  → Likelihood function

Appendix: functional forms
Appendix: likelihood and estimation

Identification & estimation: intuition

- Parameters: job offers distribution (θ), frictions (λ), preferences (δ).

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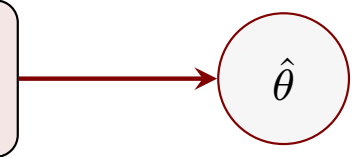
Labor market equilibrium: Identify θ

$\text{Unemployed}_t \rightarrow \text{Job}_{1,t+1}$



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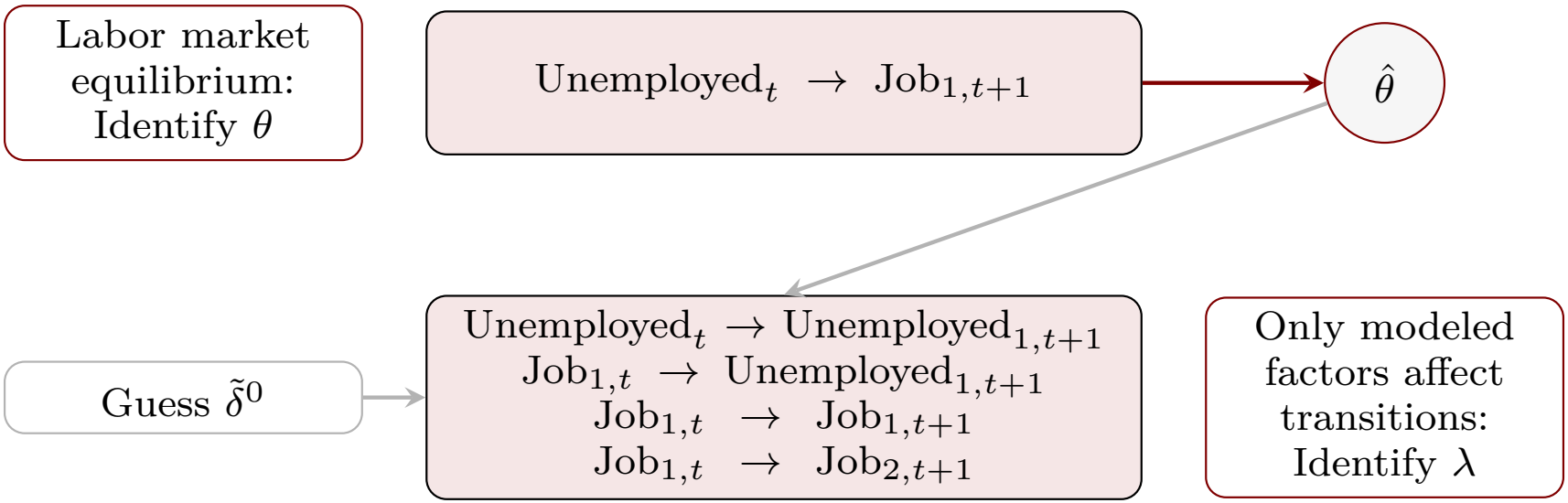

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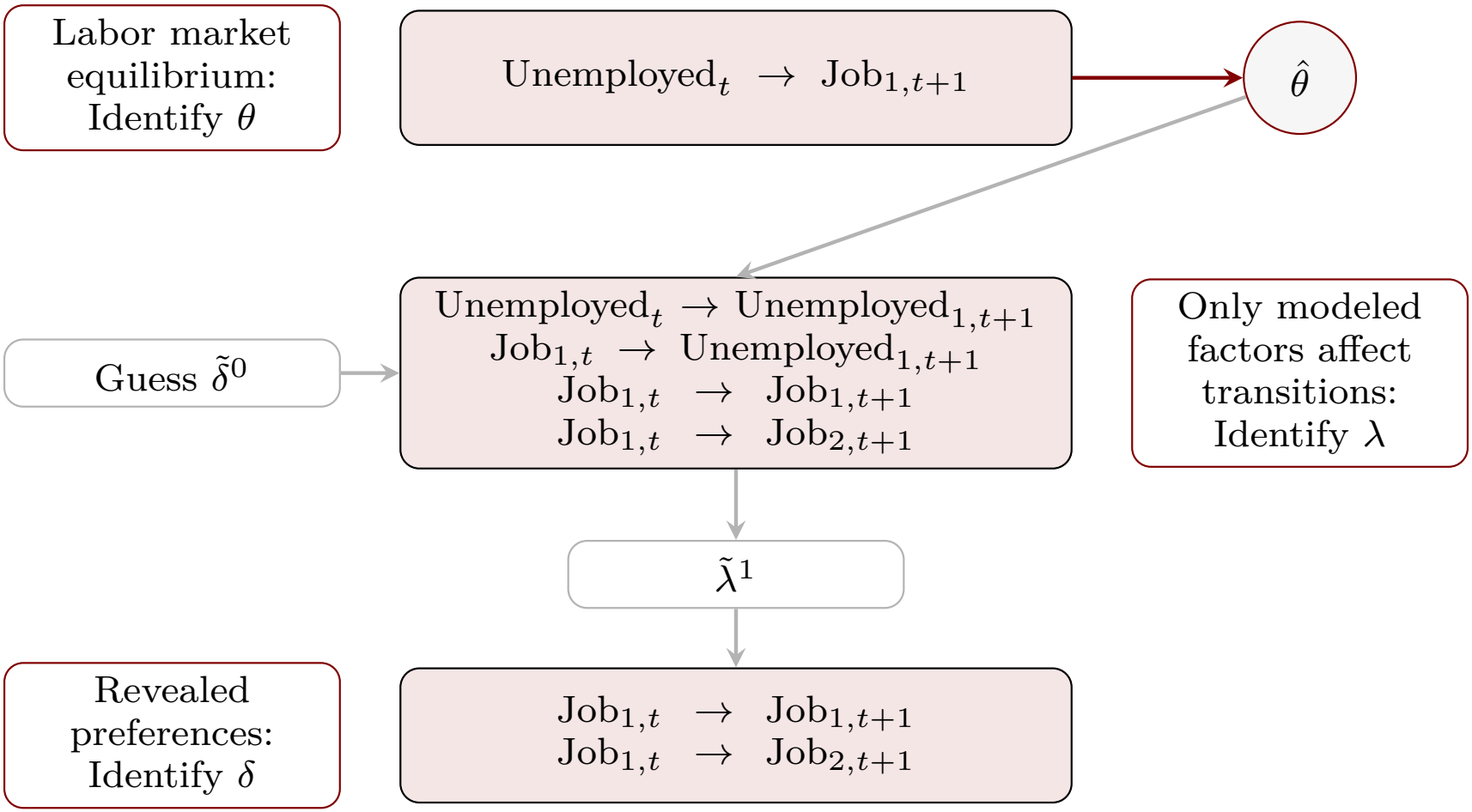

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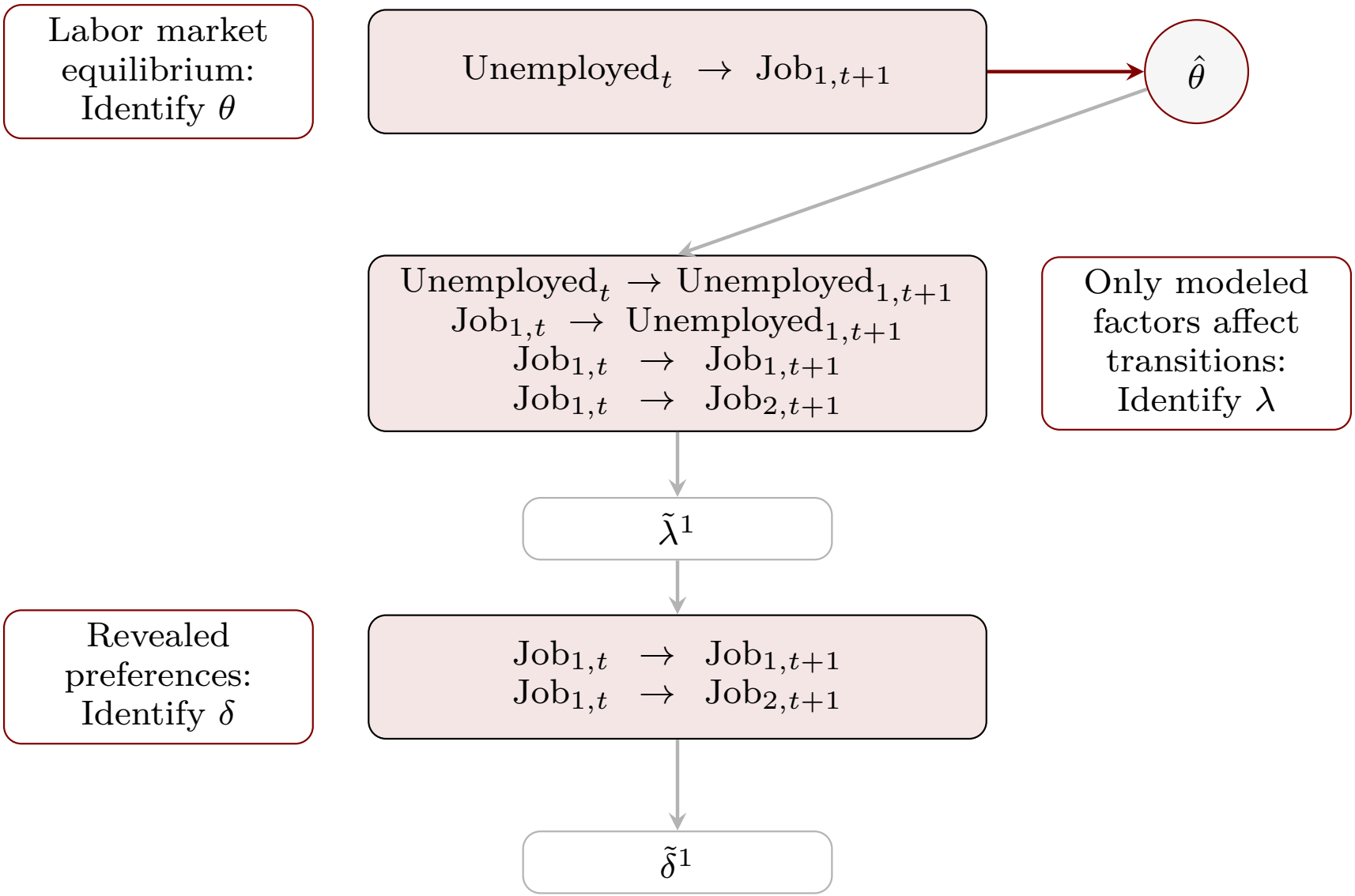

