The Motherhood Penalty in New Jersey

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⟩⟩⟩ Key Points

- New Jersey has a considerable motherhood penalty, where women with children make slightly less than women without children, but a lot less than men without children and men with children. Additionally, we find that there is a substantial fatherhood premium, where men with children make more than the three other categories of worker.

- New Jersey ranks in the lowest 25% of states when it comes to the median earnings difference between mothers and fathers.

- Within New Jersey, married fathers have the highest median income, followed by married men with no children, married mothers, married women with no children, single fathers, single men with no children, single mothers, and single women with no children.

- The smallest difference in median earnings between mothers and fathers of the same racial/ethnic group is among Black workers, while the largest difference is between White workers.

- Married women experience the largest earnings penalty, with married mothers under age 45 faring the worst.

- Mothers in Monmouth County experience the highest penalty, while mothers in Essex County experience the lowest penalty. Fathers in Essex County experience the highest premium, while fathers in Atlantic/Cape May/Cumberland County experience the lowest premium.

>>> Introduction

Having children and raising a family already entails considerable expenditures, but women pay an even greater price in the form of a motherhood penalty in the labor market. The motherhood penalty is the penalty experienced by working mothers that leads to lower wages and slower career advancement compared to women without children, and relative to men regardless of parenthood status.[1] In fact, men often earn a fatherhood premium in terms of pay and perceived competence in comparison with working mothers and childless men. As with the rest of the United States, the motherhood penalty has persisted in New Jersey even as more women have entered the labor force over time. Policies that encourage continued workforce participation by mothers potentially help to ease the motherhood penalty. Easing the motherhood penalty could, in turn, lead to a narrowing of the gender wage gap.

This issue brief examines more closely the state of working motherhood in New Jersey. We first describe the landscape of working motherhood, with a focus on labor force participation, occupational segregation, working hours, and earnings. We also analyze the state of working motherhood at the county level, so that we can compare mothers across New Jersey to examine whether there are differences by region. The brief concludes by engaging in a discussion of the role that policy can play in easing the motherhood penalty and narrowing the gender wage gap.

>>> What Causes the Motherhood Penalty?

Most women who stay in the labor force take time off for childbirth, usually with some type of paid or unpaid leave. In the U.S., after the birth of a first child, about 19% of women exit the labor force for an extended period, 42% take paid leave, 31% take unpaid leave, and the remainder have some other arrangement.[2] Over time, across different cohorts of U.S. women starting with those born in the late 1930s, labor force participation rates have dropped markedly after the birth of a first child.[3] Moreover, women's attachment to the labor force is consistently lower for women with children under the age of 3, and for women with children under the age of 6, compared to women with school-aged children.[4] These patterns highlight the ways in which increased care burdens disrupt women's attachment to the labor market.

In families with two working parents, mothers continue to perform a disproportionate amount of household work, even when participating full-time, year-round in the labor force. Workplaces continue to perceive mothers as doing most of the care and household work and may therefore penalize them by offering fewer opportunities for advancement, with entry into lower-level jobs, or with lower initial salary or wage offers.[5]

Even when mothers decide to remain in the labor force, they may leave their employer after childbirth. There is evidence that mothers are more likely to change occupations and employers compared to women without children, and women who make such changes as a result of having a child are likely to switch into lower-paying jobs.[6] This indicates that women may switch into jobs where they sacrifice higher wages for child-friendly benefits such as flexibility or a shorter commute

—job amenities that can entail sizeable compensating wage differentials.[7] In looking for jobs with more flexibility, some women leave the private sector to take public sector jobs, and others become self-employed.[8]

Some of the motherhood penalty is explained by occupational segregation, in which mothers choose, or are tracked into, lower-paying jobs with more flexibility. According to the theory of gendered organizations, there are some industries or occupations that expect a more "gendered" workforce—a workforce that complies with the ideal worker norm in which employers expect that workers will prioritize their job over their families.[9] Mothers may choose occupations that do not expect this ideal worker norm because they know they will be participating in a disproportionate amount of care at home. Alternatively, businesses that want workers to conform to this ideal may choose to hire more men or non-mothers because they assume that men and non-mothers will more likely meet this expectation.

Women, on average, experience a decline in earnings following the birth of their first child. This motherhood penalty constitutes a salient feature of the U.S. labor market and other labor markets around the globe. For example, women's average annual earnings losses within five to ten years after first birth range from 21% in Denmark to 61% in Germany, with mothers in the U.S. experiencing a 31% earnings loss.[10] These earnings losses—which are large, immediate, and persistent—are driven by some combination of a drop in employment (the extensive margin of labor supply), fewer hours worked (the intensive margin of labor supply), and lower wage rates. A recent study focusing just on the United States found an even larger earnings loss of 50% for working women after having children, and women's earnings fail to recover for years thereafter.[11] That study tracked parents' pay for six years after the birth of a first child and found the earnings of new mothers, after dropping markedly in the first year, typically did not rebound during the period.[12] Most of the motherhood penalty in the U.S. is driven by a drop in employment when the first child is born, while for other countries, the wage effect and intensive margin effect play a bigger role.[13]

⟩⟩ Data and Methodology

This brief compares the labor market outcomes of New Jersey's working mothers with women who do not have children and with all men. Mothers may experience this penalty in relation to all non-mothers, so comparing mothers to non-mothers is important in order to assess whether the gender wage gap is related more to motherhood than to gender itself. In addition, mothers may experience this penalty in relation to fathers, so comparing mothers to fathers gives a sense of what part of the gap is motherhood itself, rather than parenthood generally. This is especially true if fathers are shown to experience a fatherhood premium or benefit.

We present a set of descriptive statistics and also conduct a regression analysis of earnings to evaluate the magnitude of the motherhood earnings penalty and the overall gender earnings gap in New Jersey. We use the Duncan index to determine the motherhood and gender differences in industries within New Jersey. The Duncan index—also referred to as a dissimilarity index—is a common measure of occupational segregation, and it is described as follows:

$$DI = \frac{1}{2} \sum_{i=1}^{n} |f_i - m_i|$$

The notation f_i denotes the percentage of women workers employed in occupation i, and mi is the percentage of men workers employed in occupation i, and the summation is performed across n occupations. Intuitively, the calculation yields the percentage of women (or men) who would need to shift to a different occupation in order to equate the occupational distributions between men and women. The Duncan index ranges from zero (no occupational segregation) to one (complete segregation). We determine the Duncan index for mothers versus non-mothers and for women versus men in occupations held by workers in New Jersey.

The study's regression analysis estimates earnings differentials among women related to motherhood status (the motherhood penalty), earnings differentials among men related to fatherhood status (the fatherhood premium), and overall earnings inequality between men and women (the gender gap). To do so, we estimate a standard earnings regression as follows:

$$E_i = a + \beta_1 Woman_i + \beta_2 Parent_i + \beta_3 Woman * Parent_i + \beta_4 X_i + \vartheta_i$$

The notation i denotes an employee. The dependent variable Ei represents earnings, Woman is a binary variable for being a woman, Parent is a binary variable for being a parent, and Woman*Parent is the interaction between being a woman and a parent, thus representing the motherhood penalty. The remaining control variables (X_i) are individual characteristics that influence people's earnings, including a set of dummy variables for educational attainment, a measure of potential experience and experience squared, dummy variables for industries and occupations, a dummy variable for being married, and a set of dummy variables for county of residence in New Jersey.

