

THE WAGE PENALTY INDUCED BY PART-TIME WORK: EVIDENCE FROM 6 EUROPEAN COUNTRIES

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Abstract

Substantial research has been devoted to the estimation and explanation of the gender wage gap. The effects of work status on wages has been studied somewhat less. The underlying project aims at drawing on existing work to generate new estimates of the wage penalty associated to part-time employment in six European countries : Belgium, Ireland, the United Kingdom, Italy, Spain and Denmark. Given the fact that women remain the primary caregivers, almost uniquely in charge of housework, part-time has often been presented as an ideal solution for those wanting to combine family and professional responsibilities. However, part-time employment has many flaws, not the least of which is the wage penalty it induces. Since it remains primarily a female employment option, the part-time wage gap tends to be a gender wage gap as well.

On the basis of the 1995 Structure of Earnings Survey we estimate the wage gap between part-time and full-time work for a sample of women only. Based on our results, we advance explanations related to human capital and productivity differences, types of jobs and industry branches, personal characteristics of part-timers, etc. The unexplained part of the part-time wage gap allows us to assess the degree to which labour markets discriminate against part-timers in the different countries. The existence of such discrimination suggests that equal opportunities policies should not only focus on labour market conditions but also on a more equal sharing of domestic work between men and women.

Keywords: female labour supply, work status, part-time employment, wage gap, decomposition

JEL codes: J21, J22, J24, J31, J71, C31

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