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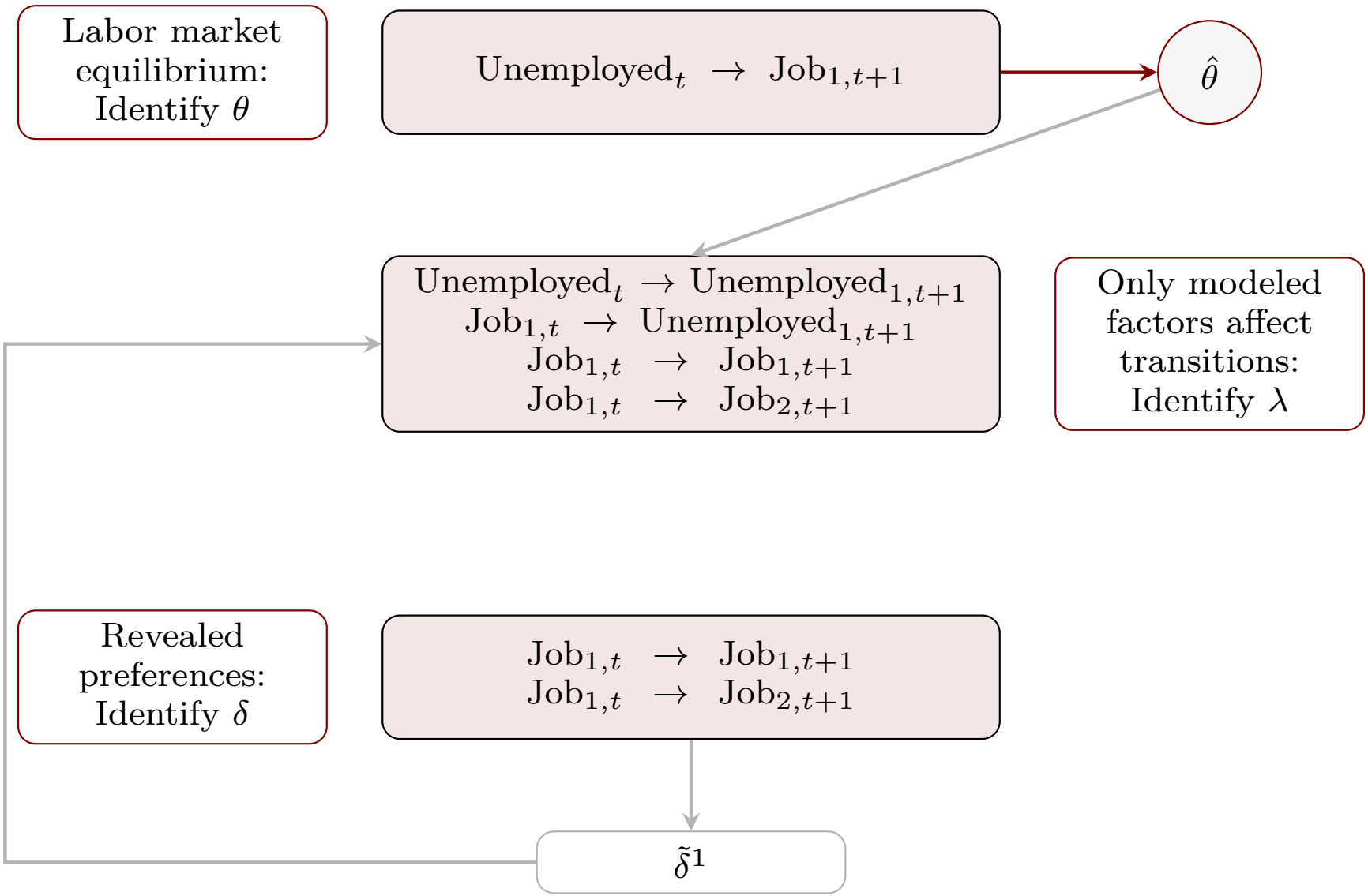

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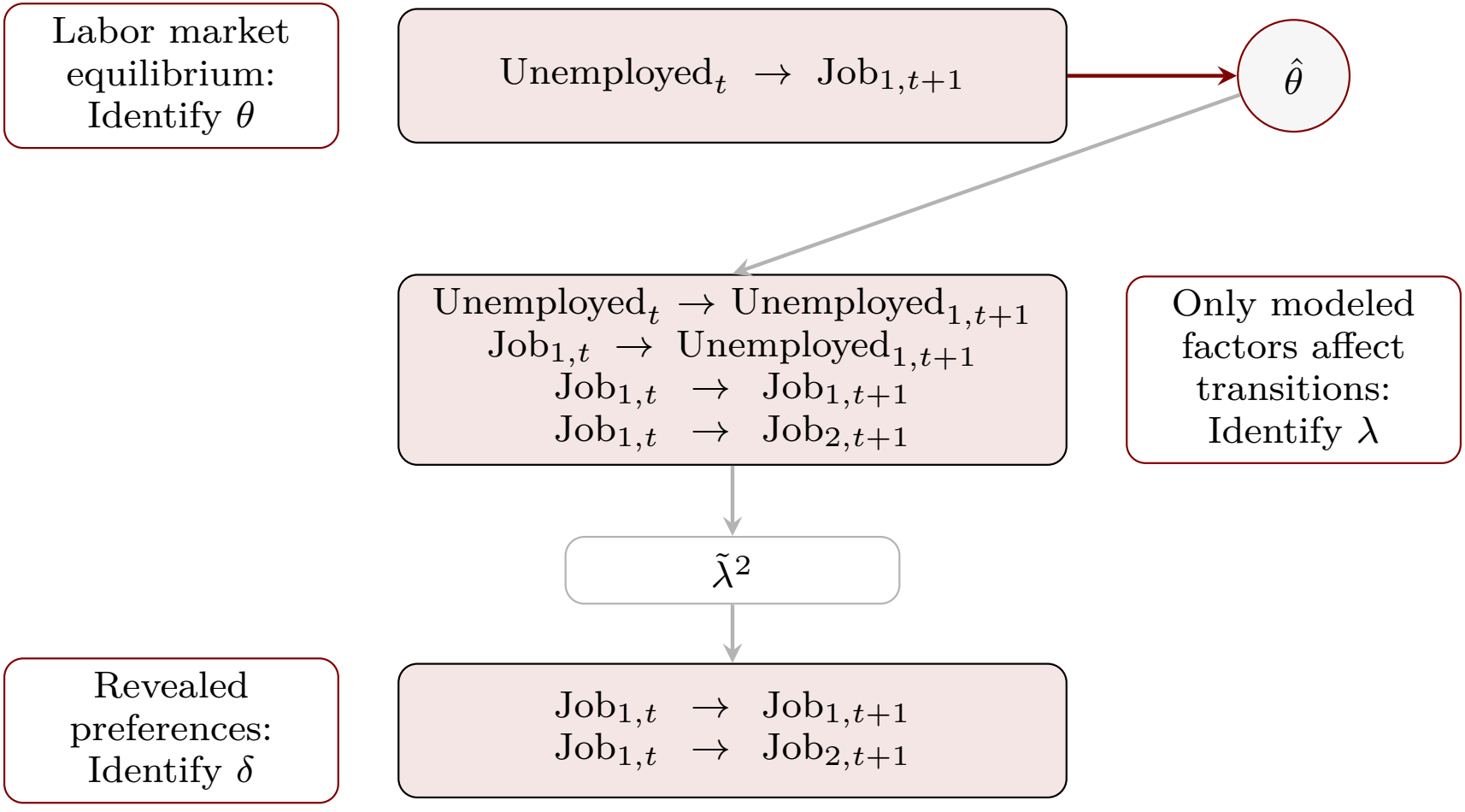

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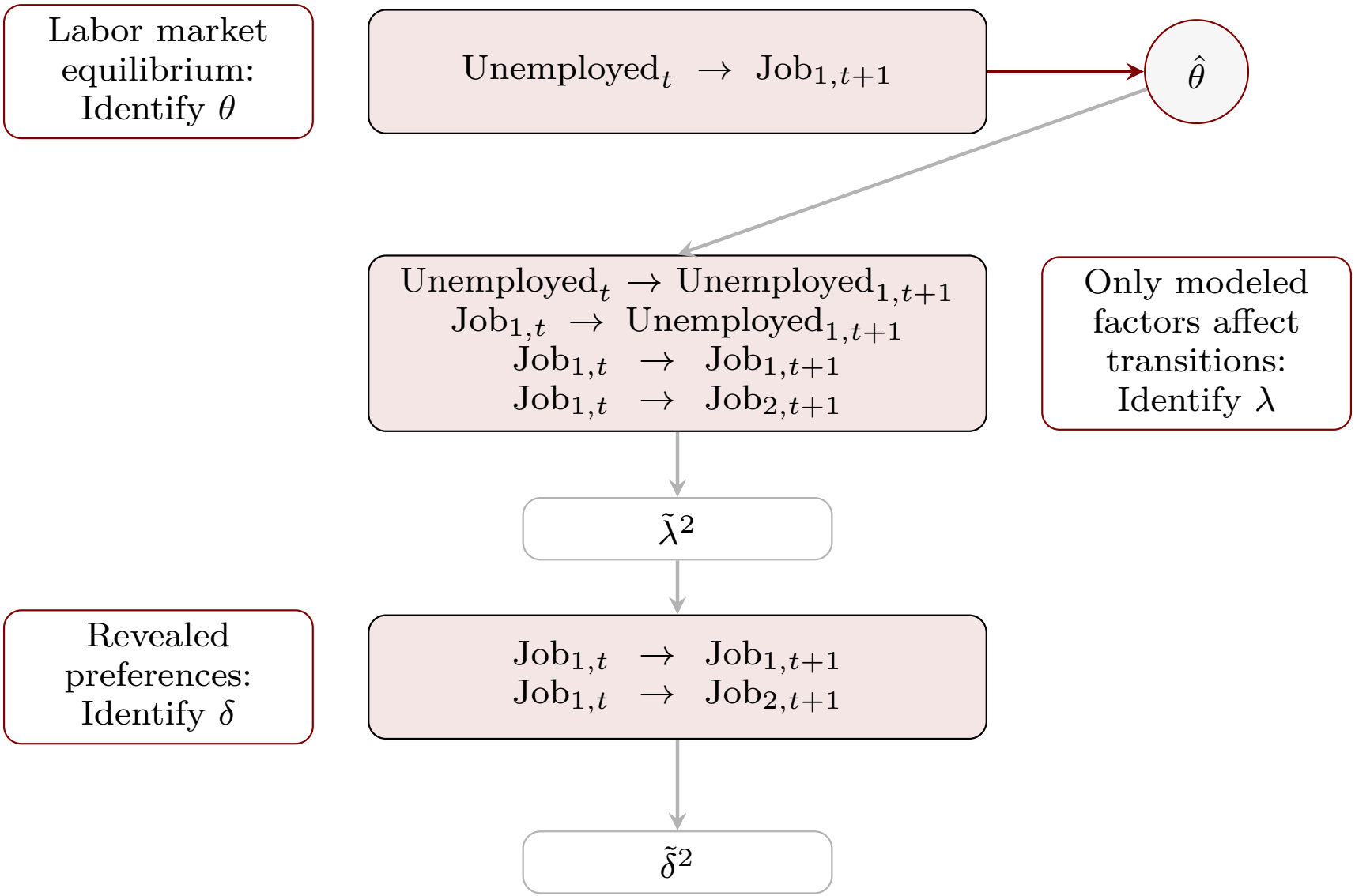

