

The Gender Pay Gap: Choice, Children, and Public Policy

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KEY TAKEAWAYS

The pay gap between men and women is a product of individual and family decisions, not a result of workplace discrimination, which has long been illegal.

The fact is that parenthood, and the choices that men and women make in response to it, plays a prominent role in gender-based differences in the labor market.

Policymakers should respect women's preferences; government attempts to force equal outcomes often backfire.

Historically, women have been less likely to participate in the labor force than men, and they have earned substantially less than men on the whole, leading to the oft-cited gender-based pay gap. As women first began entering the labor market in significant numbers after World War II, their lower earnings were due to a combination of lower education as well as cultural discrimination. But as women have come to achieve as much education as, or more education than, men and have proven that they are equally capable, their earnings have increased.

Yet, a persistent gap remains between the average wages of men and of women. Logical factors, such as occupation and experience play a role, but it appears that parenthood—and, in particular, the choices that women make in response to, or in anticipation of, becoming mothers—plays a large and growing role in

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the divergence of men's and women's wages, accounting for 80 percent or more of differences. Some U.S. policymakers have called for, and some governments around the world have implemented, laws to try to eliminate gender differences in labor market outcomes—such as government-provided or government-mandated paid parental leave programs and childcare subsidies.

In many cases, those policies often have little or no impact on the divergence between mothers' and fathers' labor market outcomes and in some cases, they have resulted in unintended consequences for women, men, and children. If, as the evidence indicates, the gap between men's and women's earnings reflects their preferences and choices, attempting to eliminate such differences through public policies that limit workers' choices will hurt all workers, and mothers, in particular. Moreover, such efforts could reduce personal and societal well-being by limiting the non-income-generating activities that individuals prioritize over work and wages.

The Gender Pay Gap

Activists have used the so-called pay gap between men and women as a call to legislative action—for policymakers to enact laws that will result in more closely aligned earnings between men and women. The oft-referenced pay gap refers to the difference between the median earnings of all female full-time wage and salaried workers and all male full-time wage and salaried workers. In 2020, that difference showed women earning 18 percent less, at the median, than men—a figure that grew steadily into the 21st century and has remained relatively steady over the past 15 years.¹

The problem with making policy based on the pay gap is that it provides an apples-to-oranges comparison that does not take into account all the things that can affect individuals' earnings, such as education, experience, hours, occupation, career interruptions, and benefits.

After taking these factors into account, the gender-based pay gap almost disappears. A 2009 study commissioned by the U.S. Department of Labor found a difference in earnings of 5 percent to 7 percent after controlling for factors affecting workers' wages.² That study estimated that occupation and industry accounted for about 25 percent of the difference between men's and women's earnings; hours worked accounted for about 10 percent of the difference; and the biggest factor, accounting for about 40 percent of the wage differential, was the number of children and time outside the labor force.

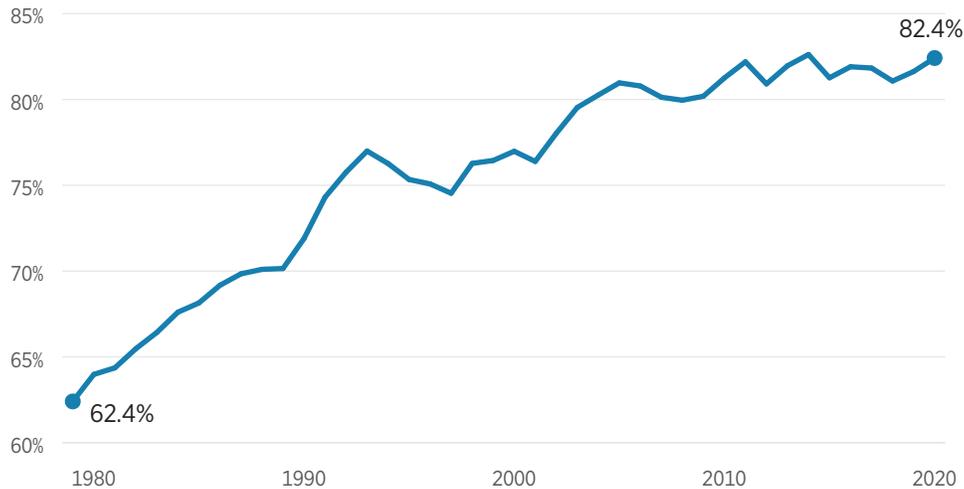
A 2020 report from Payscale.com found a 19 percent uncontrolled pay gap, but only a 2 percent controlled pay gap, with career disruptions accounting for the largest difference in men's and women's wages.³

CHART 1

As Women's Earnings Have Risen, So-Called Gender Wage Gap Has Narrowed

A limited measure comparing most full-time women workers to men (not accounting for differences in occupations, experience, and other factors) shows the gap in median earnings has fallen in half over the past three decades.

