

LMF1.5: Gender pay gaps for full-time workers

Definitions and methodology

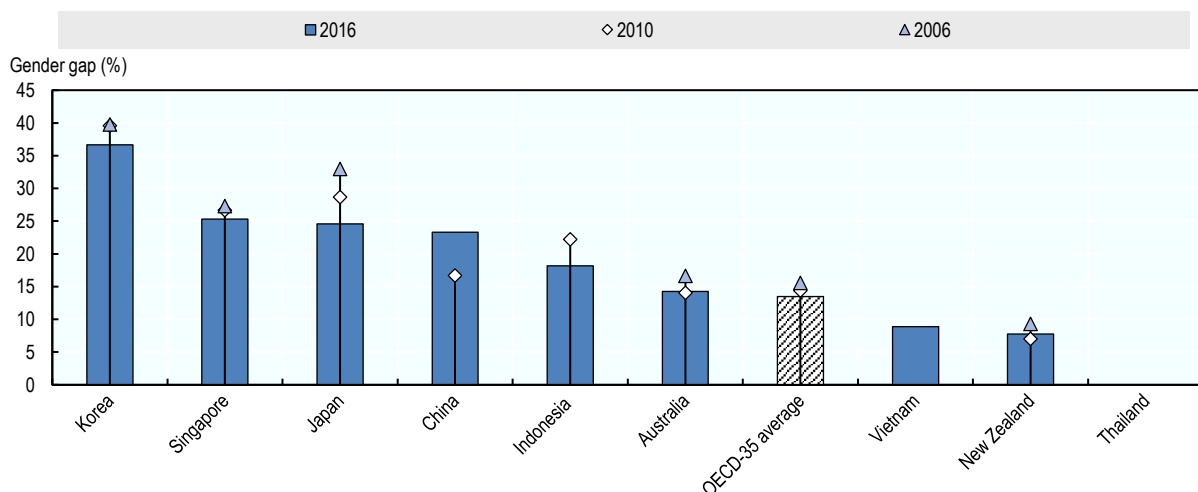
The gender pay gap is captured here through the *gender gap in median earnings of full-time employees*, defined as the difference between the median earnings of men and of women as a proportion of the median earnings of men. The gap is unadjusted, that is, not corrected for gender differences in observable characteristics that may explain part of the earnings gap. However, to account for gender differences in working hours and part-time employment, the gap is based where possible on earnings for full-time employees only.

Key findings

The gender pay gap varies considerably across the covered Asia-Pacific countries (Chart LMF1.5.A). In 2016 (or latest available), the gender gap in median earnings for full-time employees ranged from as high as 37% in Korea to 0% (no gap) in Thailand, with the gaps in most of the covered countries somewhere between 14-25%.

In most of the covered Asia-Pacific countries, the gender pay gap has fallen at least slightly over the past decade or so (Chart LMF1.5.A). Japan has seen the biggest decrease – there, the gender gap in median earnings for full-time employees fell from 33% in 2006 to 25% in 2016. Most other countries with available data have seen the pay gap fall by at least a couple of percentage points since 2006, although in some (China, New Zealand and, to a lesser extent, Australia), the gap has increased since 2010.

Chart LMF1.5.A. Gender gap in median earnings of full-time employees
 Gender gap in median earnings, full-time employees, 2006, 2010, and 2016 or nearest available