The statistical analysis uses the most recent five-year wave of the American Community Survey (ACS), spanning 2018–2022.[14] The ACS is an annual survey of approximately 150,000 households collected by the U.S. Bureau of the Census, and it includes detailed information on demographic characteristics, labor market outcomes, and state of residence. The ACS also includes data by county, giving us the ability to conduct within-state analyses. For our sample, we use all individuals currently employed at the time of the survey with positive reported earnings in the previous year. Full-time, year-round workers are defined as working at least 35 hours per week, and at least 50 weeks per year. Mothers and fathers are ages 16 years and older and are defined as having at least one child under the age of 18 in the household. All estimates are weighted using the sample weights provided with the ACS.

The analysis of occupational segregation focused on geography will inform New Jersey policymakers about where occupational segregation between mothers and non-mothers and between mothers and men is greatest in our state. The analysis also pinpoints where in New Jersey the motherhood penalty is felt the most and the least, which could inform where to focus interventions across the state.

>>> New Evidence for New Jersey

We start with an analysis of median earnings of mothers and fathers in New Jersey, and we see how New Jersey compares with the other 49 states and Washington DC. Table 1 reports median annual earnings for all workers (first panel), and for only full-time, year-round workers (second panel), in New Jersey, and the table shows how New Jersey compares with the highest-ranking state (with the highest earnings ratio among all states), the lowest-ranking state, and with neighboring states Pennsylvania and New York. Appendix Tables 1 and 2 provide data for all the states.

TABLE 1 Median annual earnings of mothers and fathers, 2022

ALL WORKERS	Mothers	Fathers	Gap	Ratio	State Rank
Vermont	$48,570	$60,531	$11,961	80.2%	1
New York	$49,259	$73,486	$24,227	67.0%	13
Pennsylvania	$44,000	$70,144	$26,144	62.7%	28
New Jersey	**$54,046**	**$89,561**	**$35,515**	**60.3%**	**43**
Utah	$35,072	$72,482	$37,410	48.4%	51
FULL-TIME, YEAR-ROUND WORKERS	**Mothers**	**Fathers**	**Gap**	**Ratio**	**State Rank**
Vermont	$58,369	$66,855	$8,486	87.3%	1
New York	$64,855	$80,375	$15,520	80.7%	3
Pennsylvania	$55,114	$75,664	$20,550	72.8%	30
New Jersey	**$70,000**	**$97,282**	**$27,282**	**72.0%**	**36**
Louisiana	$43,236	$68,893	$25,657	62.8%	51

Source: CWW analysis of 2018-2022 American Community Survey microdata.

As shown in Table 1, New Jersey ranks close to the bottom among all states when it comes to the ratio of mothers' earnings to fathers' earnings. Among all workers, mothers in New Jersey earn 60.3% of what men earn every year in wages and salaries, amounting to a gap of $35,515 per year. Only 8 states do worse, and these states are all in the South or the West/Midwest. Some of this differential between mothers and fathers is explained by the greater likelihood of women to engage in part-time and/or seasonal work than men. However, Table 1 shows that New Jersey still has a sizeable earnings gap among fathers and mothers even when we examine only full-time, year-round workers. In this case, mothers earn 72.0% of what fathers earn, amounting to a gap of $27,282, and an overall state ranking of 36th. For full-time, year-round workers, New Jersey ranks well behind neighbor New York, which ranks third among all states for the relative earnings of mothers, and New Jersey ranks six states behind Pennsylvania.

Differences between men and women in their respective occupational distributions is a major determinant of gender wage gaps. A common measure of this difference is the Duncan Index of Dissimilarity, as defined in the methodological section. Even though New Jersey does not fare very well compared to other states in terms of the relative earnings of mothers, the state does better

when it comes to disparities between men and women in their occupational distributions. As shown in Table 2, among all workers, New Jersey ranks 10th for the Duncan Index, which is 0.315. This number indicates that 31.5% of women (or men) would need to switch occupations in order to achieve equitable job distributions. The District of Columbia has by far the lowest Duncan Index (0.142), indicating the most equitable occupational distribution between men and women, while the states with the highest Duncan Indices tend to cluster in the Midwest and the South (North Dakota, Wyoming, Louisiana, Mississippi).

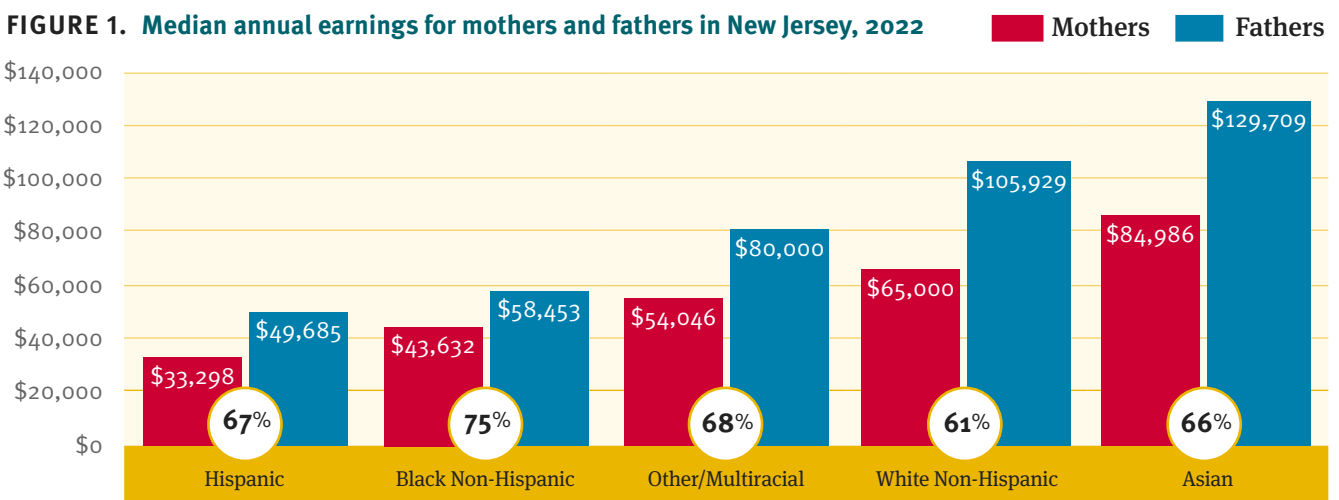**TABLE 2 Duncan index of occupational dissimilarity by gender across states, 2022**