WOMEN'S MEDIAN EARNINGS AS PERCENTAGE OF MEN'S



SOURCE: U.S. Bureau of Labor Statistics, Current Population Survey, "Table 1. Median Usual Weekly Earnings of Full-time Wage and Salary Workers by Sex, Quarterly Averages, Seasonally Adjusted," 2020, <https://www.bls.gov/webapps/legacy/cpswktab1.htm> (accessed March 11, 2021). Figures have been converted to real 2020 dollars using data from Federal Reserve Bank of St. Louis, "Personal Consumption Expenditures: Chain-type Price Index (PCEPI)," <https://fred.stlouisfed.org/series/PCEPI#0> (accessed March 22, 2021).

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A 2018 recent economic study from Harvard University looked at workers who performed the exact same job in a unionized environment that had rigid pay scales prohibiting gender-based pay discrimination. The researchers still found an 11 percent pay gap.⁴ According to the authors, "the weekly earnings gap can be explained by the workplace choices that women and men make," with women choosing to take more unpaid leave and to work fewer overtime hours than men.⁵

Similarly, a 2014 study by the federal government's Office of Personnel Management found that, among federal employees on the General Schedule (GS) scale, the average woman earned 11 percent less than the average man.⁶ The study found no gap in salaries

TABLE 1

Studies that Account for Differences in Factors that Affect Wages Find Little Difference Between Male, Female Earnings

Source (Year of Earnings Analyzed)	Unadjusted Wage Gap	Adjusted Wage Gap
Bureau of Labor Statistics (2020)	18%	n/a
Department of Labor Study (2007)	20%	5% to 7%
Payscale.com (2020)	19%	2%
Reach Advisors (2010) study of city-dwelling, young, single workers	n/a	-8%

NOTE: Wage gap refers to the difference between men’s and women’s earnings as a percentage of men’s earnings. The negative-8 percent result indicates that this group of women earned 8 percent more than similar men.

SOURCES:

- U.S. Bureau of Labor Statistics, Current Population Survey, “Table 1. Median Usual Weekly Earnings of Full-time Wage and Salary Workers by Sex, Quarterly Averages, Seasonally Adjusted,” 2020, <https://www.bls.gov/webapps/legacy/cpswktab1.htm> (accessed March 11, 2021).
- CONSAD Research Corp., “An Analysis of Reasons for the Disparity in Wages between Men and Women,” January 2009, <https://www.shrm.org/hr-today/public-policy/hr-public-policy-issues/Documents/Gender%20Wage%20Gap%20Final%20Report.pdf> (accessed March 12, 2021). Note: This report was a contracted study for the U.S. Department of Labor.
- Payscale.com, “The State of the Gender Pay Gap, 2020,” <https://www.payscale.com/data/gender-pay-gap> (accessed March 11, 2021).
- Reach Advisors study. Note: Results of this study are not available online, but media coverage of the overall findings confirms the -8 percent average gap. See Mark J. Perry, “‘Equal Pay Day for Young, Single Men’ to Recognize the Gender Pay Gap in Favor of Young, Single, Childless Women,” April 9, 2013, <https://www.aei.org/carpe-diem/equal-pay-day-for-young-single-men-to-recognize-the-gender-pay-gap-in-favor-of-young-single-childless-women/> (accessed March 12, 2021).

