Gender segregation in the labour market

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Gender segregation in the labour market is a situation where one gender concentrates significantly more than the other in certain domains of the labour market. Our analysis focuses on the working population residing[1] in Luxembourg and distinguishes between horizontal and vertical segregation. Horizontal segregation refers to the high concentration of women or men in certain sectors of the national economy. Vertical segregation is to be understood as a disproportional participation of one gender in a narrow range of occupations (*occupational* segregation) and/or in certain levels of the professional hierarchy (*hierarchical* segregation). These various types of segregation lead to gender-based disadvantages such as: limited career prospects, pay gap and lower social recognition.

Horizontal segregation

Even though women only account for 40% of the working population residing in Luxembourg, they largely dominate in the following domains/sectors of the labour market: domestic personnel employed by households (their share is equal to 95%); health and social work (71%); education (60%); and the real estate, housing sector and enterprise service (50%). Conversely, men are overrepresented in production and distribution of gas, electricity and water (98%), construction (93%); manufactures (87%); mining (84%); transport and communication (81%); agriculture (72%); and public administration and defence (69%). Both genders are represented in a more balanced way in wholesale and retail trade (56% to 44%); financial intermediation (57% to 43%). It is however only in collective, personal and social services that women and men are distributed almost exactly as in the whole population (59% to 41%).

Occupational segregation

With respect to the occupational segregation, women appear to be overrepresented in the following job categories: workers and employees without qualification (66%); employees in shops, supermarkets and personal services (60%), administrative employees (51%). The rest of the job categories (e.g. drivers, agricultural workers, craftsmen, members of executive and legislative bodies, and high professional jobs) are dominated by men.

Hierarchical segregation

Job hierarchical segregation is measured in two steps. Firstly, we examine gender differences in the likelihood to hold supervisory positions (we define this as *job seniority*). And secondly, we analyse the differences between women and men who are currently holding supervisory positions with respect to the possibility they have to interfere in salaries and career promotion of their subordinates (*degree of job seniority*).

As far as job seniority is concerned, the data allow us to only consider wage earners (i.e. the self-employed have to be excluded from the analysis).[2] The sample consists of 20% men and 6% women in supervisory positions as opposed to 40% men and 34% women without supervisory responsibilities. If we consider only the male wage earners, then we see that 34% of them supervise other people. If we do the same for female wage earners, then the percentage is much smaller as only 16% of them hold a post with supervisory responsibilities. These numbers suggest that the probability for men living in Luxembourg to hold senior positions is twice as high as that for their female counterparts.

To explore the segregation concerning the degree of job seniority (the second step), we focus on all respondents who hold posts involving supervisory responsibilities and we examine whether gender is related with the possibility to intervene in salaries and career promotion of their subordinates. The outcome of our analysis indicates that the group of individuals who have supervisory responsibilities (76% of men and 24% of women) consists of: 35% of men and 9% of women who can intervene in salaries and promotion of their subordinates and 41% of men and 15% of women who cannot take decisions of this

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[1] Cross-border workers are thus not included in the analysis.

[2] The fact that we can not include self-employed individual limits our analysis and all our findings should refer only our limited population.

kind. Having a look at the same data from a different perspective, with a view to compare probabilities of men and women to occupy positions where they can intervene in salaries and promotion of other people, we observe that 46% of all men in supervisory position can intervene in salaries and career promotion of their subordinates while only 37% of all women holding posts with supervisory responsibilities are in that position. Male residents are therefore more likely to be engaged in higher managerial posts than female residents.

Profile of wage earners holding a hierarchical position

To understand better who are these men and women who hold supervisory positions, it is useful to analyse some key socio-demographic characteristics. Regarding the age, we see that women are in general younger than men. Their average age is 39 years while that of men is 42 years. 37% of women with supervisory power are younger than 35 years of age compared to 24% of men belonging to this age category.

Analyses of the educational attainment show that 44% of women in supervisory positions obtained a postsecondary and higher education while the same level of education was reached by 42% of men. Using more detailed categorisation of educational attainment allows us to conclude that 44% percent of women took their degree at university (not distinguishing bachelor and master level), while only 36% of men in supervisory positions reached this level of education. As far as the marital status is concerned, only 60% of analysed women are married in comparison to 73% of men. 22% of women in senior positions have never been married while this applies for only 13% of observed men. Female with supervisory responsibilities are more likely to be childless than men (41% vs. 28%). When we focus only on respondents who have children we can see that women in senior positions have on average fewer kids (1.6) than their male counterparts (2.1).

Based on the above evidence we can conclude that the women living in the Grand-Duchy who hold posts with supervisory responsibilities are, in comparison to men, on average younger, better educated, less likely to be married and to have children.[3]

Job seniority by gender

Supervising other persons in current job	Percentage	Men	Women	Total
Yes	Within supervising others	76	24	100
	Within gender	34	16	27
	Within total	20	6	27
No	Within supervising others	54	46	100
	Within gender	66	84	73
	Within total	40	34	74
Total	Within supervising others	60	40	100
	Within gender	100	100	100
	Within total	60	40	100

Sources : PSELL-3/2004, CEPS/INSTEAD, STATEC

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[3] *One has to bear in mind a very important effect of the age variable on the conclusions regarding other socio-demographic characteristics. Since younger people tend to have higher education, be more often single and to have fewer children than their older counterparts it is not really surprising that women in senior positions who are younger than men differ as well with respect to their educational attainment, marital status and number of children. To be able to separate the effect of age we would have to conduct a more advanced statistical analysis allowing to control for the interaction effects, which would go beyond the purpose of this exploratory paper.*