

The Gender Wage Gap in Europe:
Women, Men and the Public Sector
- 24/10/2004 -

Dominique Meurs* & Sophie Ponthieux**

* Dominique Meurs
ERMES, Université de Paris 2
12 place du Panthéon
75230 Paris Cedex 05
e-mail : meurs@u-paris2.fr
tél.: + 33 1 40 51 81 30

** Sophie Ponthieux
INSEE - Timbre F340
Division « Conditions de vie des ménages »
18 Bd Adolphe Pinard
75675 Paris Cedex 14
e-mail : sophie.ponthieux@insee.fr
tél.: + 33 1 41 17 38 93

Abstract

In the European Union, women's hourly wages are about 80% to 95% of men's. But this does not give a complete idea of the male/female inequality in pay, because it masks the additional effect of the unequal number of hours of work. In this paper, we propose a decomposition of the gender monthly wages gap, with a particular focus on the components of the part of the gap explained by differences in characteristics. The analysis is done for 10 countries of the EU: Austria, Denmark, France, Germany, Greece, Ireland, Italy, Portugal, Spain and the United-Kingdom. The data set is the ECHP, in its 7th wave (2000). The method used for the decomposition is that proposed by Oaxaca & Ransom (1994), completed with a Heckman's two-steps procedure to correct for selectivity inspired from Oaxaca & Neuman (1998).

The results show, firstly, that countries are not comparable whether in the size of the gap, or in its composition. But all in all, there is clearly something common to all the countries in the large effect of differences in working hours between women and men. The other components contribute variously to the gap, but on average, it seems that the public sector generally appears more favorable to women. This leads to another look at the gender wage gap, and a second decomposition is done, considering the total wage gap as made of three gaps: a gap between men and women in the private sector, a wage gap between the public and the private sector among men, and a wage gap between the public and the private sector among women. This decomposition shows that after the private sector wage gap, the main contribution to the total gap, which reduces its size, is that of the public/private wage gap among women.

An interpretation of these results for purposes of public policy has to be careful; but at this preliminary step, they suggest that the general trend to downsize the public sectors could contradict the objective of greater professional equality between men and women, and could widen the gender wage gap.

Keywords: gender wage gap, decomposition, public sector.
JEL code: J31, J45, J71

The Gender Wage Gap in Europe: Women, Men and the Public Sector

Dominique Meurs (Ermes-Paris2) & Sophie Ponthieux (Insee)

24/11/2004

Introduction

In Europe, in 2000, women's hourly wages represented between 80% and 95% of men's hourly wages (European Commission, 2003, p.10). However, this figure only gives a partial idea of the inequality in earnings between men and women, for it masks the additional effect of inequality in the number of hours worked. This is essentially the consequence of part-time work, which almost exclusively involves women. Thus, if we consider monthly wages, women only earned between 65% and 80% of the amount earned by men.

The differences in job structures, characteristics of individuals and in working hours make a large contribution to the gender wage gap. In this paper, we propose an evaluation of the impact of these different factors on the composition of the gender wage gap for ten countries in the EU. The data we use is drawn from the seventh wave of the European Community Household Panel (ECHP), conducted in 2000¹. The advantage of this source is that the data has been harmonised at a European level. However, certain countries for which the data were too incomplete (Sweden, Belgium and the Netherlands) or for which the samples were too small (Finland, Luxembourg) have had to be omitted from our survey. Finally, we are left with ten countries for which we have been able to carry out a complete analysis: Austria, Denmark, France, Germany, Greece, Ireland, Italy, Portugal, Spain and the United Kingdom.

We start in section 1 with a brief overview of some structural characteristics of these countries. In section 2, we focus in more detail on the method of decomposition of the gender wage gap, which allows to evaluate the relative contribution of returns and individuals and jobs characteristics; these characteristics are in turn broken down into four components: "human capital", "sector of activity/professional category", "working hours", and "public sector". Not surprisingly, the respective importance of these components varies greatly from one country to another. In terms of public policy to reduce the gender wage gap, this means that the emphasis must be placed on different priorities in each country. Another interesting result is that the "public sector" component generally appears to have a negative impact on pay inequality. This leads to another look at the gender wage gap, and a second decomposition is proposed in section 3. This time, the overall wage gap is considered as made of three gaps: the wage gap between men and women in the private sector, the wage gap between public and private sector among men, and the wage gap between public and private sector among women. The results from this last decomposition suggest that the general trend to downsize the public sectors could contribute to a widening of the gender wage gap.

1. Men and women in the EU labour market

The EU countries share many common rules and objectives in the field of employment and professional equality between men and women. However, the respective situations in these countries are far from equivalent. Among the numerous reasons for this, we can cite three which stand out: firstly, women's participation in the labour market varies in scale, history and social acceptance from one country to another; secondly, institutional measures, notably in terms of tax systems, make it more or less attractive for women who are married and/or have children to work; lastly, measures relating to systems of childcare and parental leave can also either encourage or penalise the participation of women in employment, particularly in relation to full-time work.

To achieve greater cross-national comparability in the populations of the countries studied, we have limited our field – throughout the paper – to the 25 to 55 year-old age range. We have chosen this relatively restrictive range to limit the impact of national differences both in the duration of the studies and in retirement conditions. It has the added advantage of providing greater precision in taking the number of children into account: in the ECHP (as in many other sources), only the children actually

¹ See Eurostat, 1996 for a complete presentation of the EC Household Panel.

present in the household are taken into account; by setting an upper age range limit of 55, we obtain a greater probability that children will still be living with their parents.

1.1. Occupational status

The profiles of the distribution of men and women in terms of occupational status vary considerably between the different EU countries, shaped by the combination of factors involved in institutional diversity. In this paper, we have chosen to work with four possible occupational statuses: salaried work, self-employment, unemployment and inactivity. For men (graph 1.a), the cross-country differences in profile appear largely to be due to the different proportions of self-employment; this is much higher than average in the Southern countries, bearing witness to the fact that the primary sector has remained stronger here than it has in the other countries. The second factor of differentiation is, of course, unemployment.

Graph 1 - Activity status of men (1.a) and women (1.b) in 10 EU countries

Much greater national contrasts arise when we examine the situation for women (graph 1.B). A first level of comparison, in relation to the situation for men, shows that the rate of activity is considerably lower for all the countries analysed except Denmark. This observation is already widely known. The composition of the activity is also very different: apart from a few exceptions (Austria, Greece, Ireland, the United Kingdom), the level of unemployment is at least as high as that of men, testifying to the general phenomenon of female “over-unemployment” (see Maruani, 2003). In every country, the proportion of self-employment is lower than that observed for men, although for women too, the rate is comparatively higher in the Southern countries. As for the global proportion of salaried employment, it is lower for women than for men in every country except Denmark. Finally, part-time work, almost non-existent for men², generally represents a significant proportion of salaried employment for women.

A second level of comparison, between the different national situations for women, shows that Spain, Greece, Ireland and Italy are all characterised by a high proportion of inactivity. However, Ireland stands out from the other members of this group because of its higher proportion of part-time employment, which remains undeveloped in the Southern countries. A second group of countries can be constituted on the criterion of the overall proportion of salaried employment; this group comprises Germany, Austria, France and Portugal. Within this group, slight differences can be observed in relation to the share of part-time work, which is higher in Germany and Austria than in France, and almost non-existent in Portugal. There remain the United Kingdom, in which the proportion of salaried employment is significantly higher than in the latter group of countries, with a high level of part-time work, and Denmark, distinguished from all the other countries by its very low proportion of inactive women.

In addition to the general inequality of their presence in salaried employment, it is also widely acknowledged that men and women do not hold the same jobs: inequalities are particularly present in terms of professional category, sector of activity and public employment. These job characteristics, which may influence wage levels, will be examined briefly in the next sub-section.

1.2. Employment characteristics

Overall, an examination of job characteristics leads to a conclusion in line with the classic results. The differences that appear between one country and another are of a structural nature: a varying proportion of skilled jobs, corresponding to differences in the level of qualification of the work force, and a varying proportion of large sectorial components. As for the spread of men and women, women hold relatively less skilled jobs than men, and they work more often in the tertiary sector.

It should be noted that the composition of salaried employment presented here may differ from the usual statistics, because the data for almost half of the countries in our study (Austria, Greece, Italy and Portugal) do not provide details of the number of hours worked in part-time jobs of less than fifteen hours a week. As we shall be studying the earnings of the population described, we have applied this threshold to all the countries in the survey, and the salaried jobs described here therefore exclude small part-time jobs.

² Among men, the proportion of part-time salaried employment in the age-range studied varies from 0.8% (in Belgium) to 2.8% (in France and Ireland); this figure rises to 4% in the Netherlands.

Table 1 – Salaried employment structures (%)

Taken as a whole, the main characteristics of gender inequality that we observe are nothing new, but certain nuances can be brought out: although the proportion of women holding managerial posts is generally lower than that of men, this is not the case in Spain, Greece, Italy or Portugal (table 1.A). One reason for this particularity is simply mechanical: as there are fewer women actually in employment in these countries, the number of women holding managerial jobs as a proportion of this smaller fraction of the female population is naturally higher than is the case for men in these countries, or for women in other countries. A generation effect may also be at work here: older women are less likely to be active, and when they are active, they are more likely to be self-employed, whereas younger women are both more likely to be salaried and better qualified. Nevertheless, the main dividing line between “white collar” workers (the largest relative proportion of women’s jobs) and “blue collar” workers (the largest relative proportion of men’s jobs), can be observed in every country. Equally widespread is the fact that the blue-collar jobs held by women are more often unskilled, whereas those held by men are more often skilled jobs.

As for the sectorial spread of activities, the proportion of women who work in education and social services (“other services” in the table) is generally much higher than the proportion of men; in the other tertiary sector activities, the proportion of women in trade exceeds that of men, except in Denmark, France and Portugal, and, reciprocally, the proportion of men is higher in communication, finance and real estate activities, with the exception of Spain.

Finally, the proportion of women employed in the public sector is systematically higher than that of men. As we shall see, this has a certain interrelation with earnings, for their method of determination can be more favourable to women than it is in the private sector (see Gregory & Borland, 1999).

1.3. Education, experience, family structures

The “human capital” characteristics (education and experience) and family characteristics of individuals constitute two further dimensions of factors that can influence earnings. Education and experience are fundamental variables in the traditional formulation of earning equations (Mincer, 1974; Willis, 1986). The measurement of these two variables presents difficulties of various orders. Firstly, in the field of education, it is difficult to harmonise measurements on an international level. In the case of the ECHP, this has resulted in a very poor variable with only three levels and no indication of specialities. Secondly, a classic problem arises from the fact that very often (and this is true here) no effective measurement of experience is available. Experience is measured by the number of years since leaving education or since first entering a job, without any possibility of taking into account intermediate periods of unemployment or inactivity. However, we know that women are more likely to experience interruptions in their careers than men are, because of children. This leads to an over-evaluation of women’s professional experience (see Bayet, 1996; Meurs & Pontheux, 2000), and neglect of the specific effect of interruptions, which has been described by many authors (Gronau, 1988; Albrecht et al., 1998; Colin, 1999). To correct this measurement of potential experience, we shall introduce the number of children into the earning equation in order to capture the effect of time possibly spent outside the workplace.

From another perspective, family characteristics and education levels are important factors in employment selection mechanisms; in short, less well-educated women have weaker job opportunities and tend to have more children. The difficulty here is due to endogeneity, for a higher number of children reduces the probability of employment. It should be noted that recent work (Ahn & Mira, 2002) tends to demonstrate a change of sign in the classic correlation between the number of children and access to employment (notably in the Southern countries); it seems as though women were waiting to get a job before having children. This phenomenon can be related to the fall in fertility rates and the rise in levels of education. Within the limits of this paper, we shall simply refer the reader to the abundant literature about the relative effects of education and labour market institutions and structures on the joint decision concerning participation in the labour market and child-rearing (see, for example: Journal of Population Economics, 1996; Del Boca, 2002; Smith et al., 2003).

What is the situation of the countries analysed in this paper in relation to these different dimensions? In terms of education, we can divide the whole sample into three groups (Table 2): countries in which

women have on average a lower level than men (Germany, Austria, Greece and the United Kingdom), those in which the levels are equivalent (Denmark, Spain, Ireland and Italy) and those in which women have a higher average level than men (France and Portugal). The effect of selection in employment is expressed in the difference between a certain level of education as a proportion of the whole group and as a proportion of salaried employees; this difference is greater for women than for men in every country, and above all in Spain (where the proportion of women possessing a higher education diploma rises from 29% for the whole group to 47% for the salaried employees), in Greece (from 19% to 36%), in Ireland (from 17% to 26%), in Portugal (from 15% to 22%) and also, but to a lesser degree, in Italy and Germany.

Table 2 – Distribution of men and women by education levels (%)

To describe family characteristics, we have identified seven classes of individuals, using two criteria: living in a couple or not, with children (distinguished by the number and age of the children) or not. For each class, the comparison of family structures for the whole population and for the salaried employees brings out a contrast between men, for whom the spread by class hardly varies, and women, for whom we can observe, unsurprisingly, the under-representation of women with at least three children among the salaried employees and, conversely, the over-representation of women who live alone or in a couple without children.

Table 3 - Distribution of men and women by family characteristics (%)

However, certain countries do present a more particular profile. Denmark is once again eccentric, since the distribution by class changes very little between the whole population and the salaried employees, and this is true for both men and women. In certain other countries (Greece, Ireland, Italy and Portugal), the proportion of women with young children is higher than average among salaried employees; this could be an illustration of the change in sign of the correlation between fertility and participation in employment mentioned above.

Family characteristics can affect the presence of women in employment. For women who do work, they also have an influence on the number of hours they work. Combined with the characteristics of the jobs occupied, they contribute to a shorter average working week than that of men, and to a greater disparity in working hours for women. A graphic representation of the distributions of the length of working weeks shows that this effect is general (Graph 2).

On the whole, the amplitude of the variation is the same for all countries. As might be expected, women's working hours are more frequent at the lower end of the distribution than those of men. In addition, the longest working weeks for women are lower than those for men are. Above all, the profile of the distributions differs greatly between men and women. The distribution for men is much more tightly grouped around the 40-hour week. Lastly, the four Southern countries differ from all the others in that part-time work is less developed in them. In the other countries – except Denmark -, this is illustrated by the almost bi-modal distribution of women's working hours: around 20 hours and around 40 hours.

Graph 2 - Distribution of weekly working hours

This overview will end with a look at monthly earnings (Graph 3). These are the current earnings declared during the survey; they are converted into "purchasing power parities" (PPP), and therefore cross-nationally comparable³.

There again, as could be expected, the women's wage curve lies to the left of the men's wage curve, and, except for Denmark, women's earnings are more widely dispersed. Furthermore, the top of the men's wage distribution is considerably higher than that of the women's wage distribution in every country. Conversely, the bottom of the women's wage distribution is lower than the male one.

We shall now examine how differences in access to employment and in the characteristics of individuals and jobs held can help to explain the lower wage levels of women.

³ Almost : in France, unlike all the other countries studied here, there is no tax deduction at source. Earnings in France are therefore net of social security payments, but gross of taxes, whereas they are "net-net" for the other countries.

Graph 3 - Distribution of monthly earnings (in PPP, logarithms)

The size of the gap in wages (for subsequent calculations, this is expressed as the ratio of men's earnings to women's earnings) varies from 1.2 in Portugal to more than 1.5 in Germany, Austria, Ireland and the United Kingdom (Graph 4).