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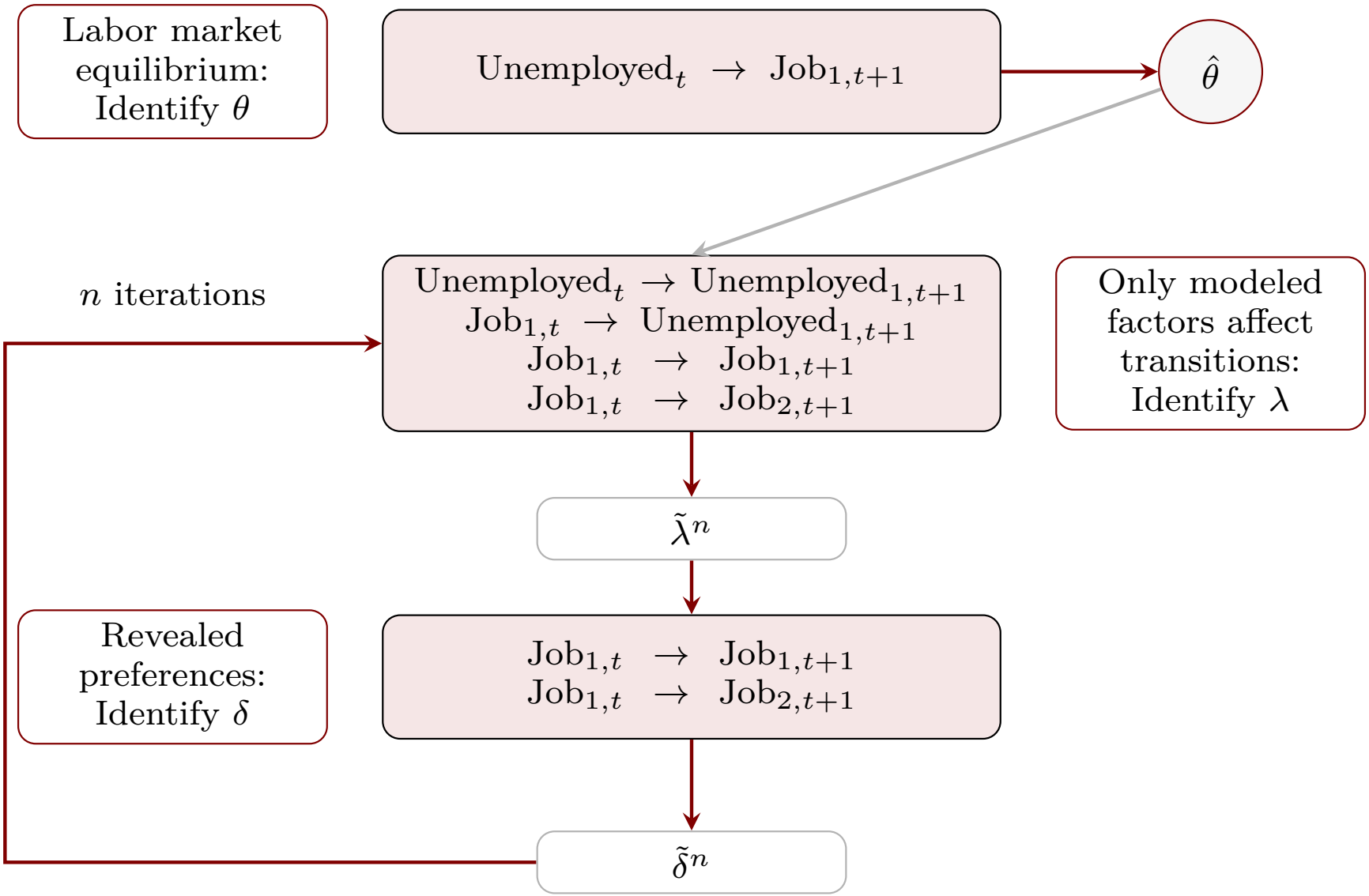

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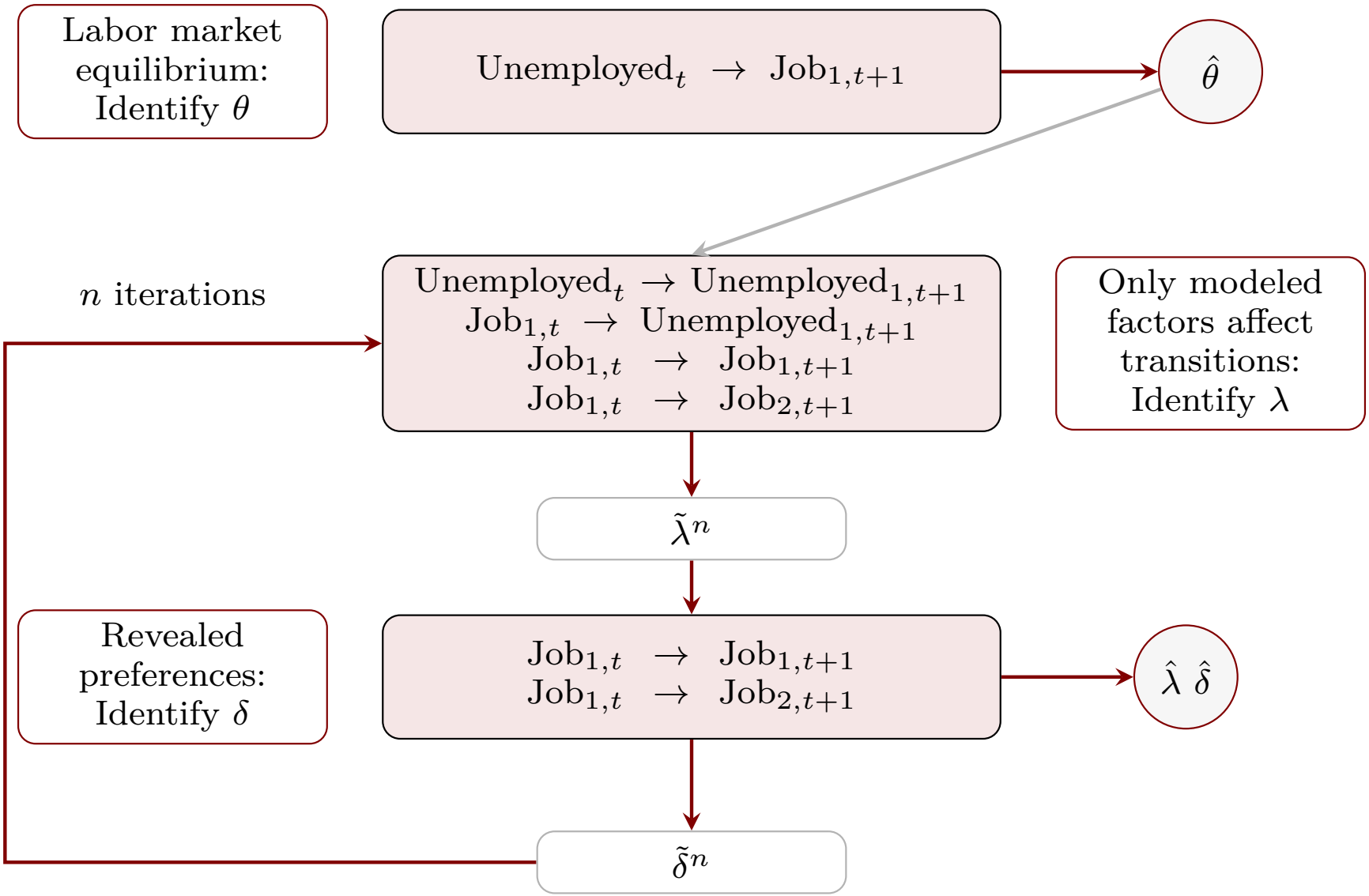

Summary of structural estimation results

Among *Millennial* American college graduates

- **Preferences** for work-life balance enhancing amenities are strong
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  Results

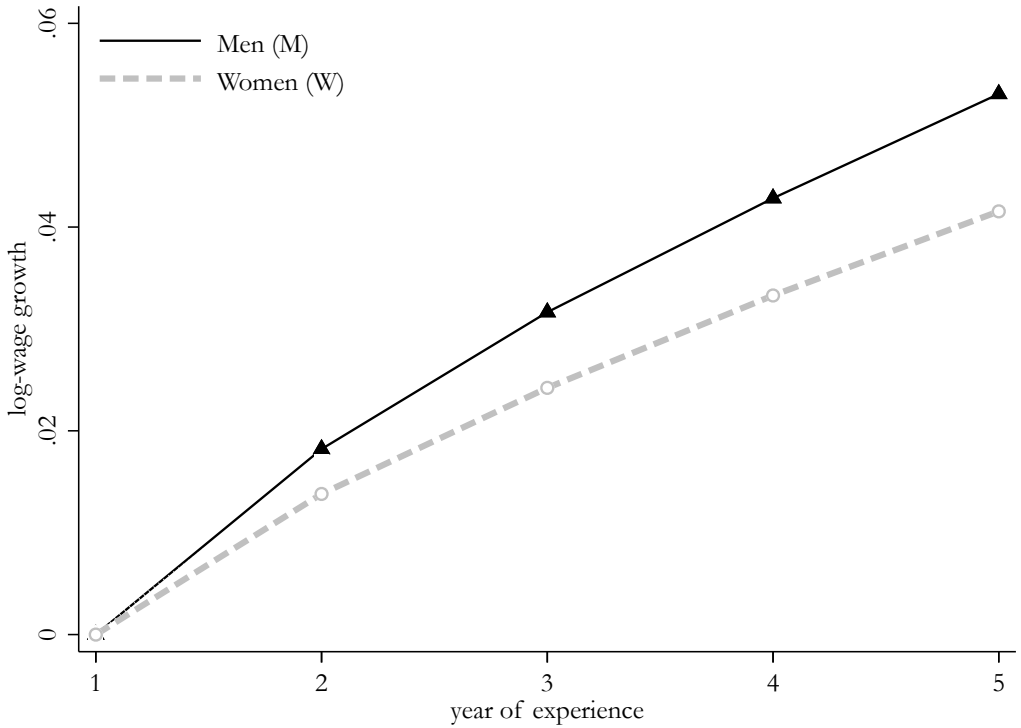
- **Job offers** entail lower wages for women
  - Gender gap in wage offered increases when flexibility provided
  - Gender gap in wage offered increases when parental leave provided

  Results

Counterfactual Analysis

Impact of preferences, frictions and job offers on the gap growth

Figure 3: Predicted and Counterfactual Average Log-Wage Growth



Appendix: more results

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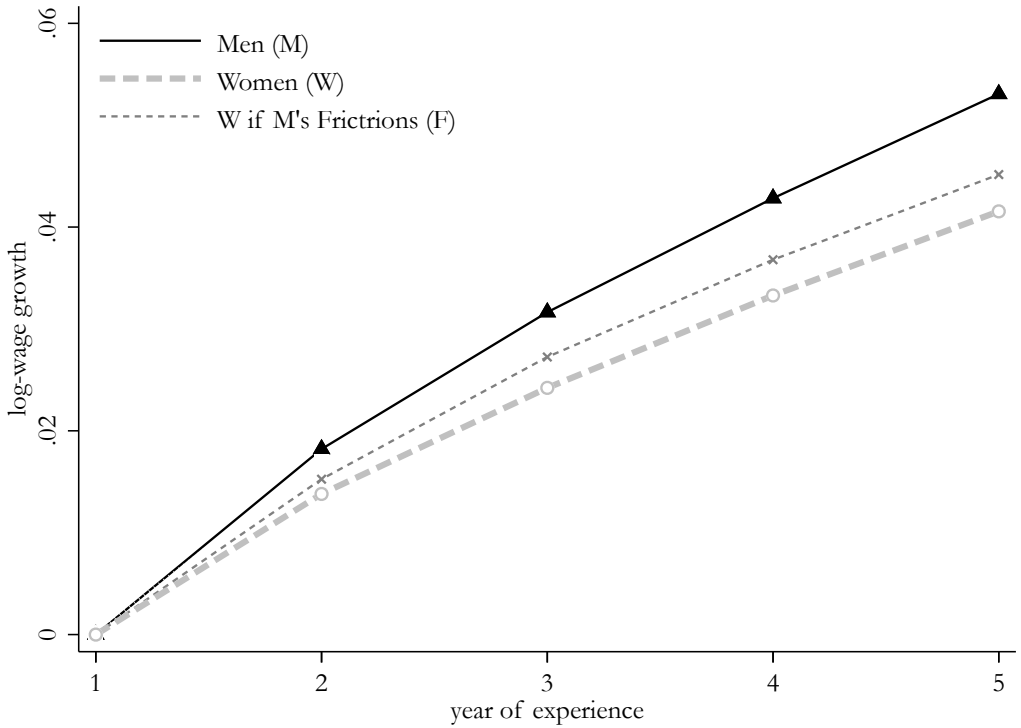

