



CULTURES & CIVILISATIONS
DIALOGUE
“European Lecture Tour”



Gender Wage Differentials in Asia and Europe: An Overview of Issues and Findings

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Despite the diversities in economic development between the two regions of Asia and Europe, many economies are experiencing **steadily increasing trends of female labour force participation**. Along with this increased participation in the formal sector and the awareness of the need to empower women, has come the concept of gender as an overarching socio-cultural variable, seen in relation to other factors such as age, class and ethnicity. Gender however, is not synonymous with women, nor is it a zero-sum game implying loss for men. Rather, **gender wage equality** refers to a wage differential that only measures the extent of both men and women realising their full potential in terms of economic participation and position and is not determined by the fact of an individual having been born male or female.

Achieving gender wage equality is a slow process as it challenges one of the most deeply ingrained of all human attitudes. Despite the intense efforts of many agencies and organisations and numerous inspiring successes, the gender wage differential still persists. Internationally, on average, women typically earn only two-thirds (or approximately 67%) of male incomes. All European countries still experience this gender wage gap, despite some progress. Women in Eastern and Central Europe have wages approximately 20% lower than men. This figure is not too distinctly different from Asia where on average women's monthly earnings range from 70% to 85% of men's monthly earnings. However the gender pay disparity tends to be smaller in Asian economies such as Hong Kong and Singapore than in Japan Korea and Taiwan despite them being modern capitalised economies. One of the plausible factors contributing to the larger gender wage gap in the latter economies could be the impact of cultural influences for example. This lecture will further elaborate on identifying the various factors that impact the wage differentials in the various countries of Asia and Europe.

From a policy perspective, this lecture will enable one to determine whether the focus of policy to narrow the gender wage gap should be upon **enforcing equal pay within occupations** or **redistributing female employees between occupations**. Occupational discrimination requires policies related to pre-market entry while within-sector wage effects requires policies related to post-market entry. This issue is especially important for economies in their labour supply development. Although increasingly women have managed entries into non-traditional area of the workforce, if they are restricted in job opportunities, paid less than their male counterparts and discouraged to progress up the hierarchy of occupations then they might not invest in education and training sufficiently and that would put them particularly vulnerable to the risk of poverty. Most importantly, for the economy as a whole, there could be allocative inefficiency that under-utilises this source of human capital.

Is the size of the gender wage gap similar in Asia and Europe? What are the explained factors that determine the gender wage gap in Asia and Europe? What is the major distinction between the occupational-segregation wage differences and the within-sector wage differences? These are among the questions that Teo Siew Yeon will address during her lecture.

Profile of Speaker



Dr Teo Siew Year studied Labour Economics at the Keele University in United Kingdom for her Masters which her dissertation was written on the rate of return to schooling. She received her PhD in Economics from the Department of Economics at the University of Queensland in Australia. She wrote her thesis on Bruneian female labour market situations in terms of their earnings, wage decomposition, participation and occupational segregation.

Her main research interests are in labour economics and applied econometrics. Much of her publications have been on participation choice, earnings and rates of return to schooling comparing Brunei Darussalam with other Asian economies. Her recent research extends to issues pertinent to education and HRD, household consumption and savings, and unemployment among educated youth. She is also a resource person to a number of government projects including youth employment, transportation and communications, maximising the potential of older workforce and SMEs.

She is currently a faculty member of the Faculty of Business, Economics and Policy Studies at Universiti Brunei Darussalam where she teaches classes in Labour Economics, Public Sector Economics, Statistics and Research Methodology. She has also recently been appointed as the Coordinator of Brunei APEC Study Centre.

About the Asia-Europe Foundation

Cultures & Civilisations Dialogue Programme

Notions of a “**Clash of Civilisations**” and a **deep cultural divide** have entered the lexicon of academic and public discourse. One of the most often cited work is Samuel Huntington’s 1993 thesis on how today’s battle lines will be made along “the fault lines of civilisations” and no longer those of economics or ideology.

A counter-movement is developing towards greater understanding, to stem the so-called “rising tide” of intolerance and distrust. The most important argument arising from this examination of cultures and civilisations is that **conflict need not be inevitable**. The Asia Europe Foundation (ASEF) strives to be part of this effort.

At the 4th Asia Europe Meeting (ASEM) Summit in Copenhagen (2002), the Chairman’s statement stressed the need to promote “unity in diversity” among the various cultures represented among the 38 ASEM countries. ASEF was asked to accompany this initiative through its own “Civil Society” architecture in Asia and Europe.

In consonance with this enterprise, **the philosophy of ASEF’s Cultures & Civilisations Dialogue programme emanates from the following as the premise for dialogue: respect for the equal dignity of all civilisations; conviction that cultural diversity is an asset, not a liability; and accountability for the impact of prejudice on present and future generations.**

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