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within pay grades, but noted that “more females were found in lower grades, which may be a reflection of differences in occupational distribution.”⁷

The choices men and women make weigh heavily on their earnings. Of particular note is the role of increasing returns to hours worked across industries. This is the case where certain occupations that tend to be more demanding and inflexible—such as in medicine, law, and top-level management—carry with them a significant wage premium that is disproportionate to the additional hours of work.⁸ One study found that the expectation of hours worked across different industries accounted for at least half, and as much as all, of the otherwise unexplained gender wage gap.⁹ Intuitively, this means that women are likely self-selecting into industries and occupations

that they expect to be less demanding and more flexible. Money is not the only measure of women's worth as there is significant value to the things that women do other than pursuing higher-paying and more demanding careers.

The fact is that—generally speaking—women tend to put a higher preference on providing personal care for their families while men place a higher preference on providing financially for their families. What matters is that women have the ability to make life and career choices that are best for them and their families—rather than having to conform to the choices that men tend to make.

The “Daddy Premium” and the “Mommy Penalty”

Despite men's and women's increasingly equal economic roles in society, significant differences remain in the labor supply, earnings, and top-level representation of women. Much of this divergence is attributable to children.

A 2010 study of young single women and men in 50 large cities across the U.S. found an average 8 percent wage *premium* for women, due primarily to women's higher education levels; yet broadly speaking, men consistently earn more than women across other age groups.¹⁰

So how can one reconcile young, single women who out-earn their male counterparts with the nationwide (in fact, worldwide) trend of men out-earning women? In a single word: parenthood. Of course, there are many factors that determine similarly situated workers' earnings, but the largest among them seems to be the different ways that men and women respond to parenthood.

“[C]lose to two-thirds of the overall gender earnings gap can be accounted for by the differential impacts of children on women and men.”

Very generally speaking, fatherhood tends to cause men to pursue promotions and higher pay—presumably out of a desire to provide financially for their families—while motherhood tends to cause women to seek less demanding work outside the home so that they can spend more time with children.

A 2019 Pew survey found that mothers were significantly more likely than fathers to have reduced their work hours or to have turned down a promotion because of their parenting responsibilities.¹¹ Moreover, 70 percent of working mothers consider a flexible schedule extremely important, compared to 48 percent of working fathers.¹²

A recent study that focused on the earnings of men and women surrounding their children's births found that, in the U.S., "close to two-thirds of the overall gender earnings gap can be accounted for by the differential impacts of children on women and men."¹³ This study and others note that both innate responses and embedded societal norms contribute to men's and women's different labor market responses to having children.

A 2020 study of the gender pay gap in Austria found that as women's gains in education and other areas have closed differences in labor market outcomes, children remain the primary factor behind gender differences. According to that study, "children went from being responsible for just about half of gender inequality at the beginning of the 1950s, to explaining almost the entirety of the remaining gap in Austria today."¹⁴

Relatedly, a Danish study estimated that children account for a 20 percent gender gap in earnings over the long run, "driven in roughly equal proportions by labor force participation, hours of work, and wage rates."¹⁵ This study also found that children account for a rising proportion of gender-based wage differences over time, accounting for 40 percent of gender differences in 1980, and 80 percent of gender differences in 2013.¹⁶

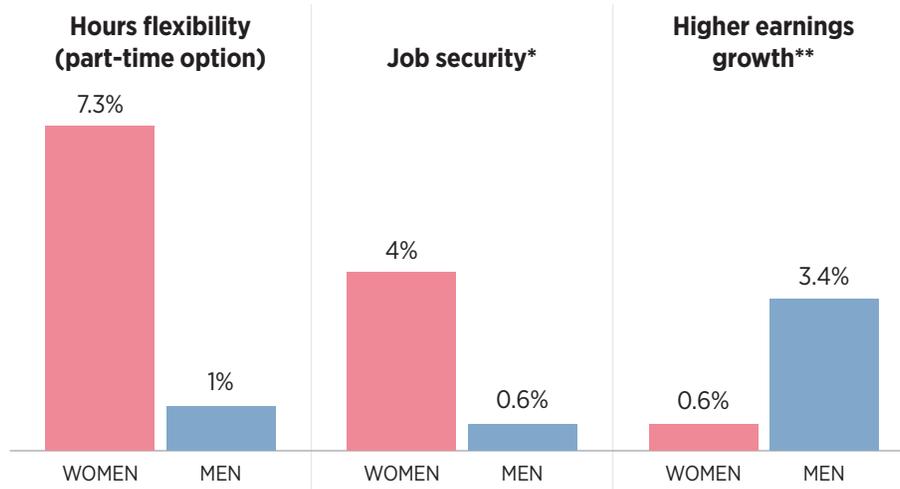
Some recent trends may also be affecting women's decisions about how much time to spend with their children versus their professional careers. An increased emphasis on exclusive breastfeeding for the first six months leads to women spending more time with their children, with bonding effects potentially altering mothers' labor market choices. Moreover, some studies have concluded that a rise in the income gains owed to education and increased competition for top colleges in the U.S. have caused highly educated parents to spend more time investing in their children's futures.¹⁷ A study by the National Institutes of Health found that part-time work has positive effects on mothers' health and contributes to more sensitive parenting and less conflict at work and home.¹⁸

