

Determinants of the Intra-Female Wage Gap by Marriage and Childbearing: Decomposition by Differences in the Distribution and the Reward of Employment Behavior

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This paper aims to identify the determinants of the intra-female wage gap caused by whether they have experienced marriage and childbearing using decomposition. Specifically, we distinguish the wage gap that exists among the three groups of (1) never-married women, (2) married women without children, and (3) married women with children into (a) differences in the distribution of variables, such as differing composition of employment status, and (b) differences in the effects of variables, such as the gap in the effect of the regular employment on wages, and compare the impact of these two factors. Using the 15th and 16th data from the "Japanese National Fertility Survey" conducted by the National Institute of Population and Social Security Research, we analyzed women aged 30 to 49 with a job. We found that the impact of differences in (a) the distribution was more significant than that in (b) the effect of variables, and in particular, compositional differences in the employment status and years in the current job explained the wage gap to the greatest extent. On the other hand, wage returns obtained by married women from full-time employment and longer tenure were higher than those of never-married women, suggesting selection into employment. In contrast, wages from working for large firms were lower than those of never-married women.

Keywords: wage gap, marriage and childbearing, decomposition