Graph 4 – Average gender wage gap

2. Composition of wage gaps

Among the various methods that exist for conducting this type of analysis (for a survey of these methods, see, for example, Beblo *et al.*, 2003), we have chosen a “standard” one: that proposed by Oaxaca & Ransom (1994). One classic difficulty in the evaluation of earnings equations comes from the fact that earnings are only known for the fraction of the population which is actually paid a salary, yet this sub-population may differ from the reference sample in terms of unobserved characteristics, which may result in biased estimations. Here, we have also chosen a standard method, Heckman's “two-step” method (1979), to take this selection effect into account.

2.1. Methodological aspects

Following Oaxaca (1973) and Blinder (1973) it is usual to write the average wage gap as follows:

$$\bar{W}_m - \bar{W}_f = \hat{\beta}_m(\bar{X}_m - \bar{X}_f)' + \bar{X}'_f(\hat{\beta}_m - \hat{\beta}_f) \quad (1)$$

where \bar{W} represent the average earnings evaluated by an earnings equation, the indices m and f represent men's and women's earnings respectively, \bar{X} are the average characteristics and $\hat{\beta}$ are the estimated returns on these characteristics.

The gap in average earnings (expressed as a logarithm) can be broken down into a first part representing the difference between the returns on men's characteristics and the returns on women's characteristics (often referred to as “discrimination”), and a second part that can be attributed to the differences in the observed characteristics of men and women.

All methods of decomposition of the wage gap must deal with the problem of the choice of weighting. In equation (1), differences in characteristics are weighted by the average male returns, and differences in returns are weighted by the average female characteristics. Here, we have chosen to use the method proposed by Oaxaca and Ransom (1994). This involves the construction of a “non-discriminatory” norm for returns on individual characteristics; the wage gap is then expressed as the sum of an advantage for men, a disadvantage for women, and the difference between characteristics valued at the norm's returns. There are several ways of setting the norm (Oaxaca & Ransom, 1994). The most direct one consists in using the population of women and men pooled, that means considering employment as a whole, whether jobs are occupied by women or men. The average earnings gap is then composed of three parts:

$$\bar{W}_m - \bar{W}_f = \bar{X}'_m(\hat{\beta}_m - \hat{\beta}_{norm}) + \bar{X}'_f(\hat{\beta}_{norm} - \hat{\beta}_f) + \hat{\beta}_{norm}(\bar{X}_m - \bar{X}_f)' \quad (2)$$

The first term represents the additional return on characteristics, compared with the norm, due to the fact of being a man and the second term represents the deficit in the return on characteristics due to the fact of being a woman. The sum of these two terms represents the part of the wage gap resulting from differences in returns (we shall work with the sum of the two to lighten our reading of the results). The third term measures the gap resulting from differences in characteristics, using the average return of the whole sample as weighting.

Of course, the relative sizes of the components depend on the choice of independent variables introduced into the earnings equation; when the information is more detailed, the component “returns” is more likely to diminish, but then it could be that the “characteristics” cover phenomena of professional segregation. For this reason, we propose firstly to break down monthly earnings, rather than the hourly wages which are usually taken, and secondly to make explicit, in the characteristics, the impact of factors of structural inequality between the characteristics and jobs of men and women.

Thus, we have chosen four dimensions of observable differences between men and women: one on the level of individual characteristics, which we call “human capital”, and three on the level of job characteristics: “number of hours worked”, “industry / professional category” and “public sector”.

Another factor which must be taken into account is that, as we have seen, women’s participation in the labour market is – except in Denmark – considerably lower than that of men. Neglecting to take this difference into account could result in biased estimations of returns on individual characteristics, and, consequently, on the measurement of the explained and unexplained parts.

The two-step procedure introduced by Heckman (Heckman, 1979) is a method frequently used⁴ when the population of which the earnings are being studied is not a random sample drawn from the reference population. This involves evaluating the impact of different individual characteristics on the probability of having a salaried job rather than being inactive. All individuals who are not in a position to apply for a job (students, old age pensioners, etc.), those who should have a job but cannot find one⁵ (unemployed) and, of course, those who are not available for a salaried job (self-employed) are therefore removed from the population. We can then contrast salaried workers with the “pure inactives”. In this case, the pure inactives are women, as the proportion of men in salaried employment is about 98 %. Consequently, the problem of selection only concerns the female population, except in Denmark where the proportion of inactive women is negligible.

The correction consists in evaluating a Probit model of belonging to the group of salaried employees; in brief, we seek to estimate a latent variable that is a function of individuals’ characteristics, which expresses their propensity to hold a salaried job. This estimation provides us with an additional regressor (the inverse Mills ratio – IMR) to introduce into the earnings equation. This variable enables us to capture the effect on wages of selection in employment. With a standard earnings equation, we therefore have a model of the following form:

$$\hat{W}_i = \hat{\beta}\bar{X}'_i + \hat{\theta}\hat{\lambda}_i + u_i \quad (3)$$

where $\hat{\lambda}$ is an estimator of IMR and $\hat{\theta}$ is the coefficient indicating the effect of selection on the wage.

Lastly, to break down the wage gap while taking into account the selection bias, we adapt the specification proposed by Neuman and Oaxaca (1998), which combines the Oaxaca method and the Heckman method. Selection appears in the components of the wage gap in the form of a term $(\hat{\theta}_m\hat{\lambda}_m - \hat{\theta}_f\hat{\lambda}_f)$. Neuman and Oaxaca examine different ways of introducing this term into the breakdown; one of these ways consists in treating selectivity as a separate component. This is the simplest approach, as it requires no *a priori* hypothesis about whether selectivity has more of an influence on individual characteristics or on the return on these characteristics. We then obtain an equation of the following form:

$$\bar{W}_m - \bar{W}_f = \bar{X}'_m(\hat{\beta}_m - \hat{\beta}_{norm}) + \bar{X}'_f(\hat{\beta}_{norm} - \hat{\beta}_f) + \hat{\beta}_{norm}(\bar{X}_m - \bar{X}_f)' + (\hat{\theta}_m\hat{\lambda}_m - \hat{\theta}_f\hat{\lambda}_f) \quad (4)$$

with, here, $\hat{\theta}_m \hat{\lambda}_m = 0$, because there is no selection among men.

With the breakdown of the characteristics, we finally obtain an expression containing six terms:

$$\begin{aligned} \bar{W}_m - \bar{W}_f = & \hat{\beta}_{Cnorm}(\bar{X}C_m - \bar{X}C_f)' + \hat{\beta}_{Hnorm}(\bar{X}H_m - \bar{X}H_f)' + \hat{\beta}_{Snorm}(\bar{X}S_m - \bar{X}S_f)' + \hat{\beta}_{Pnorm}(\bar{X}P_m - \bar{X}P_f)' \\ & + \bar{X}'_m(\hat{\beta}_m - \hat{\beta}_{norm}) + \bar{X}'_f(\hat{\beta}_{norm} - \hat{\beta}_f) + (0 - \hat{\theta}_f\hat{\lambda}_f) \end{aligned} \quad (5)$$

where *C*, *H*, *S* and *P* refer respectively to “human capital”, “number of hours worked”, “industry / professional category” and “public sector”.

2.2. The breakdown of the gender wage gaps

2.2.1. The evaluation of earnings equations

In practical terms, the first step consists in evaluating, for each country, the probit model of belonging to the group of salaried employees (only for women and excluding Denmark – see above).

⁴ Other methods of correction could be used (see Beblo et al., 2003).

⁵ The unemployed represent a particular case; by proceeding in this manner, we consider that all unemployment is involuntary. Furthermore, for the unemployed, the probability of finding a job involves other selection mechanisms that do not interest us here.

For this model we have chosen a relatively standard set of variables: age (and age squared), the level of education, the family characteristics category, marital status, the income of the household – from which we have excluded, when it exists, the work income of the woman -, nationality and the region of living. On the whole, the results of the evaluations (detail in Appendix- 1) are quite classic, and this is true for all the countries in our survey: the probability of holding a salaried job increases with age and with the level of education; it is lower for women with children than for those without; it is lower for mothers of young children and large families than for the others. In general, marriage has a negative effect on this probability: marital status is not significant in Austria, France, Greece, Ireland or the United Kingdom, but it is highly significant in Germany and Italy, two countries in which tax measures are particularly discouraging married women's work. The level of income of the household (excluding the woman's wages if she has a job) also has a negative influence on this probability, except in Austria and Ireland. Lastly, the effect of regions, introduced as proxies for local labour market conditions, is obviously very variable.

The specification of the earnings equation is also relatively classic. We have the logarithm of monthly wages (in PPP to obtain estimators in a comparable unit) depending on a set of determinants covering the four main components of which we want to evaluate the respective effects on the earnings gap:

- human capital (C), evaluated by the level of education and potential experience. The number of children has also been introduced, to take into account the effect of maternity on the actual accumulation of experience. The length of time spent in the job is also taken into account, as a measurement of specific human capital;
- the number of hours worked per week (H);
- the jobs held (S), described by industry and professional category;
- employment in the public sector (P).

Finally, the effect of selection in employment is captured by the variable obtained with the probit model (by construction, its value is zero for the men and zero for women in Denmark). For Germany, a specific variable has been introduced to control the possible effect of living in one of the new Länder.

The results of the estimations (detailed in Appendix- 2) are quite predictable: returns on human capital are higher for higher levels of education, and rise with experience and with the number of years spent in a job. Furthermore, we can see that the number of children generally has a negative effect for women (whereas it is more often than not positive for men). The number of hours worked per week obviously has a strong, positive effect on wages. High levels of qualification and working in the industrial sector are generally the most advantageous factors. The effect of the public sector is often positive and significant for women, whereas it is not significant for men. In Germany, the effect of living in one of the new Länder proves to be negative and significant (this result has regularly been obtained in numerous studies on Germany).

The effect of selection in employment only appears to be significant in three countries: France, Germany and Italy. This is not surprising, since each of these countries presents at least one institutional particularity which can be interpreted in terms of unobserved characteristics of women selected in employment: in France, these are parental leave and the dependents tax allowance; in Germany, the maintenance of protection for working mothers, the absence of childcare systems and the tax system (based, for couples, on the income divided by two); and in Italy, the loss of family allowance when the woman works. All these factors work to discourage the women with the lowest earnings perspectives from entering the labour market; if we had not taken this selection effect into account for these countries, we would have overestimated the return to the characteristics of salaried women.

2.2.2. The gap due to characteristics, the gap due to returns

The part of the wage gap which is not explained by the characteristics of individuals and their jobs varies widely from one country and another, ranging from 30% in Denmark and France to more than 100% in Portugal (Graph 5; the detailed table of the decomposition appears in Appendix- 3).

The part of the wage gap which is unexplained by differences in characteristics can be interpreted in terms of discrimination. From this point of view, Denmark and France would appear in almost equal

first place on the honour roll, followed, in this order, by the United Kingdom, Austria, Germany and Ireland, then Italy, Spain, Greece and Portugal.

Graph 5 – Differences in returns and monthly wage gap

However, this interpretation is simplistic, for it does not take the size of the gap into account. Yet we observe that a high proportion of the unexplained part of the gap is not generally associated with a large gender wage gap. In fact, the main observation to be made here is the wide diversity of combinations. For example, Denmark and France, the two “virtuous” countries in terms of the “unexplained” part, are differentiated by a difference of more than 5 percentage points in terms of the wage gap; the same is true for Spain and Italy, which have a higher “unexplained” part and a slightly more pronounced difference in wage gaps. Thus, from the point of view of the wage gap alone, Italy is closer to Denmark than France is. On the other hand, the group composed of Germany, Austria, the United Kingdom and Ireland is fairly homogeneous from both points of view; the large wage gap and small unexplained part indicates a relatively high level of segregation in jobs. We shall return to this point later.

Portugal is a special case, with an unexplained part which is larger than the total gap; this suggests, of course, that the productive characteristics of employed women are, on average, “higher” than those of men are. One possible interpretation of this disparity in favour of women is that it could be at least partly due to the high proportion of self-employment (see Graph 1), which would drain a considerable proportion of the most highly qualified men, as if the mechanisms of selection in jobs were more dependent on the division between salaried work and self-employment than on the factors usually taken into account. The difficulty here is of a methodological nature, for no theoretical model exists for testing this hypothesis. This problem, pointed out with the case of Portugal, is doubtless of much wider relevance, notably for countries in which unemployed people could be encouraged to create their own businesses, and also in the study of the creation of small businesses by immigrants. However, this path remains beset by numerous methodological problems (see, for example, Blanchflower, 2000).

The part of the wage gap explained by differences in the characteristics measures the effect on wages of the differences between the characteristics of salaried men and women. By analysing its composition, we can see how the different groups of wage-determining factors (human capital, working hours, industry/qualification and public sector) contribute to the disparity in wages between men and women; here, a negative component indicates a characteristic that is more favourable to women than to men.

As expected, the strongest difference is observed for the number of working hours, much higher for men than it is for women (Graph 6). This factor represents at least half of the explained part of the gap in every country except Portugal. The countries in which it makes the greatest contribution are Germany, Austria, the United Kingdom and Ireland, which are the countries in which the proportion of part-time work for salaried women is the highest (see graph 1), and also those in which pay inequality between men and women is the most pronounced.

Another very widespread effect, working this time in favour of women, is that of employment in the public sector. The only exceptions are Austria, where this component is insignificant, and Denmark, where it works in favour of men.

The other components then come into play, having very diverse effects from one country to another. The part of the wage gap due to differences in human capital works in favour of women in France and the United Kingdom, where the effect is weak, in Italy, where it is slightly stronger, and in Portugal, where it is more pronounced. It is relatively high in favour of men in Germany, Austria, Ireland and Spain. We can put forward two hypotheses here: firstly, this might demonstrate an effect, more unfavourable here than in the other countries, of maternity-linked interruptions in professional activity; secondly, it might be the result, especially in Spain, of a larger gap in education and experience than in the other countries, to the detriment of the older women in the survey, thus expressing a generation effect.

Finally, the industry and skill level of the jobs held shows a marked contrast between the Northern countries, in which structural differences are unfavourable to women, and the Southern countries, in which, on the contrary, these differences work in the favour of women. This calls to be interpreted in

terms of segregation: in both North and South, there are significant differences between the characteristics of the jobs held by women and those held by men. However, in the Southern countries, one cannot dismiss the hypothesis of a selection effect, on the men's side, between salaried workers and self-employed.

Graph 6 – Composition of the differences in characteristics

Ultimately, the overriding observation resulting from this comparison is one of huge diversity, both in the size of the wage gap between men and women and in the composition of this gap: the part unexplained by characteristics varies greatly from one country to another, as do the relative shares of the four components corresponding to differences in the productive characteristics of men and women and the jobs they hold. More than the actual levels of each component, it is their diversity which calls for our attention, for it signifies that the common objective of reducing wage gaps cannot be attained by the same policies in every country.

By isolating the public sector as a specific component, we have shown that this is generally, though weakly, more favourable to women. To explore this result further, we shall now propose another way to decompose the gender wage gap.

3. To which extent does public sector employment reduce the wage gap?

As our previous results suggest, the component “public sector” contributes to a reduction of the gender wage gap. This is clearly illustrated by comparing the overall wage gap to that observed in the private sector, and the public/private differential among men and among women: firstly, the gender gap is significantly greater in the private sector than on average (Graph 7), and secondly, as underlined in several studies (Elliott et al., 1999; Gregory & Borland, 1999; Oecd, 2000) the public/private wage differential is greater among women than it is among men (Graph 8).

Graph 7 – Overall and private sector gender wage gaps

Graph 8 – Public/private raw wage differential

This impact could be due to a composition effect, or to a return effect, or both. The composition effect would result from the fact that the public sector attracts and retains most of the highly educated women; this would mean, in turn, that these women cannot find comparable jobs in the private sector (either in pay or in “quality”, including the possibility that the public sector could be more “family-friendly” than the private sector). The returns effect would result from a better valuation of individual characteristics in the public sector, especially for women; this explanation is supported by numerous studies whether on European countries or other Oecd countries. These two effects (composition and returns) can of course be combined, in various proportion according to the country.

