

Does women's employment growth increase wage inequalities between couples? The case of France between 1982 and 2014 *

Milan Bouchet-Valat

Key question

Growth in women's employment has often been presented as a factor that contributes to increasing inequalities between households due, in particular, to an alleged reinforcement of social homogeneity. Is this really the case in France as regards wage inequalities between couples, when women's employment rate has significantly increased since the 1960s and a certain increase in income inequalities between individuals and households has been witnessed since the 1960s due mainly to the strong growth in high incomes?

Methodology

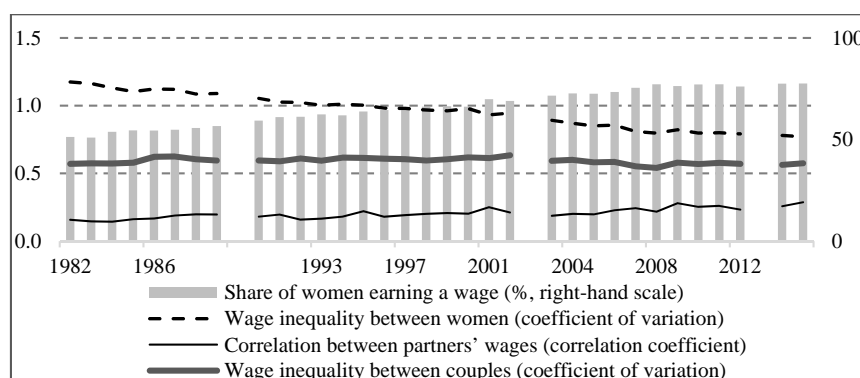
We study this question for the monthly wages of couples aged between 30 and 59, excluding the self-employed and the retired. Two methods for decomposing wage inequalities between couples are applied using data from Insee's Labour Force Surveys conducted between 1982 and 2014.

Main results

The increase in women's employment rate did not lead to any increase in wage inequalities between couples between 1982 and 2014; these inequalities even decreased slightly at the top of the distribution of couples' wages.

This overall stability is the result of opposite trends:

- The share of women earning a wage increased (from 51% in 1982 to 77% in 2014)
- Women's wages as a share of couples' total wages increased from 27% to 38%
- Wage inequalities between women (with a wage equal to zero attributed to the inactive and the unemployed) fell significantly
- The correlation of partners' wages within couples increased slightly, but this increase was limited by the almost uniform growth in women's employment, regardless of their partner's wage
- This almost uniform growth prevented an increase in wage inequalities between couples



Couples where both partners are aged between 30 and 39 and neither is independent or retired.

The unemployed and the inactive are included and are attributed a wage equal to zero. The coefficient of variation is a measure of inequality equal to zero in the case of full equality. Source: Insee, *Labour Force Surveys*, 1982-2014.

Main messages

These results contradict the idea that the growth in women's employment automatically causes an increase in inequalities between households due to social homogeneity. They should encourage to great caution when transposing results relating to the United States; contrary to this country, educational, social class and social origin homogeneity has weakened in France over the period studied. Some limits of the results presented here must be kept in mind: only monthly wages, that is a single source of income and over a short period of time, are taken into account; single-parent families and people living alone are not included in the analysis.