

Gender Pay Gap 2023

What does the official wage statistics say?



SWEDISH NATIONAL
MEDIATION OFFICE

Gender Pay Gap 2023

A report by the Swedish National Mediation Office

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1. The pay gap between women and men

The pay gap between women and men was 10.0 percent in 2023. The pay gap between women and men has basically remained unchanged since 2019. Women's average monthly wage in 2023 was SEK 37,800, which is 90.0 percent of men's SEK 42,000.

The latest results show that the gender pay gap was 10.0 percent, which is an increase of 0.1 percentage points compared to 2022. The sustained decrease present since 2007 appears to have stopped starting in 2019. Since then, the pay gap has only shown small variations. In a longer perspective, however, the pay gap in the economy as a whole has decreased by 6.4 percentage points between 2005 and 2022.

The pay gap either decreased or remained unchanged in several sectors in 2023, but overall it was basically the same compared to 2022. This is partly because the rate of wage growth was higher in the private sector (4.6 percent compared to 3.6 percent in the public sector) and partly because groups with larger wage differences have increased in size compared to groups where the wage differences are smaller, which increases the difference between men's and women's average wages in the economy as a whole.

Differences in pay are due to a variety of factors. If, using standard weighting, the explanatory factors available in the statistics are taken into account, there remained in 2023 an unexplained difference between the sexes of 4.8 percent.

An important explanation for why women's and men's average wages differ is that the labour market is divided by gender: women and men work to a large extent in different occupations, and these occupations have different wage levels.

1.1 The official wage statistics and the pay gap

The Swedish National Mediation Office, established in 2000, analyses wage trends from an equality perspective¹. This has been done annually since the first annual report in 2001. Since 2009, the analysis has been published in a separate report at the same time as the wage structure statistics for the entire economy are published.

The Swedish National Mediation Office is also responsible for the content and scope of the official wage statistics. The pay gap between women and men in Sweden has been analysed in the reports based on the official wage structure statistics, which are the statistics best suited for this purpose. According to the wage structure statistics for the year 2023, the number of employed men was 2,350,000 and the number of employed women was 2,266,000.

When the pay gap between women and men is analysed, the measure of monthly salary is used. In the measure, wages for part-time workers have been recalculated to correspond to wages for full-time employment, and hourly wages have been recalculated to monthly wages. In other words, the monthly wage measure is a statistical concept created to be able to make comparisons of wages between individuals. The actual wage income generated by wage labour is dependent on both wage and time worked.

The monthly salary contains several different salary components. In addition to the agreed fixed salary, fixed salary supplements and a large number of variable salary supplements are also included. The concept of basic salary includes agreed salary including fixed allowances. The monthly salary measure is a gross salary measure, that is, it is stated as salary before tax.

¹§ 4 first paragraph of the regulation (2007:912) with instructions for the Swedish National Mediation Office.

1.2 The wage difference between women and men was 10.0 percent

The pay gap is calculated as the percentage difference of the average monthly wage between women and men. The average wage is the sum of the wages in a group divided by the number of people in the group.

In 2023, men's average wage amounted to SEK 42,000 and women's average wage was SEK 37,800. The difference between the average monthly wages was SEK 4,200, which means that women's average salary amounted to 90.0 percent of men's average salary. The gender pay gap was thus 10.0 percent ($100 - 90.0 = 10.0$).

The average monthly wage is a summary measure of how salaries are distributed for men and women. Another way to illustrate the difference is to actually show what the underlying distributions look like.