In order to shed some light on these points, we turn to another way of decomposing the average gender wage gap, as the combination of three gaps: the wage gap between men and women in the private sector, the wage gap between men in the public sector and men in the private sector, and the wage gap between women in the public sector and women in the private sector. The interest of this formulation is to allow for the estimated returns to characteristics to be different in the private and in the public sectors.

3.1 Decomposition of the three gaps

We start with an expression of the average wage as the sum of the average wages in the public and in the private sectors, weighted by the proportion of workers in each sector, as follows:

$$\bar{W} = P.\bar{W}^{pu} + (1 - P).\bar{W}^{pr}$$

i.e: $\bar{W} = \bar{W}^{pr} + P.(\bar{W}^{pu} - \bar{W}^{pr})$ (6)

where P represents the proportion of workers in the public sector, and pu and pr in superscript indicate respectively the public and the private sector. When written for men and women separately, this gives:

$$\bar{W}_m = \bar{W}_m^{pr} + P_m.(\bar{W}_m^{pu} - \bar{W}_m^{pr})$$
 (6m)

$$\bar{W}_f = \bar{W}_f^{pr} + P_f \cdot (\bar{W}_f^{pu} - \bar{W}_f^{pr}) \quad (6f)$$

The wage gap between men and women [(6m)-(6f)] is then:

$$\bar{W}_m - \bar{W}_f = \bar{W}_m^{pr} - \bar{W}_f^{pr} + [P_m \cdot (\bar{W}_m^{pu} - \bar{W}_m^{pr})] - [P_f \cdot (\bar{W}_f^{pu} - \bar{W}_f^{pr})] \quad (7)$$

where the first term represents the wage gap in the private sector, the second term the weighted sectorial wage gap among men, and the third term the weighted sectorial wage gap among women. Finally, when each of these terms is decomposed as in (2), we obtain:

$$\bar{W}_m^{pr} - \bar{W}_f^{pr} = \bar{X}'_m \beta_m^{pr} (\hat{\beta}_m^{pr} - \hat{\beta}) + \bar{X}'_f \beta_f^{pr} (\hat{\beta} - \hat{\beta}_f^{pr}) + \hat{\beta} (\bar{X}_m^{pr} - \bar{X}_f^{pr})' \quad (7a)$$

$$P_m \cdot (\bar{W}_m^{pu} - \bar{W}_m^{pr}) = P_m [\bar{X}'_m \beta_m^{pu} (\hat{\beta}_m^{pu} - \hat{\beta}) + \bar{X}'_m \beta_m^{pr} (\hat{\beta} - \hat{\beta}_m^{pr}) + \hat{\beta} (\bar{X}_m^{pu} - \bar{X}_m^{pr})'] \quad (7b)$$

$$P_f \cdot (\bar{W}_f^{pu} - \bar{W}_f^{pr}) = P_f [\bar{X}'_f \beta_f^{pu} (\hat{\beta}_f^{pu} - \hat{\beta}) + \bar{X}'_f \beta_f^{pr} (\hat{\beta} - \hat{\beta}_f^{pr}) + \hat{\beta} (\bar{X}_f^{pu} - \bar{X}_f^{pr})'] \quad (7c)$$

In the calculation, we distinguish between the characteristics using the same notation as in (5); of course, there is no term for the public sector (P), and, in the detail of the specification, the component S takes into account only the professional category (while the regressors included the sector of industry in our previous decomposition), taken as a proxy for the jobs' skill level.

There remains to introduce the correction term for the selection in employment. This is clearly more problematic than in our previous decomposition, because it would be necessary to correct not only for the employment bias, but also for a selection in private vs. public employment, and this time for men as well as for women. While an estimation of a sectorial choice can be found in several studies (for example Godderis, 1988; Hartog & Osterbeek, 1993), it is also well-known that there are many problems in the implementation of this correction, going from specification and identification problems (Nawata, 1996; Manski, 1993 & 1995) to the information required and not always available in the data sets. At this preliminary step of our work, we have only taken into account the selection in employment, and finally, the expression estimated, combining (7) and (3) is:

$$\bar{W}_m - \bar{W}_f = \bar{W}_m^{pr} - \bar{W}_f^{pr} + [P_m \cdot (\bar{W}_m^{pu} - \bar{W}_m^{pr})] - [P_f \cdot (\bar{W}_f^{pu} - \bar{W}_f^{pr})] + [(\hat{\theta}_m \hat{\lambda}_m) - (\hat{\theta}_f \hat{\lambda}_f)] \quad (8)$$

(3) itself giving:

$$(\hat{\theta}_m \hat{\lambda}_m) - (\hat{\theta}_f \hat{\lambda}_f) =$$

$$[\hat{\theta}_m^{pr} \hat{\lambda}_m^{pr} - \hat{\theta}_f^{pr} \hat{\lambda}_f^{pr}]$$

$$+ [P_m \cdot ((\hat{\theta}_m^{pu} \hat{\lambda}_m^{pu}) - (\hat{\theta}_m^{pr} \hat{\lambda}_m^{pr}))] - [P_f \cdot ((\hat{\theta}_f^{pu} \hat{\lambda}_f^{pu}) - (\hat{\theta}_f^{pr} \hat{\lambda}_f^{pr}))]$$

but since (cf. *supra*) $\hat{\theta}_m \hat{\lambda}_m = 0$, $\hat{\theta}_m^{pr} \hat{\lambda}_m^{pr} = 0$ and $\hat{\theta}_m^{pu} \hat{\lambda}_m^{pu} = 0$, the selectivity term is in fact calculated as:

$$(\hat{\theta}_m \hat{\lambda}_m) - (\hat{\theta}_f \hat{\lambda}_f) = 0 - [(\hat{\theta}_f \hat{\lambda}_f) + (\hat{\theta}_f^{pr} \hat{\lambda}_f^{pr})] - [P_f \cdot ((\hat{\theta}_f^{pu} \hat{\lambda}_f^{pu}) - (\hat{\theta}_f^{pr} \hat{\lambda}_f^{pr}))].$$

3.2 Results

With this decomposition, we wished to analyse better the impact of the public sector on the size of the gender wage gap, and whether this impact was due to a composition effect, or to a return effect, or both. The answer is: both; but more or less of each from one country to the other (Table 4; the detailed results are reported in the Appendix- 4).

Table 4 – Public/private composition of the monthly wage gap

In order to sort out the results, we start by looking at the total gap as a combination of differences in men and women returns and men and women characteristics in the private sector, and differences between public and private sector in returns and characteristics among men and among women.

In all countries, the first contribution to the total gender wage gap is that of the gap in the private sector. But then, countries differ in the division between returns and characteristics, so that the first contribution to the total gap is the returns component in the private sector in Spain, Greece, Italy and

Portugal, the characteristics in Austria, Denmark, France and United-Kingdom, and returns and characteristics play almost equally in Germany and in Ireland. It is noticeable that when the characteristics are decomposed, the human capital component ("C" in table 4) appears to play a very little role, except in Greece and Portugal.

The second contribution to the total gap is that of differences among women between public and private sector: it is always positive, which means that it contributes negatively in the total wage gap, and strong everywhere except in Austria, Denmark and Germany. In all the countries, it is not firstly an effect of the differences in returns but an effect of the differences in characteristics. In the detail of characteristics, human capital component accounts for at least one half of these differences in most countries.

The smallest contribution is that of differences among men; its proportion of the total gap is nil in Austria, Denmark and UK, and in the other countries, it is at best one half of the differences among women (except in Greece where it is in the same range); this disproportion between the size of the public/private wage gap among men and among women is not just an effect of the weighting by the respective proportions of men and women in the public sector. Even though the values are small, it is interesting to notice that the composition of the gap among men, when this gap exists, is only partly similar to that we have seen for women: as in the case of women, it is mostly an effect of differences in the characteristics; but in the characteristics, it is everywhere due to differences in human capital.

If we compare now, within the three gaps, the effect of differences in the other characteristics, that is the jobs skill levels and the working hours ("S" and "H" in table 4), the unsurprising result is about the impact of working hours: it is positive and strong in the private sector (where it accounts up to about one third of the gender wage gap in all countries except Spain, Greece and Portugal). The difference of impact on the public/private wage gap resulting from differences in the working hours appears with the expected sign (negative, since it is public-private), for men as well as for women, but it is generally smaller among women. It is more difficult to interpret the impact of differences in the jobs skill level, which could just reflect that women with higher education levels can obtain more attractive jobs in the public than in the private sector.

Provisional conclusion

At this step of our work, and within the limits of the methodological difficulties mentioned in the paper, several results can be underlined. The first is that the gender wage gaps are disparate in the EU countries, in size as well as in composition. Beyond differences, the first decomposition confirms that the unequal amount of working hours is a crucial factor of unequal pay. This is not a big surprise, but it is not as trivial as it appears since it highlights the question of options available to women who want to work and to have children: part-time work is a costly solution to "reconcile work and family". It is not useless to keep in mind that, since women very often do not have children without men, this question leads more generally to that of the parental division of familial responsibilities. It is obvious also that the consequences of this parental division are not the same all along the wage distribution: compared to men, women with higher education levels are probably less disadvantaged by their working hours than by the so-called glass ceiling (see Albrecht et al., 2003).

As for the others factors of the gender wage gap, it seems that the problem does not result from education differentials: in most countries, women's education levels are at least comparable to men's, and tend even to be higher among the youngest generations. But, and our data didn't allow to control for this, it is likely that differences in specialities taken by male and female students, related to habits and stereotypes, play a role. This is to be related in turn to differences in the sectors and in the professions, which remain significantly segregated by gender.

When considering the public sector as a specific component of the wage gap, it appears to have, in general, a negative (even though small) impact on the size of the total wage gap. A second decomposition of the total wage gap into a gender wage gap in the private sector and the sectorial wage gaps among men and among women brings results that can be summarized as follows: most of the total gender wage gap is due to the gender wage gap in the private sector, and the sectorial wage gap among women contributes more to close the gap than its counterpart among men contributes to widen it. In short, the benefit of public sector employment is higher for women than it is for men. Are

we doing more here than splitting hairs ? Yes, because it points out another dimension of the employment segregation, by type of employer. It seems especially relevant in the case of Southern countries, where public employment seems to be the main supplier of high-skill jobs for highly educated women.

To finish, it seems interesting to mention that, consequently to the General agreement on trade and services (GATS), a shift from public to private services and its counterpart in the sectorial structure of employments would be likely to have an unequal impact on men and women employment and wages. Our results suggest that it could contribute to a widening of the gender wage gap.

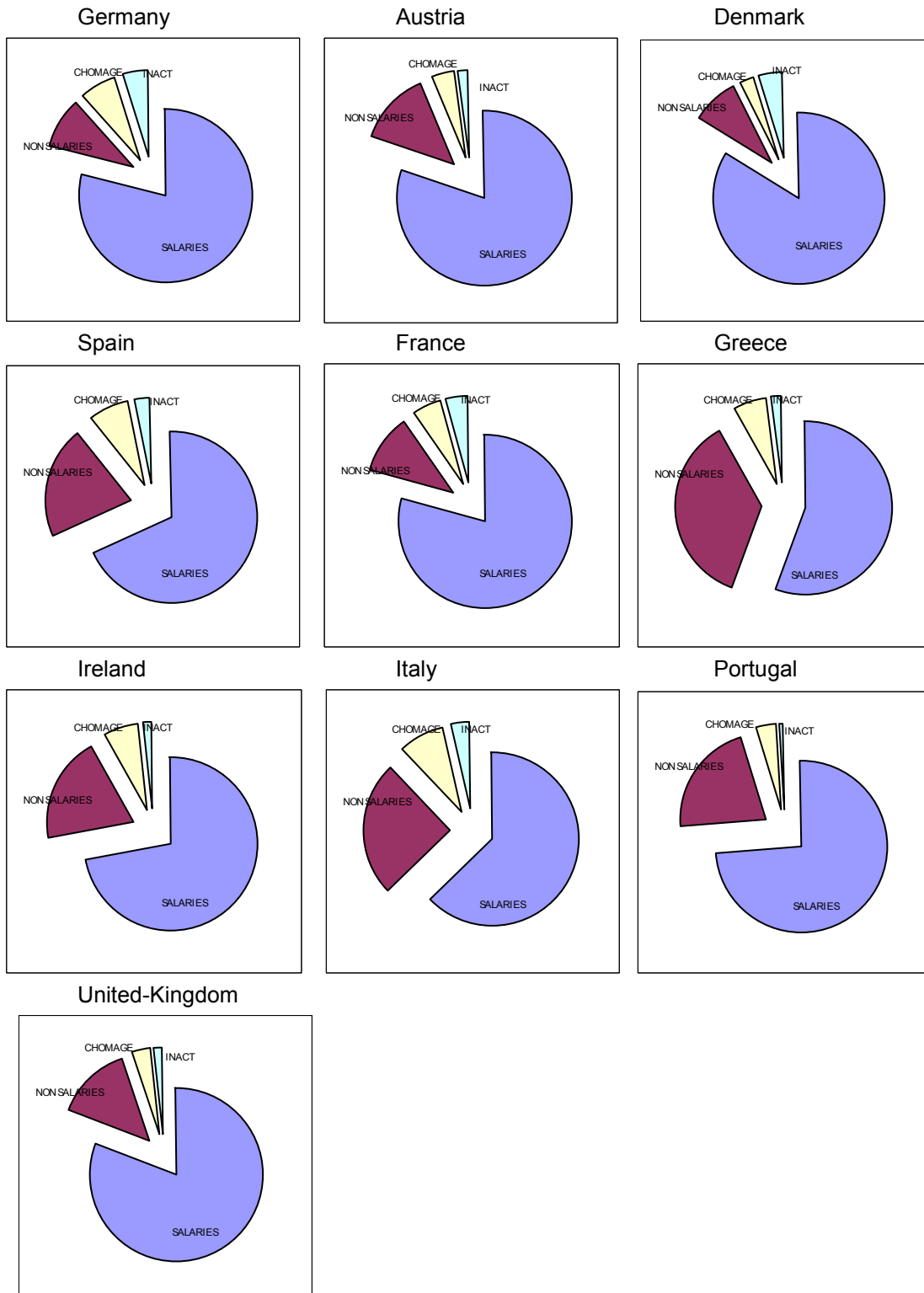
References:

- Ahn N. & P. Mira (2002), A note on the changing relationship between fertility and female employment rates in developed countries, *Journal of Population Economics*, 15: 667-682.
- Albrecht J.W., P.E. Edin, M. Sundström & S.B. Vroman (1998), Career interruptions and subsequent earnings: a reexamination using Swedish data, *Journal of Human Resources*, Vol. 34 n°2.
- Albrecht J.W., A. Björklund & S. Vroman (2003), Is there a glass ceiling in Sweden?, *Journal of Labor Economics*, 21(1): 145-178.
- Beblo M., D. Beninger, A. Heinze & F. Laisney (2003), *Methodological issues related to the analysis of gender gaps in employment, earnings and career progression*, Rapport pour la Commission européenne - DG Emploi et affaires sociales.
- Bender K.A. & F. Elliott. (1999), Relative earnings in the UK Public Sector: The Impact of Pay reform on Pay Structure, in *Public Sector Pay Determination in the European Union*, MacMillan, pp 285-328.
- Blanchflower D. (2000), Self-employment in OECD countries, *Labour Economics* 7(5): 471-506.
- Blinder A.S. (1973), Wage discrimination : reduced form and structural estimates, *The Journal of Human Resources* 8(4):436-455.
- Commission européenne (2003), Gender pay gaps in european labor markets - measurement, analysis and policy implications, *Commission Staff Working Paper* n° SEC(2003)937.
- Del Boca D. (2002), The effect of child care and part-time opportunities on participation and fertility decisions in Italy, *Journal of Population Economics*, 15: 549-573.
- Disney R. & A. Gosling (1998), Does it pay to work in the public sector?, *Fiscal Studies* 19: 347-374.
- Dustman C. & Van Soest (1998), Public and private sector wages of males workers in Germany, *European Economic Review*, 42:1417-41.
- Elliott B., C. Lucifora & D. Meurs Eds (1999), *Public Sector Pay Determination in the European Union*, MacMillan, 138-191.
- European Foundation for the Improvement of Working and Living Conditions (2003), *Part-time work in Europe*, Eurofound, Dublin.
- Eurostat (1996), *The European Community Household Panel - Volume 1 - Survey methodology and implementation*, Luxembourg: Office for Official Publications of the European Communities.
- Goddeeris J.H. (1988), Compensating differentials and self-selection: an application to lawyers, *Journal of Political Economy*, 96(2):411-428.
- Gregory R. & J. Borland (1999), Recent developments in public sector labor markets in O. Ashenfelter & R. Layard Eds, *Handbook of Labor Economics*, vol 3C. 3573-3630.
- Hartog J. & H. Osterbeek (1993), Public and private sector wages in The Netherlands, *European Economic Review*, 37(
- Heckman J. (1979), Sample selection bias as a specification error, *Econometrica*, 47(1) :153-161.
- Jonhston J. & J. DiNardo (1997), *Econometric methods*, 4th ed., McGraw Hill.
- Journal of Population Economics ed. (1996), *Symposium on labour forces transitions of women in connection with childbirth*, *Journal of Population Economics* 9(3).
- Katz L. & A. Krueger A. (1991), Changes in the Structure of Wages in the Public and Private Sector, *Research in Labour Economics*, JAI Press, Vol.12.