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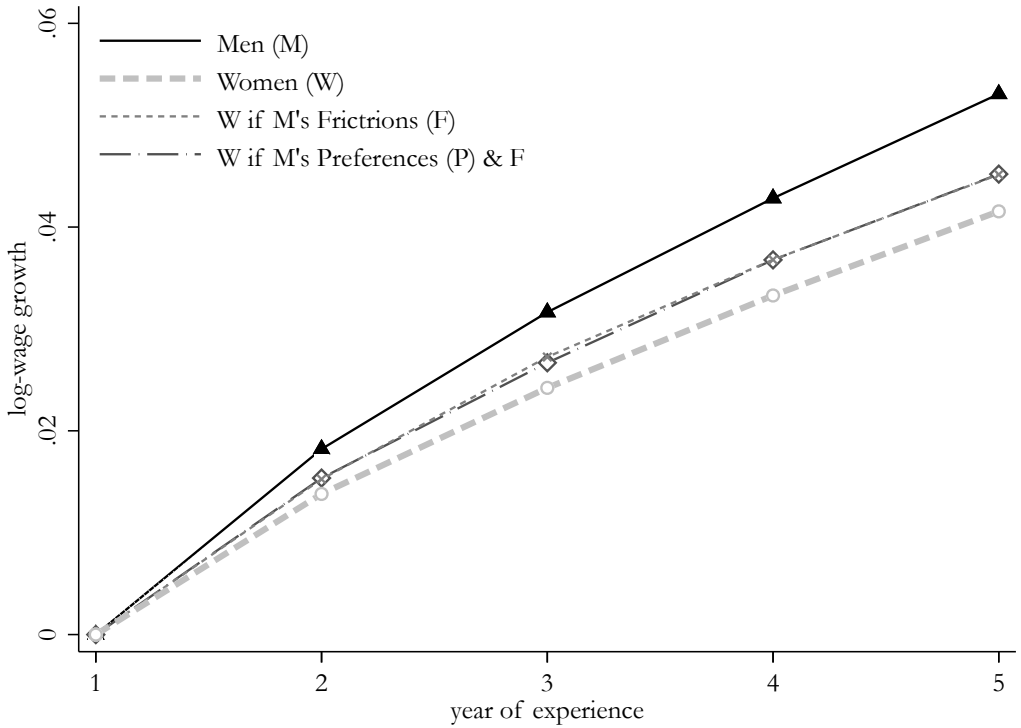

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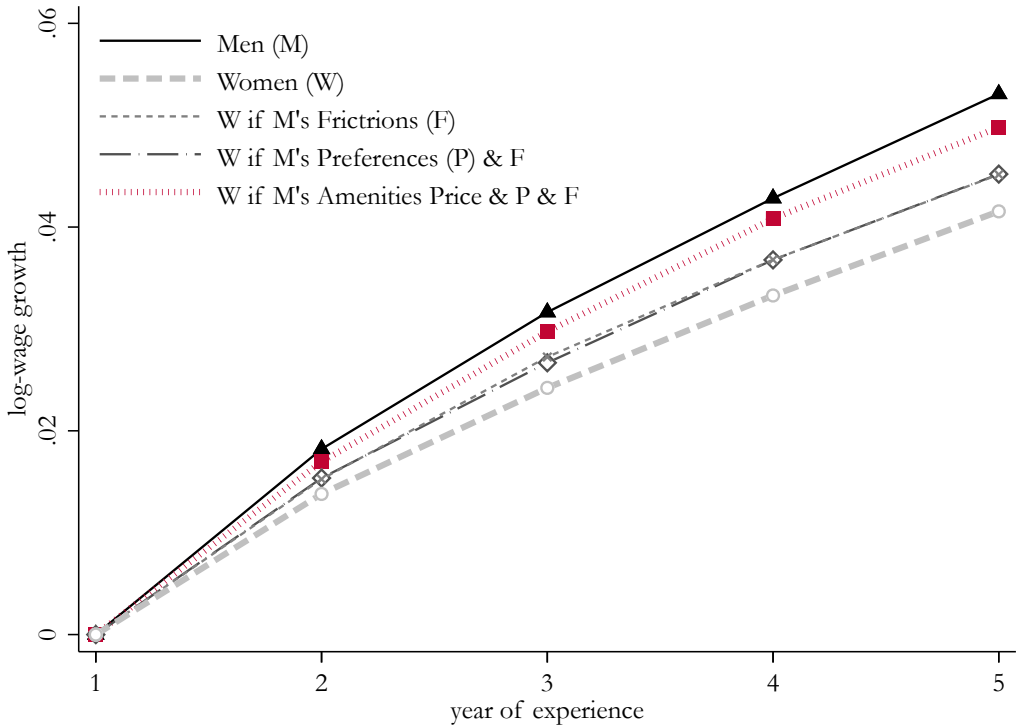

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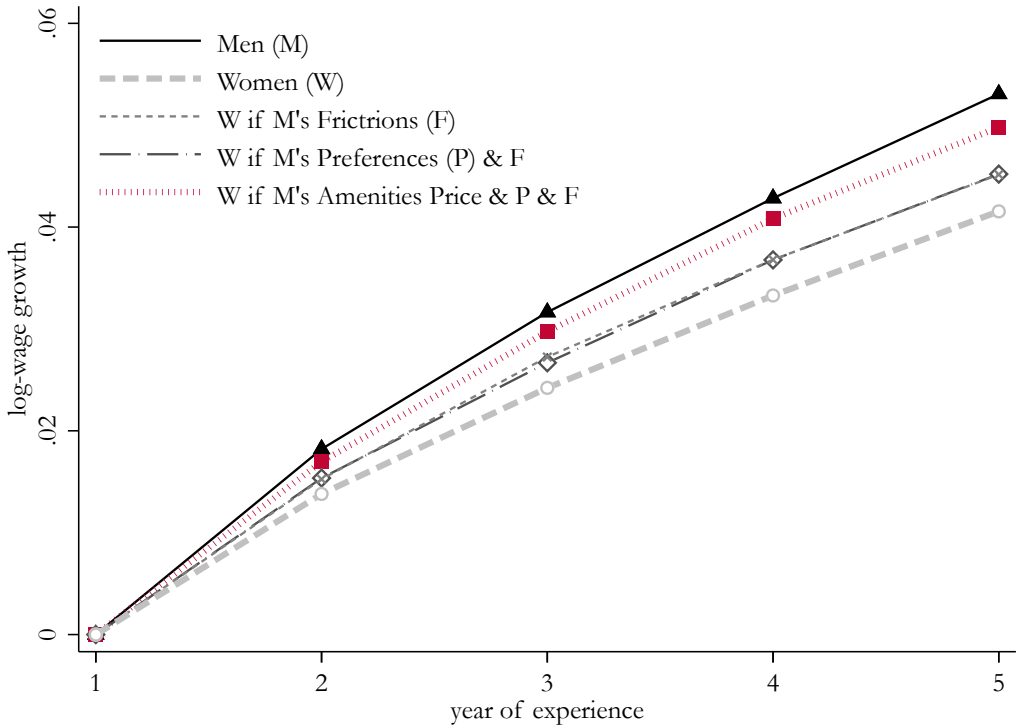

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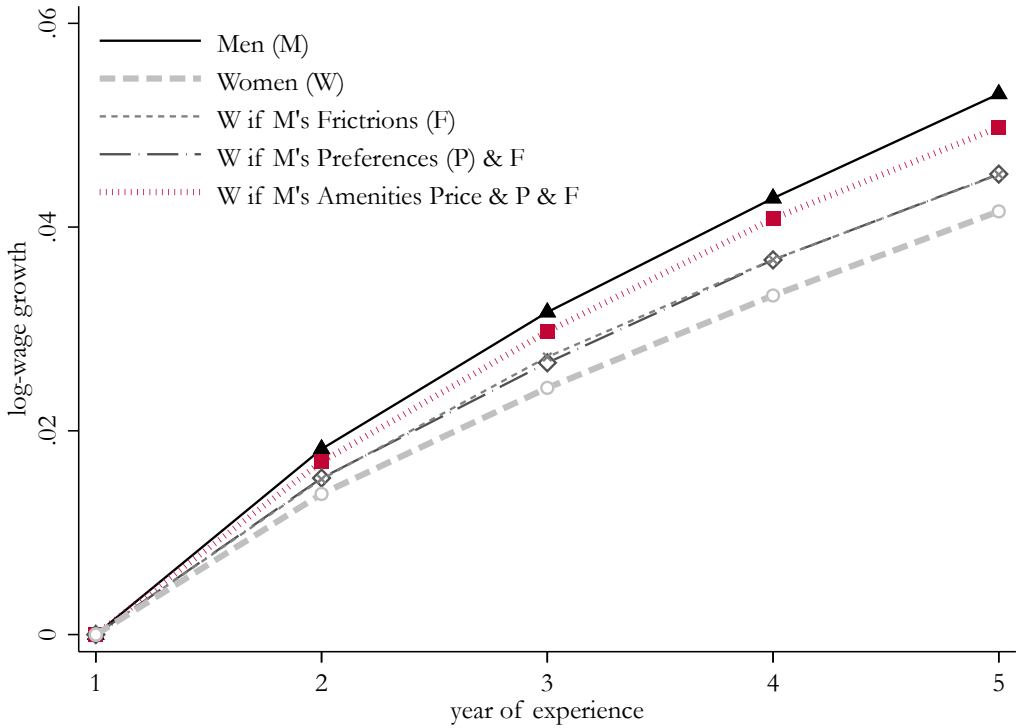

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Since the pay gap is not the outcome of compensating differentials

- Women obtain lower utility than men from their jobs.

Expected Utility Decomposition

Conclusions

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  - Among similarly educated, similarly committed workers
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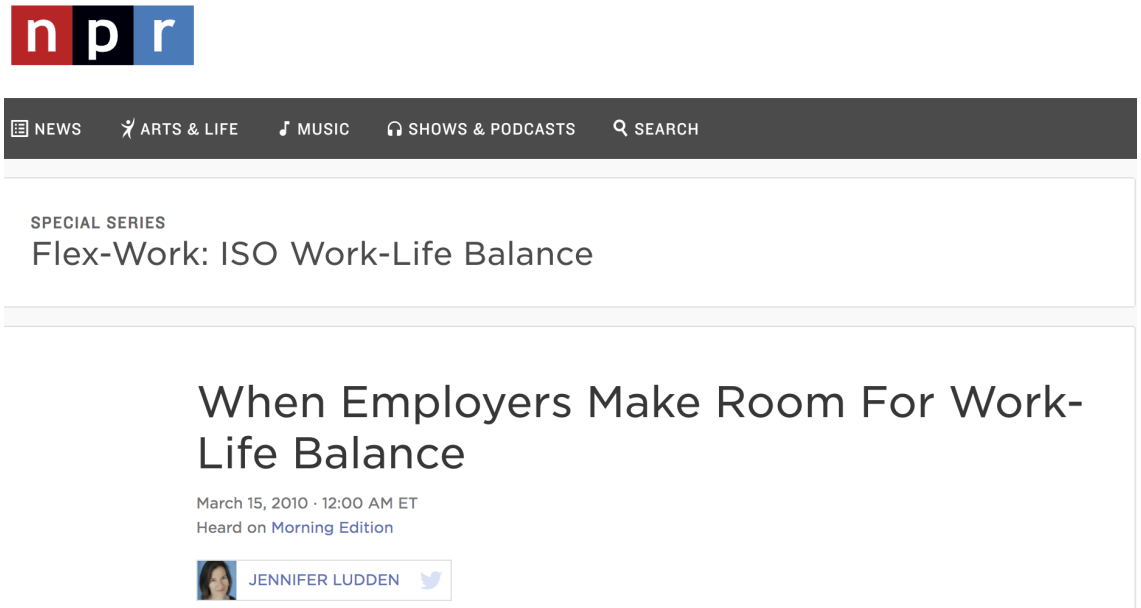
- Policies subsidizing provision of certain benefits may reduce the gap

Thank You!

ilaria.dangelis@umb.edu

Appendix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By Sue ShellenbargerStaff Reporter of The Wall Street Journal
Nov. 17, 2005 12:01 am ET

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by Joan Michelson

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BUSINESS

As More New Dads Get Paternity Leave, Companies Push Them to Take It

At some companies, new fathers get advice from older colleagues to take their full paid leave; 'If you don't take it, it's borderline idiotic,' one manager said