Correspondingly, a New York Federal Reserve Board staff study found that women were willing to give up 7.3 percent of their annual earnings in exchange for a part-time work option, while men were only willing to give up 1 percent of their earnings.¹⁹ On the other hand, women were only willing to give up 0.6 percent of their earnings for a job with higher future earnings potential, while men were willing to give up more than five times that much, 3.4 percent of their earnings.²⁰

CHART 2

Women Place Higher Value on Flexibility and Security, Men Prefer Higher Earnings Growth

Portion of salary willing to give up in exchange for



* Portion of salary willing to give up in exchange for 1 percentage point reduction in probability of job dismissal.

** Portion of salary willing to give up in exchange for 1 percentage point higher income growth.

SOURCE: Matthew Wiswall and Basit Zafar, "Preferences for the Workplace, Investment in Human Capital, and Gender," Federal Reserve Bank of New York Staff Report No. 767, revised March 2017, https://www.newyorkfed.org/research/staff_reports/sr767.html (accessed March 12, 2021).

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Women's and mothers' greater willingness to forgo higher pay for more flexibility and fewer hours reflects the value that women place on spending more time with their children and being more responsive to their families' needs. There is tremendous personal and societal value—not reflected in wages—to time spent caring for and raising one's children. So long as women (and men) are making choices surrounding parenthood—as opposed to being forced into them—the resulting differences in labor market outcomes should not be a cause for concern, but a cause for celebration of women being able to choose their desired work and family pursuits.

What Are the Appropriate Public Policy Responses?

If the correct approach was equality of outcomes, with men and women fully equal in their earnings, hours, and representation across different occupations, regardless of their parental status and other

life choices, current differences in men’s and women’s labor market characteristics would warrant corrective action. But America has never strived to be a perfectly homogenous nation. Rather, Americans acknowledge and celebrate diversity—including the diverse choices that individuals make.

Since the correct approach is equality of opportunities rather than of outcomes, trying to shift women closer to the labor market outcomes of men—with higher earnings and greater representation in more demanding, top-level positions—will have the opposite effect. Forcing women to act like men requires taking away opportunities that they actively choose to pursue, including their education path, their desired occupation, their inclination toward more flexible hours and larger benefits packages, or even their opportunity to work independently on their own terms.²¹

Other countries—and even some U.S. states—have attempted to reduce the gender pay gap through policies that seek to make men and women’s labor market outcomes more similar. Common examples include government-provided or government-mandated paid parental leave programs, increased paternity leave and “daddy quotas,” or government childcare programs. By-and-large, these policies have proven ineffective in their intended outcomes, with sometimes detrimental side effects.

Family Leave. Various government policies and programs exist to provide job protection or paid family leave and medical leave for workers, with women disproportionately using these programs.

Government paid family leave programs have been extremely regressive, primarily benefitting middle-income and upper-income earners and providing little or negative value to lower-income workers.