- Lucifora C. & D. Meurs (2004), The public sector pay gap in France, Great-Britain and Italy, *Document de travail Ermes*, n°1/2004 & *IZA Discussion Paper*, n°1024.
- Manski C.F. (1993), The selection problem in econometrics and statistics, in G.S. Maddala, C.R. Rao & D.H. Vinod Eds *Handbook of statistics* Vol 11, Elsevier.
- Manski C.F. (1995), *Identification problems in social sciences*, Harvard University Press.
- Maruani M. (2003), *Travail et emploi des femmes*, Paris: La Découverte, coll. Repères.
- Nawata K. (1996), Estimation of sample selection models, *Econometric Review*, 15(4) :387-400.
- Meurs D. & S. Ponthieux (2000), Une mesure de la discrimination dans l'écart de salaire entre hommes et femmes, *Economie et Statistique* 2000(337-38): 135-158.
- Meurs D. & S. Ponthieux (2004), Les écarts de salaire entre les femmes et les hommes en Europe, *Revue de l'OFCE*, 90: 153-192.
- Mincer J. (1974), *Schooling, experience and earnings*, NY: Columbia U. Press.
- Neuman S. & R.L. Oaxaca (1998), Estimating labour market discrimination with selectivity corrected wage equations: methodological considerations and an illustration from Israel, *CEPR Discussion Paper Series* n°1915.
- Oaxaca R.L. (1973), Male-female wage differentials in urban labor markets, *International Economic Review*, 14(3):693-709.
- Oaxaca R.L. & M.R. Ransom (1994), On discrimination and the decomposition of wage differentials, *Journal of Econometrics*, 61(1): 5-21.
- Oaxaca R.L. & M.R. Ransom (1999), Identification in detailed wage decompositions, *The Review of Economics and Statistics*, 81:154-157.
- OECD (2000), *Trends in Public Sector Pay in OECD Countries*, PUMA, Paris.
- Ponthieux S. & D. Meurs (2000), Components of the gender wage gap in 12 EU countries, paper presented at the First EALE/SOLE conference, Milano.
- Smith N., S. Dex, J.D. Vlasbom & T. Callan (2003), The effect of taxation on married women's labour supply across four countries, *Oxford Economic Papers* 55: 417-439.
- Vella F. (1998), Estimating models with sample selection bias, *The Journal of Human Resources*, 33(1):127-169.
- Willis R.G. (1986), Wage determinants: a survey and reinterpretation of human capital earning functions, in O. Ashenfelter & R. Layard Eds, *Handbook of Labor Economics*, Vol I, North-Holland, pp.525-602.

Graph 1 - Activity status of men (1.a) and women (1.b) in 10 EU countries

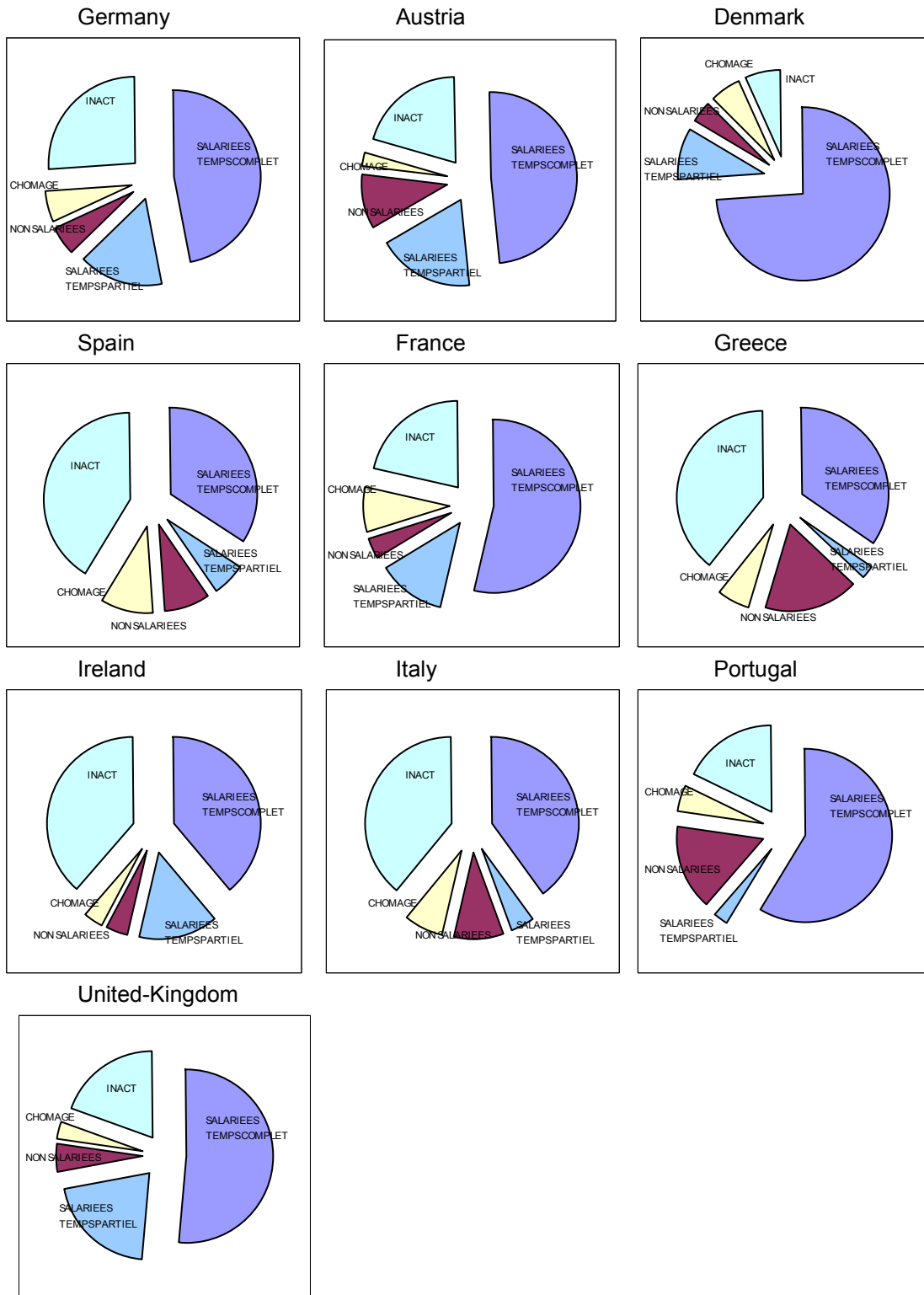
1.a - Men



NB :

CHOMAGE= Unemployment, INACT= Inactivity, SALARIES= Salaried workers, NON SALARIES=Self employed

1.b Women



Source: European Community Household Panel, wave 7, 2000.
 Field: Population aged between 25 and 55.

Table 1 – Salaried employment structures (%)

| Country | | 1.A Professional category | | | | | 1.B Industry | | | | | Public sector | | |
|-----------|-----|---------------------------|--------|---------|---------|------------|--------------|-------------|-------------|-------------|-------------|---------------|-------------|------|
| | | Cad. | Pr int | Empl bu | Empl co | o.qual onq | agric | ind | constr | trade | C,F,I | | O. Serv. | |
| Germany | All | 19,6 | 20,4 | 16,0 | 7,4 | 20,5 | 16,1 | <i>n.d.</i> | <i>n.d.</i> | <i>n.d.</i> | <i>n.d.</i> | <i>n.d.</i> | <i>n.d.</i> | 26,1 |
| | M | 21,2 | 14,8 | 9,2 | 4,3 | 32,6 | 18,0 | | | | | | | 19,9 |
| | F | 17,3 | 28,5 | 25,8 | 11,9 | 3,3 | 13,3 | | | | | | | 35,1 |
| Austria | All | 11,5 | 16,6 | 19,8 | 15,8 | 19,3 | 17,0 | 1,2 | 23,1 | 9,6 | 18,4 | 14,9 | 30,9 | 28,9 |
| | M | 13,1 | 15,6 | 12,5 | 9,1 | 31,0 | 18,7 | 1,9 | 29,9 | 15,4 | 13,3 | 17,8 | 21,8 | 25,6 |
| | F | 9,4 | 17,9 | 29,0 | 24,3 | 4,4 | 14,9 | 0,5 | 15,6 | 2,8 | 25,6 | 11,8 | 43,7 | 33,2 |
| Denmark | All | 25,6 | 23,9 | 13,8 | 11,7 | 10,6 | 14,3 | 1,6 | 17,1 | 4,7 | 8,5 | 14,0 | 37,6 | 40,2 |
| | M | 31,3 | 16,8 | 6,7 | 5,6 | 18,9 | 20,8 | 2,8 | 28,8 | 9,7 | 10,6 | 20,4 | 27,7 | 25,6 |
| | F | 19,6 | 31,4 | 21,4 | 18,2 | 1,9 | 7,5 | 1,1 | 11,7 | 1,5 | 9,8 | 13,0 | 62,9 | 55,8 |
| Spain | All | 19,3 | 10,4 | 12,5 | 12,6 | 20,0 | 25,1 | 3,6 | 18,4 | 11,9 | 15,9 | 18,9 | 28,8 | 22,4 |
| | M | 15,8 | 10,7 | 9,2 | 8,6 | 29,3 | 26,3 | 4,6 | 23,2 | 18,4 | 14,6 | 18,7 | 20,6 | 19,2 |
| | F | 25,1 | 9,9 | 18,1 | 19,3 | 4,6 | 23,0 | 2,2 | 11,8 | 2,1 | 19,1 | 20,5 | 44,4 | 27,8 |
| France | All | 16,4 | 22,5 | 18,6 | 10,8 | 13,0 | 18,7 | 1,1 | 18,3 | 5,3 | 15,0 | 20,4 | 36,7 | 34,5 |
| | M | 19,5 | 21,0 | 8,5 | 6,1 | 22,6 | 22,3 | 1,6 | 25,4 | 9,3 | 15,1 | 22,9 | 25,7 | 28,3 |
| | F | 12,7 | 24,2 | 30,3 | 16,2 | 2,0 | 14,6 | 0,7 | 11,2 | 1,1 | 15,9 | 18,8 | 52,3 | 41,6 |
| Greece | All | 22,5 | 10,5 | 19,8 | 12,8 | 16,5 | 17,9 | 0,9 | 16,7 | 6,3 | 20,0 | 19,4 | 35,8 | 38,9 |
| | M | 21,3 | 9,3 | 14,7 | 11,2 | 22,5 | 21,0 | 0,9 | 18,9 | 10,1 | 18,8 | 21,5 | 29,7 | 37,0 |
| | F | 24,3 | 12,3 | 27,1 | 15,1 | 7,9 | 13,4 | 0,8 | 13,9 | 0,9 | 22,2 | 16,8 | 45,5 | 41,8 |
| Ireland | All | 21,3 | 13,4 | 14,2 | 16,9 | 11,4 | 22,8 | 2,3 | 19,8 | 6,7 | 16,2 | 21,3 | 30,3 | 28,8 |
| | M | 21,0 | 13,3 | 9,5 | 8,5 | 18,3 | 29,5 | 4,3 | 25,5 | 12,2 | 11,6 | 23,5 | 22,9 | 27,2 |
| | F | 21,6 | 13,5 | 20,0 | 27,3 | 2,9 | 14,7 | 0,2 | 14,3 | 0,5 | 23,1 | 20,3 | 41,7 | 30,8 |
| Italy | All | 13,1 | 13,2 | 26,4 | 9,6 | 18,5 | 19,3 | 2,9 | 23,8 | 5,2 | 11,5 | 15,0 | 39,2 | 34,0 |
| | M | 9,2 | 12,9 | 20,6 | 8,5 | 25,1 | 23,7 | 3,7 | 28,2 | 8,6 | 10,4 | 17,3 | 31,8 | 29,8 |
| | F | 18,7 | 13,7 | 34,6 | 11,1 | 9,0 | 12,9 | 1,9 | 18,7 | 0,6 | 13,9 | 12,5 | 52,4 | 40,1 |
| Portugal | All | 13,5 | 8,2 | 12,6 | 12,7 | 25,6 | 27,5 | 2,9 | 23,0 | 12,8 | 14,5 | 15,3 | 29,0 | 22,9 |
| | M | 12,3 | 6,4 | 8,3 | 10,0 | 35,7 | 27,3 | 3,1 | 23,8 | 23,1 | 15,9 | 15,5 | 18,6 | 18,4 |
| | F | 14,8 | 10,2 | 17,5 | 15,7 | 14,0 | 27,7 | 2,8 | 23,3 | 1,9 | 13,8 | 15,8 | 42,3 | 28,1 |
| U-Kingdom | All | 32,3 | 13,8 | 17,8 | 12,0 | 10,7 | 13,4 | 0,6 | 17,7 | 3,3 | 15,0 | 24,8 | 31,9 | 26,8 |
| | M | 35,9 | 10,5 | 10,8 | 6,5 | 18,9 | 17,5 | 0,9 | 27,2 | 6,2 | 14,2 | 31,5 | 20,1 | 17,7 |
| | F | 28,4 | 17,5 | 25,6 | 18,1 | 1,6 | 8,9 | 0,3 | 10,3 | 0,7 | 18,1 | 21,3 | 49,2 | 37,1 |

Source: European Community Household Panel, wave 7, 2000.
Field: Population aged between 25 and 55.