By Vanessa Fuhrmans
July 11, 2018 5:30 am ET

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Sample Characteristics: Family Formation

- Women more likely to marry/cohabit and do so earlier
- Women more likely to have children and do so earlier

Table 1 - NLSY Sample - Family Formation Decisions

	M	F	Diff.	Obs.
Age at labor market entry	24.25	24.32	-0.07	714
Married/cohabiting by labor market entry	0.26	0.39	-0.13***	714
Married/cohabiting by 3rd yr in labor market	0.48	0.60	-0.12***	714
Married/cohabiting by 5th yr in labor market	0.65	0.72	-0.07**	714
Married by 2015	0.68	0.70	-0.02	714
Has child by labor market entry	0.03	0.06	-0.03*	714
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Sample Characteristics: Education

Table A1 - NLSY Sample - Education

	M	F	Diff.	Obs.
No more in educ by labor market entry	0.67	0.62	0.05	714
Enrolled in school at labor market entry	0.15	0.17	-0.02	714
Bachelor degree by labor market entry	0.71	0.78	-0.07**	714
Master degree by age 26	0.07	0.10	-0.03*	714
Prospective PhD graduate	0.02	0.02	0.01	714

Back

Sample Characteristics: Employment History

Table 3 - Employment History

	(a) $\leq$ *Year 5 of Experience*			(b) $>$ *Year 5 of Experience*		
	M	F	Diff.	M	F	Diff.
(1)			**Job Changes**			
Job-to-Job transition	0.487	0.391	0.096***	0.438	0.372	0.065
Gap in weeks betw. jobs	4.914	5.116	-0.202	6.604	8.148	-1.544
Gap in weeks betw. jobs| Gap $>$ 0	9.577	8.405	1.172	11.741	12.980	-1.240
(2)			**Frequencies of Labor Market Status Spells**			
Employed	0.809	0.790	0.019*	0.656	0.612	0.044***
Unemployed	0.060	0.056	0.004	0.033	0.025	0.007
Out of Labor Force	0.119	0.144	-0.024***	0.062	0.120	-0.058***
Employed but not working	0.000	0.001	-0.001	0.000	0.000	0.000
Other, not working	0.011	0.010	0.001	0.249	0.242	0.006
(3)			**Periods Out of Employment**			
Spells out of employment	1.460	1.695	-0.235	2.338	2.759	-0.422**
Weeks out of employment	10.299	12.270	-1.971	45.199	57.390	-12.190***

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Out of Labor Force	0.119	0.144	-0.024***	0.062	0.120	-0.058***
Employed but not working	0.000	0.001	-0.001	0.000	0.000	0.000
Other, not working	0.011	0.010	0.001	0.249	0.242	0.006
(3)			**Periods Out of Employment**			
Spells out of employment	1.460	1.695	-0.235	2.338	2.759	-0.422**
Weeks out of employment	10.299	12.270	-1.971	45.199	57.390	-12.190***

- Gender differences in labor market attachment arise over time

Back

Sample Characteristics: Jobs Held & Job Changes

Table 2 - NLSY Sample - Jobs Held & Job Changes

	M	F	Diff.	Obs.
Total number of jobs held	2.47	2.42	0.05	714
Changes employer by 5th year in labor market	0.52	0.51	0.01	714
Year of experience at first job change	3.90	3.72	0.18	462
Year of experience at first job change|changes by 5th year	3.01	2.94	0.07	366

- Dynamic early careers for both men & women
- 52% of men and 51% of women change job by the 5th year of experience
- Men & women change their first job at the same stages of their careers

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Labor Market Outcomes: Wages, Hours, Weeks Worked

Table 4 - **NLSY Sample - Amenities & Labor Market Outcomes**

	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
(a)	**Time Varying Labor Market Outcomes**						
Hourly wage at j (2005 Dollars)	15.94	16.15	-0.21	27.72	23.65	4.06***	714
Average weekly hours j	43.56	42.62	0.94	44.29	40.86	3.43***	714
Weeks employed in t	47.67	48.87	-1.20**	41.79	37.97	3.82***	714

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- Wage gap arises over time in labor market
- Women's labor supply decreases over time, but wage gap remains
  - When workers have no children and are not married
  - In spite of similar weeks worked and work hours across genders

Back

Labor Market Outcomes: Firms' Characteristics

Table 5 - NLSY Sample - Amenities & Labor Market Outcomes

	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
(b)	**Time Varying Employer j Characteristics**						
Unpaid parental leave	0.22	0.31	-0.10***	0.51	0.66	-0.15***	714
Paid parental leave	0.32	0.49	-0.17***	0.48	0.55	-0.07*	714
Child care	0.07	0.10	-0.03	0.10	0.12	-0.01	714
Flexible schedule	0.40	0.39	0.01	0.54	0.45	0.09**	714
Medical insurance	0.76	0.84	-0.08***	0.93	0.90	0.03	714
Life insurance	0.57	0.64	-0.07*	0.77	0.78	-0.02	714
Dental care	0.69	0.77	-0.07**	0.82	0.84	-0.02	714
Stock ownership	0.21	0.19	0.03	0.24	0.19	0.05*	714
N. Employees	768.49	641.91	126.59	1123.62	571.77	551.85*	505(519)

- Search for amenities may explain partly explain wage dynamics

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Labor Market Outcomes: Firms' Characteristics

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	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
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Unpaid parental leave	0.22	0.31	-0.10***	0.51	0.66	-0.15***	714
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Child care	0.07	0.10	-0.03	0.10	0.12	-0.01	714
Flexible schedule	0.40	0.39	0.01	0.54	0.45	0.09**	714
Medical insurance	0.76	0.84	-0.08***	0.93	0.90	0.03	714
Life insurance	0.57	0.64	-0.07*	0.77	0.78	-0.02	714
Dental care	0.69	0.77	-0.07**	0.82	0.84	-0.02	714
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Paid parental leave	0.32	0.49	-0.17***	0.48	0.55	-0.07*	714
Child care	0.07	0.10	-0.03	0.10	0.12	-0.01	714
Flexible schedule	0.40	0.39	0.01	0.54	0.45	0.09**	714
Medical insurance	0.76	0.84	-0.08***	0.93	0.90	0.03	714
Life insurance	0.57	0.64	-0.07*	0.77	0.78	-0.02	714
Dental care	0.69	0.77	-0.07**	0.82	0.84	-0.02	714
Stock ownership	0.21	0.19	0.03	0.24	0.19	0.05*	714
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- Search for amenities may explain partly explain wage dynamics

1. Search → better jobs → higher wages and better amenities for all workers

Back

Labor Market Outcomes: Firms' Characteristics

Table 5 - **NLSY Sample - Amenities & Labor Market Outcomes**

	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
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Unpaid parental leave	0.22	0.31	-0.10***	0.51	0.66	-0.15***	714
Paid parental leave	0.32	0.49	-0.17***	0.48	0.55	-0.07*	714
Child care	0.07	0.10	-0.03	0.10	0.12	-0.01	714
Flexible schedule	0.40	0.39	0.01	0.54	0.45	0.09**	714
Medical insurance	0.76	0.84	-0.08***	0.93	0.90	0.03	714
Life insurance	0.57	0.64	-0.07*	0.77	0.78	-0.02	714
Dental care	0.69	0.77	-0.07**	0.82	0.84	-0.02	714
Stock ownership	0.21	0.19	0.03	0.24	0.19	0.05*	714
N. Employees	768.49	641.91	126.59	1123.62	571.77	551.85*	505(519)

- Search for amenities may explain partly explain wage dynamics

1. Search → better jobs → higher wages and better amenities for all workers
2. Share of men in amenity-providing jobs increase faster → contributes to the opening wage gap?

Back

Labor Market Outcomes: No Children By 2015

Table A2 - NLSY Sample - Amenities & Labor Market Outcomes - No Children by 2015

	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
(a)	**Time Varying Labor Market Outcomes**						
Hourly wage at j (2005 Dollars)	15.96	16.59	-0.63	27.89	23.72	4.17**	314
Average weekly hours j	44.64	43.12	1.52	44.09	43.11	0.98	314
Weeks employed in t	47.94	48.94	-1.00	39.44	37.62	1.82	314
(b)	**Time Varying Employer j Characteristics**						
Unpaid parental leave	0.21	0.33	-0.12**	0.50	0.60	-0.10*	314
Paid parental leave	0.35	0.53	-0.18***	0.49	0.59	-0.10*	314
Child care	0.08	0.11	-0.03	0.12	0.12	0.00	314
Flexible schedule	0.40	0.33	0.07	0.55	0.46	0.09	314
Medical insurance	0.74	0.83	-0.08*	0.94	0.90	0.04	314
Life insurance	0.58	0.61	-0.03	0.76	0.76	0.00	314
Dental care	0.72	0.75	-0.04	0.85	0.84	0.01	314
Stock ownership	0.22	0.18	0.04	0.26	0.21	0.05	314
N. Employees	945.13	624.50	320.64	1453.50	577.58	875.92	217(222)

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Labor Market Outcomes: Not Married By 2015

Table A3 - NLSY Sample - Amenities & Labor Market Outcomes - Not Married by 2015

	First Year			*Last Year*			
	M	F	Diff.	M	F	Diff.	Obs.
(a)	**Time Varying Labor Market Outcomes**						
Hourly wage at j (2005 Dollars)	15.25	16.59	-1.35	25.34	22.75	2.60	220
Average weekly hours j	44.25	43.23	1.02	43.43	42.51	0.92	220
Weeks employed in t	48.05	48.07	-0.02	40.03	37.71	2.32	220
(b)	**Time Varying Employer j Characteristics**						
Unpaid parental leave	0.19	0.37	-0.18***	0.40	0.55	-0.15**	220
Paid parental leave	0.34	0.49	-0.14**	0.52	0.56	-0.05	220
Child care	0.05	0.08	-0.03	0.13	0.09	0.04	220
Flexible schedule	0.36	0.32	0.04	0.53	0.45	0.08	220
Medical insurance	0.69	0.83	-0.14**	0.92	0.85	0.07	220
Life insurance	0.56	0.60	-0.05	0.74	0.74	0.00	220
Dental care	0.68	0.74	-0.06	0.81	0.82	-0.01	220
Stock ownership	0.28	0.18	0.10*	0.24	0.23	0.01	220
N. Employees	1085.53	688.96	396.57	1597.27	679.20	918.06	151(154)

