

GENDER PAY GAP AND LABOUR-MARKET INEQUALITIES IN MAURITIUS



Introduction

Despite progress in women's economic and political participation, formal employment and education attainment, a gender pay gap remains a pervasive labour-market feature across the world. More and more countries – both industrialized and developing – have passed laws mandating the equal treatment of women in the labour market, with the objective of reducing gender economic inequalities. The objective of this brief is to present an overview of the adjusted gender pay gap and labour-market inequalities in Mauritius. It uses data from Mauritius's Continuous Multi-Purpose Household Survey 2019¹ and relies on the findings of the UN Women (2023) study titled “Why Women

Earn Less: Gender Pay Gap and Labour-Market Inequalities in Mauritius.”

Mauritius has a population of approximately 1.26 million (as at 2022).² Since gaining independence in 1968, its economy has progressed significantly and is currently categorized as an upper-middle-income economy.³ Despite these advancements, achieving gender equality remains an ongoing challenge, with only 20 per cent of parliamentary seats held by women as at February 2021.⁴ Furthermore, the gender pay gap is still a pervasive labour-market feature in Mauritius.

Labour-market structure

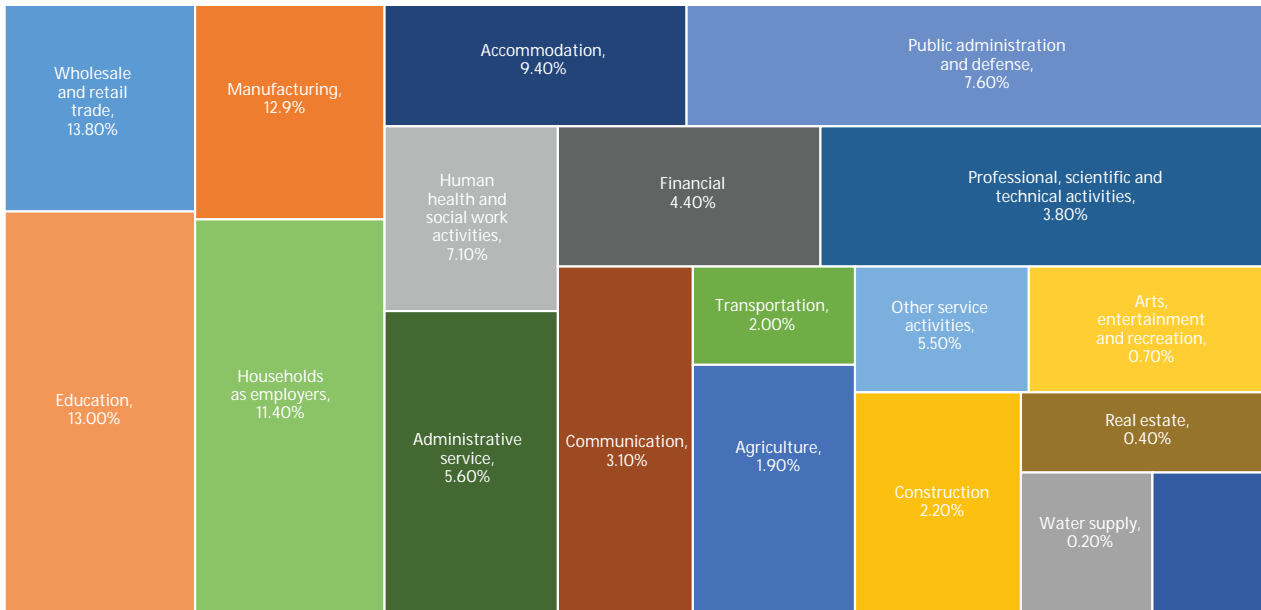
The employment rate in Mauritius is 55.2 per cent for individuals aged 15–64 years. The employment rate of women is lower (48.6 per cent) than the employment rate of men (78.0 per cent).