Table 2 – Distribution of men and women according to education levels (%)

| Country | Sub-population | | Isced 0-2 | Isced 3 | Isced 5-7 | Total |
|-----------|----------------|-----------------|-----------|---------|-----------|-------|
| Germany | Men | all | 10,5 | 62,3 | 27,3 | 100 |
| | | <i>salaried</i> | 8,7 | 62,8 | 28,5 | 100 |
| | Women | all | 15,3 | 65,1 | 19,7 | 100 |
| | | <i>salaried</i> | 9,6 | 66,2 | 24,1 | 100 |
| Austria | Men | all | 11,8 | 80,5 | 7,7 | 100 |
| | | <i>salaried</i> | 11,4 | 80,6 | 8,0 | 100 |
| | Women | all | 26,6 | 65,5 | 7,9 | 100 |
| | | <i>salaried</i> | 22,2 | 67,8 | 10,0 | 100 |
| Denmark | Men | all | 14,2 | 54,6 | 31,2 | 100 |
| | | <i>salaried</i> | 12,5 | 53,2 | 34,3 | 100 |
| | Women | all | 13,4 | 54,6 | 32,0 | 100 |
| | | <i>salaried</i> | 8,5 | 55,1 | 36,4 | 100 |
| Spain | Men | all | 53,3 | 18,2 | 28,5 | 100 |
| | | <i>salaried</i> | 48,6 | 18,1 | 33,3 | 100 |
| | Women | all | 54,2 | 16,9 | 28,9 | 100 |
| | | <i>salaried</i> | 32,8 | 20,0 | 47,3 | 100 |
| France | Men | all | 21,8 | 48,9 | 29,3 | 100 |
| | | <i>salaried</i> | 21,3 | 48,8 | 29,9 | 100 |
| | Women | all | 20,3 | 43,2 | 36,5 | 100 |
| | | <i>salaried</i> | 19,0 | 42,4 | 38,6 | 100 |
| Greece | Men | all | 37,2 | 38,4 | 24,5 | 100 |
| | | <i>salaried</i> | 28,8 | 40,3 | 30,9 | 100 |
| | Women | all | 42,6 | 38,3 | 19,0 | 100 |
| | | <i>salaried</i> | 22,5 | 41,7 | 35,9 | 100 |
| Ireland | Men | all | 45,3 | 36,7 | 18,1 | 100 |
| | | <i>salaried</i> | 38,1 | 38,5 | 23,5 | 100 |
| | Women | all | 43,6 | 39,5 | 16,9 | 100 |
| | | <i>salaried</i> | 29,5 | 44,5 | 26,0 | 100 |
| Italy | Men | all | 47,9 | 40,9 | 11,3 | 100 |
| | | <i>salaried</i> | 45,3 | 43,3 | 11,5 | 100 |
| | Women | all | 45,8 | 43,0 | 11,2 | 100 |
| | | <i>salaried</i> | 30,4 | 53,3 | 16,3 | 100 |
| Portugal | Men | all | 74,4 | 13,6 | 12,0 | 100 |
| | | <i>salaried</i> | 71,4 | 14,5 | 14,2 | 100 |
| | Women | all | 71,3 | 13,6 | 15,1 | 100 |
| | | <i>salaried</i> | 62,0 | 15,5 | 22,5 | 100 |
| U-Kingdom | Men | all | 21,2 | 48,0 | 30,8 | 100 |
| | | <i>salaried</i> | 19,0 | 48,7 | 32,3 | 100 |
| | Women | all | 25,2 | 50,8 | 24,0 | 100 |
| | | <i>salaried</i> | 22,0 | 52,2 | 25,8 | 100 |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

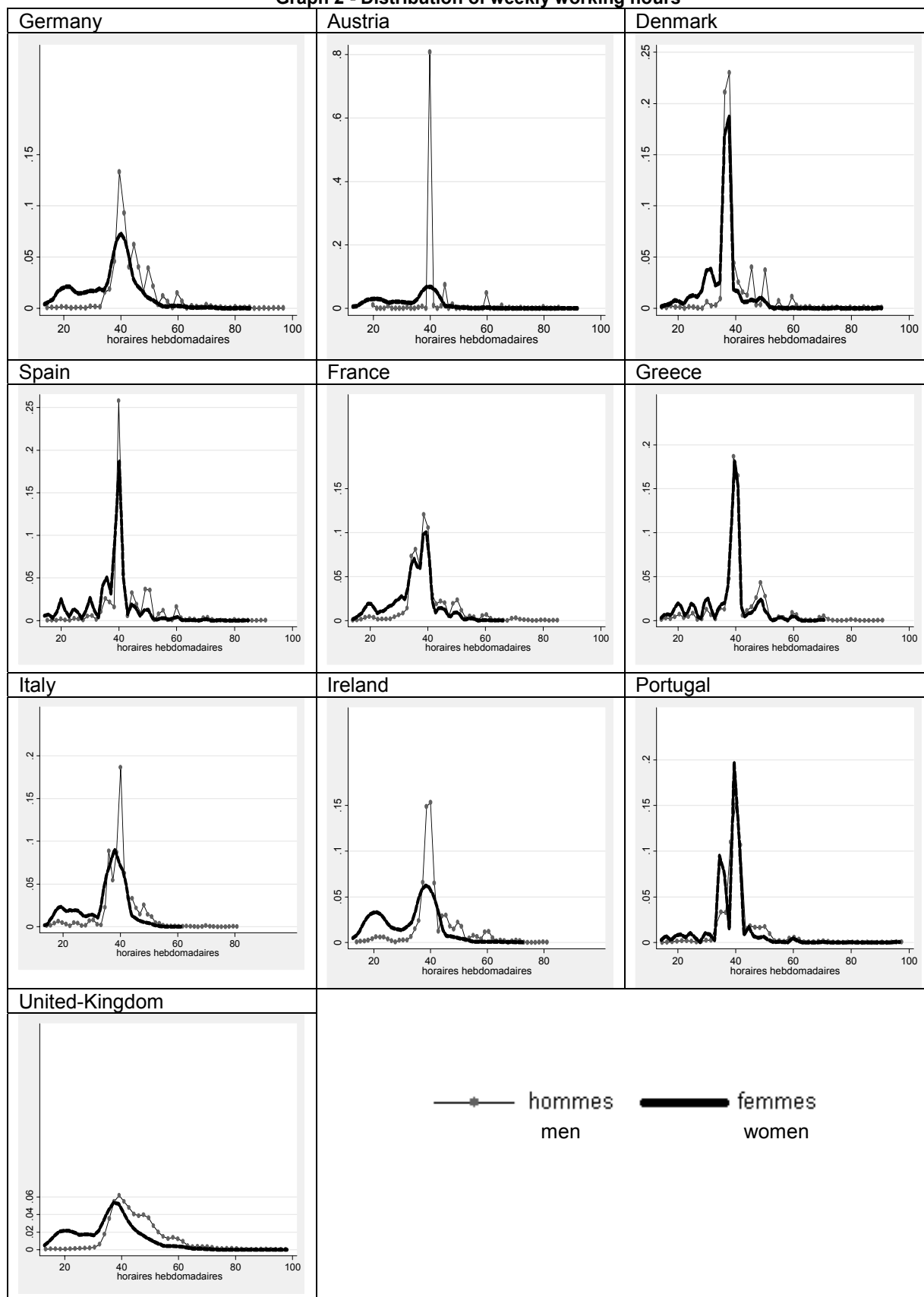
Table 3 - Distribution of men and women according to family characteristics (%)

| Country | Sub-population | | class 1 | class 2 | class 3 | class 4 | class 5 | class 6 | class 7 |
|-----------|----------------|-----------------|---------------------------|----------|-----------|-----------|--------------------------|---------------------------|-----------------------|
| | | | Partner : Child(ren) : | no no | no yes | yes no | yes max 2 max. 6 y | yes max 2 max. 12 y | yes max 2 other |
| Germany | Men | all | 33,7 | 1,4 | 23,4 | 6,4 | 11,0 | 17,9 | 6,3 |
| | | <i>salaried</i> | 30,0 | 1,4 | 24,8 | 7,0 | 12,2 | 18,5 | 6,2 |
| | Women | all | 18,0 | 6,1 | 18,0 | 6,0 | 10,5 | 31,5 | 9,9 |
| | | <i>salaried</i> | 22,5 | 5,9 | 24,3 | 2,0 | 6,9 | 31,6 | 6,8 |
| Austria | Men | all | 28,2 | 3,6 | 22,0 | 9,8 | 13,1 | 16,6 | 6,8 |
| | | <i>salaried</i> | 28,0 | 3,7 | 21,9 | 10,6 | 13,2 | 17,4 | 5,3 |
| | Women | all | 17,8 | 7,6 | 15,6 | 8,4 | 12,0 | 27,0 | 11,6 |
| | | <i>salaried</i> | 22,4 | 8,7 | 17,8 | 7,3 | 12,5 | 24,8 | 6,6 |
| Denmark | Men | all | 15,4 | 0,9 | 33,8 | 15,4 | 11,7 | 14,4 | 8,5 |
| | | <i>salaried</i> | 14,2 | 0,7 | 35,5 | 14,3 | 12,1 | 15,2 | 8,0 |
| | Women | all | 7,4 | 4,4 | 25,2 | 15,7 | 10,9 | 24,6 | 11,9 |
| | | <i>salaried</i> | 6,2 | 3,7 | 25,1 | 15,2 | 11,4 | 26,4 | 12,0 |
| Spain | Men | all | 31,7 | 5,8 | 18,2 | 6,8 | 12,6 | 18,9 | 6,0 |
| | | <i>salaried</i> | 28,2 | 5,9 | 19,0 | 8,0 | 13,9 | 19,6 | 5,5 |
| | Women | all | 24,9 | 5,5 | 9,6 | 6,4 | 10,9 | 26,7 | 16,1 |
| | | <i>salaried</i> | 35,9 | 8,1 | 11,7 | 6,8 | 8,1 | 19,3 | 10,1 |
| France | Men | all | 23,0 | 1,6 | 25,2 | 11,4 | 13,4 | 17,6 | 7,8 |
| | | <i>salaried</i> | 19,2 | 1,4 | 25,9 | 12,9 | 14,8 | 18,0 | 7,8 |
| | Women | all | 14,1 | 7,2 | 14,4 | 10,8 | 11,6 | 28,3 | 13,6 |
| | | <i>salaried</i> | 15,8 | 7,8 | 14,9 | 10,7 | 13,2 | 27,9 | 9,8 |
| Greece | Men | all | 28,9 | 1,7 | 23,0 | 9,1 | 12,6 | 20,4 | 4,2 |
| | | <i>salaried</i> | 29,0 | 1,8 | 22,2 | 9,5 | 13,4 | 20,9 | 3,1 |
| | Women | all | 15,6 | 6,3 | 11,0 | 7,7 | 11,9 | 38,7 | 8,8 |
| | | <i>salaried</i> | 24,6 | 8,1 | 11,2 | 9,4 | 13,2 | 27,4 | 6,0 |
| Ireland | Men | all | 32,4 | 3,3 | 12,1 | 6,4 | 10,4 | 18,9 | 16,5 |
| | | <i>salaried</i> | 30,8 | 3,4 | 12,6 | 7,9 | 11,7 | 18,8 | 14,8 |
| | Women | all | 21,6 | 12,2 | 5,6 | 5,3 | 8,8 | 16,2 | 30,4 |
| | | <i>salaried</i> | 28,4 | 13,2 | 8,1 | 6,1 | 8,0 | 14,0 | 22,4 |
| Italy | Men | all | 32,4 | 2,6 | 21,4 | 10,1 | 11,7 | 16,6 | 5,2 |
| | | <i>salaried</i> | 26,8 | 2,2 | 20,9 | 11,8 | 14,2 | 19,1 | 5,0 |
| | Women | all | 22,0 | 3,8 | 10,7 | 10,1 | 10,7 | 30,5 | 12,1 |
| | | <i>salaried</i> | 25,0 | 5,0 | 12,6 | 11,8 | 10,8 | 26,3 | 8,5 |
| Portugal | Men | all | 24,1 | 4,7 | 21,5 | 8,5 | 13,6 | 21,4 | 6,3 |
| | | <i>salaried</i> | 24,8 | 4,8 | 19,0 | 10,2 | 14,6 | 21,1 | 5,5 |
| | Women | all | 16,2 | 9,2 | 8,0 | 6,7 | 12,6 | 35,0 | 12,4 |
| | | <i>salaried</i> | 19,7 | 11,5 | 8,5 | 9,4 | 12,3 | 30,6 | 8,1 |
| U-Kingdom | Men | all | 23,2 | 1,4 | 30,5 | 10,1 | 11,1 | 14,9 | 8,7 |
| | | <i>salaried</i> | 22,8 | 1,3 | 30,7 | 11,1 | 11,0 | 15,2 | 8,0 |
| | Women | all | 13,8 | 11,9 | 22,2 | 8,3 | 9,6 | 23,5 | 10,6 |
| | | <i>salaried</i> | 16,6 | 9,7 | 25,6 | 7,3 | 8,7 | 24,6 | 7,5 |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Graph 2 - Distribution of weekly working hours

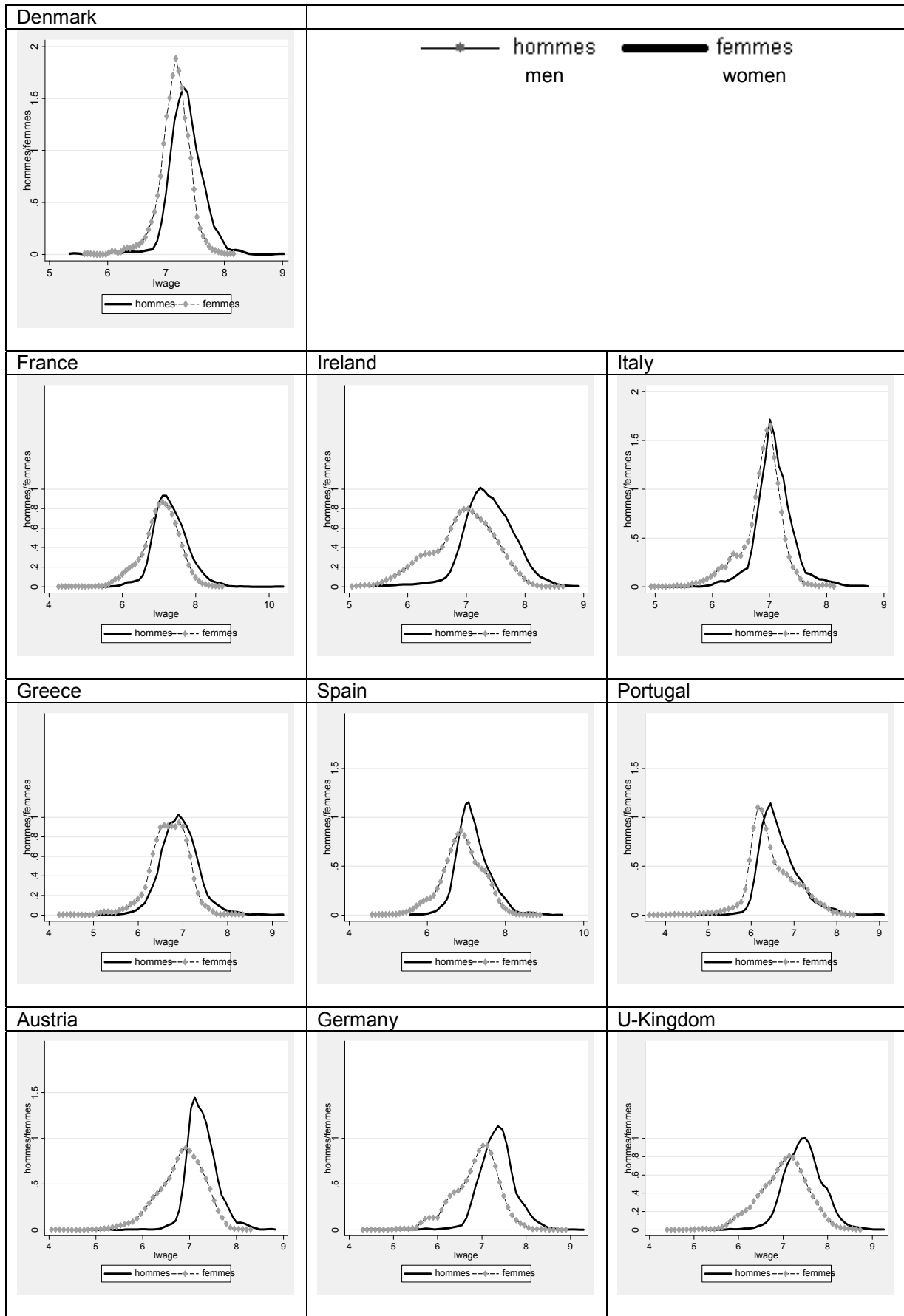


Source: European Community Household Panel, wave 7, 2000.