State	DI all workers	Rank	DI parents	Rank	State	DI all workers	Rank	DI parents	Rank
Alabama	0.385	43	0.407	41	Montana	0.359	31	0.404	37
Alaska	0.364	35	0.402	35	Nebraska	0.386	44	0.405	39
Arizona	0.312	9	0.346	11	Nevada	0.302	5	0.344	10
Arkansas	0.378	40	0.420	44	New Hampshire	0.320	13	0.350	13
California	0.298	3	0.331	8	New Jersey	0.315	10	0.331	7
Colorado	0.319	12	0.371	23	New Mexico	0.362	33	0.407	42
Connecticut	0.307	6	0.320	2	New York	0.300	4	0.338	9
Delaware	0.327	17	0.324	4	North Carolina	0.337	22	0.365	21
District of Columbia	0.142	1	0.206	1	North Dakota	0.409	50	0.458	50
Florida	0.315	11	0.350	14	Ohio	0.349	27	0.383	30
Georgia	0.331	21	0.363	19	Oklahoma	0.385	42	0.424	45
Hawaii	0.324	15	0.349	12	Oregon	0.328	18	0.360	17
Idaho	0.371	38	0.380	28	Pennsylvania	0.348	26	0.380	29
Illinois	0.330	19	0.361	18	Rhode Island	0.311	8	0.330	6
Indiana	0.378	41	0.404	36	South Carolina	0.356	30	0.388	32
Iowa	0.388	45	0.418	43	South Dakota	0.398	46	0.427	46
Kansas	0.375	39	0.405	38	Tennessee	0.341	23	0.371	24
Kentucky	0.371	37	0.399	34	Texas	0.361	32	0.406	40
Louisiana	0.408	48	0.461	51	Utah	0.355	29	0.396	33
Maine	0.364	34	0.367	22	Vermont	0.327	16	0.376	27
Maryland	0.309	7	0.322	3	Virginia	0.321	14	0.351	15
Massachusetts	0.296	2	0.327	5	Washington	0.348	25	0.375	26
Michigan	0.353	28	0.374	25	West Virginia	0.399	47	0.432	47
Minnesota	0.331	20	0.356	16	Wisconsin	0.368	36	0.384	31
Mississippi	0.409	49	0.442	48	Wyoming	0.416	51	0.446	49
Missouri	0.346	24	0.365	20					

Source: CWW analysis of 2018–2022 American Community Survey microdata.

Table 2 further shows that when we limit the calculation of the Duncan Index to only parents, New Jersey does even better in the state rankings, rising to 7th place. This result implies that, compared to other states, occupational segregation plays less of a role than other factors in explaining the
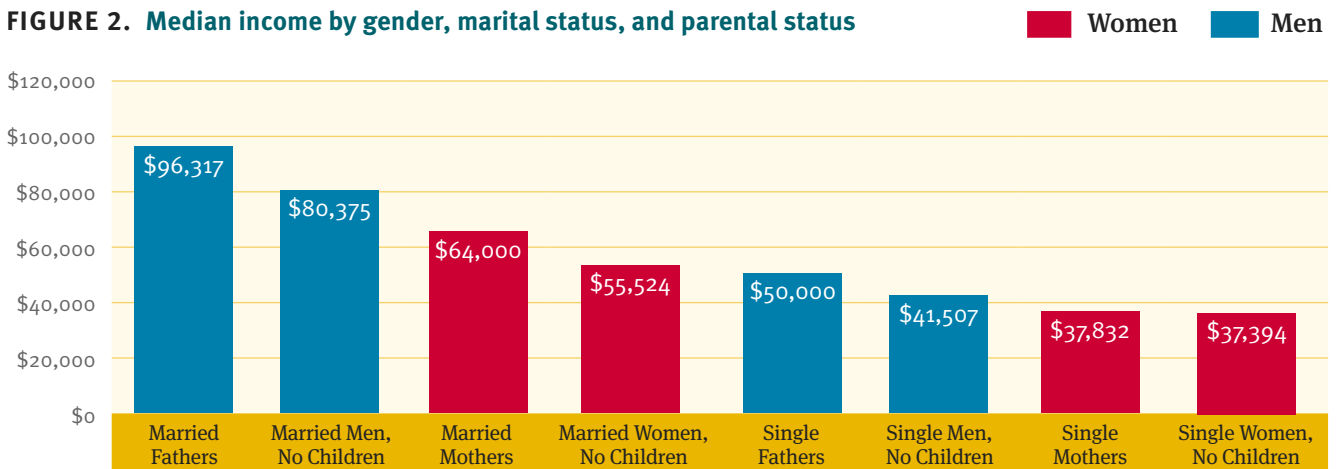
earnings gap. Of note, the Duncan Index for parents is higher than the Duncan Index for all workers in every single state except for Delaware, indicating that gender differences in occupations are larger between parents than between men and women without children.

Looking specifically at New Jersey, we see that, among racial/ethnic groups, Asian fathers earn more than any other demographic group, while Hispanic mothers earn the least. Figure 1, which reports median annual earnings for New Jersey mothers and fathers in 2022, shows that Asian fathers earn almost four times as much, on average, than Hispanic mothers. Asian mothers also earn more than mothers in other racial/ethnic groups. In terms of relative earnings within racial/ethnic categories, Black mothers (relative to Black fathers) have the highest earnings ratios, while White non-Hispanic mothers (relative to White non-Hispanic fathers) have the lowest within-group earnings ratios.

FIGURE 1. Median annual earnings for mothers and fathers in New Jersey, 2022 ■ Mothers ■ Fathers

	Hispanic	Black Non-Hispanic	Other/Multiracial	White Non-Hispanic	Asian
Mothers	$33,298	$43,632	$54,046	$65,000	$84,986
Fathers	$49,685	$58,453	$80,000	$105,929	$129,709
Ratio	67%	75%	68%	61%	66%

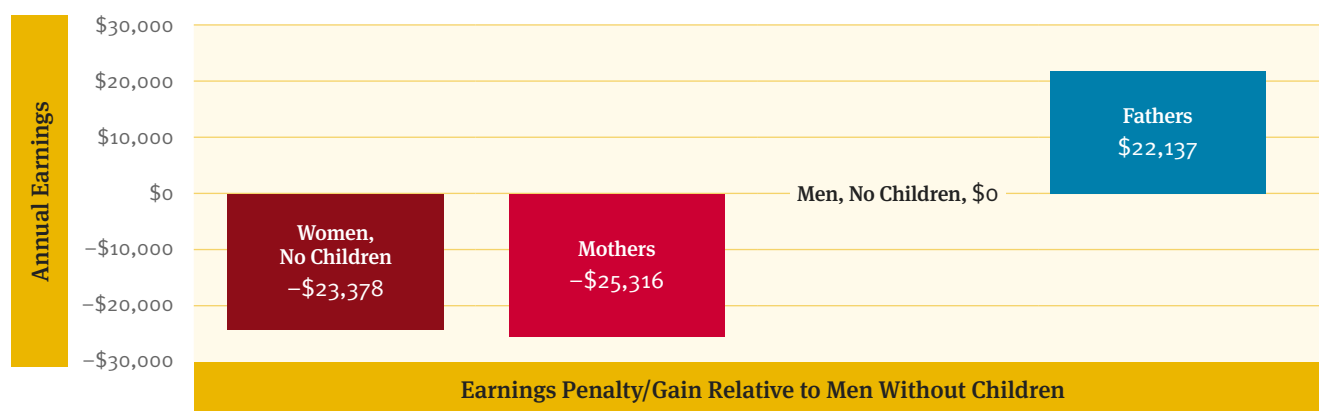Source: CWW analysis of 2018–2022 American Community Survey microdata.