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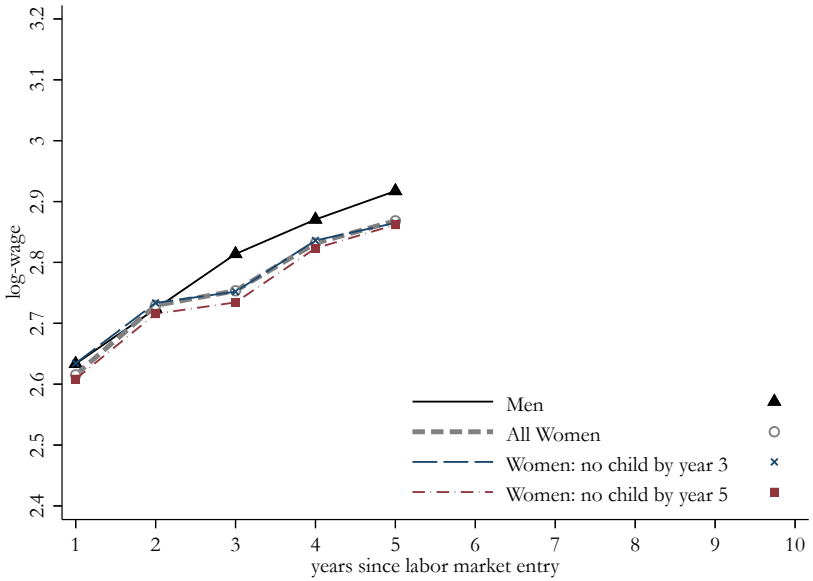
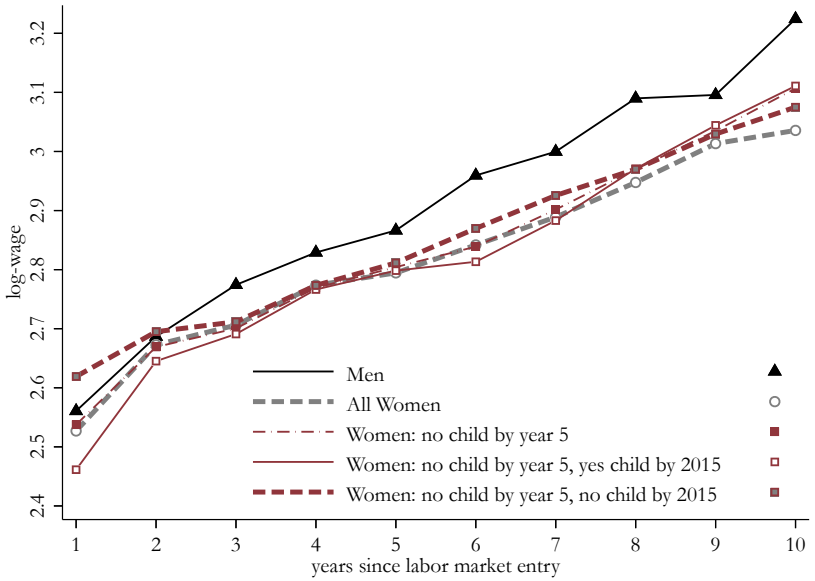
Pay Gap by Women's Parental Status

Figure 4: Composition Adjusted Mean Log-Wages



(a) Enter Labor Market in 2000-2012



(b) Enter Labor Market in 2000-2007

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When does the pay gap arise?

Composition-Adjusted Experience-Specific Average Gender Wage Gap

$$w_{ijt} = \sum_{j=2000}^{2007} \delta_{jt} y_{ji} + \sum_{j=2000}^{2007} \eta_{jt} y_{ji} f_i + \nu_{ijt} \tag{7}$$

- $f_i = 1$ if female
- $y_{ji} = 1$ if i entered the labor market in year $j \in \{2000, ..., 2007\}$
- $w_{ijt} = i$'s real log-wage in year $t \in \{1, ..., 10\}$

For $g = f, m$ and $\omega_j^g = \frac{(\text{n.weeks work})_j}{(\text{n.weeks work})}$:

$$\bar{w}_t^g = \sum_{j=2000}^{2007} \omega_j^g \hat{w}_{jt}^g \tag{8}$$

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Hourly Gender Pay Gap Decomposition

Hourly Gender Pay Gap Decomposition

- Diverging wage profiles between male and female workers

$\rightarrow$ Different returns to experience.

Hourly Gender Pay Gap Decomposition

- Diverging wage profiles between male and female workers

→ Different returns to experience.

- Returns to *general human capital* (Becker 1964)
- Returns to *search capital* (Burdett & Mortensen 1998)

Hourly Gender Pay Gap Decomposition

- Diverging wage profiles between male and female workers

→ Different returns to experience.

- Returns to *general human capital* (Becker 1964)
- Returns to *search capital* (Burdett & Mortensen 1998)

→ Isolate the contribution of returns to search capital to the pay gap

$$\hat{E}[w_{it}|f_i=0] - \hat{E}[w_{it}|f_i=1] =$$

$$\underbrace{\overbrace{\bar{\mathrm{JC}}_f\left(\hat{\beta}^J_m - \hat{\beta}^J_f\right)}^{\text{ret. job changes}} + \overbrace{\bar{\mathrm{AE}}_f\left(\hat{\beta}^A_m - \hat{\beta}^A_f\right)}^{\text{ret. actual experience}} + \overbrace{\bar{\mathrm{EG}}_f\left(\hat{\beta}^E_m - \hat{\beta}^E_f\right)}^{\text{ret. employment gaps}} + \sum_{k=1}^{K} \bar{x}_{kf}\left(\hat{\beta}_{mk} - \hat{\beta}_{fk}\right) +}_{\text{Wage Structure}}$$

$$\underbrace{+\overbrace{\hat{\beta}^J_m\left(\bar{\mathrm{JC}}_m - \bar{\mathrm{JC}}_f\right)}^{\text{n. job changes}} + \overbrace{\hat{\beta}^A_m\left(\bar{\mathrm{AE}}_m - \bar{\mathrm{AE}}_f\right)}^{\text{actual experience}} + \overbrace{\hat{\beta}^E_m\left(\bar{\mathrm{EG}}_m - \bar{\mathrm{EG}}_f\right)}^{\text{n. employment gaps}} + \sum_{k=1}^{K} \hat{\beta}_{mk}\left(\bar{x}_{km} - \bar{x}_{kf}\right)}_{\text{Characteristics}}$$

App 1. Construct AE App 2. Estimate AE Returns Back

Potential, Actual, Work-History Experience: Variables Construction

Potential Experience Variable

$\exp_{it}$ is the number of years since labor market entry.

Actual Experience Variable

For each year of potential labor market experience $J \in \{1, ..., 10\}$, in calendar year t, a worker's actual (or aggregate) experience in years is

$$\exp_{iJt} = \frac{\sum_{j=1}^{J} \text{n. weeks worked in year of exp. j}}{52} \tag{9}$$

Work History Experience Variable

$$\exp_{i,\iota t} = (\text{n. weeks worked } \iota \text{ years ago})/(52) \tag{10}$$

The variable takes value 0 if ι years before t a worker had not yet entered the labor market or if the worker experienced a one year long career interruption.

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Returns to Experience for Male and Female Workers

Potential & Actual Experience Models

$$w_{it} = \alpha + \beta_0 \text{exp}_{it} + \beta_1 \text{exp}_{it}^2 + x_{it}'\delta + \varepsilon_{it} \tag{11}$$

Work History Model

$$w_{it} = \alpha + \sum_{\iota=1}^{I} \beta_\iota \text{exp}_{i,\iota t} + x_{it}'\delta + \varepsilon_{it} \tag{12}$$

- w_{it}: log-wage of worker i at time t
- x_{it}: controls (AE and HW models include labor market interruptions)
- $\varepsilon_{it} = \nu_i + u_{it}$. ν_i: individual fixed effect; u_{it}: mean-zero error

Table A4 - **Returns to experience**

	Males			Females		
	Work Hist. (1)	Actual Exper. (2)	Potential Exper. (3)	Work His. (4)	Actual Exper. (5)	Potential Exper. (6)
	One Year of Tenure			One Year of Tenure		
Experience 2	1.05	1.04	1.00	1.07	1.04	1.00
Experience 4	1.25	1.24	1.18	1.25	1.23	1.16
Experience 6	1.50	1.48	1.39	1.40	1.42	1.33

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Variables in Returns to Job Changes Models

All models include controls for

- w_{it} log-real wage in year t
- $\exp_{i,t-1}$ actual experience in year $t-1$
- $\text{change\_job}_{i,t-1} = 1$ i if changed employer between $t-2$ and $t-1$
- $x'_{i,t-2}$ worker and job characteristics at $t-2$
  - Bachelor degree by time $t-2$
  - Enrolled in school in $t-2$
  - (Log of) weekly hours worked in $t-2$
  - Quadratic in $t-2$ tenure
  - Dummy for union bargained contract in $t-2$
  - (Log of) n. employees at $t-2$ employer
  - Dummies for whether employer j offered parental benefits and flexible schedule in $t-2$
  - US Region-specific unemployment rate in $t-2$
  - 1-digit occupation dummies
  - 1-digit industry dummies
  - Dummies for whether employer j offered, respectively, medical insurance, life insurance, dental care, a retirement plan, and stock ownership.

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Heterogeneous Reasons for Job Change

- *Job Shopping* (S): worker i obtained a new job
- *Job Destruction* (D): plant closure, layoff, worker i was fired
- *Family Constraints* (FC): includes pregnancy
- *Working Environment* (WE): worker i disliked previous job work environment.
- *Other* (O): other reasons (e.g. medical).
- *Mobility Constraints* (MC): transportation costs, lack of infrastructures.

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Table A5 - **Returns to Job Change No Married/No Children**

	Postdated JC Decision				Anticipated JC Decision							
	No Married by $(t-2)$		No Child by $(t-2)$		No Married by t		No Child by t		No Married by 2015		No Child by 2015	
	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	b/se	b/se	b/se	b/se	b/se	b/se	b/se	b/se	b/se	b/se	b/se	b/se
AE (t-1)	0.0614*	0.0834	0.0769*	0.0698	0.0685*	0.0754	0.0644*	0.0760	0.0690*	0.0823	0.0641*	0.0699
	(0.0369)	(0.0585)	(0.0402)	(0.0590)	(0.0378)	(0.0615)	(0.0384)	(0.0582)	(0.0383)	(0.0628)	(0.0378)	(0.0593)
AE(t-1)^2	0.0025	-0.0032	0.0014	-0.0011	0.0017	-0.0020	0.0027	-0.0019	0.0009	-0.0021	0.0018	-0.0011
	(0.0037)	(0.0060)	(0.0043)	(0.0059)	(0.0037)	(0.0062)	(0.0039)	(0.0059)	(0.0037)	(0.0062)	(0.0037)	(0.0059)
I[Ch(t-1)])	-0.2732	-0.0875	-0.2883*	-0.0594	-0.3329	-0.0791	-0.3019*	-0.0532	-0.5420	-0.2153	-0.3077	-0.0777
	(0.1714)	(0.1613)	(0.1549)	(0.1381)	(0.2114)	(0.2002)	(0.1648)	(0.1482)	(0.3856)	(0.3425)	(0.3000)	(0.2523)
AE(t-1)*I[Ch(t-1)]	0.2077**	0.0961	0.2105**	0.0846	0.2369**	0.0594	0.2285**	0.0862	0.3297*	0.0859	0.1970	-0.0310
	(0.0939)	(0.0903)	(0.0888)	(0.0673)	(0.1145)	(0.1067)	(0.0980)	(0.0709)	(0.1826)	(0.1557)	(0.1498)	(0.1043)
AE(t-1)Sqr*I[Ch(t-1)]	-0.0204*	-0.0143	-0.0232**	-0.0101	-0.0229*	-0.0092	-0.0266**	-0.0122	-0.0320*	-0.0107	-0.0184	0.0058
	(0.0105)	(0.0146)	(0.0112)	(0.0092)	(0.0126)	(0.0167)	(0.0132)	(0.0104)	(0.0192)	(0.0235)	(0.0163)	(0.0138)
Adjusted R^2	0.165	0.106	0.144	0.105	0.141	0.105	0.168	0.104	0.148	0.108	0.159	0.110
N	1790	2188	1790	2188	1790	2188	1790	2188	1790	2188	1790	2188
N_g	304	382	304	382	304	382	304	382	304	382	304	382
Job Change Motive	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Occ. & Ind. $t-2$	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Additional Contr.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

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Preferences for may differ by gender

- Probability of quitting job falls as valuable amenities are provided
- The stronger fall in quit probability the stronger preferences for amenities (Groenberg & Reed 1994, Dale-Olsen 2006)

→ Conditional Logit Model of Job Quit (Chamberlain 1981, Kitazawa 2012)