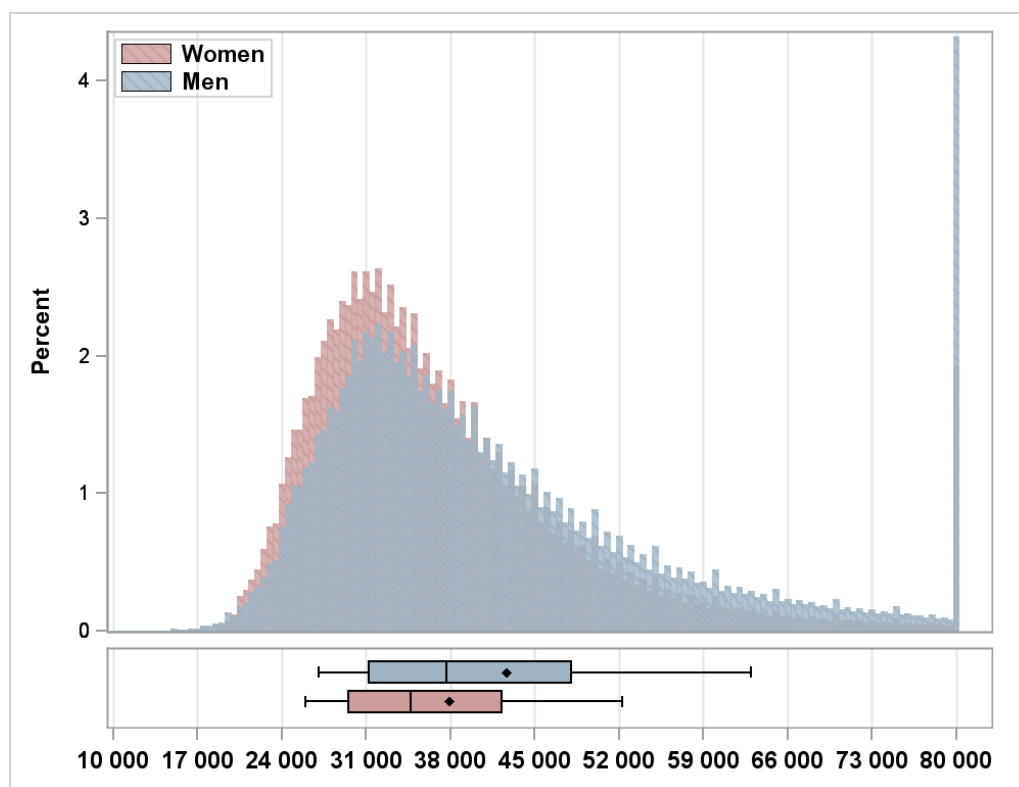
Chart 1.1 shows the distribution of monthly salary divided by gender. In order to be able to compare women's and men's salary distributions, these are superimposed on each other. The chart shows that both distributions are "skewed to the right", that is to say that it is more common to have salaries that are much higher than the most typical salaries than to have salaries that are much lower. There are differences between women's and men's distributions. Women have a higher incidence of salaries in the lower salary level between SEK 20,000 to 40,000 and men have a higher incidence of salaries in the salary level above SEK 40,000. There are also more men in the group with the highest salaries; in 2023, just over 4 percent of employed men had a monthly salary of 80,000 or more. The corresponding proportion among women was just under 2 percent.

In the lower part of chart 1.1, the respective distribution of monthly salaries is described with so-called box plots. The box plots summarise the distribution of monthly wages using six different statistical measures of how wages are distributed in the form of a rectangular box.

The boxes hold the middle half of the wage earners for each sex. The left side of the box is the value (salary) for the lower wage quartile (P25), i.e., the wage level for which 25 percent of the employees have such a wage or less. Correspondingly, the right side of the box is made up of the value for the upper salary quartile (P75).

The horizontal lines extending from the box are drawn to the 10th and 90th percentiles (P10, P90), respectively. The median salary (P50), i.e., the middle observation of monthly salary for men and women, respectively, is marked with a line through the box. The average salary is marked with the "diamond" symbol inside the box.

CHART 1.1 Distribution and box plot of monthly salary by gender, 2023
Percentage of men and women, respectively



Note: Monthly salaries equal to or higher than SEK 80,000 have been summed in the bar for this level in the chart.
Source: Swedish National Mediation Office

Although the box plots largely overlap, there are differences between women's and men's distribution of monthly wages; both the median and mean wages were lower for women compared to men. The wage dispersion was also lower among women than among men. In this case, this is reflected by the length of the horizontal lines coming out of the box.

A common way to measure the wage dispersion is to calculate the ratio between the 90th and 10th percentile (P90/P10). In 2023, the ratio was 2.31 for men and 2.06 for women. As the box plots in chart 1.1. shows, there is above all a greater spread among men.

