

Early Career Gender Wage Gaps among University Graduates in Russia

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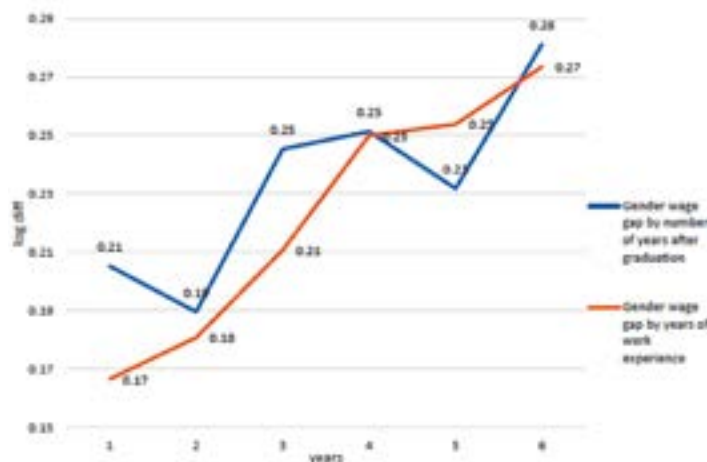
This work estimates early career gender wage gaps among university graduates in Russia, monitors their evolution and drivers. It is based on a comprehensive and nationally representative survey of university graduates, carried out by the Russian Federal State Statistics Service in 2016. Russia is an interesting case for the international literature on this topic since it combines high gender pay inequality with some of the fastest growing enrolment rates in tertiary education in the world prior to the COVID-19 pandemic, particularly among women. The study uses mean- and quantile-based decomposition techniques to study differences in gender wage gaps across the wage distribution and gives special emphasis to horizontal segregation (the unequal distribution of men and women across fields of study and industries) as a driver of such trends. The results show significant gender differences in the salaries of university graduates immediately after graduation, with differences as high as 21% and increasing throughout early career years (close to 28% six years after graduation). The results also show that women's concentration in specific fields of study and low pay industries is a major driver of such differences. Such

drivers explain close to 90% of *compositional* differences. More than half of the difference (57%), however, remains unaccounted for when considering differences in observed characteristics. On the contrary, traditional explanations of gender pay differences such as maternity, work experience, vertical segregation and long working hours are much less important, an unusual result in the literature. Estimations across the wage distribution also show, however, that gender pay gaps are much higher in highly paid jobs providing evidence, therefore, of both *sticky floors* (due to educational and first employment choices) and *glass ceilings* (due to the lower likelihood of accessing highly paid jobs) in early career years. The results of the paper have important policy implications. Above all, increasing access to tertiary education does not automatically result in a reduction of the gender wage gap if pre-market choices, influenced by norms, values and institutional discrimination are not accounted for. Policies related mainly to the elimination of gender discrimination at work or the promotion of further participation in the labour force through flexible jobs or human capital accumulation may provide insufficient to address the root causes of gender pay differences.

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FIGURE 1
Evolution of the Gender Wage Gap by Years After Graduation and Work Experience.

FIGURE 2
RIF-Decomposition Results.



Quantile	0.25	0.5	0.75
Males	9.850*** (0.0100)	10.18*** (0.0100)	10.47*** (0.0114)
Females	9.657*** (0.0170)	9.917*** (0.00797)	10.23*** (0.00941)
Difference	0.193*** (0.0132)	0.265*** (0.0128)	0.237*** (0.0148)
Explained	0.0457*** (0.00531)	0.0448*** (0.00396)	0.0414*** (0.00700)
Unexplained	0.147*** (0.0134)	0.222*** (0.0136)	0.195*** (0.0162)
Unexplained %	76.2%	81.1%	82.3%

Note(s): Robust standard errors in parentheses, ***p < 0.01, **p < 0.05, *p < 0.1