When we look at gender, marital, and parental status, we find that marriage imparts a premium for both men and women. Figure 2 shows the median income for each group in 2022. It shows that married fathers have the highest median income, and single women with no children have the lowest.

FIGURE 2. Median income by gender, marital status, and parental status ■ Women ■ Men

Married Fathers	Married Men, No Children	Married Mothers	Married Women, No Children	Single Fathers	Single Men, No Children	Single Mothers	Single Women, No Children
$96,317	$80,375	$64,000	$55,524	$50,000	$41,507	$37,832	$37,394

Source: CWW analysis of 2018–2022 American Community Survey microdata.

Figure 3 below reports results for our regression analysis of annual earnings among all workers in New Jersey. We found a substantial earnings penalty for being a mother compared to all men, and we found a non-trivial earnings penalty for being a mother compared to women without children. Note that Figure 3 shows these penalties for annual earnings, relative to men without children. Hence the bar for men without children crosses the X-axis at the zero mark. All numbers in the chart represent an earnings penalty or earnings premium relative to the mean annual earnings of New Jersey men workers with no children in the 2018–2022 period, which was $78,692.

FIGURE 3. Motherhood penalty for annual earnings among all workers (controlling for observed worker characteristics but not controlling for occupation and industry)
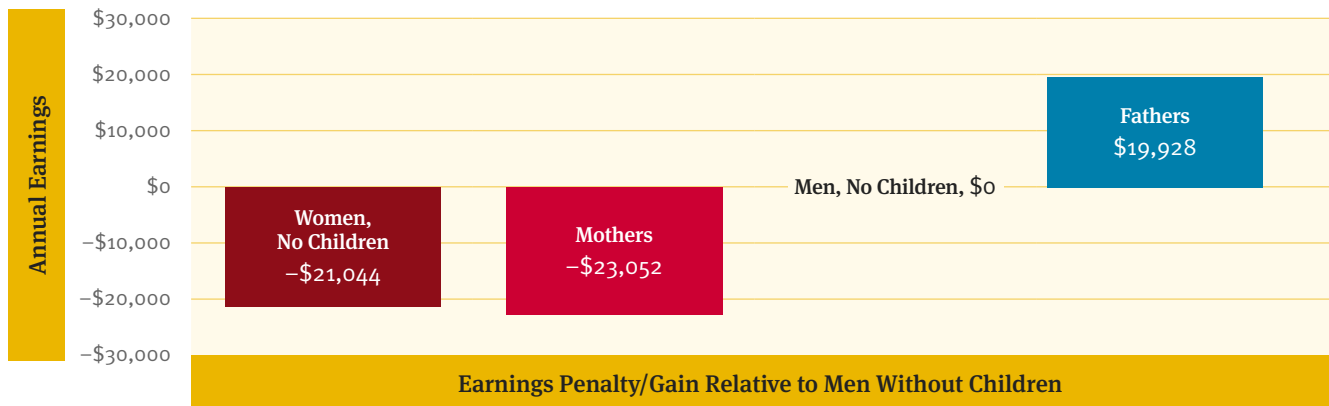

Source: CWW analysis of 2018–2022 American Community Survey microdata.

The figure shows that, compared to men without children, women without children in New Jersey earn, on average, $23,378 less per year. Additionally, compared to men without children, mothers in New Jersey earn, on average, $25,316 less per year. In contrast, fathers earn a substantial premium for parenthood, an amount averaging $22,137.

The underlying regressions used to generate these estimates in Figure 3 did not account for occupational and industrial segregation among men and women. Because men and women cluster in different jobs, the differentials in occupation and industry distributions may explain a substantial part of the earnings penalty for being a mother. However, we find that is not the case. As shown in Figure 4, when we do account for occupation and industry, the substantive conclusions still hold: women with no children and women with children experience marked earnings penalties compared to men without children, while fathers enjoy a large earnings premium. The penalty is highest for women with children.

FIGURE 4. **Motherhood penalty for annual earnings among all workers** (controlling for occupation and industry)
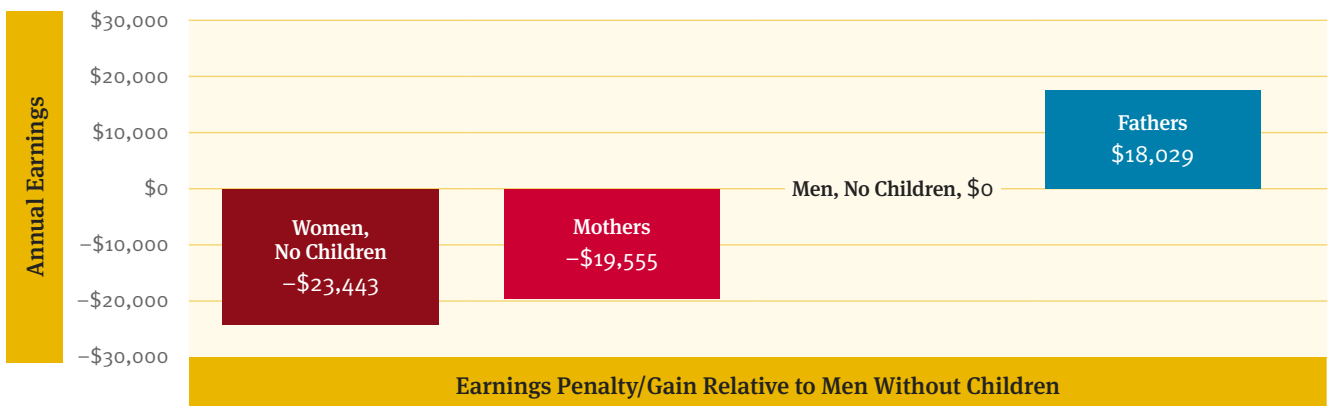

Source: CWW analysis of 2018–2022 American Community Survey microdata.

Another point to note about Figures 3 and 4 is that the difference in the earnings penalty between women with and without children is fairly small. One explanation for this rather small differential between women with and without children is the definition of parents as having children under the age of 18 living at home. Hence any mothers of older children who no longer live at home are counted as women without children (and the same goes for fathers). Women with older children are likely to have experienced a motherhood penalty while the children were younger, and these earnings penalties generally persist during one's career. Hence the true estimated earnings penalties for women who have never had children are probably smaller.