As shown in Figure 1, the sectors that account for most women's employment, in terms of percentage of wage employment, are wholesale and retail trade, education, manufacturing and activities of

households as employers. Many of these are care sectors (education) or sectors dominated by care workers (activities of households as employers). Figure 2 shows that traditionally “masculine” sectors such as manufacturing and construction, along with public administration and defence and wholesale and retail trade, make up the majority of men's wage employment.

Figure 1

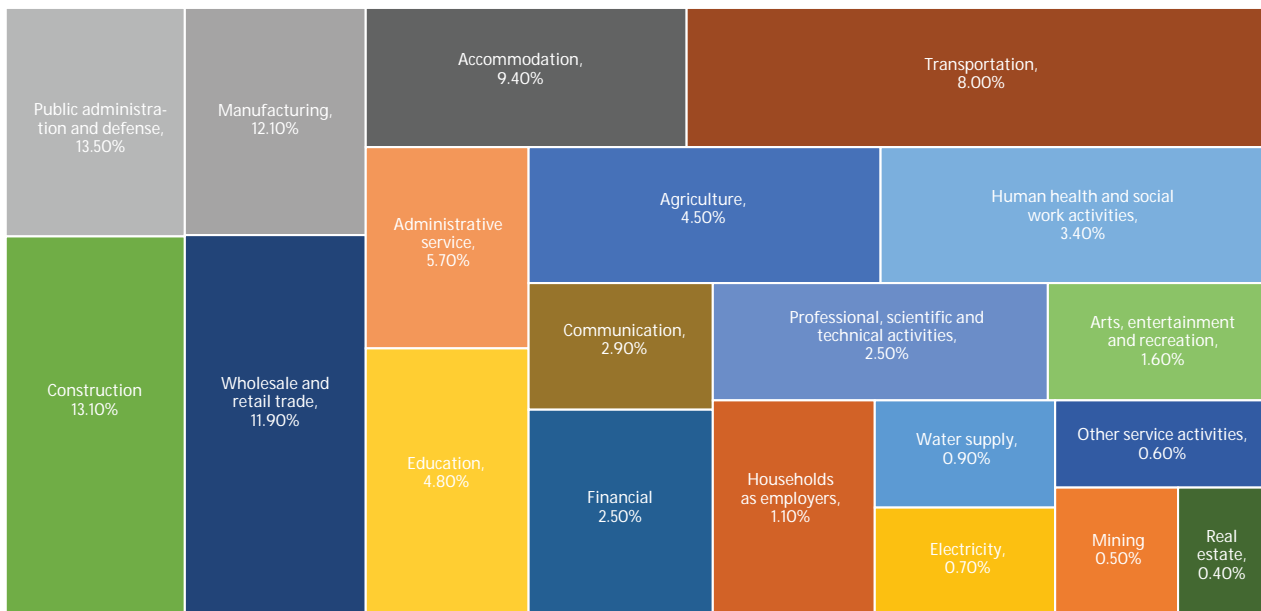
Women's share of wage employment by sector, as a percentage of women's total employment



Source: Authors' own calculations.

Figure 2

Men's share of wage employment by sector, as a percentage of men's total employment



Source: Authors' own calculations.

Table 1 shows that the occupational categories professionals, technical professionals, and services and sales workers account for a larger share of women's employment than of men's employment. Interestingly, the shares of women and men in

formal and informal wage employment do not substantially differ. However, it is important to note that the feminization of informal jobs may become apparent if data were available on contributing family members.

Table 1

Percentage of wage employment by occupation (as per the International Standard Classification of Occupations) and formality status, by gender

	Men (%)	Women (%)
Managers	3.9	2.6
Professionals	10.0	16.2
Technicians and associate professionals	11.5	12.5
Clerical support workers	7.4	15.6
Services and sales workers	19.5	21.5
Skilled agricultural, forestry and fish workers	2.9	0.6
Craft and related trades workers	19.8	3.7
Plant and machine operators and assemblers	9.7	4.1
Elementary occupations	15.3	23.3
Formality status		
Formal	56.2	59.0
Informal	43.8	41.0

Source: Authors' own calculations.