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Estimating quit probabilities: model & control variables

$$\begin{aligned} y^*_{ijt} &= z'_{ijt}\xi + \nu_i + u_{ijt} \\ &= \alpha + \beta w_{it} + \gamma \mathbf{I}\left[\text{Parental Leave}_{ijt}\right] + \\ &+ \delta \mathbf{I}\left[\text{Flexible Schedule}_{ijt}\right] + x'_{ijt}\eta + \nu_i + u_{ijt} \end{aligned} \tag{13}$$

$$y_{ijt} = \mathbf{I}\left[j(t) \neq j(t+1)\right] = \mathbf{I}\left[y*_{ijt} \geq 0\right] \tag{14}$$

$$\Pr\left[y_{ijt} = 1 | z_{ijt}, \nu_i\right] = \frac{\exp\{z'_{ijt}\xi + \nu_i\}}{1 + \exp\{z'_{ijt}\xi + \nu_i\}} \tag{15}$$

Controls include:

- Quadratic function years of actual experience
- Quadratic function years of tenure
- Dummy for union bargained contract
- Dummies for bachelor degree by t and enrolled in school in t
- Number of spells out of labor force by t
- Dummies for medium or high US region unemployment rate

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Table A6 - Conditional Logit Model of Job Quit

Estimated Average Elasticity of Quit Probability

Log-Hourly Wage in 2005 USD	-0.3818***	-0.6458***
	(0.1343)	(0.1563)
I[Parental Benefits Available at j]	-0.2746***	-0.2672***
	(0.1016)	(0.1027)
I[Flexible Schedule Available at j]	-0.5219***	-0.7214***
	(0.1716)	(0.1645)
Log-Number of Employees at Employer j	-0.1386**	-0.0605
	(0.0543)	(0.0478)
First Child Born by t	-0.3044	-0.5525**
	(0.3197)	(0.2758)
Married by t	-0.6143**	-0.4803**
	(0.2851)	(0.2263)
N	1479	1751
Controls	Y	Y

- Average probability of quitting time t job falls faster for women when
  - Parental leave provided at time t job
  - Flexible schedule provided at time t job

  $\rightarrow$ Women may have stronger preferences for these amenities
  - Wage rises at time t job

  $\rightarrow$ At current wage, harder for women to further climb job ladder (Light & Ureta 1992)

Back

Steady-state: derivations from Bonhomme & Jolivet (2009)

- For U = measure of unemployed workers
  Flows in and out of unemployment are equal

$$\lambda_0 U = q(1-U) \tag{16}$$

Flows in and out of jobs yielding $\tilde{u} \leq u$ are equal

$$\begin{aligned}\lambda_0 U F_u(u) + \lambda_2 F_u(1-U)\bar{G}_u = q(1-U)G_u(u) + \lambda_2 \bar{F}_u(u)(1-U)G_u(u) \\ + \lambda_1 \bar{F}_u(u)(1-u)G_u(u)\end{aligned} \tag{17}$$

- For $k = \frac{\lambda_1}{\lambda_2+q}$ the st.s. distribution of employed workers across u is

$$G_u(u) = \frac{F_u(w+\delta' a)}{(1+k\bar{F}_u(w+\delta' a))} \Rightarrow g_u(u) = (1+k)\frac{f_u(w+\delta' a)}{(1+k\bar{F}_u(w+\delta' a))^2} \tag{18}$$

The observed cross sectional distribution of (w,a) is

$$g(w,a) = (1+k)\frac{f(w,a)}{(1+k\bar{F}_u(w+\delta' a))^2} \tag{19}$$

Back

Econometric assumptions on $F(.)$: shape of likelihood function

$$\underbrace{w^*(b, \text{car}_{occ}, \text{car}_{ind})}_{\text{wage offers}} = \mu_0^w + \mu_1^w b + \rho' \mathbf{a}^* + \sum_{occ=1}^{3} \varphi_{occ}^w \text{car}_{occ} + \sum_{ind=1}^{3} \varphi_{ind}^w \text{car}_{ind} + \sigma_w \varepsilon_w \tag{20}$$

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Econometric assumptions on $F(.)$: shape of likelihood function

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$$\underbrace{a_k^*(b, \text{car}_{occ}, \text{car}_{ind})}_{\text{amenity } k \text{ provision}} = \mathbf{1}\{\overbrace{\mu_0^{a_k} + \mu_1^{a_k} b + \underbrace{\sum_{occ=1}^{3} \varphi_{occ}^{a_k} \text{car}_{occ} + \sum_{ind=1}^{3} \varphi_{ind}^{a_k} \text{car}_{ind}}_{\text{differs by career}}}^{\mu^{a_k}(X)} + \varepsilon_{a_k} > 0\} \tag{21}$$

- b: log-percentile of CAT-ASVAB test
- ε_w, ε_{a_1}, ..., ε_{a_4} independent and $\varepsilon_j \sim \Phi(0,1)$ for $j \in \{w, a_1, ..., a_4\}$

  $\rightarrow$ Functional forms for $f_{t+1}(w_{t+1}, \mathbf{a}_{t+1}|.)$ and $\bar{F}(u_t|.)$

Back

Structural model functional forms

The joint wage and amenities offer density and the job offers distribution are

$$f(w^*, \mathbf{a}^*|.) = \frac{1}{\sigma_w}\phi\left(\frac{w^* - \mu^w(X) - \rho'\mathbf{a}}{\sigma_w}\right)\prod_{k=1}^{K}\Phi\left(\mu^{a_k}(X)(-1)^{(1-a_k^*)}\right) \tag{22}$$

$$\bar{F}_u(u|.) = \sum_{\mathbf{a}^*\in\{0,1\}^K}\Phi\left(\frac{(\mu^w(X) + \rho'\mathbf{a}^* + \delta'\mathbf{a}^* - u)}{\sigma_w}\right)\prod_{k=1}^{K}\Phi\left(\mu^{a_k}(X)(-1)^{(1-a_k^*)}\right) \tag{23}$$

Back

Distribution of workers & labor market transitions: likelihood function

- Labor market entry:
  Individual contribution to the likelihood function, l_{t_0}, is

$$l_{t_0} = \underbrace{\left(\frac{q}{\lambda_0 + q}\right)^{1-e_{t_0}}}_{\text{share unemp.}} \underbrace{\left(\frac{\lambda_0}{\lambda_0 + q}\right)^{e_{t_0}}}_{\text{share employed}} g_{t_0}(w_{t_0}, \mathbf{a}_{t_0}|.)^{e_{t_0}} \tag{24}$$

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- For every following month $(t+1) \in \{(t_0+1), ..., T\}$, l_{t+1} is

$$\begin{aligned} l_{t+1} = {} & [1-\lambda_0]^{uu_t} \times \lambda_0^{uj_t} f_{t+1}(w_{t+1}, \mathbf{a}_{t+1}|.)^{uj_t} \times \\ & \times q^{ju_t} \times [1 - \lambda_1 \bar{F}(u_t|.) - \lambda_2 - q]^{s_t} \times \\ & \times [\lambda_1 \mathbf{1}\{w_{t+1} + \delta' \mathbf{a}_{t+1} > w_t + \delta' \mathbf{a}_t\} + \lambda_2]^{jj_t} f_{t+1}(w_{t+1}, \mathbf{a}_{t+1}|.)^{jj_t} \end{aligned} \tag{25}$$

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- The Likelihood Function is

$$L(.) = \prod_{i=1}^{N} \left[l_{t_0} \prod_{t=t_0}^{T} l_{t+1}(e_{t+1}, w_{t+1}, \mathbf{a}_{t+1}, s_t, jj_t, ju_t, uj_t, uu_t | e_t, w_t, \mathbf{a}_t, b, \text{car}_{occ}, \text{car}_{ind}) \right] \tag{26}$$

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Likelihood function and estimation

$$L_1(\theta)=L_1(\mu_0,\mu_1,\rho_1,\ldots,\rho_5,\mu_{a_1},\ldots,\mu_{a_5},\varphi^w_{occ1},\ldots,\varphi^w_{ind1},\ldots,\varphi^{a_k}_{occ1},\ldots,\varphi^{a_k}_{ind1},\ldots,\sigma_w)$$

$$L(\theta,\lambda,\delta) = \overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{1,t+1}(\theta)}_{\log(f(w_{t+1},\mathbf{a}_{t+1})^{uj_t})}}^{} +$$

Likelihood function and estimation

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$$\overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{2,t+1}(\theta,\lambda,\delta)}_{\log([1-\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)-\lambda_2-q]^{s t}\,[\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)+\lambda_2]^{j j_t})}}^{L_2(\theta,\lambda,\delta)=L_2(\theta,\lambda_0,\lambda_1,\lambda_2,q,\delta_f,\delta_l,\delta_p,\delta_c)} +$$

Likelihood function and estimation

$$L_1(\theta)=L_1(\mu_0,\mu_1,\rho_1,\ldots,\rho_5,\mu_{a_1},\ldots,\mu_{a_5},\varphi^w_{occ1},\ldots,\varphi^w_{ind1},\ldots,\varphi^{a_k}_{occ1},\ldots,\varphi^{a_k}_{ind1},\ldots,\sigma_w)$$

$$L(\theta,\lambda,\delta) = \overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{1,t+1}(\theta)}_{\log(f(w_{t+1},\mathbf{a}_{t+1})^{u_{jt}})}}^{} +$$

$$L_2(\theta,\lambda,\delta)=L_2(\theta,\lambda_0,\lambda_1,\lambda_2,q,\delta_f,\delta_l,\delta_p,\delta_c)$$

$$\overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{2,t+1}(\theta,\lambda,\delta)}_{\log([1-\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)-\lambda_2-q]^{s_t}[\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)+\lambda_2]^{jj_t})}}^{} +$$

$$L_3(\theta,\lambda,\delta)=L_3(\theta,\lambda_0,\lambda_1,\lambda_2,q,\delta_f,\delta_l,\delta_p,\delta_c)$$

$$\overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{3,t+1}(\theta,\lambda,\delta)}_{\log\left(q^{ju_t}[1-\lambda_0]^{uu_t}\lambda_0^{uj_t}\left[\frac{(\mathbf{1}\{w_{t+1}+\delta'\mathbf{a}_{t+1}>w_t+\delta'\mathbf{a}_t\}+\lambda_2)f(w_{t+1},a_{t+1};\theta)}{\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)+\lambda_2}\right]^{jj_t}\right)}}^{}$$

Likelihood function and estimation

$$L_1(\theta)=L_1(\mu_0,\mu_1,\rho_1,\ldots,\rho_5,\mu_{a_1},\ldots,\mu_{a_5},\varphi^w_{occ1},\ldots,\varphi^w_{ind1},\ldots,\varphi^{a_k}_{occ1},\ldots,\varphi^{a_k}_{ind1},\ldots,\sigma_w)$$

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$$\overbrace{\sum_{i=1}^{N}\sum_{t=t_0}^{T} \underbrace{\log l_{2,t+1}(\theta,\lambda,\delta)}_{\log([1-\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)-\lambda_2-q]^{s_t}[\lambda_1\bar{F}(w_t+\delta'\mathbf{a}_t;\theta)+\lambda_2]^{jj_t})}}^{L_2(\theta,\lambda,\delta)=L_2(\theta,\lambda_0,\lambda_1,\lambda_2,q,\delta_f,\delta_l,\delta_p,\delta_c)} +$$

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(1) $\max_\theta L_1(\theta) \rightarrow$ **(2)** $\max_\lambda L_2(\lambda,\delta,\hat{\theta}) + L_3(\lambda,\delta,\hat{\theta}) \rightarrow$ **(3)** $\max_\delta L_2(\hat{\lambda},\delta,\hat{\theta})$

Repeat (2) and (3) until convergence.