Another potential explanation for the motherhood penalty is that mothers opt to work part-time so that they can have more flexible schedules. However, even when we examine only full-time, year-round workers, we still observe a substantial earnings penalty for mothers and a large earnings premium for fathers (see Figure 5 below). In this case, the penalty is highest for women without children, which suggests some sort of a selection effect in that, among full-time, year-round workers, mothers are employed in higher-paying positions compared to women without children.
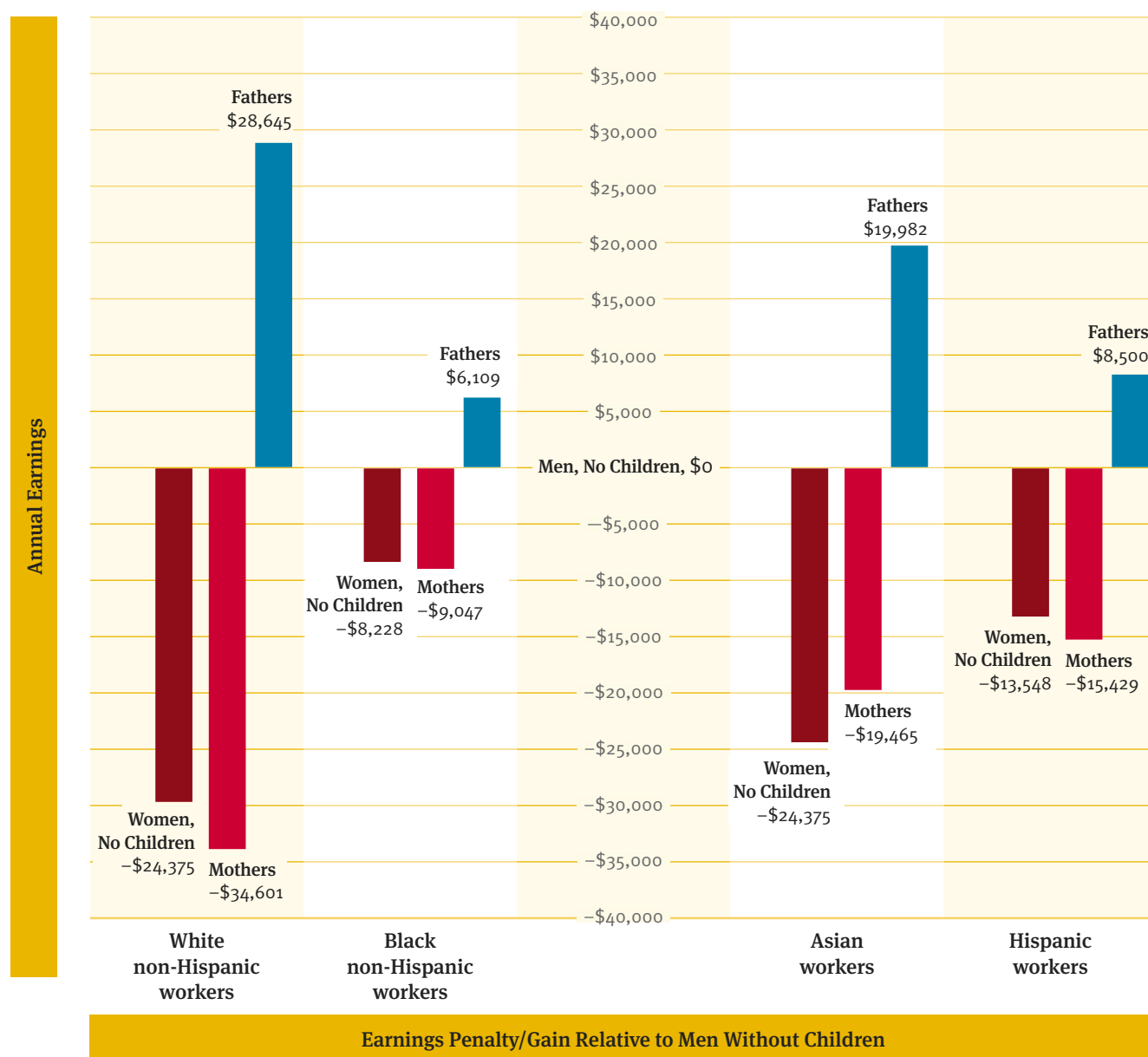
FIGURE 5. **Motherhood penalty for annual earnings among full-time, year-round workers only** (controlling for occupation and industry)

Source: CWW analysis of 2018–2022 American Community Survey microdata.

When we conduct this analysis of the earnings penalty separately for major racial/ethnic groups, we see that the motherhood penalty is highest for White non-Hispanic mothers relative to White non-Hispanic men without children, and the motherhood penalty is lowest for Black non-Hispanic women relative to Black non-Hispanic men without children. However, that says more about the relatively low earnings of Black men compared to White men. These earnings penalties within racial/ethnic groups are shown in Figure 6 below. Interestingly, only among Asian workers do we see that women with no children have a greater earnings penalty compared to women with children. In the other racial/ethnic groups, the earnings penalty is largest for mothers.
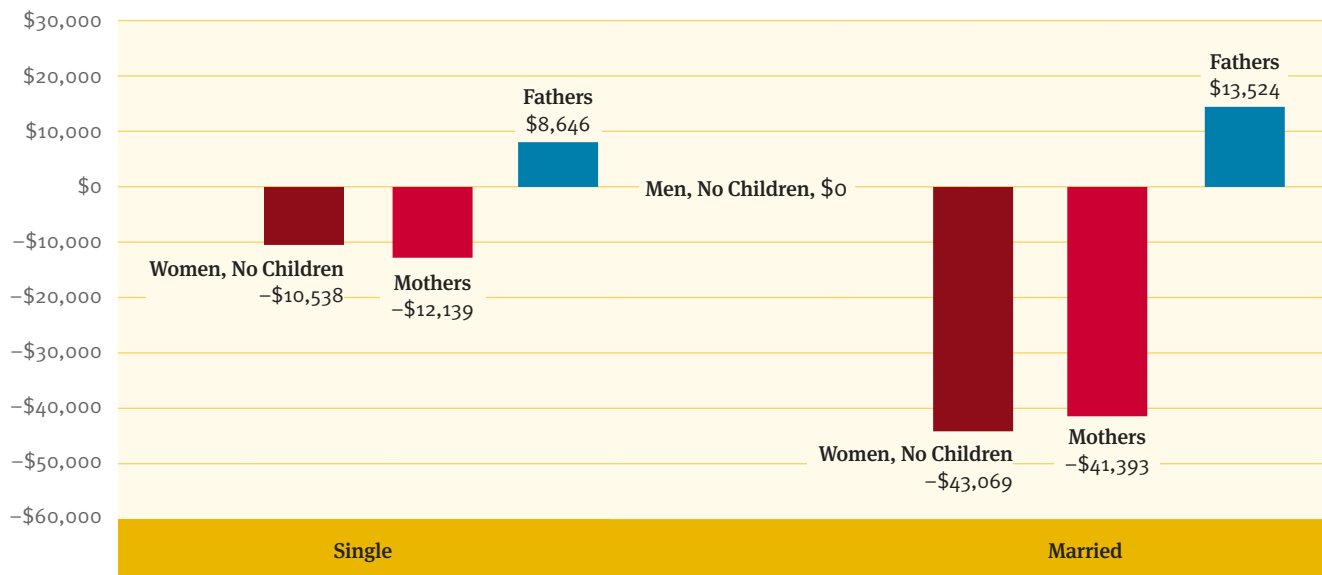
FIGURE 6. Motherhood penalty for annual earnings among all workers (not accounting for occupation and industry), **by racial/ethnic groups**