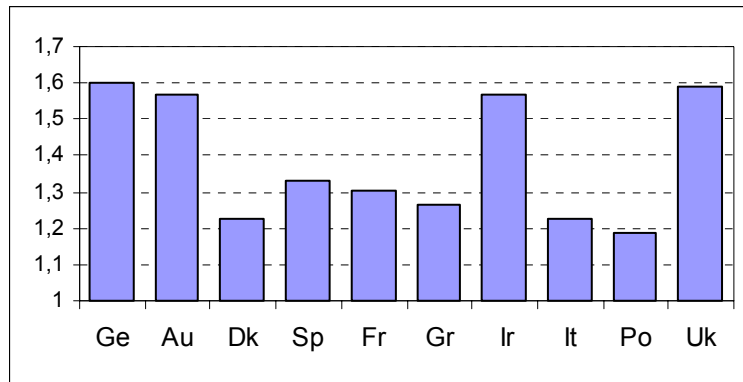
Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

The method of representation adopted here (distributions drawn up using the kernel method, with Epanechnikov weighting) supplies two items of information: the number of hours worked and their dispersion. The further the curve lies to the right, the higher the number of hours worked; the higher the curve, the less these hours are dispersed.

Graph 3 - Distribution of monthly earnings (in PPP, logarithms)

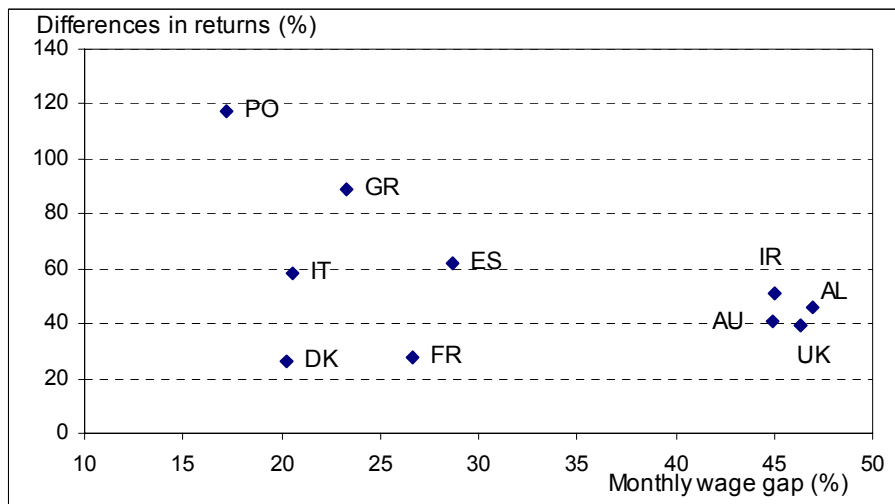


**Graph 4 – Average gender raw wage gap
(monthly wages)**



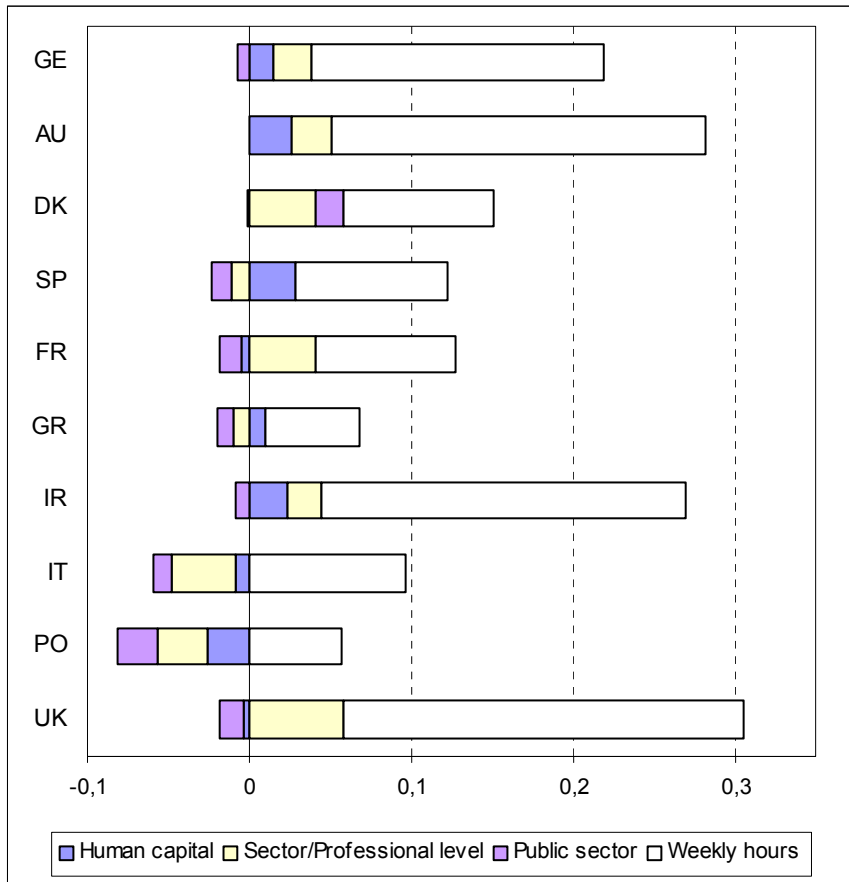
Source: European Community Household Panel, wave 7, 2000.
Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Graph 5 – Differences in returns and monthly wage gap



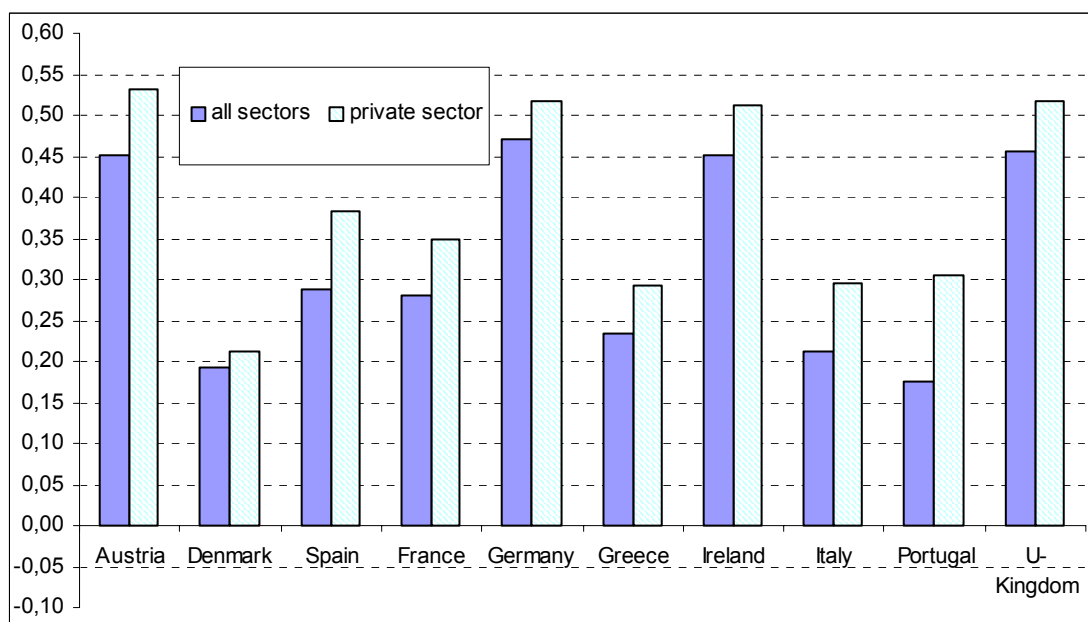
Source: European Community Household Panel, wave 7, 2000.
Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Graph 6 – Composition of the differences in characteristics



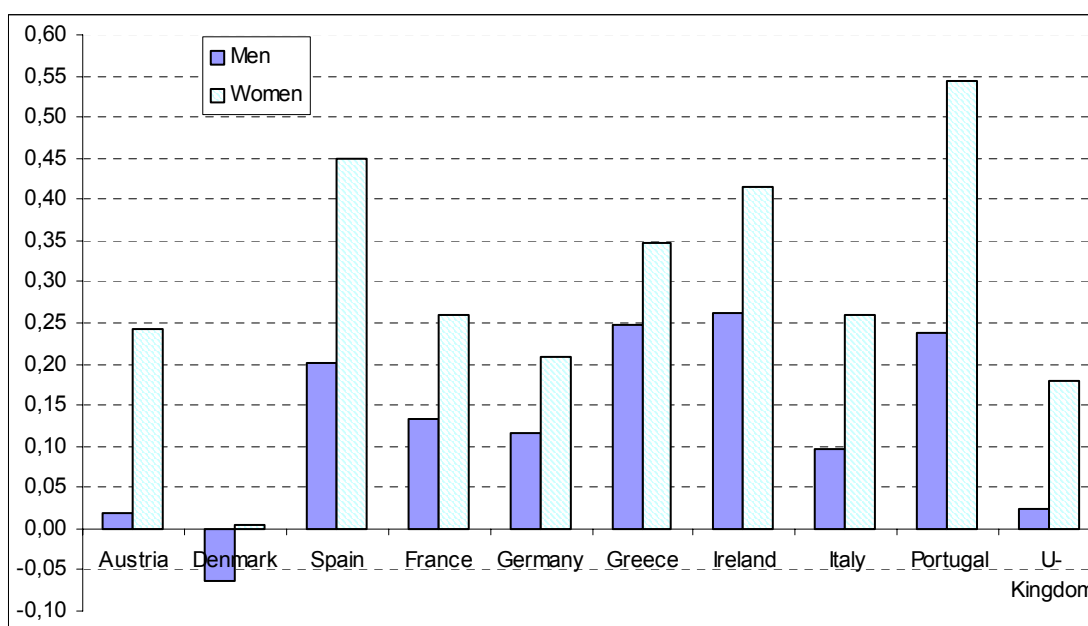
Source: European Community Household Panel, wave 7, 2000.
 Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Graph 7 – Overall and private sector gender wage gaps



Source: European Community Household Panel, wave 7, 2000.
 Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Graph 8 – Public/private wage raw differential



Source: European Community Household Panel, wave 7, 2000.
 Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Table 4 – Public/private composition of the monthly wage gap

| | Austria | Denmark | Spain | France | Germany | Greece | Ireland | Italy | Portugal | U-K |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PRIVATE SECTOR | | | | | | | | | | |
| Diff. in returns | 0,20 | 0,06 | 0,21 | 0,10 | 0,22 | 0,24 | 0,32 | 0,13 | 0,28 | 0,23 |
| Diff. in characteristics | 0,32 | 0,15 | 0,14 | 0,14 | 0,24 | 0,05 | 0,28 | 0,09 | 0,03 | 0,31 |
| <i>C</i> | 0,03 | 0,00 | 0,04 | 0,01 | 0,03 | 0,03 | 0,03 | 0,01 | 0,02 | 0,00 |
| <i>S</i> | 0,03 | 0,04 | -0,01 | 0,03 | 0,03 | -0,03 | 0,02 | -0,02 | -0,03 | 0,05 |
| <i>H</i> | 0,26 | 0,11 | 0,11 | 0,10 | 0,18 | 0,05 | 0,23 | 0,10 | 0,04 | 0,25 |
| Total gap private sector | 0,52 | 0,21 | 0,35 | 0,24 | 0,46 | 0,28 | 0,60 | 0,22 | 0,31 | 0,53 |
| MEN | | | | | | | | | | |
| Diff. in returns | -0,02 | -0,02 | 0,00 | 0,01 | 0,02 | 0,02 | 0,04 | 0,01 | 0,02 | 0,01 |
| Diff. in characteristics | 0,02 | 0,00 | 0,04 | 0,03 | 0,01 | 0,07 | 0,03 | 0,02 | 0,03 | 0,00 |
| <i>C</i> | 0,01 | 0,01 | 0,02 | 0,03 | 0,01 | 0,07 | 0,04 | 0,03 | 0,02 | 0,00 |
| <i>S</i> | 0,05 | 0,02 | 0,14 | 0,06 | 0,03 | 0,07 | 0,04 | 0,06 | 0,10 | 0,02 |
| <i>H</i> | -0,02 | -0,04 | -0,07 | -0,06 | -0,03 | -0,09 | -0,07 | -0,08 | -0,06 | -0,06 |
| Total men' gap | 0,01 | -0,02 | 0,04 | 0,04 | 0,02 | 0,09 | 0,07 | 0,03 | 0,05 | 0,00 |
| WOMEN | | | | | | | | | | |
| Diff. in returns | -0,02 | -0,02 | 0,02 | 0,00 | 0,02 | 0,02 | 0,11 | 0,02 | 0,06 | 0,04 |
| Diff. in characteristics | 0,08 | 0,03 | 0,09 | 0,07 | 0,04 | 0,09 | 0,07 | 0,08 | 0,11 | 0,04 |
| <i>C</i> | 0,02 | 0,01 | 0,04 | 0,05 | 0,02 | 0,09 | 0,04 | 0,05 | 0,07 | 0,01 |
| <i>S</i> | 0,11 | 0,03 | 0,20 | 0,09 | 0,05 | 0,08 | 0,11 | 0,12 | 0,19 | 0,06 |
| <i>H</i> | 0,05 | 0,00 | -0,01 | -0,02 | 0,00 | -0,09 | -0,02 | -0,06 | -0,06 | 0,01 |
| Total women's gap | 0,05 | 0,00 | 0,11 | 0,08 | 0,06 | 0,11 | 0,18 | 0,09 | 0,17 | 0,08 |
| Selectivity | -0,02 | 0,00 | 0,01 | 0,08 | 0,04 | -0,03 | -0,05 | 0,06 | -0,01 | -0,01 |
| Total wage gap (PPA, log) | 0,45 | 0,19 | 0,29 | 0,28 | 0,47 | 0,23 | 0,45 | 0,21 | 0,18 | 0,46 |
| Total returns | 0,20 | 0,07 | 0,20 | 0,10 | 0,21 | 0,23 | 0,25 | 0,12 | 0,24 | 0,19 |
| Total characteristics | 0,25 | 0,12 | 0,09 | 0,18 | 0,26 | 0,00 | 0,20 | 0,09 | -0,06 | 0,26 |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