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Estimation Results:
Preferences for amenities are similar across genders

Table 7 - Hedonic Parameters

	(a) Estimated Preferences Parameters $\hat{\delta}_k$		(b) The Wage Value of Amenities $e^{-\delta_k}$	
	Males	Females	Males	Females
Flexibility	0.825	0.814	0.438	0.443
LR Test p-Value	[0.000]	[0.000]		
Parental Leave	1.140	1.311	0.320	0.269
LR Test p-Value	[0.000]	[0.000]		

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Estimation results:
Search frictions are stronger for out-of-work women

Table 8 - Search Frictions Parameters

	$\hat{\lambda}_0$	$\hat{\lambda}_1$	$\hat{\lambda}_2$	$\hat{q}$
		Females		
Coeff.	0.199	0.013	0.005	0.008
Asy.Std.Err.	(0.013)	(0.002)	(0.001)	(0.001)
		Males		
Coeff.	0.236	0.014	0.005	0.007
Asy.Std.Err.	(0.018)	(0.002)	(0.001)	(0.001)

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Search frictions are stronger for out-of-work women

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	$\hat{\lambda}_0$	$\hat{\lambda}_1$	$\hat{\lambda}_2$	$\hat{q}$
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Asy.Std.Err.	(0.013)	(0.002)	(0.001)	(0.001)
		Males		
Coeff.	0.236	0.014	0.005	0.007
Asy.Std.Err.	(0.018)	(0.002)	(0.001)	(0.001)

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Estimation Results:
Job offers differ by gender. Women are offered lower wages

Table 9 - Job Offer Parameters

(a)	**Wage Offers and Penalties/Premia by Careers**						
	μ_0^w	φ_e^w	φ_p^w	φ_o^w	φ_{fin}^w	φ_{tr}^w	φ_{oth}^w
				Females			
Coeff.	2.318	-0.010	0.090	-0.381	0.040	0.262	0.100
LR Test p-Value	[0.000]	[1.000]	[0.100]	[1.000]	[0.300]	[1.000]	[0.57]
				Males			
Coeff.	2.793	0.171	0.329	0.009	-0.004	0.036	-0.111
LR Test p-Value	[0.000]	[0.000]	[0.000]	[1.000]	[1.000]	[1.000]	[0.081]

(b)	**Wage Penalties/Premia in Jobs Offering Amenities**	
	Flexibility	**Parental Leave**
	Females	
Coeff.	-0.025	0.279
LR Test p-Value	[0.300]	[0.000]
	Males	
Coeff.	0.110	0.313
LR Test p-Value	[0.011]	[0.000]

More Results Back

Estimation Results:
Job offers differ by gender. Women are offered lower wages

Table 9 - Job Offer Parameters

(a)	**Wage Offers and Penalties/Premia by Careers**						
	μ_0^w	φ_e^w	φ_p^w	φ_o^w	φ_{fin}^w	φ_{tr}^w	φ_{oth}^w
				Females			
Coeff.	2.318	-0.010	0.090	-0.381	0.040	0.262	0.100
LR Test p-Value	[0.000]	[1.000]	[0.100]	[1.000]	[0.300]	[1.000]	[0.57]
				Males			
Coeff.	2.793	0.171	0.329	0.009	-0.004	0.036	-0.111
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LR Test p-Value	[0.000]	[1.000]	[0.100]	[1.000]	[0.300]	[1.000]	[0.57]
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Coeff.	2.793	0.171	0.329	0.009	-0.004	0.036	-0.111
LR Test p-Value	[0.000]	[0.000]	[0.000]	[1.000]	[1.000]	[1.000]	[0.081]

(b)	**Wage Penalties/Premia in Jobs Offering Amenities**	
	Flexibility	**Parental Leave**
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Coeff.	-0.025	0.279
LR Test p-Value	[0.300]	[0.000]
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More Results Back

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LR Test p-Value	[0.000]	[1.000]	[0.100]	[1.000]	[0.300]	[1.000]	[0.57]
				Males			
Coeff.	2.793	0.171	0.329	0.009	-0.004	0.036	-0.111
LR Test p-Value	[0.000]	[0.000]	[0.000]	[1.000]	[1.000]	[1.000]	[0.081]

(b)	**Wage Penalties/Premia in Jobs Offering Amenities**	
	Flexibility	**Parental Leave**
	Females	
Coeff.	-0.025	0.279
LR Test p-Value	[0.300]	[0.000]
	Males	
Coeff.	0.110	0.313
LR Test p-Value	[0.011]	[0.000]

More Results Back

Preferences for long hours and child care

Table A7 - Hedonic Parameters

	(a) Estimated Preferences Parameters $\hat{\delta}_k$		(b) The Wage Value of Amenities $e^{-\delta_k}$	
	Males	Females	Males	Females
Long Hours	0.606	0.400	0.545	0.670
LR Test p-Value	[0.049]	[1.000]		
Childcare	0.656	1.140	0.519	0.726
LR Test p-Value	[1.000]	[1.000]		

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More Estimation Results: Flexibility Parameters

Table A8 - Estimated Flexibility Parameters

	μ_0^f	μ_1^f	φ_e^f	φ_p^f	φ_o^f	φ_{fin}^f	φ_{tr}^f	φ_{oth}^f
				Females				
Coeff.	0.403	-0.128	0.254	0.495	0.606	-0.098	-0.286	-0.437
Asy.Std.Err.	(1.694)	(0.391)	(0.294)	(0.415)	(0.432)	(0.314)	(0.518)	(0.370)
LR Test p-Value	[0.410]	[0.260]	[0.010]	[1.000]	[0.090]	[0.710]	[1.000]	[0.580]
				Males				
Coeff.	1.946	-0.526	0.310	0.614	0.394	-0.214	0.682	0.060
Asy.Std.Err.	(2.741)	(0.622)	(0.425)	(0.452)	(0.339)	(0.482)	(0.685)	(0.371)
LR Test p-Value	[1.000]	[1.000]	[0.000]	[0.001]	[0.008]	[1.000]	[0.093]	[1.000]

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More Estimation Results: Parental Leave Parameters

Table A9 - Estimated Parental Leave Parameters

	μ_0^{pl}	μ_1^{pl}	φ_e^{pl}	φ_p^{pl}	φ_o^{pl}	φ_{fin}^{pl}	φ_{tr}^{pl}	φ_{oth}^{pl}
				Females				
Coeff.	2.429	-0.387	0.449	0.536	0.182	-0.741	-0.552	-0.801
Asy.Std.Err.	(2.049)	(0.471)	(0.303)	(0.503)	(0.409)	(0.340)	(0.473)	(0.352)
LR Test p-Value	[0.120]	[0.220]	[0.340]	[0.060]	[0.860]	[1.000]	[0.090]	[1.000]
				Males				
Coeff.	-1.106	0.306	0.347	0.24	-0.446	-0.515	0.596	0.037
Asy.Std.Err.	(2.729)	(0.611)	(0.434)	(0.487)	(0.355)	(0.408)	(0.695)	(0.369)
LR Test p-Value	[1.000]	[1.000]	[1.000]	[1.000]	[0.084]	[1.000]	[1.000]	[0.351]

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More Estimation Results: Long Hours Parameters

Table A10 - Estimated Long Hours Parameters

	μ_0^f	μ_1^f	φ_e^f	φ_p^f	φ_o^f	φ_{fin}^f	φ_{tr}^f	φ_{oth}^f
				Females				
Coeff.	-2.693	0.432	-0.283	0.283	-0.894	-0.044	1.130	-0.073
Asy.Std.Err.	(1.950)	(0.450)	(0.347)	(0.383)	(0.860)	(0.370)	(0.549)	(0.349)
LR Test p-Value	[0.100	[0.550]	[1.000]	[0.120]	[0.010]	[0.780]	[0.030]	[0.580]
				Males				
Coeff.	-2.149	0.422	0.478	0.173	0.309	-0.873	-0.991	-0.533
Asy.Std.Err.	(3.544)	(0.800)	(0.497)	(0.546)	(0.454)	(0.511)	(0.828)	(0.442)
LR Test p-Value	[0.325]	[0.001]	[1.000]	[1.000]	[1.000]	[1.000]	[1.000]	[1.000]

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More Estimation Results: Child Care Parameters

Table A11 - Estimated Child Care Parameters

	μ_0^f	μ_1^f	φ_e^f	φ_p^f	φ_o^f	φ_{fin}^f	φ_{tr}^f	φ_{oth}^f
				Females				
Coeff.	-1.264	0.027	-0.135	0.144	-0.374	0.122	0.311	0.094
Asy.Std.Err.	(1.932)	(0.459)	(0.359)	(0.473)	(0.663)	(0.368)	(0.632)	(0.444)
LR Test p-Value	[0.420]	[1.000]	[1.000]	[1.000]	[1.000]	[0.240]	[0.690]	[0.520]
				Males				
Coeff.	1.822	-0.834	-0.197	0.546	-5.043	0.214	0.389	0.804
Asy.Std.Err.	(3.619)	(0.863)	(0.764)	(0.584)		(0.992)	(1.262)	(0.686)
LR Test p-Value	[1.000]	[1.000]	[1.000]	[1.000]	[1.000]	[1.000]	[1.000]	[0.001]

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Impact of preferences, search frictions and job offers on women's pay

Table 10 - **Counterfactual Wage Changes**

	(a) Admin, Educ, Health, Social Services				**(b) Financial Services**			
	Admin.	Exec.	Prof.	Other	Admin.	Exec.	Prof.	Other
Women's Predicted log-Wage	2.789	2.812	2.903	2.437	2.781	2.811	2.903	2.424
	Counterfactual Average Wage Increase							
(1) Men's Frictions	-0.001	0.000	0.002	0.002	0.001	0.004	0.002	0.004
(2) Men's Preferences	-0.001	0.002	0.001	0.004	0.004	0.004	0.000	0.006
(3) Men's Price of Amenities	0.096	0.114	0.129	0.123	0.098	0.111	0.130	0.129

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Men's frictions & preferences for amenities

$\rightarrow$ Women's avg. wage $\sim$ unchanged

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(3) Men's Price of Amenities	0.096	0.114	0.129	0.123	0.098	0.111	0.130	0.129

Men's frictions & preferences for amenities

→ Women's avg. wage ∼ unchanged

Men's frictions, preferences and amenities' price

→ Women's avg. wage ↑ 10 to 13 log-points.

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Utility gap decomposition: method

$$\hat{E}(u|f,.) - \hat{E}(u|m,.) = \underbrace{\left[(\hat{\mu}_0^f + \hat{\varphi}_j^{f,w} + \hat{\varphi}_\tau^{f,w}) - (\hat{\mu}_0^m + \hat{\varphi}_j^{m,w} + \hat{\varphi}_\tau^{m,w})\right] + (\hat{\mu}_1^f - \hat{\mu}_1^m)b}_{\text{u.gap due to different avg. wage offers}}$$

$$+ \underbrace{\sum_{k=1}^{4} \hat{\rho}_k^f \left[\hat{\Phi}^f(.) - \hat{\Phi}^m(.)\right] + \sum_{k=1}^{4} \hat{\delta}_k^f \left[\hat{\Phi}^f(.) - \hat{\Phi}^m(.)\right]}_{\text{u.gap due to different \% jobs offering amenities}}$$

$$+ \underbrace{\sum_{k=1}^{4} \hat{\Phi}^m(.) \left(\hat{\rho}_k^f - \hat{\rho}_k^m\right)}_{\text{u.gap due to different avg. price of amenities}}$$

$$+ \underbrace{\sum_{k=1}^{4} \hat{\Phi}^m(.) \left(\hat{\delta}_k^f - \hat{\delta}_k^m\right)}_{\text{u.gap due to different preferences}} \tag{27}$$

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Utility gap decomposition: results

Table A12 - Predicted Utility Gap Decomposition

	(a) Administration, Education Health, Social Services			(b) Financial Services		
	Admin.	Executive	Professional	Admin.	Executive	Professional
Utility Gap	0.125	-0.579	-0.261	0.206	0.044	-0.026
	Utility Gap Components					
(1) Wage Offers	-0.239	-0.798	-0.466	-0.199	-0.384	-0.430
(2) Amenities Offers						
(2a) Through Wages	-0.124	-0.141	-0.142	-0.110	-0.125	-0.129
(2b) Through Preferences	-0.110	-0.096	-0.138	-0.140	-0.117	-0.163
(3) Selection	0.598	0.455	0.486	0.654	0.669	0.696

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