Gender pay gap

The **unadjusted or raw gender pay gap** in Mauritius is **11.3 per cent** when considered at the hourly level and **27.2 per cent** when considered at the monthly level. The monthly gap is larger than the hourly gap because women work fewer hours than men in paid employment. In fact, women work fewer hours than men in paid employment across all age groups and educational level groups. This can be attributed to various factors, including women's disproportionate responsibilities for unpaid care work, discriminatory practices prevalent in the labour market and individual preferences. For the rest of this brief, only the hourly pay gap is considered. This average pay gap hides significant heterogeneity in various characteristics.

The gap exists for all levels of education but is largest, at 27.1 per cent, for individuals with a primary-level education and smallest, at 4.2 per cent, for individuals with a tertiary-level education. The gap is larger for married individuals (19.4 per cent) than for single individuals, for whom it is almost negligible. The unadjusted gender pay gap also varies by sector and occupation. Women are generally paid less in more feminized sectors, i.e. sectors where they constitute a large or the majority share of employment. For example, women are paid



25.3%

less than men in education,



17.3%

less in the trade sector and 1



2.3%

less in the households as employers' sector. Women are paid more than men in a few sectors, including mining and quarrying, water supply and waste management, public administration, transport and construction. Construction, transport and public administration are male-dominated sectors. The gap also exists across all occupations, although its magnitude varies. The raw gender pay gap in Mauritius is mostly derived from formal jobs, with the gap being larger in the formal sector (15.8 per cent) than in the informal sector (4.3 per cent).

The findings outlined above highlights that the personal and labour-market characteristics of individuals are important determinants of the pay gap observed from the data. Women and men have different characteristics, which can explain at least a part of the difference in their pay. After

accounting for age, marital status, educational level, occupation, sector and formality status, the **adjusted gender pay gap is 15.1 per cent.** This is larger than the raw gap, which suggests that employed women have better personal and labour-market characteristics than employed men.

Decomposition of the gender pay gap

The Oaxaca–Blinder decomposition⁵ of the gender pay gap is presented in Table 2. Personal and labour-market characteristics do not have a statistically significant explanatory power in explaining the gender pay gap. The unexplained part is statistically significant and overexplains the raw gender pay gap. This suggests that factors other than observable personal and labour-mar-

ket characteristics affect the gender pay gap in Mauritius. In other words, even if men and women were to have the same observable personal and labour-market characteristics, i.e. age, marital status, educational level, occupation, sector and formality status, most of the pay gap would still exist.

Table 2

Oaxaca–Blinder decomposition of the gender pay gap in Mauritius

	Average log hourly wages
Men	4.472***
	(0.008)
Women	4.359***
	(0.010)
Difference (raw pay gap)	0.113***
	(0.013)
Explained part, i.e. explained by characteristics	-0.00087
	(0.017)
Unexplained part	0.149***
	(0.012)
Interaction of the two parts	-0.0350**
	(0.016)

Source: Authors' own calculations.

Note: *, ** and *** denote statistical significance at the 10%, 5% and 1% levels, respectively. Standard errors given in parentheses. Results robust to heteroskedasticity.

