

## Subgroup-specific gaps and irregular payments – New insights into gendered pay in Europe

We analyse the Structure of Earnings Survey (EU-SES) for the reference year 2014 aiming at supplementing previous findings (Boll et al. 2016<sup>1</sup>, Boll/Lagemann 2018<sup>2</sup>) based on the same dataset with respect to the gender pay gap. While most previous studies (including ours) focus on regular wages of women and men and referring to the total sample of employees, this study makes a *threefold contribution*, allowing a more comprehensive view of the structure and kind of gender pay inequality in Europe. *First*, we calculate wage gaps for subsamples by education, age and occupation (ISCO-08 major and sub-major groups). *Second*, we compute and decompose sector-specific wage gaps, referring to the top three sectors per country with respect to gender pay gap magnitude. We thereby employ the standard Oaxaca-Blinder method (Oaxaca, 1973; Blinder, 1973). *Third*, we calculate the gender gap in irregular wages, i.e. monetary fringe benefits, as well as women's and men's participation in monetary and in-kind bonus payments (which are stated in euros as well).

Our findings provide some new insights into the interrelations of pay gap inequalities in different dimensions. With respect to *subgroup-specific analyses*, some commonalities emerge across countries. It can be seen that female employees of medium age, tertiary education and in managerial and professional occupations are most strongly penalised in terms of hourly pay compared to their male counterparts. In detail, extremely high gender pay gaps concentrate in sub-major groups that belong to major group 1 (Managers) at the very top of the occupational distribution where the highest wage levels are observed and most employees are males. They further cluster in group 2 (professionals), namely among Health Professionals as a widespread occupation in the EU which is clearly female-dominated. With respect to age, this points to the detrimental wage effects of women's intermittent employment careers which materialise in this age span (30–59). Regarding occupations, the peaks in high-pay occupations highlight the relevance of wage negotiation processes for gendered pay. 'Hot spots of occupational pay inequality' refer to the sub-major groups (2-digit-level) of occupations and have to be tackled at this level.

Regarding *sector-specific analyses*, Section N (Administrative and Support Service Activities) is most frequently named among the Top 3 sectors with the largest gender pay gaps in terms of wages per country. Further, the unexplained part is positive in all countries, and occupation is far more influential in these Top 3 sectors compared to the country average. Finally, gender pay gaps in terms of *cash fringe benefits* are much higher than pay gaps in wages throughout countries but their magnitude also varies across countries to a notable extent. Concerning participation in cash bonuses, women have a lead over men in Eastern and Southern Europe only. In Nordic countries SE and NO as well as in the UK, men receive cash bonuses much more frequently than women do. Information on in-kind benefits is available for seven countries only. The absolute level of participation in *in-kind benefits* is mostly much lower than in terms of cash benefits.

We conclude that, even though the pay gap statistics is unable to allocate discrimination for many reasons, this study provides an extended list of indications for allocative discrimination and pay discrimination to be verified (or falsified) on the level of firms and social partners.

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<sup>1</sup> Boll, C.; Leppin, J.; Rossen, A.; Wolf, A. (2016): Magnitude and Impact Factors of the Gender Pay Gap in EU Countries, Report prepared for and financed by the *European Commission – Directorate-General for Justice, European Union* (ed.).

<sup>2</sup> Boll, C.; Lagemann, A. (2018): *Gender pay gap in EU countries based on SES (2014)*, Report prepared for and financed by the *European Commission – Directorate-General for Justice, European Union* (ed.).