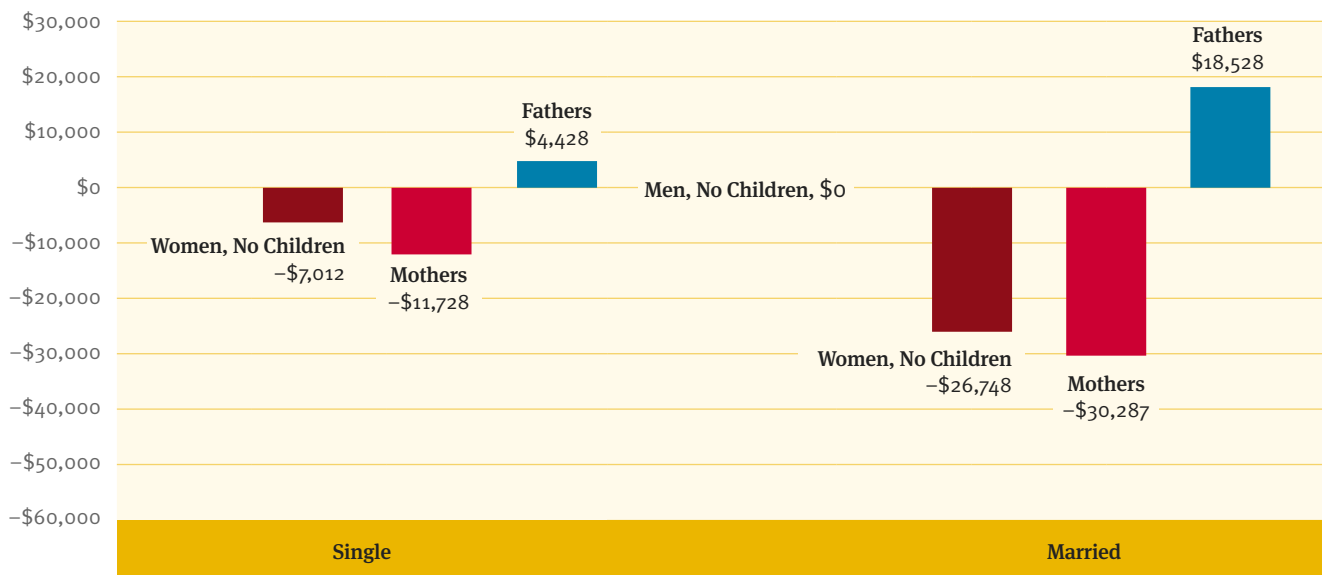Source: CWW analysis of 2018–2022 American Community Survey microdata.

When we conduct this earnings penalty analysis separately by marital status, we find that there is a marriage penalty for women as well as a motherhood penalty. While single women and mothers make less than single men and fathers, those numbers are even larger for married women and mothers compared to married men and fathers. Figure 7 shows these numbers separated by marital status. Figure 8 shows these numbers for workers younger than 45, who may still be considered within child-bearing years.

FIGURE 7. Motherhood penalty for annual earnings among all workers (not accounting for occupation and industry), **by marital status**

Fathers $8,646
Fathers $13,524
Men, No Children, $0
Women, No Children −$10,538
Mothers −$12,139
Women, No Children −$43,069
Mothers −$41,393

Single   Married

Source: CWW analysis of 2018–2022 American Community Survey microdata.

FIGURE 8. Motherhood penalty for annual earnings among all workers aged 45 and under (not accounting for occupation and industry)**, by marital status**

Fathers $4,428
Fathers $18,528
Men, No Children, $0
Women, No Children −$7,012
Mothers −$11,728
Women, No Children −$26,748
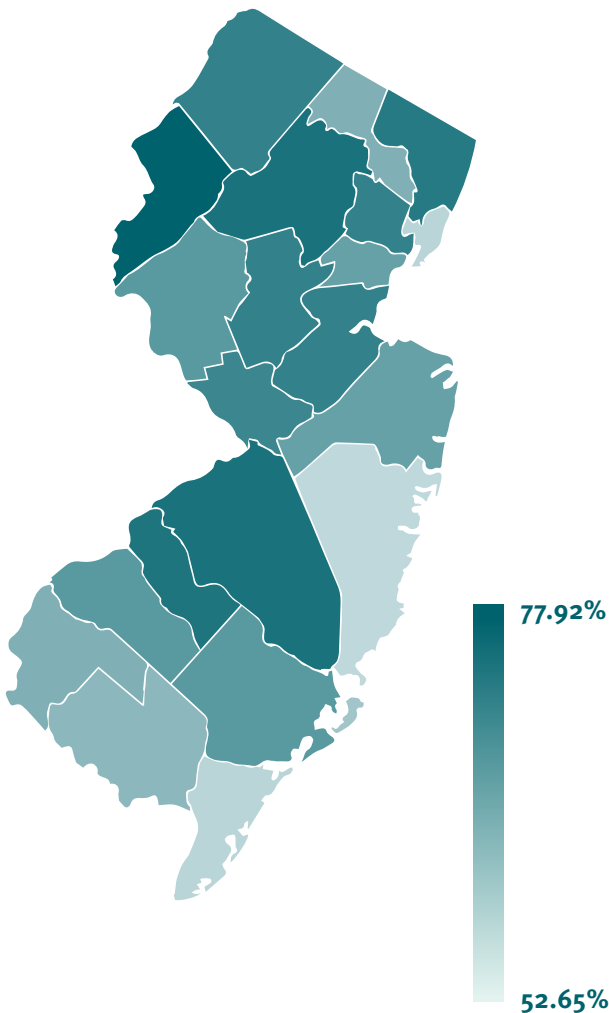Mothers −$30,287

Single   Married

Source: CWW analysis of 2018–2022 American Community Survey microdata.

>>> County-level Analysis

Given New Jersey's geography, it is important to examine these numbers by county. New Jersey is home to densely populated as well as rural areas that have different labor force participation rates of parents. Figure 9 shows a map of New Jersey with shading representing the percent of children 0–18 who live with both parents and have both parents in the labor force. This helps to understand how mothers in different counties may experience the motherhood penalty differently. The county with the lowest percentage of children with both parents in the labor force is Ocean, at 52.65%. Warren County has the highest percentage at 77.92%.

FIGURE 9. Percent of children living with both parents, with all available parents in the labor force

77.92%

52.65%

Source: CWW analysis of 2018–2022 American Community Survey.

When we look at the motherhood penalty by county, we find there are some differences. Table 3 shows the results of our regression analysis by county. Note that in this analysis we used the ACS microdata, and the underlying survey data groups together Atlantic, Cape May, Cumberland, and Salem counties because if these counties were reported separately, individuals could potentially be identified due to small sample sizes.