Gender pay gap by percentile

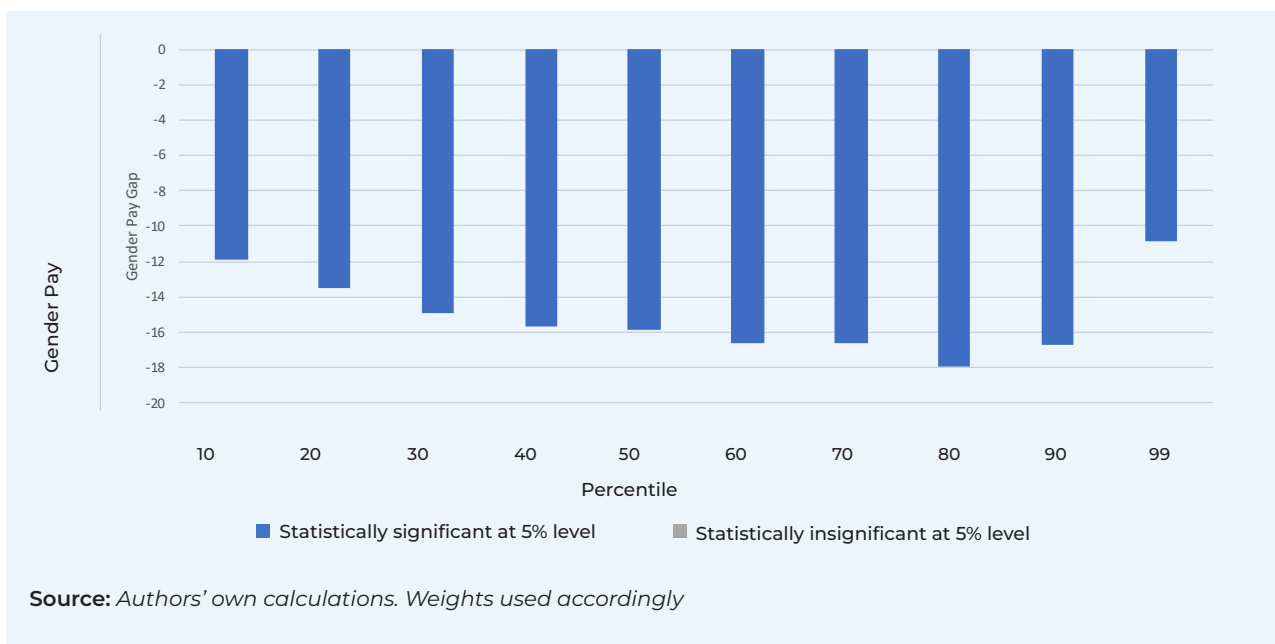
Figure 3 presents the adjusted pay gap across deciles and the top centile of the pay distribution. Such a breakdown of the gender pay gap can be used to examine the prevalence of a “sticky floor” and “glass ceiling” in the economy. A “sticky floor” refers to a labour market where individuals, typically women, in low-paying roles encounter limited job

mobility and barriers to career advancement. A “glass ceiling” refers to obstacles that hinder women from reaching top managerial and leadership positions. The gap increases in size across deciles and decreases slightly for the top percentile. There is limited evidence of a “sticky floor” because the gender pay gap is relatively small for the

lowest decile. It does, however, increase from 10.9 per cent to 17.9 per cent across the distribution, suggesting that a “glass ceiling” is present in Mauritius. A “glass ceiling” may exist for middle-

level supervisory wages (belonging to the 90–99th centiles), but less so for the top managerial and leadership positions.

Figure 3
Adjusted gender pay gap by decile and top percentile



Occupational and sectoral segregation by gender

Women and men are distributed unevenly across sectors and occupations in the economy and such horizontal segregation is a big driver of the gender pay gap. To examine this segregation further, Table 3 presents Duncan Segregation Index values for Mauritius. The overall occupational segregation value is 0.26, which shows that about

26 per cent of employed women and men would need to switch occupations for the occupational distribution of women and men to become equal. The overall sectoral segregation index value⁶ is 0.301, which suggests that about 30 per cent of women or men would need to switch sectors to achieve the same sectoral distribution.

Table 3
Horizontal gender segregation index values, by occupation and sector

	All	Educational level		
		Primary or less	Secondary	Tertiary or above
Occupation	0.255	0.390	0.305	0.227
Sector	0.306	0.438	0.347	0.261

Source: Authors' own calculations. Weights used accordingly.