These programs have had some unintended negative consequences. The 1993 Family Medical Leave Act—guaranteeing unpaid, job-protected leave—in the U.S. was estimated to increase women’s likelihood of remaining employed by 3 percentage points, but reduced their chances of being promoted by 8 percentage points.²² A study of Great Britain’s paid leave and job-protected leave concluded that the policies reduced highly educated women’s prospects of being promoted or holding management positions.²³

Other countries that have government paid family leave programs have massively expanded their programs over time, often in an effort to bring greater parity between men and women in the labor market. Between 1980 and 2011, the median amount of paid leave for mothers among Organization for Economic Co-operation and Development countries increased from 14 weeks to 42 weeks as costs also surged.²⁴ Large-scale government paid family leave programs have generally increased women’s labor force participation abroad, but lengthy leaves have proven detrimental to the wages and career positions of those—primarily young women—who take leave.²⁵

While the U.S. does not have a national paid family leave program, an increasing number of states have enacted programs.²⁶ Studies of the two longest-running programs—California’s and New Jersey’s—found that they had the unintended consequence of increasing the unemployment rate and the duration of unemployment for young women.²⁷ In New Jersey, the state’s program reduced young women’s employment rates by an estimated 8 percent to 9 percent.²⁸ In California, new mothers who used California’s paid family and medical leave program had 7 percent lower employment and 8 percent lower annual earnings six years to 10 years after giving birth than new mothers who did not use the program.²⁹ That study also has the surprising finding that California’s paid family leave program seems to reduce women’s fertility rates.³⁰

Despite their intentions, government paid family leave programs in the U.S. and abroad have been extremely regressive, taxing everyone, but primarily benefitting middle-income and upper-income earners and providing little or negative value to lower-income workers.³¹

Daddy Quotas. Recognizing the limits and unintended consequences of policies that make it easier for women to take paid time off to care for children, some countries have gone further and attempted to force men to become more like women in terms of taking leave. Sweden implemented a “daddy quota” in 1995, reserving one month of a couple’s paid leave exclusively for fathers—but researchers found that this did not lead to men taking on more household roles nor did it improve women’s labor market outcomes.³² Norway’s similar daddy quota had no effect on women’s earnings or labor supply, and, contrary to expectation, was associated with “strong and statistically significant negative effects on women’s labor market outcomes.”³³

Other studies have documented instances in which forced government policies that attempt to uproot traditional gender norms can have unintended consequences on marital stability and family conflict. Researchers found that the Swedish daddy quota—which requires that a portion of a couple’s shared paid leave be reserved for fathers—increased the probability

of parental separation or divorce by 8 percent and led to a decline in household incomes, especially among lower-income households, as women took more unpaid time off.³⁴

Government-Provided Childcare. Some policymakers have called for free or highly subsidized childcare as a way to increase women's employment and to improve children's outcomes. Yet, studies show that such policies often do not produce the intended results and can have unintended consequences.

Some recent studies have found little or no positive impact on women's labor supply as a result of subsidized childcare. For example, in the U.S., an analysis of universal Pre-K programs in Oklahoma and Georgia found that while the programs substantially increased preschool enrollment of four-year-olds, they generally had no impact on mothers' labor supply.³⁵

A 2020 Austrian study found that "very large expansions of heavily subsidized child care in Austria shows a precisely estimated zero effect on mothers' careers, in the short run as well as in the long run."³⁶

Moreover, some studies have found significant unintended consequences from subsidized childcare. Quebec's establishment of \$5-per-day government childcare significantly increased women's labor force participation—to the detriment of children's and families' well-being. The authors noted: "[W]e uncover striking evidence that children are worse off in a variety of behavioral and health dimensions, ranging from aggression to moto-social skills to illness. Our analysis also suggests that the new childcare program led to more hostile, less consistent parenting, worse parental health, and lower-quality parental relationships."³⁷

In the U.S., a 2012 study examining the effects of childcare subsidies on mothers and children found that "child care subsidies are associated with worse maternal health and poorer interactions between parents and their children."³⁸ For mothers receiving subsidies, this included increased symptoms of anxiety, depression, parenting stress, and physical and psychological aggression toward their children, leading the authors to conclude that such subsidies may actually undermine family well-being.

These outcomes show that non-parental childcare is not equal to parental care; there is significant familial and societal value to the time parents spend with children, even if that value is not included in parents' paychecks. Advocates of government paid family leave programs acknowledge that significant personal and societal value comes from the time parents spend at home with young children, but tend to ignore that value as it relates to the choices some parents make to give up their incomes completely to stay home with their children, or to choose lower pay in exchange for more flexible jobs that allow them to spend more time caring for their families.

Policymakers should foster environments that help all families make the choices that are best for them, rather than imposing policies—such as government paid family leave or subsidized childcare—that reward one type of family’s choices (those that choose to have two income-earners) over another’s (those that have only one income-earner).

