

**EST INVITED SEMINAR 2017-2018** 



## **Abstract**

The Italian gender wage gap is lower than in other European countries, however it increased during the 2008-2012 economic crisis, while in most countries it decreased. This paper finds that the main cause of this increase is the 2010-11 public sector wage freeze, which was introduced as an austerity measure by the Italian government. We estimate the level of the gender wage gap as if the wage freeze had not been implemented, applying a counterfactual analysis. We find that the wage freeze accounts for

more than 100% of the increase of the wage gap, while other factors in sum reduced the wage gap. The paper also examines the evolution of the gap from 2004 to 2012 using the Oaxaca-Blinder decomposition and a quantile decomposition. The gender wage gap is found to be unexplained by observed characteristics. After 2010 it is particularly high in the upper part of the wage distribution, indicating the existence of a glass ceiling in addition to a sticky floor.

Thursday 15<sup>th</sup> February from 1pm to 2pm
Campus Luigi Einaudi

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