Conclusion

The objective of this study was to calculate and shed light on the gender pay gap and other labour-market inequalities in Mauritius. Strikingly, there is an employment gap of 29.4 percentage points (p.p.) between women and men, with women facing lower employment rates, particularly those with lower levels of education and in the older age group. Among the employed population, women consistently work fewer hours than men. The raw gender pay gaps in Mauritius are 27.2 per cent at the monthly level and 11.3 per cent at the hourly level, highlighting differences in working hours. Unadjusted gender pay gaps are seen across all educational levels, but are widest among primary-educated individuals and narrowest among tertiary-educated individuals. In terms of marital status, the gender pay gap is notably larger among married individuals than among single individuals. After accounting for individual and labour-market characteristics, the gender pay gap increases, to give an adjusted gender pay gap of 15.1 per cent. A significant portion of the raw gender pay gap (14.9 p.p.) is not explained by personal and labour-market characteristics, indicating that unmeasured factors such as differences in motivation, bargaining power, social networks and labour-market discrimination affect the gender pay gap in Mauritius.

Closing the gender pay gap and addressing other labour-market inequalities is important for improving women's socioeconomic position and achieving social justice for more than half of the world's population. However, as this study highlights, the gender pay gap and other labour-market inequalities are complex issues influenced by

various factors, such as occupational segregation, differences in education and care responsibilities, discrimination and societal norms. Addressing these issues, therefore, requires a comprehensive approach that involves multiple stakeholders, including governments, employers, civil society organizations and individuals.

In conclusion, achieving gender pay equality and addressing labour-market inequalities require a multifaceted approach involving various stakeholders across the economy. Better data on the pay distribution, collected at frequent intervals, would enable a better understanding of the gender pay gap in the region and inform work to advocate for policies to address it. Public policy efforts to tackle the “explained” part of the gender pay gap could prioritize enhancing educational opportunities for women and girls, promoting women's participation in high-paying and traditionally “masculine” occupations and sectors, supporting women's labour force reintegration after career breaks and providing a robust social protection system. Tackling the “unexplained” part of the gender pay gap requires regulating the private sector, to ensure that equal compensation and equal opportunities are provided to women and introducing interventions to break down gendered cultural norms. Policies to recognize, reduce and redistribute women's and girls' unpaid care work responsibilities would complement all policy efforts to reduce the gender pay gap. In this way, Mauritius can unlock the full potential of its workforce, fostering socioeconomic advancement, innovation and sustainable economic growth.

References

1. This brief uses data from Mauritius's Continuous Multi-Purpose Household Survey 2019. This survey comprises 11,280 households and 37,382 individuals, of whom 25,179 individuals are of working age, i.e. between the ages of 15 and 64 years. A person is identified as employed if that person during the reference week did any work for pay, profit or family gain, even for one hour; did an activity out of a list in agriculture, crafts, housing, etc.; or was absent from work during the reference week, but the absence was not longer than three months. After cleaning the data to remove individuals who were unemployed or inactive and individuals who did not report their wages, the final sample size is 12,361.
2. World Bank (2024). "Population, Total – Mauritius." Accessed 11 January 2024. https://data.worldbank.org/indicator/SP.POP.TOTL?cid=GPD_1&locations=MU https://data.worldbank.org/indicator/SP.POP.TOTL?cid=GPD_1&locations=MU.
3. World Bank (2024). "The World Bank in Mauritius." Accessed 8 January 2024. <https://www.worldbank.org/en/country/mauritius/overview>.
4. UN Women (2024). "Mauritius." Accessed 8 January 2024. <https://data.unwomen.org/country/mauritius>.
5. Originally introduced by Kitagawa (1955). Please refer to Fortin et al. (2011) for a detailed discussion of the methodology.
6. The Duncan Segregation Index is a measure of occupational/sectoral segregation based on gender that gauges whether there is a larger than expected presence of one gender over the other in a given occupation or sector. A Duncan Segregation Index value of 0 indicates perfect gender integration within the workforce, while a value of 1 indicates complete gender segregation.