“[C]hild care subsidies are associated with worse maternal health and poorer interactions between parents and their children.”

Comprehensive Family Policies. Some governments have combined multiple family policies, such as family leave and subsidized childcare. A recent economic analysis that examined 60 years’ worth of family policies intended to reduce labor market gender inequity in Austria found that “the massive expansion of family policies has had surprisingly little effect on the long-run evolution of gender inequality. If anything, it made things marginally worse.”³⁹ Family policies in Austria include: 24 months of job-protected parental leave, up to 35 months of partially paid parental leave without any work eligibility requirement, and highly subsidized government childcare.⁴⁰ Although the gender gap in earnings fell by about 30 percentage points in Austria between 1953 and 2017, the authors estimated that the family policies actually reduced women’s earnings from what they otherwise would have been because the generous leave policies reduced women’s labor supply. While Austrian women currently earn 56.6 percent of Austrian men, the authors estimate that their earnings would have equaled 58.5 percent of men’s absent the family policies.⁴¹

Rather than taxing all workers—including single-earner families—to subsidize two-earner families spending more time at home with children, policymakers should lower taxes for everyone to make it easier for all families to pursue the combination of work and family care that is best for them.

Government Intervention in Private Companies’ Compensation Offers. Some policymakers have sought to reduce gender differences in wages by imposing rigid pay scales or by requiring companies to report and justify pay differentials. Denmark, for example, tried to reduce its wage gap by requiring companies to report their salaries by gender and race. In a sense, it somewhat worked: The wage gap at those companies fell by 2 percentage points, but only because the companies *lowered men’s wages*

rather than raising women's. The workers were no better off, and the businesses' productivity fell as well. That is because rigid pay scales, as opposed to performance-based pay, result in lower productivity. Economic studies find that productivity increases by 6 percent to 10 percent after companies implement performance-based pay systems, and higher productivity translates into higher pay.⁴²

New Jersey implemented an equal pay law in 2018—one that has almost certainly driven up employers' costs of doing business in the state. New Jersey's law prohibits companies from reducing some workers' wages in order to meet the government's determination of "equity," meaning that the only option for companies that cannot afford cost increases is to lay off workers.⁴³

Instead of taxing all workers to subsidize two-earner households, policymakers should lower taxes for everyone to make it easier for all families to pursue the combination of work and family care that is best for them.

Moreover, bureaucratic pay scales are inefficient. Managers who interact with their employees and experience their performance on a regular basis are well-suited to assess the value that workers bring to the table, and thus their appropriate compensation. Yet, when government mandates require companies to sort workers into very broad categories without regard to any of their unique attributes, pay equity and, hence, productivity can actually decline. Anecdotal evidence suggests that companies have responded to New Jersey's equal pay law by shifting compensation decisions to human resources departments that rely on purely paper metrics, such as resumes and job titles without regard to the actual value workers contribute to the company. Although it is too soon to assess the impacts of New Jersey's equal pay law, it will likely cause some companies to leave the state to avoid large compliance costs and expensive lawsuits; result in layoffs to cover higher costs; lead to lower raises and fewer promotions because of burdensome reporting requirements; and take away flexible work options so that equal work schedules align with equal pay requirements.

Evolving Labor Environments. The Equal Rights Act of 1963 and Title VII of the Civil Rights Act of 1964 now provide legal recourse to individuals who face workplace discrimination. Moreover, the competitive global economy penalizes employers who discriminate against women because they will lose out to their competitors who do not discriminate.

Yet, there remain calls for further government regulation to equalize men’s and women’s labor market outcomes. Claudia Goldin, renowned for her extensive research on gender differences in the labor market, explains that while analysis of differences can “tell us what might level the playing field in the labor market, it doesn’t follow that the solution can be achieved through regulations. Actually, it suggests the opposite.”⁴⁴ She argues, “The solution does not have to involve government intervention and it does not depend on the improvement of women’s bargaining skills or heightened will to compete. Nor must men become more responsible in the home (although that would greatly help).”⁴⁵