In Table 3, the numbers show how much each category of worker differs in annual income when compared to men with no children, whose income is set to zero. We include the numbers in a table rather than charts because of space. The largest difference between mothers and fathers is in Monmouth County, where fathers experience a premium of $32,412.57 over men without children, and mothers experience a penalty of $39,911.32 compared to men without children. Not far behind Monmouth County with their substantial motherhood penalties are Hunterdon, Sussex, Somerset, and Morris counties. The counties with the largest premium for fathers are Essex, Morris, Monmouth, Bergen, and Somerset Counties. In contrast, the smallest motherhood penalty is in Essex County, where mother earn $14,450 relative to men with no children, and the smallest fatherhood premium is in the combined Atlantic/Cape May/ Cumberland/Salem County.

TABLE 3. Earnings penalties/premiums relative to men with no children among all workers (not accounting for occupation and industry)**, by county.**

County	Mothers	Women with No Children	Fathers	Men with No Children
Atlantic/Cape May/ Cumberland/Salem	−$20,999	−$19,566	$3,488	0
Bergen	−$27,172	−$29,021	$32,499	0
Burlington	−$27,354	−$21,476	$17,943	0
Camden	−$20,360	−$20,390	$13,168	0
Essex	−$14,450	−$19,865	$33,256	0
Gloucester	−$22,383	−$18,260	$22,325	0
Hudson	−$29,546	−$20,259	$6,571	0
Hunterdon	−$38,867	−$38,807	$19,721	0
Mercer	−$24,438	−$21,334	$22,598	0
Middlesex	−$22,405	−$19,866	$18,543	0
Monmouth	−$39,911	−$33,717	$32,413	0
Morris	−$30,985	−$28,038	$33,230	0
Ocean	−$26,974	−$21,429	$12,412	0
Passaic	−$15,962	−$15,814	$10,673	0
Somerset	−$36,247	−$30,227	$28,508	0
Sussex	−$37,349	−$26,186	$9,075	0
Union	−$17,854	−$21,500	$28,309	0
Warren	−$25,120	−$20,074	$18,107	0

Source: CWW analysis of 2018–2022 American Community Survey.

›› Occupational Segregation

Our analysis of occupational segregation by county within New Jersey uncovers a fairly high degree of heterogeneity among the counties. Table 4 shows that, among all workers, Hunterdon County has the most equal job distributions between women and men. By contrast, Gloucester County, in the southern part of the state, has the most occupational segregation. If we look more closely at the occupations in those two counties, we find that Hunterdon County has a good number of women in Management positions.

TABLE 4: Duncan index of occupational dissimilarity by gender by county in New Jersey, 2022

County	DI all workers	Rank	DI parents	Rank
Atlantic, Cape May, Cumberland, Salem	0.323	10	0.321	5
Bergen	0.298	6	0.324	6
Burlington	0.332	12	0.368	17
Camden	0.335	14	0.356	14
Essex	0.307	7	0.312	4
Gloucester	0.354	18	0.358	15
Hudson	0.278	2	0.342	11
Hunterdon	0.274	1	0.293	2
Mercer	0.281	3	0.278	1
Middlesex	0.323	9	0.343	12
Monmouth	0.328	11	0.334	8
Morris	0.284	4	0.305	3
Ocean	0.350	17	0.360	16
Passaic	0.333	13	0.339	9
Somerset	0.293	5	0.325	7
Sussex	0.339	15	0.352	13
Union	0.319	8	0.340	10
Warren	0.348	16	0.441	18

Source: CWW analysis of 2018-2022 American Community Survey microdata.

When we limit the analysis to only parents, the ranking of counties does change somewhat. In this case, Mercer County, home of the state capital, has the least amount of occupational segregation between mothers and fathers. In this way, New Jersey mirrors the country, as the nation's capital also has the least amount of occupational segregation. The public sector, which has stricter hiring and promotion requirements with more transparency than the private sector, demonstrates more gender equity when it comes to the occupational distributions of mothers and fathers. Warren County has the most occupational segregation of mother and fathers. When we look more specifically at the occupations that are held in each of these counties, we find that, in Mercer County, the top occupations for mothers are almost equally likely to be Management, Education/Instruction/Library, or Office and Administrative Support while the top occupation for fathers is Management. In Warren County, the highest percentage of mothers are in Office and Administrative Support occupations while the highest percentage of fathers are in Management and Construction occupations.

>>> Conclusion

Addressing the motherhood penalty will require new interventions and more resources, but the benefits to the state are likely to surpass these costs in the form of higher state economic growth due to an increase in women's labor force participation, higher earnings, and greater tax revenues.[15] Several key policies have been shown with clear empirical evidence to reduce the motherhood penalty and also to shrink the gender earnings gap. Increasing access to affordable quality child care, encouraging fathers to engage in caregiving and leave-taking, and paid family leave are all instrumental in reducing the constraints that employed mothers face in achieving higher-paying jobs and advancing in their careers.

A large body of work shows a significant and substantial relationship between women's labor force participation and child care availability.[16] Another large body of work has evaluated policies that have improved the affordability of child care and access to child care.[17] One step that may serve to improve the supply of child care centers in New Jersey is to establish an employer child care tax credit.[18] Currently, several states provide tax credits designed to incentivize employers to either provide child care directly, contract with current providers for child care for their employees, or otherwise help expand the supply of child care for their employees. This may be especially useful in New Jersey's rural communities, where child care deserts are common, as well as for those working in industries which require evening or overnight work when child care provisions are especially sparse. Policies that provide assistance directly to families (as opposed to care providers) such as subsidies, tax credits, and tax deductions can allow benefits to be more tailored to families' particular circumstances and target funds in proportion to the needs of families.[19]

While New Jersey's family leave insurance program, NJFLI, allows most workers in the state to receive wage replacement for their leaves to bond with a new child or care for a loved one, our center has shown that some of the most vulnerable workers—who are often already in precarious employment and economic situations—do not have the job protection that would allow them to take a leave, even with wage replacement. People who work for firms with fewer than 30 employees, those who have not worked for the same employer for the last year, and those who have worked fewer than 1,000 hours in the last year, do not qualify for job protection through the New Jersey Family Leave Act, even if they qualify for wage replacement through NJFLI. These workers are characterized by lower incomes and they often work in small firms, work limited hours, or both. They also tend to be female, and work in occupations like food preparation, social services, and education. Conversations about access to paid leave and NJFLI are incomplete without a fuller picture of the types of workers who may qualify for wage replacement but not for job protection, and this is research we continue to undertake.[20]

In this report, we show that the motherhood penalty persists in New Jersey, and is accompanied by a fatherhood premium, when compared to men with no children. We also show that these penalties and premiums differ greatly by county. While some of New Jersey's policies may help to ease the

motherhood penalty, more is needed to encourage more fathers to participate in care, to change the culture of work to allow for mothers to participate more fully in the labor force, and to ensure that mothers are able to work in occupations that allow them to receive incomes that approach parity with men with no children and fathers.

SUGGESTED CITATION

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The Rutgers' Center for Women and Work (CWW) engages in research, education and programming that promotes economic and social equity for women workers, their families, and communities. CWW's work focuses on addressing women's advancement in the workplace; providing technical assistance and designing programming for educators, industry, and government; and engaging in issues that directly affect the living standards of working families in New Jersey and around the world.