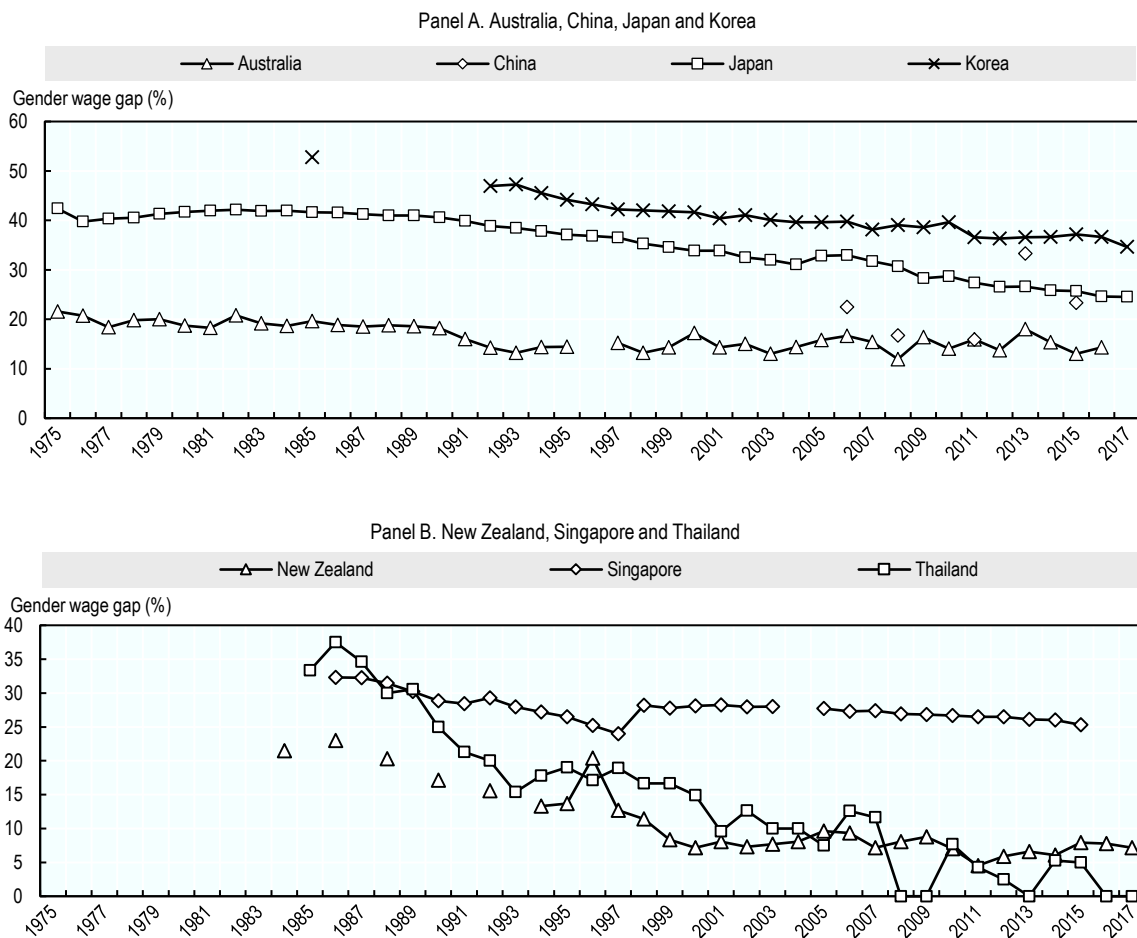
Note: The gender wage gap is unadjusted, and is calculated as the difference between the median earnings of men and of women relative to the median earnings of men. Estimates of earnings used in the calculations refer to gross earnings of full-time wage and salary workers. However, this definition may slightly vary from one country to another. For example, data for Viet Nam refer to all employees. For 2010: data for China and Indonesia refer to 2008. For 2016: data for Indonesia refer to 2014, for China and Singapore to 2015, and for Thailand to 2017.

Sources: [Australia, Japan, Korea and New Zealand: OECD Employment Database](#); China: China Social Survey; Indonesia: Indonesia Labor Force Survey; Singapore: Labour Force and the Economy; Thailand: Thailand Labour Force Survey; Viet Nam: ILO (2018) Global Wage Report 2018/19: What lies behind gender pay gaps, International Labour Office, Geneva

Other relevant indicators: LMF1.4: Employment profiles over the life-course; LMF1.6: Gender differences in employment outcomes

The gains made in gender earnings equality since the mid-2000s represent the continuation of a long-run trend towards equal pay in most of the covered Asia-Pacific countries (Chart LMF1.5.B). The length of available time series varies across countries, but, with the exception of China, all of the covered countries have smaller pay gaps now than in earlier decades. In Japan, for example, the current gender gap in median earnings for full-time employees is 18 percentage points lower than it was in 1975. In Korea, the gap has fallen by 18 percentage points since 1985. And in Thailand, the current gender gap in median earnings is as much as 33 percentage points lower than it was 1985.

Chart LMF1.5.B. Trends in the gender gap in median earnings of full-time employees, selected countries, 1975-2017



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Sources: [Australia, Japan, Korea and New Zealand: OECD Employment Database](#); China: China Social Survey; Indonesia: Indonesia Labor Force Survey; Singapore: Labour Force and the Economy; Thailand: Thailand Labour Force Survey; Viet Nam: Viet Nam Business Survey 2010.

Comparability and data issues

Data on earnings are collected through labour force surveys and household surveys. Depending on the country, the earnings data used can refer to hourly (e.g. New Zealand), weekly (e.g. Australia), or monthly (e.g. Japan, Korea, Viet Nam) earnings. Gender

differences may be slightly over-estimated where measurement is based on a gross wage because of the inclusion of taxes and social security contributions (for example, second earners – who are often women – will in some countries be subject to different tax thresholds than their first earners partners). In the same vein, trend data should be interpreted with care as the methodology of surveys across countries changes regularly, creating breaks in the series and causing “artificial” fluctuations from one year to the next.

Average earnings are measured here through the use of the median, as opposed to the mean. Use of the median to capture average earnings may affect estimates of the size of the gender gap. It is preferred here because mean averages are subject to distortion from extreme values – indeed, use of the mean often produces a wider gender pay gap, largely because in most countries men are over represented among individuals with very high earnings. It should be noted, however, that the use of the median means that the data shown here may not fully capture cross-national or temporal differences in the representation of men and women in the most lucrative positions.

For most countries, data refer to the gender gap in median earnings for full-time employees. This helps to control for gender differences in working hours and part-time employment. However, for Viet Nam, data refer to all employees, including part-time employees. Data for Japan and Korea cover *regular* full-time employees only, and do not include non-regular employees even if they work full-time.

Sources and further reading:

OECD Employment Database, <http://www.oecd.org/employment/emp/onlineoecdemploymentdatabase.htm>

OECD (2017), "The gender wage gap", in *The Pursuit of Gender Equality: An Uphill Battle*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264281318-15-en>.

ILO (2018) *Global Wage Report 2018/19: What lies behind gender pay gaps*, International Labour Office, Geneva, https://www.ilo.org/global/publications/books/WCMS_650553/lang--en/index.htm