APPENDIX

1 –Probit model of selection in salaried employment

| | Germany | Austria | Spain | France | Greece | Ireland | Italy | Portugal | U-K |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Variable | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. |
| | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> | <i>Chi-2</i> |
| Intercept | -2,063 5,191 | 0,757 0,399 | -0,070 0,007 | -1,988 5,328 | -2,402 6,390 | -1,688 2,073 | -2,521 10,265 | -0,811 0,839 | -1,304 2,454 |
| age | 0,194 16,630 | 0,070 1,387 | 0,072 3,344 | 0,160 13,446 | 0,126 7,609 | 0,156 7,320 | 0,115 10,538 | 0,121 7,582 | 0,137 10,551 |
| age2 | -0,002 16,900 | -0,001 3,350 | -0,001 6,532 | -0,002 14,673 | -0,002 9,367 | -0,002 8,772 | -0,001 10,839 | -0,002 13,598 | -0,002 9,567 |
| <i>Education</i> | | | | | | | | | |
| Isced 0-2 | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> |
| Isced 3 | 0,348 13,346 | 0,469 22,649 | 0,522 43,576 | 0,534 49,021 | 0,700 72,307 | 0,557 32,051 | 0,948 284,915 | 0,963 51,418 | 0,343 17,783 |
| Isced 4-7 | 1,003 54,726 | 0,943 26,533 | 1,332 289,178 | 1,148 142,225 | 1,707 224,168 | 1,267 72,468 | 1,838 269,586 | 1,805 81,244 | 0,448 20,901 |
| <i>Family class (cf. table 3)</i> | | | | | | | | | |
| class 1 | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> | <i>réf.</i> |
| class 2 | -1,056 21,276 | -0,688 7,163 | -0,437 7,478 | -0,145 0,605 | -0,373 3,586 | -0,923 17,074 | -0,880 27,021 | 0,160 0,775 | -1,619 62,114 |
| class 3 | 0,241 1,041 | -0,370 1,731 | -0,411 4,156 | -0,192 1,300 | -0,521 1,527 | -0,286 0,644 | -0,263 1,681 | -0,017 0,005 | -0,367 2,882 |
| class 4 | -1,055 17,233 | -1,228 14,423 | -1,154 29,986 | -0,745 17,945 | -0,809 3,326 | -0,706 4,243 | -0,741 12,643 | -0,360 2,019 | -1,496 43,980 |
| class 5 | -0,738 8,647 | -1,272 18,713 | -1,161 29,148 | -0,445 5,688 | -0,717 2,665 | -0,860 5,769 | -0,819 14,887 | -0,399 2,424 | -1,391 38,973 |
| class 6 | -0,007 0,001 | -0,824 8,419 | -0,776 13,969 | -0,327 3,657 | -0,499 1,326 | -0,674 3,745 | -0,662 10,442 | -0,208 0,736 | -0,923 17,656 |
| class 7 | -0,859 10,963 | -1,456 22,979 | -0,919 18,119 | -1,066 36,223 | -0,657 2,230 | -1,018 9,062 | -0,816 14,384 | -0,797 9,992 | -1,708 58,089 |
| married | -0,830 28,823 | -0,333 3,323 | -0,480 8,045 | -0,170 2,850 | -0,509 1,512 | -0,453 2,626 | -0,708 16,083 | -0,153 0,578 | -0,211 3,733 |
| Hsld income (*1000) (women wages excluded) | -0,024 78,974 | 0,000 0,001 | -0,008 21,377 | -0,015 42,594 | -0,018 27,939 | -0,006 3,332 | -0,012 35,272 | -0,011 10,611 | -0,005 7,562 |
| National | 0,291 8,300 | 0,168 0,783 | 0,088 0,065 | 0,487 10,191 | 0,673 3,901 | 0,057 0,034 | 1,491 17,138 | 0,392 3,618 | 0,479 7,530 |
| Log-L | -888,9 | -558,2 | -1215,4 | -1011,6 | -866,4 | -524,3 | -1534,6 | -900,8 | -933,1 |
| N | 2359 | 1130 | 2461 | 2257 | 1645 | 975 | 3069 | 2044 | 2092 |
| In which salaried workers | 537 | 305 | 1180 | 529 | 892 | 364 | 1468 | 531 | 453 |

Source: European Community Household Panel, wave 7, 2000.
Field: Women aged between 25 and 55.

2 – Wage equation, first decomposition

| Variable | Germany(1) | | Austria | | Denmark | | Spain | | France | |
|-------------------------------|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | F | M | F | M | F | M | F | M | F | M |
| | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. |
| | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value |
| intercept | 3,842 | 5,037 | 3,503 | 4,420 | 4,472 | 4,723 | 4,062 | 5,286 | 4,472 | 4,943 |
| | 30,13 | 33,98 | 21,91 | 21,28 | 33,5 | 21,17 | 28,44 | 32,26 | 32,88 | 31,41 |
| Isced 3 | -0,014 | 0,039 | 0,097 | 0,070 | 0,056 | 0,079 | 0,065 | 0,124 | 0,027 | 0,061 |
| | -0,47 | 1,71 | 3,05 | 2,69 | 2,31 | 2,81 | 2,14 | 6,14 | 0,95 | 3,12 |
| Isced 4-7 | 0,050 | 0,196 | 0,174 | 0,310 | 0,126 | 0,130 | 0,134 | 0,176 | 0,098 | 0,260 |
| | 1,29 | 7,04 | 3,52 | 7,64 | 4,47 | 3,7 | 3,47 | 8,01 | 2,67 | 10,03 |
| exper | 0,006 | 0,012 | 0,020 | 0,011 | 0,005 | 0,014 | 0,015 | 0,014 | 0,000 | 0,009 |
| | 1,85 | 4,55 | 3,72 | 2,92 | 1,32 | 2,86 | 4,32 | 4,67 | -0,29 | 5,43 |
| exper2>(*1000) | -0,117 | -0,221 | -0,408 | -0,133 | -0,100 | -0,239 | -0,310 | -0,173 | 0,049 | -0,077 |
| | -1,8 | -4,03 | -3,33 | -1,76 | -1,23 | -2,35 | -3,58 | -2,5 | 1,79 | -2,93 |
| N child | -0,006 | 0,059 | -0,046 | 0,006 | 0,007 | -0,005 | 0,007 | 0,020 | 0,034 | 0,023 |
| | -0,6 | 9,04 | -3 | 0,77 | 1,02 | -0,55 | 0,61 | 2,45 | 3,56 | 3,31 |
| sen0 | -0,233 | -0,138 | -0,118 | -0,031 | 0,053 | -0,268 | -0,347 | -0,289 | -0,291 | -0,107 |
| | -6,59 | -4,53 | -2,37 | -0,63 | 0,99 | -3,04 | -7,7 | -6,83 | -8,11 | -2,44 |
| sen1 | -0,231 | -0,231 | -0,192 | -0,107 | -0,089 | -0,036 | -0,300 | -0,224 | -0,371 | -0,326 |
| | -9,04 | -11,5 | -6 | -4,46 | -4,66 | -1,39 | -10,4 | -10,7 | -13,7 | -14 |
| sen2 | -0,158 | -0,113 | -0,104 | -0,085 | -0,040 | 0,012 | -0,159 | -0,146 | -0,200 | -0,162 |
| | -6,35 | -5,83 | -3,31 | -3,64 | -2,12 | 0,53 | -4,97 | -6,37 | -7,5 | -7,12 |
| sen3 | -0,080 | -0,051 | -0,083 | -0,033 | 0,005 | 0,055 | -0,101 | -0,084 | -0,164 | -0,106 |
| | -2,86 | -2,34 | -2,48 | -1,27 | 0,19 | 1,73 | -2,96 | -3,03 | -5,85 | -4,28 |
| <i>réf: sen>=10 years</i> | | | | | | | | | | |
| Prof1 | 0,447 | 0,276 | 0,419 | 0,413 | 0,246 | 0,222 | 0,662 | 0,558 | 0,620 | 0,540 |
| | 12,32 | 11,49 | 8,4 | 13,53 | 7,59 | 7,09 | 16,75 | 19,09 | 15,77 | 18,77 |
| Prof2 | 0,272 | 0,196 | 0,358 | 0,286 | 0,183 | 0,144 | 0,348 | 0,246 | 0,456 | 0,226 |
| | 8,84 | 8,18 | 8,49 | 10,17 | 6,19 | 4,73 | 8,26 | 8,97 | 13,21 | 9,09 |
| Prof3 | 0,179 | 0,098 | 0,221 | 0,174 | 0,066 | -0,062 | 0,252 | 0,153 | 0,235 | 0,075 |
| | 6,17 | 3,5 | 5,84 | 5,65 | 2,23 | -1,53 | 7,18 | 4,94 | 7,65 | 2,36 |
| Prof4 | 0,034 | 0,018 | 0,069 | 0,098 | 0,035 | -0,002 | 0,169 | 0,084 | 0,120 | 0,084 |
| | 1,07 | 0,56 | 1,78 | 2,81 | 1,14 | -0,05 | 5,09 | 2,84 | 3,65 | 2,4 |
| Prof5 | 0,019 | 0,043 | 0,035 | 0,082 | 0,080 | -0,003 | 0,042 | 0,045 | 0,130 | 0,024 |
| | 0,43 | 2,3 | 0,58 | 3,39 | 1,37 | -0,1 | 0,86 | 2,27 | 1,93 | 1,04 |
| <i>réf:prof6 (unskilled)</i> | | | | | | | | | | |
| agriculture | - | - | -0,150 | -0,157 | -0,153 | 0,161 | 0,023 | -0,159 | -0,136 | -0,046 |
| | | | -1,31 | -2,43 | -1,77 | 2,78 | 0,32 | -3,94 | -1,24 | -0,71 |
| industry | - | - | 0,011 | 0,070 | -0,009 | 0,100 | 0,144 | 0,152 | 0,085 | 0,225 |
| | | | 0,28 | 2,31 | -0,32 | 3,08 | 3,71 | 5,25 | 2,69 | 8,42 |
| construction | - | - | 0,087 | 0,078 | -0,096 | 0,100 | -0,059 | 0,148 | 0,111 | 0,114 |
| | | | 1,25 | 2,21 | -1,82 | 2,54 | -0,76 | 4,61 | 1,36 | 3,23 |
| trade | - | - | -0,003 | 0,031 | -0,088 | 0,008 | 0,008 | 0,001 | -0,033 | 0,105 |
| | | | -0,08 | 0,88 | -3,15 | 0,21 | 0,26 | 0,05 | -1,18 | 3,54 |
| communic.,finance,real estate | - | - | 0,085 | 0,075 | 0,038 | 0,126 | 0,168 | 0,175 | 0,112 | 0,188 |
| | | | 2,11 | 2,73 | 1,6 | 4,25 | 5,48 | 6,17 | 4,49 | 7,6 |
| <i>Réf : other services</i> | | | | | | | | | | |
| land | -0,198 | -0,307 | - | - | - | - | - | - | - | - |
| | -9,87 | -19,6 | | | | | | | | |
| Public sector | 0,071 | 0,055 | 0,028 | -0,041 | -0,068 | -0,040 | 0,184 | 0,044 | 0,093 | 0,114 |
| | 3,84 | 3,13 | 0,91 | -1,64 | -3,53 | -1,5 | 7 | 1,74 | 4,26 | 4,99 |
| Log hours/week | 0,847 | 0,561 | 0,851 | 0,655 | 0,702 | 0,608 | 0,680 | 0,397 | 0,663 | 0,509 |
| | 28,13 | 14,46 | 23,74 | 12,2 | 20,13 | 10,5 | 18,61 | 9,08 | 18,65 | 11,99 |
| imr | -0,168 | 0 | 0,044 | 0 | 0 | 0 | -0,019 | 0 | -0,256 | 0 |
| | -4,21 | | 0,61 | | | | -0,52 | | -5,09 | |
| N obs | 1745 | 2380 | 789 | 1045 | 655 | 680 | 1237 | 1938 | 1588 | 1734 |
| Adj-R2 | 0,551 | 0,415 | 0,649 | 0,41 | 0,576 | 0,407 | 0,645 | 0,489 | 0,558 | 0,57 |

(1) the sector of industry cannot be taken into account for Germany : the information is missing.

(contd)

| Variable | Greece | | Ireland | | Italy | | Portugal | | U-Kingdom | |
|-------------------------------|---------|---------|---------|---------|---------|---------|----------|---------|-----------|---------|
| | F | M | F | M | F | M | F | M | F | M |
| | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. | Coeff. |
| | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value | t Value |
| intercept | 4,260 | 4,360 | 3,759 | 4,312 | 4,694 | 4,510 | 3,796 | 4,612 | 3,557 | 4,084 |
| | 21,91 | 23,23 | 22,98 | 17,39 | 43,38 | 36,46 | 25,81 | 20,4 | 30,02 | 24,83 |
| Isced 3 | 0,111 | 0,136 | 0,096 | 0,051 | 0,002 | 0,074 | 0,154 | 0,142 | 0,034 | 0,052 |
| | 2,7 | 5,42 | 2,56 | 1,68 | 0,08 | 5,01 | 5,21 | 5,05 | 1,33 | 2,12 |
| Isced 4-7 | 0,358 | 0,312 | 0,325 | 0,227 | 0,141 | 0,289 | 0,536 | 0,538 | 0,138 | 0,170 |
| | 6,07 | 9,01 | 5,69 | 5,45 | 4,22 | 11,46 | 13,6 | 11,95 | 4,2 | 5,69 |
| exper | 0,012 | 0,025 | 0,005 | 0,026 | 0,009 | 0,017 | 0,020 | 0,028 | 0,013 | 0,018 |
| | 2,58 | 5,48 | 1,01 | 4,31 | 3,07 | 7 | 5,97 | 7,42 | 4,18 | 5,82 |
| exper2>(*1000) | -0,207 | -0,338 | -0,150 | -0,435 | -0,143 | -0,273 | -0,386 | -0,512 | -0,264 | -0,287 |
| | -1,63 | -3,15 | -1,17 | -3,12 | -1,9 | -4,56 | -4,73 | -6,05 | -4,26 | -4,3 |
| N child | 0,043 | 0,047 | -0,012 | 0,031 | 0,013 | 0,038 | -0,005 | -0,001 | -0,022 | 0,023 |
| | 3,4 | 4,28 | -0,99 | 3,17 | 1,41 | 5,62 | -0,57 | -0,09 | -1,84 | 2,8 |
| sen0 | -0,245 | -0,143 | -0,334 | -0,125 | -0,061 | -0,052 | -0,141 | -0,092 | -0,040 | 0,050 |
| | -3,76 | -2,25 | -5,8 | -1,46 | -2,34 | -2 | -3,76 | -1,87 | -1,07 | 1,53 |
| sen1 | -0,253 | -0,157 | -0,303 | -0,138 | -0,122 | -0,117 | -0,184 | -0,095 | -0,011 | 0,052 |
| | -6,86 | -5,22 | -9,32 | -3,8 | -5,48 | -6,48 | -7,27 | -3,84 | -0,3 | 1,58 |
| sen2 | -0,100 | -0,107 | -0,149 | -0,134 | -0,059 | -0,089 | -0,143 | -0,050 | -0,009 | 0,061 |
| | -2,75 | -3,78 | -4,26 | -3,45 | -2,75 | -5,13 | -5,85 | -2 | -0,25 | 1,87 |
| sen3 | -0,062 | -0,073 | -0,093 | -0,120 | -0,022 | -0,017 | -0,057 | -0,042 | 0,006 | 0,071 |
| | -1,5 | -2,02 | -2,19 | -2,69 | -0,95 | -0,83 | -2,23 | -1,52 | 0,13 | 1,73 |
| <i>réf: sen>=10 years</i> | | | | | | | | | | |
| Prof1 | 0,405 | 0,216 | 0,329 | 0,365 | 0,374 | 0,332 | 0,559 | 0,479 | 0,557 | 0,472 |
| | 7,64 | 5,73 | 6,7 | 8,5 | 11,93 | 12,1 | 14,43 | 10,39 | 15,54 | 18,22 |
| Prof2 | 0,160 | 0,202 | 0,159 | 0,253 | 0,262 | 0,153 | 0,476 | 0,360 | 0,460 | 0,370 |
| | 3,06 | 4,75 | 3,19 | 5,28 | 8,73 | 7,03 | 13,64 | 9,38 | 12,37 | 10,72 |
| Prof3 | 0,182 | 0,013 | 0,053 | 0,098 | 0,170 | 0,093 | 0,279 | 0,217 | 0,263 | 0,074 |
| | 4,03 | 0,37 | 1,18 | 1,86 | 6,56 | 4,79 | 9,75 | 6,37 | 7,67 | 2,14 |
| Prof4 | 0,123 | 0,052 | -0,001 | 0,182 | 0,044 | 0,068 | 0,064 | 0,146 | 0,113 | 0,075 |
| | 2,57 | 1,42 | -0,01 | 3,42 | 1,42 | 2,81 | 2,42 | 4,51 | 3,09 | 1,86 |
| Prof5 | -0,007 | -0,075 | 0,092 | 0,124 | 0,039 | -0,009 | -0,111 | 0,045 | 0,203 | 0,182 |
| | -0,12 | -2,47 | 0,99 | 3,27 | 1,27 | -0,52 | -3,4 | 2,07 | 3,03 | 6,4 |
| <i>réf:prof6 (unskilled)</i> | | | | | | | | | | |
| agriculture | 0,019 | -0,318 | 0,446 | -0,430 | -0,177 | -0,130 | -0,048 | -0,150 | -0,065 | -0,147 |
| | 0,15 | -3,82 | 1,67 | -6,05 | -3,41 | -3,94 | -0,92 | -2,98 | -0,45 | -1,75 |
| industry | 0,153 | 0,077 | 0,083 | 0,099 | 0,055 | 0,052 | 0,056 | 0,091 | 0,058 | 0,094 |
| | 3,19 | 2,27 | 1,87 | 2,15 | 2,14 | 2,62 | 1,87 | 2,39 | 1,64 | 2,63 |
| construction | 0,035 | 0,046 | 0,097 | 0,170 | 0,033 | 0,019 | 0,113 | 0,040 | 0,081 | 0,087 |
| | 0,3 | 1,06 | 0,72 | 3,2 | 0,39 | 0,72 | 1,44 | 1,03 | 0,9 | 2,01 |
| trade | 0,111 | -0,022 | -0,001 | -0,109 | 0,055 | -0,023 | 0,063 | 0,011 | -0,140 | -0,086 |
| | 2,75 | -0,59 | -0,04 | -2,02 | 1,99 | -0,94 | 2,35 | 0,27 | -4,82 | -2,27 |
| communic.,finance,real estate | 0,146 | 0,158 | 0,074 | 0,084 | 0,088 | 0,101 | 0,135 | 0,241 | 0,051 | 0,134 |
| | 3,84 | 4,95 | 2,08 | 2,07 | 3,66 | 5,26 | 4,39 | 6,58 | 1,83 | 4,05 |
| <i>Réf : other services</i> | | | | | | | | | | |
| land | - | - | - | - | - | - | - | - | - | - |
| Public sector | 0,213 | 0,106 | 0,233 | 0,165 | 0,142 | 0,032 | 0,211 | 0,132 | 0,083 | 0,066 |
| | 6,82 | 3,87 | 7,27 | 4,37 | 7,46 | 1,88 | 9,21 | 3,92 | 3,4 | 2,05 |
| Log hours/week | 0,512 | 0,547 | 0,858 | 0,664 | 0,538 | 0,606 | 0,599 | 0,405 | 0,843 | 0,708 |
| | 10,5 | 11,24 | 23,23 | 10,74 | 19,68 | 18,5 | 15,04 | 6,71 | 31,36 | 17,11 |
| imr | 0,035 | 0 | 0,079 | 0 | -0,090 | 0 | 0,015 | 0 | 0,010 | 0 |
| | 0,78 | | 1,01 | | -3,55 | | 0,32 | | 0,18 | |
| N obs | 717 | 1055 | 571 | 655 | 1416 | 2052 | 1464 | 1732 | 1537 | 1553 |
| Adj-R2 | 0,538 | 0,48 | 0,765 | 0,502 | 0,481 | 0,43 | 0,712 | 0,44 | 0,657 | 0,415 |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