Appendix Table 1

Median Annual Earnings of Mothers and Fathers by State, All Workers, 2022

	Mothers	Fathers	Gap	Ratio	State Rank
Alabama	35,072	60,856	25,784	57.6%	47
Alaska	45,929	73,486	27,557	62.5%	30
Arizona	40,188	60,000	19,812	67.0%	14
Arkansas	35,238	54,046	18,808	65.2%	19
California	45,593	70,144	24,551	65.0%	20
Colorado	46,698	75,664	28,967	61.7%	35
Connecticut	52,818	84,311	31,493	62.6%	29
Delaware	46,295	67,000	20,705	69.1%	4
District of Columbia	84,000	124,645	40,645	67.4%	10
Florida	38,000	56,657	18,657	67.1%	12
Georgia	40,000	63,152	23,152	63.3%	26
Hawaii	46,459	67,988	21,529	68.3%	7
Idaho	34,447	59,622	25,175	57.8%	46
Illinois	44,192	73,651	29,459	60.0%	44
Indiana	38,913	63,152	24,239	61.6%	37
Iowa	42,000	63,456	21,456	66.2%	17
Kansas	40,188	62,693	22,505	64.1%	24
Kentucky	37,832	58,453	20,621	64.7%	21
Louisiana	35,072	65,722	30,650	53.4%	50
Maine	43,236	62,323	19,087	69.4%	3
Maryland	57,790	83,852	26,062	68.9%	5
Massachusetts	56,657	90,797	34,140	62.4%	31
Michigan	40,188	67,988	27,800	59.1%	45
Minnesota	49,373	75,000	25,627	65.8%	18
Mississippi	33,994	56,000	22,006	60.7%	41
Missouri	40,000	62,000	22,000	64.5%	22
Montana	36,751	58,923	22,172	62.4%	32
Nebraska	43,236	63,456	20,220	68.1%	8
Nevada	39,994	56,657	16,663	70.6%	2
New Hampshire	49,603	81,834	32,231	60.6%	42

Appendix Table 1

Median Annual Earnings of Mothers and Fathers by State, All Workers, 2022

CONTINUED

	Mothers	Fathers	Gap	Ratio	State Rank
New Jersey	54,046	89,561	35,515	60.3%	43
New Mexico	36,000	54,046	18,046	66.6%	16
New York	49,259	73,486	24,227	67.0%	13
North Carolina	40,000	60,000	20,000	66.7%	15
North Dakota	43,236	70,000	26,764	61.8%	34
Ohio	40,917	66,597	25,680	61.4%	38
Oklahoma	35,072	56,657	21,585	61.9%	33
Oregon	43,236	67,988	24,752	63.6%	25
Pennsylvania	44,000	70,144	26,144	62.7%	28
Rhode Island	46,762	68,975	22,213	67.8%	9
South Carolina	37,832	60,000	22,168	63.1%	27
South Dakota	40,917	59,450	18,533	68.8%	6
Tennessee	37,410	58,000	20,590	64.5%	23
Texas	39,660	64,300	24,640	61.7%	36
Utah	35,072	72,482	37,410	48.4%	51
Vermont	48,570	60,531	11,961	80.2%	1
Virginia	48,000	78,907	30,907	60.8%	40
Washington	45,929	80,000	34,071	57.4%	48
West Virginia	35,000	57,411	22,411	61.0%	39
Wisconsin	44,424	66,000	21,576	67.3%	11
Wyoming	37,410	68,893	31,483	54.3%	49

Source: CWW analysis of 2018–2022 American Community Survey microdata.

Appendix Table 2

Median Annual Earnings of Mothers and Fathers by State, Full-Time Year-Round Workers, 2022

	Mothers	Fathers	Gap	Ratio	State Rank
Alabama	42,156	64,855	22,699	65.0%	49
Alaska	57,288	78,000	20,712	73.4%	23
Arizona	48,225	66,000	17,775	73.1%	27
Arkansas	41,336	56,657	15,321	73.0%	28
California	60,531	79,320	18,789	76.3%	11
Colorado	59,707	81,523	21,816	73.2%	25
Connecticut	70,000	90,000	20,000	77.8%	8
Delaware	56,657	72,000	15,343	78.7%	4
District of Columbia	99,716	135,977	36,261	73.3%	24
Florida	45,614	60,000	14,386	76.0%	15
Georgia	48,225	67,988	19,763	70.9%	40
Hawaii	56,263	72,521	16,258	77.6%	9
Idaho	43,632	64,855	21,223	67.3%	48
Illinois	56,207	79,320	23,113	70.9%	41
Indiana	46,000	67,000	21,000	68.7%	45
Iowa	49,858	67,000	17,142	74.4%	18
Kansas	48,225	66,597	18,372	72.4%	32
Kentucky	45,212	62,693	17,481	72.1%	33
Louisiana	43,236	68,893	25,657	62.8%	51
Maine	52,424	67,017	14,593	78.2%	6
Maryland	71,189	90,651	19,462	78.5%	5
Massachusetts	75,920	99,716	23,796	76.1%	13
Michigan	52,000	72,338	20,338	71.9%	38
Minnesota	60,000	80,000	20,000	75.0%	16
Mississippi	39,000	57,411	18,411	67.9%	46
Missouri	47,592	65,000	17,408	73.2%	26
Montana	45,929	65,000	19,071	70.7%	42
Nebraska	50,991	67,017	16,026	76.1%	14
Nevada	47,560	62,323	14,763	76.3%	12
New Hampshire	62,000	86,116	24,116	72.0%	35

Appendix Table 2

Median Annual Earnings of Mothers and Fathers by State, Full-Time Year-Round Workers, 2022

CONTINUED

	Mothers	Fathers	Gap	Ratio	State Rank
New Jersey	70,000	97,282	27,282	72.0%	36
New Mexico	45,326	58,923	13,597	76.9%	10
New York	64,855	80,375	15,520	80.7%	3
North Carolina	48,000	65,000	17,000	73.8%	21
North Dakota	51,884	70,259	18,375	73.8%	20
Ohio	51,670	70,259	18,589	73.5%	22
Oklahoma	42,696	59,707	17,011	71.5%	39
Oregon	55,127	74,634	19,507	73.9%	19
Pennsylvania	55,114	75,664	20,550	72.8%	30
Rhode Island	59,707	73,654	13,947	81.1%	2
South Carolina	45,000	64,300	19,300	70.0%	44
South Dakota	46,459	62,323	15,864	74.5%	17
Tennessee	45,000	62,004	17,004	72.6%	31
Texas	48,641	68,893	20,252	70.6%	43
Utah	48,641	75,782	27,141	64.2%	50
Vermont	58,369	66,855	8,486	87.3%	1
Virginia	59,450	82,672	23,222	71.9%	37
Washington	63,000	86,473	23,473	72.9%	29
West Virginia	43,236	60,000	16,764	72.1%	34
Wisconsin	54,046	69,178	15,132	78.1%	7
Wyoming	47,592	70,255	22,663	67.7%	47

Source: CWW analysis of 2018-2022 American Community Survey microdata.

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