

Revisiting The Impact of Occupational Segregation on the Gender Earnings Gap in Malaysia

(Pengkajian Semula Kesan Pengasingan Pekerja ke atas Jurang Pendapatan Mengikut Jantina di Malaysia)

Siew Ching Goy
Universiti Malaysia Sarawak

Geraint Johnes
Lancaster University

ABSTRACT

More women participate in the labour force nowadays than in the past. However, they do not join the workforce as equal members. Segregation in occupational distribution and pay differentials between men and women remain pervasive. This article uses data from the Malaysian Population and Family Survey 2004 to shed light on the inequality in earnings based on the framework developed by Brown et al. (1980). The empirical results suggest that segregation per se works to the advantage of women. A surprising finding is that the intra-occupational component, which is unjustified by reference to observed characteristics, is responsible for the overall earnings gap. It is likely that the within-occupational earnings discrimination reflects hierarchical segregation. Also, a portion of the earnings gap is attributed to a sample selection effect. Our results suggest that a timely policy intervention would aim to find ways of improving the returns to characteristics earned by women in a given occupation.

Keywords: earnings; gender; Malaysia; segregation

ABSTRAK

Dewasa ini dilihat lebih ramai kaum wanita menyertai tenaga buruh berbanding dengan masa lalu. Walau bagaimanapun, mereka menyertai tenaga kerja secara tidak sama rata. Pengasingan dalam pengagihan pekerjaan dan upah yang berbeza antara pekerja lelaki dan wanita dilihat semakin meluas. Kajian ini menggunakan data daripada Tinjauan Populasi dan Keluarga di Malaysia 2004 untuk memberi penerangan tentang ketaksamaan pendapatan berdasarkan rangka kerja yang dibangunkan oleh Brown et al. (1980). Hasil kajian menunjukkan pengasingan per se memberikan kelebihan kepada wanita. Satu penemuan yang mengejutkan mendapati komponen bagi intra-pekerjaan yang mana ia dilihat sebagai tidak wajar dengan merujuk kepada ciri-ciri yang diperhatikan, bertanggungjawab ke atas jurang perbezaan yang berlaku. Kemungkinan berlaku diskriminasi pendapatan dalam pekerjaan yang menunjukkan hierarki pengasingan. Selain itu, sebahagian daripada jurang pendapatan berpunca daripada kesan pemilihan sampel. Kajian ini mencadangkan supaya campurtangan polisi yang tepat pada masanya diambil untuk mencari penyelesaian untuk meningkatkan pulangan berdasarkan ciri-ciri yang diperolehi oleh wanita dalam pekerjaan yang diberikan.

Kata kunci: pendapatan; jantina; Malaysia; pengasingan

INTRODUCTION

Gender-based earning inequalities remain a universal empirical phenomenon. Although the wage gap has decreased over time in many countries, progress is slow and reasons for its persistence remain controversial. One line of reasoning attributes it to differences in marketable characteristics that men (on the one hand) and women (on the other) bring to the labour market. Institutional factors, such as occupational segregation¹ (The forms of segregation may arise from horizontal or vertical dimensions. The horizontal segregation reflects the fact that men and women are allocated differently across

occupations while vertical segregation describes how men and women work in different status of occupations. Within an occupation, evidence indicates that men are found in high-paid jobs while women are in lower-paid jobs), by denying women entry into well paid jobs and occupations, can also contributed to women's lower wages worldwide (Treiman and Hartmann 1981; Macpherson and Hirsch 1995; Kidd and Shannon 1996). Groshen (1991) and Peterson and Morgan (1995) claim that gender inequality in earnings is mainly attributable to the tendency for women to be crowded into lower paid jobs and occupations in the US. Likewise, Chapman and Harding (1986) conclude that women in Malaysia do not earn