Dependant : Log monthly wage (PPP)

3 – Composition of the gender wage gap - decomposition 1

| Country | Returns | | | Characteristics | | | | | Selection | Total gap |
|-----------|--------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|------------|--------------|
| | Total | Advtage | Desadvtage | Total | Human | Hours | Sector/ | Public | | |
| | dont | men | women | dont | capital | | profession | sector | | |
| | value | value | | value | value | value | value | value | value | |
| | <i>sdt</i> | <i>sdt</i> | | <i>sdt</i> | <i>sdt</i> | <i>sdt</i> | <i>sdt</i> | <i>sdt</i> | <i>sdt</i> | |
| Germany | 0.214 | 0.047 | 0.167 | 0.211 | 0.015 | 0.180 | 0.024 | -0.008 | 0.045 | 0.470 |
| | | <i>0.009</i> | <i>0.016</i> | | <i>0.001</i> | <i>0.005</i> | <i>0.005</i> | <i>0.002</i> | 0.021 | |
| Austria | 0.184 | 0.021 | 0.163 | 0.282 | 0.027 | 0.231 | 0.024 | 0.001 | -0.017 | 0.449 |
| | | <i>0.011</i> | <i>0.032</i> | | <i>0.004</i> | <i>0.008</i> | <i>0.008</i> | <i>0.002</i> | 0.044 | |
| Denmark | 0.053 | 0.026 | 0.027 | 0.150 | -0.001 | 0.092 | 0.041 | 0.017 | 0.000 | 0.202 |
| | | <i>0.011</i> | <i>0.009</i> | | <i>0.002</i> | <i>0.004</i> | <i>0.007</i> | <i>0.005</i> | | |
| Spain | 0.178 | 0.025 | 0.153 | 0.099 | 0.029 | 0.093 | -0.011 | -0.013 | 0.010 | 0.287 |
| | | <i>0.010</i> | <i>0.023</i> | | <i>0.004</i> | <i>0.004</i> | <i>0.006</i> | <i>0.002</i> | 0.027 | |
| France | 0.074 | 0.018 | 0.056 | 0.109 | -0.004 | 0.086 | 0.041 | -0.013 | 0.083 | 0.267 |
| | | <i>0.010</i> | <i>0.020</i> | | <i>0.002</i> | <i>0.004</i> | <i>0.007</i> | <i>0.002</i> | 0.029 | |
| Greece | 0.207 | 0.018 | 0.189 | 0.049 | 0.010 | 0.058 | -0.009 | -0.010 | -0.023 | 0.233 |
| | | <i>0.013</i> | <i>0.033</i> | | <i>0.005</i> | <i>0.004</i> | <i>0.006</i> | <i>0.001</i> | 0.036 | |
| Ireland | 0.229 | 0.013 | 0.216 | 0.260 | 0.023 | 0.224 | 0.022 | -0.009 | -0.039 | 0.451 |
| | | <i>0.016</i> | <i>0.043</i> | | <i>0.005</i> | <i>0.009</i> | <i>0.010</i> | <i>0.001</i> | 0.055 | |
| Italy | 0.120 | 0.021 | 0.100 | 0.038 | -0.008 | 0.097 | -0.040 | -0.011 | 0.048 | 0.206 |
| | | <i>0.008</i> | <i>0.016</i> | | <i>0.002</i> | <i>0.003</i> | <i>0.005</i> | <i>0.002</i> | 0.018 | |
| Portugal | 0.202 | 0.038 | 0.165 | -0.025 | -0.026 | 0.057 | -0.030 | -0.025 | -0.005 | 0.172 |
| | | <i>0.011</i> | <i>0.019</i> | | <i>0.004</i> | <i>0.003</i> | <i>0.007</i> | <i>0.002</i> | 0.027 | |
| U-Kingdom | 0.181 | 0.030 | 0.152 | 0.286 | -0.004 | 0.247 | 0.058 | -0.015 | -0.003 | 0.464 |
| | | <i>0.011</i> | <i>0.022</i> | | <i>0.002</i> | <i>0.006</i> | <i>0.008</i> | <i>0.004</i> | 0.032 | |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.

4 – Composition of the gender wage gap - decomposition 2

| | Austria | Denmark | Spain | France | Germany | Greece | Ireland | Italy | Portugal | U-K |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| total wage gap (PPA, log) | 0,452 | 0,193 | 0,289 | 0,280 | 0,470 | 0,233 | 0,451 | 0,211 | 0,176 | 0,457 |
| PRIVATE SECTOR | 0,52 | 0,21 | 0,35 | 0,24 | 0,46 | 0,28 | 0,60 | 0,22 | 0,31 | 0,53 |
| <i>advantage men</i> | 0,039 | 0,051 | 0,028 | 0,015 | 0,031 | -0,001 | -0,029 | 0,012 | 0,026 | 0,023 |
| | 0,012 | 0,011 | 0,011 | 0,012 | 0,009 | 0,016 | 0,020 | 0,009 | 0,012 | 0,012 |
| <i>disadvantage women</i> | 0,159 | 0,012 | 0,186 | 0,083 | 0,185 | 0,237 | 0,352 | 0,113 | 0,256 | 0,203 |
| | 0,037 | 0,012 | 0,028 | 0,030 | 0,019 | 0,048 | 0,051 | 0,023 | 0,024 | 0,026 |
| total returns diff | 0,198 | 0,063 | 0,213 | 0,098 | 0,216 | 0,235 | 0,323 | 0,126 | 0,282 | 0,226 |
| <i>human capital diff (C)</i> | 0,030 | 0,003 | 0,039 | 0,014 | 0,029 | 0,027 | 0,026 | 0,014 | 0,015 | 0,003 |
| | 0,004 | 0,002 | 0,003 | 0,002 | 0,002 | 0,005 | 0,005 | 0,002 | 0,003 | 0,002 |
| <i>jobs skill levels diff (S)</i> | 0,031 | 0,038 | -0,007 | 0,029 | 0,030 | -0,029 | 0,023 | -0,018 | -0,031 | 0,052 |
| | 0,008 | 0,005 | 0,005 | 0,006 | 0,006 | 0,006 | 0,010 | 0,003 | 0,004 | 0,006 |
| <i>working hours diff (H)</i> | 0,258 | 0,108 | 0,105 | 0,095 | 0,185 | 0,049 | 0,229 | 0,096 | 0,043 | 0,254 |
| | 0,008 | 0,004 | 0,005 | 0,004 | 0,005 | 0,003 | 0,010 | 0,003 | 0,003 | 0,007 |
| total characteristics | 0,319 | 0,149 | 0,137 | 0,138 | 0,244 | 0,046 | 0,277 | 0,092 | 0,028 | 0,309 |
| MEN | 0,01 | -0,02 | 0,04 | 0,04 | 0,02 | 0,09 | 0,07 | 0,03 | 0,05 | 0,00 |
| <i>adavantage public sector</i> | -0,019 | -0,013 | 0,025 | 0,038 | 0,111 | 0,061 | 0,111 | 0,039 | 0,112 | 0,060 |
| | 0,015 | 0,016 | 0,016 | 0,015 | 0,016 | 0,016 | 0,023 | 0,011 | 0,018 | 0,018 |
| <i>disadvant. private sector</i> | -0,039 | -0,051 | -0,028 | -0,015 | -0,031 | 0,001 | 0,029 | -0,012 | -0,026 | -0,023 |
| | 0,012 | 0,011 | 0,011 | 0,012 | 0,009 | 0,016 | 0,020 | 0,009 | 0,012 | 0,012 |
| <i>returns</i> | -0,058 | -0,064 | -0,003 | 0,024 | 0,080 | 0,062 | 0,140 | 0,026 | 0,085 | 0,036 |
| weighted returns diff. | -0,016 | -0,017 | 0,000 | 0,007 | 0,015 | 0,023 | 0,039 | 0,008 | 0,017 | 0,006 |
| <i>human capital diff (C)</i> | 0,055 | 0,023 | 0,128 | 0,107 | 0,036 | 0,201 | 0,152 | 0,089 | 0,114 | 0,024 |
| | 0,004 | 0,004 | 0,007 | 0,004 | 0,003 | 0,009 | 0,010 | 0,004 | 0,006 | 0,003 |
| <i>jobs skill levels diff (S)</i> | 0,048 | 0,018 | 0,142 | 0,063 | 0,030 | 0,072 | 0,042 | 0,063 | 0,101 | 0,022 |
| | 0,005 | 0,004 | 0,007 | 0,004 | 0,004 | 0,007 | 0,008 | 0,004 | 0,005 | 0,004 |
| <i>working hours diff (H)</i> | -0,025 | -0,040 | -0,067 | -0,061 | -0,031 | -0,087 | -0,072 | -0,080 | -0,063 | -0,059 |
| | 0,001 | 0,001 | 0,003 | 0,003 | 0,001 | 0,005 | 0,003 | 0,003 | 0,004 | 0,002 |
| total characteristics | 0,078 | 0,002 | 0,203 | 0,109 | 0,035 | 0,186 | 0,122 | 0,071 | 0,152 | -0,014 |
| weighted charact. diff | 0,021 | 0,000 | 0,039 | 0,030 | 0,007 | 0,068 | 0,034 | 0,022 | 0,030 | -0,002 |
| WOMEN | 0,05 | 0,00 | 0,11 | 0,08 | 0,06 | 0,11 | 0,18 | 0,09 | 0,17 | 0,08 |
| <i>adavantage public sector</i> | -0,220 | -0,054 | -0,132 | -0,075 | -0,126 | -0,182 | -0,010 | -0,077 | -0,069 | -0,092 |
| | 0,038 | 0,014 | 0,028 | 0,029 | 0,020 | 0,044 | 0,043 | 0,026 | 0,025 | 0,027 |
| <i>disadvant. private sector</i> | 0,159 | 0,012 | 0,186 | 0,083 | 0,185 | 0,237 | 0,352 | 0,113 | 0,256 | 0,203 |
| | 0,037 | 0,012 | 0,028 | 0,030 | 0,019 | 0,048 | 0,051 | 0,023 | 0,024 | 0,026 |
| <i>returns</i> | -0,061 | -0,042 | 0,053 | 0,008 | 0,058 | 0,055 | 0,342 | 0,036 | 0,188 | 0,111 |
| weighted returns diff. | -0,021 | -0,024 | 0,016 | 0,003 | 0,019 | 0,024 | 0,110 | 0,016 | 0,061 | 0,040 |
| <i>human capital diff (C)</i> | 0,055 | 0,018 | 0,123 | 0,112 | 0,063 | 0,207 | 0,114 | 0,113 | 0,214 | 0,027 |
| | 0,006 | 0,004 | 0,007 | 0,004 | 0,004 | 0,010 | 0,009 | 0,005 | 0,011 | 0,003 |
| <i>jobs skill levels diff (S)</i> | 0,113 | 0,027 | 0,199 | 0,088 | 0,046 | 0,083 | 0,108 | 0,124 | 0,190 | 0,065 |
| | 0,008 | 0,004 | 0,008 | 0,004 | 0,005 | 0,008 | 0,009 | 0,006 | 0,010 | 0,003 |
| <i>working hours diff (H)</i> | 0,048 | 0,000 | -0,010 | -0,020 | 0,003 | -0,093 | -0,019 | -0,062 | -0,061 | 0,006 |
| | 0,002 | 0,000 | 0,000 | 0,001 | 0,000 | 0,006 | 0,001 | 0,002 | 0,004 | 0,000 |
| total characteristics | 0,217 | 0,046 | 0,311 | 0,180 | 0,111 | 0,197 | 0,204 | 0,175 | 0,342 | 0,099 |
| weighted charact. diff | 0,076 | 0,026 | 0,091 | 0,074 | 0,037 | 0,085 | 0,066 | 0,077 | 0,111 | 0,036 |
| Selectivity | -0,016 | 0,000 | 0,007 | 0,084 | 0,045 | -0,030 | -0,046 | 0,056 | -0,009 | -0,006 |

Source: European Community Household Panel, wave 7, 2000.

Field: Population aged between 25 and 55, salaried employees working at least 15 hours a week.