

Gender differences exist even among university students' wage expectations

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Gender wage gaps are a well-documented issue, and expectations related to this phenomenon seem to be present even among university students discussing future employment, according to a study published June 2,

2021 in the open-access journal *PLOS ONE* by Ana Fernandes from the Berner Fachhochschule and the University of Fribourg and Martin Huber from the University of Fribourg, and Giannina Vaccaro from the University of Lausanne, Switzerland.

The [gender wage gap](#) is a well-established phenomenon in today's [labor market](#), with elements both explainable (e.g. certain job paths being predominantly held by one gender) and as-yet unexplained. In this paper, the authors assessed the effect of gender on wage expectations in [university students](#).

To gather their data, the authors surveyed a total of 865 students across two Swiss universities. The survey covered general demographic information; professional information, e.g. the type of job and workplace the student hoped to have after graduation and their expected wage (both directly after graduation and three years on); and [personal information](#), e.g. hopes for a future family and/or children, preferences between full- and part-time work in the presence of children, home location, etc. One version of the survey included a bar graph with information on monthly gross income in the private sector.

There was a gender wage gap even among expected wages for surveyed students: this gap was 9.7 percent directly following graduation, and 11.6 percent for wages three years afterward. When comparing expected wages from the students surveyed to averages of actual wages from comparable graduates, the authors found that both men and women were optimistic about their expected wages: on average, [male students'](#) expected wages exceeded the actual wages of similar graduates by 13 percent, whereas female students' expected wages exceeded the actual wages of similar graduates by 11.2 percent. Interestingly, for those students given the extra bar graph of gross income information, male students actually increased their average expected wages (incorrectly, based on the actual wages of similar graduates), while female students

tended to decrease their average expected wages.

The authors note that including the personal and professional responses in their [statistical analysis](#) greatly reduced (by approximately 30 percent) the direct, unexplained effect of gender on wage expectations. Nevertheless, a non-negligible, statistically significant direct, unexplained effect of gender on wage expectations remains for most cases under several statistical models considered.

The authors add: "Males typically forecast higher future earnings than females. We find that a broad set of personal and professional controls—collected in an own survey of two Swiss institutions of higher education—largely accounts for those gender differences in expectations across most empirical specifications."

More information: Fernandes A, Huber M, Vaccaro G (2021) Gender differences in wage expectations. *PLoS ONE* 16(6): e0250892. doi.org/10.1371/journal.pone.0250892

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