

## **Millennial Women**

### **Millennials and babies and pets and houses and video games...**

**I blame it all on Barney, that big freaky fat signing dinosaur. These kids didn't have a chance.**

In school it was, and frankly it still is, hard to sit still all day at a desk. Although not always, it seems that little girls are more inclined to be good at school than boys today. In fact, the gender gap in university has been flipped on its head in my lifetime.

- According to the 1971 Canadian Census, 68% of 25 to 29 year-old university graduates were male. This was the year 1 BP (Before Pong).
- Ten years later, women had more or less caught up to men, as only 54% of graduates were male.
- By the early 90's when I was graduating university, women had become the slight majority, comprising 51% of graduates.
- In the 2001 Census, universities had clearly become the domain of women, as they made up 58% of all graduates.
- According to the 2006 Census, women accounted for roughly 60% of university graduates between the ages of 25 and 29.

Time is money. There is one piece of business where a young man can sit still and fidget at the same time, and he scores points while doing so. Video gaming.

The first video game, Pong was introduced by Atari in 1972. It was incredibly slow and predictable... and extremely intoxicating. My friend got one that year, and I distinctly recall turning off the NHL Stanley Cup final, and skipping dinner, so I could play it a little longer. I don't know if there is a causal relationship between this and other trends since then, but the slight smell of hot wiring suggests there might be.

According to a 2008 Pew Research Center study, almost all girls and boys play video games, but boys typically play games with greater frequency and duration than girls. Roughly 39% of boys report daily video game play compared to 22% of girls. Similarly, boys are twice as likely to report playing for two hours or more each day, with 34% of boys playing for two hours or more per day, compared to 18% of girls.

Another interesting statistic: According to Business Insider, in 2013 18% of American men aged 18-34 are still living with their parents, compared to just as 12% of women that age. That's 50% more men (and I use that term loosely) than women gaming – and leaving their empty chip bags and pop cans on your basement coffee table. Cancel your internet and stop buying cheese. These hosers need incentive!

The foregoing trends are now finally beginning to show up in the workforce data as well.

### **The wage gap is narrowing for millennial women**

With women attaining higher levels of education and entering new fields, the wage gap between males and females has narrowed since the 1970s. Still, Canadian women earned just 87 cents for every dollar men earned in 2015. Females aged 15 to 24 face the smallest differential in earnings, but that's likely because this age group tends to earn minimum wage.

Also, women's contribution to household incomes has steadily risen. One quarter of women in millennial-aged couples bring in more than 50% of a households' employment income, compared with less than 40% only a decade ago.

A greater share of highly educated women participating in the workforce also signals a larger talent pool for senior positions in the future.

### **Millennials' family dynamics have changed, but still buying homes**

In 2015, 31% of millennials were married or living common-law, down from 44% of baby boomers in 1979. And half of the couples in the 25-to-34 age range didn't have children in 2012. The average age of

a woman giving birth to her first child has increased by two years over the past three decades. This has contributed to shrinking family sizes (average size of 3.0 people in 2006 compared to 3.3 people in 1981). These changes will have broad ramifications for society. In fact, there are now more household pets than children, and the population under age 18 has shrunk in 95% of U.S. counties since the year 2000, according to the 2010 Census.

But interestingly, millennials are still buying homes. Though policy makers fret about the impact that rising home prices are having on affordability, especially for first-time buyers, rates of home ownership in this cohort are elevated. That's due to ultra-low borrowing rates. Relative to baby boomers back in the late 1970s and early 1980s when borrowing rates were much higher, homeownership rates of those 20 to 34 years old are modestly higher today (47% in 2011 vs. 45% in 1981).

**Millennials' added advantage: diversity**

Millennials are the most ethnically diverse generation Canada has ever seen. Canada's immigration policy (around 250,000 newcomers annually for the past quarter-century) has encouraged a mix of immigrants from a range of regions, with the greatest share of these individuals amongst millennials. The differing perspectives of individuals from diverse backgrounds - race, nationality, gender or other demographic strands – can increase the capacity for innovative thinking by encouraging intellectual debate, enhancing creativity and providing access to broader networks of relationships. Simply put, Canada's diverse millennial cohort could help boost innovation and productivity.

A 2015 Stats Canada study also found that university educated women under 35 years of age have the same level of financial competency as their male counterparts. Look out boys. The ladies are kicking your butts.

Mark Ryan is an Investment Advisor with RBC Dominion Securities Inc. (Member–Canadian Investor Protection Fund). This article is for information purposes only. Please consult with a professional advisor before taking any action based on information in this article. Mark can be reached at [mark.ryan@rbc.com](mailto:mark.ryan@rbc.com).