Instead, men and women having the opportunities to pursue their desired careers—whether through working for themselves or for an accommodating employer—is a big part of the solution. As both women and men have expressed a desire for paid family leave policies, many employers have responded with new and more generous paid family leave benefits. According to surveys from the Society for Human Resource Management, the percentage of private-sector employers that provide paid maternity leave more than doubled over the past four years, from 26 percent in 2016⁴⁶ to 55 percent in 2020,⁴⁷ while the percentage offering paid paternity leave similarly increased from 20 percent to 45 percent.⁴⁸ Those increased benefits were made possible, in part, by tax cuts and reduced regulations that freed up resources for employers to invest in workers, as well as a competitive labor market in which employers were competing for workers. The group PL+US (Paid Leave for the United States) commented on this recent increase, saying that the “wave of expanded paid leave policies is a tectonic shift from just two short years ago.”⁴⁹

Another shift that has helped women of all walks of life to better achieve their career and family desires is a rise in independent work opportunities.⁵⁰ While many companies have adopted more flexible workplaces—especially amid the COVID-19 pandemic—there is still room for additional flexibility. For example, companies could let workers choose from a menu of benefit options that best meet their desires, allow flexible hours and remote work options when feasible, and foster open communications and understanding workplace environments that benefit workers and employers alike. Technology—including the sharing economy—has given workers access to new markets, and recent changes that companies were forced to make as a result of COVID-19 will almost certainly help here.

In addition, policymakers should remove barriers⁵¹—such as prohibitions on letting workers choose between pay and paid time off,⁵² and overtime regulations that restrict remote work and flexible hours⁵³—that prevent women from achieving their desired workplace outcomes. Moreover, policymakers should end all attempts—such as California’s AB-5 law⁵⁴ and Congress’s Protecting the Right to Organize (PRO) Act⁵⁵—to close off opportunities for workers to be their own bosses, instead fostering countless income opportunities that can align with the needs and desires of all workers, regardless of their gender or parental status.

Conclusion

When taken out of real-life context, the gross wage-gap statistic is misleading and fails to account for the values that women and men place on the life choices they make. After accounting for measurable differences in labor market outcomes, and considering more difficult-to-measure preferences, the wage gap nearly disappears. While women’s gains in education and earnings have reduced the gender wage gap, parenthood has played an outsized role in the differences between men’s and women’s labor market outcomes, accounting for up to two-thirds of wage differentials.

This is not to say that gender-based discrimination is nonexistent, but individuals who encounter discrimination have both the law and the free market, which penalizes employers who discriminate, on their side. Government intervention that attempts to reduce gender-based differences in labor market outcomes—such as government-provided paid family leave, government childcare programs, or the implementation of daddy quotas—have been ineffective, and sometimes counterproductive.

After accounting for measurable differences in labor market outcomes, and considering personal preferences, the wage gap nearly disappears.

The reality is that neither women nor men can “have it all”—and that is alright, as long as they are free to pursue what they want. Some women choose to stay home with their children, some choose to work in high-power and high-paying jobs, and others choose any one of the infinite combinations of work and family (and hobbies and friendships and educational pursuits).

Women's roles in society used to be substantially confined to home life, and that is no longer the case. Women's gains in education, earnings, and their prominence in all facets of society show that women are equally capable of achieving the same things as men—they just do not always choose the same pursuits. What is important is that each individual—man or woman—is free to pursue his or her own life choices instead of being forced into government-prescribed or culturally prescribed lives.

To that end, policymakers and businesses should help women and men to achieve their desired pursuits without compelling them in certain directions by:⁵⁶

- **Allowing low-wage workers to choose** between paid time off and pay when they work overtime hours (the Working Families Flexibility Act accomplishes this);
- **Clarifying the definition of “independent contractor”** so that anyone who wants to be her own boss can do so;
- **Eliminating unnecessary regulations** that prevent employers from offering more generous paid family leave benefits or more flexible work arrangements;
- **Further protecting and promoting workers' freedom to engage** in open and direct negotiations with their employers, rather than being forced into the exclusive representation of a union; and
- **Using broad-based and low-rate taxes** to create a level and opportunity-filled playing field for all workers, allowing families to make the decisions that are best for them.

Instead of trying to impose the outcomes of one person's or one gender's choices and aspirations onto another, policymakers and employers should help to expand the freedom and opportunity of all workers and all families to pursue their own desires.

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Endnotes

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