Table 1.1 shows the average wage and the statistical measures (percentiles) used to create the box plots. A comparison of the 10th percentile, i.e., the tenth of women and men, respectively, with the lowest wages, shows that women in this group have a lower wage than men. Expressed as a percentage, women's pay in P10 was 4.3 percent lower than men's.

TABLE 1.1 Descriptive measures from the distribution of monthly salary by gender, 2023
SEK and percentages, respectively

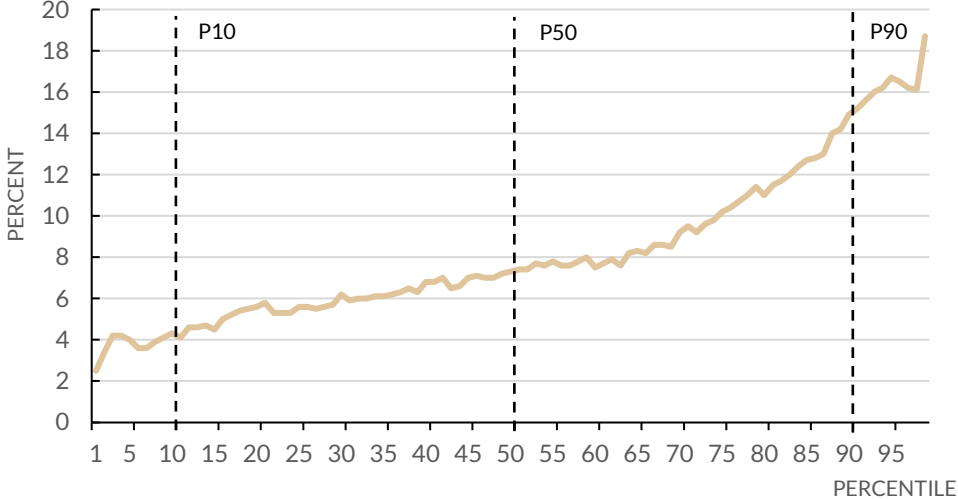
	P10	P25	Median	P75	P90	Average
Men	26 800	30 800	37 000	47 000	61 900	42 000
Women	25 600	29 000	34 300	42 200	52 700	37 800
Difference, SEK	1 200	1 700	2 700	4 800	9 200	4 200
Women's wages						
percentage of	95.7	94.4	92.7	89.8	85.1	90.0
men's wages						
Gender pay gap						
(%), unadjusted	4.3	5.6	7.3	10.2	14.9	10.0

Source: Swedish National Mediation Office

That men have a higher representation at higher wage levels means that the difference increases for different groups the higher up in the distributions these are compared. The difference between the median values amounts to SEK 2,700. Expressed as a percentage, women's median value in (%) of men's is 92.7 percent and corresponds to a difference of 7.3 percent. A comparison of the tenth of women and men who have the highest salary (90th percentile) shows that the difference there amounts to 14.9 percent.

One way to illustrate the difference between women's and men's salary distributions is to show the percentage salary difference between women and men for each percentile.

CHART 1.2 Gender pay gap by percentile in 2023



Source: Swedish National Mediation Office

Chart 1.2 shows that the pay gap increases in the distribution, that is, the higher the wage, the larger the pay gap between the sexes. The chart illustrates the phenomenon commonly known as the "glass ceiling". Part of the explanation is that there are fewer female than male managers in the Swedish labour market, above all in the private sector where the highest salary levels also occur.²

1.3 The pay gap varies both within and between sectors

The pay gap between women and men was 10.0 percent in 2023. If you compare women and men in different sectors, it appears that the variation between different sectors was large (**table 1.2**).

The pay gap was greatest among employees in the regions, where it amounted to 17.8 percent. The fact that the difference was particularly large within the regions is due to the fact that the distribution of women and men across occupations was uneven. A large proportion of the women who work in the regions are assistant nurses and nurses, while a large proportion of the few men who work there are doctors. The second largest wage difference was measured among white collar workers in the private sector, where it amounted to 14.9 percent.

The difference was smallest among employees within the municipalities, where it amounted to 1.4 percent. The second smallest wage difference – 6.0 percent – was found among employees within the Central Government.

²For an in-depth description, see *The gender pay gap 2021* (Swedish National Mediation Office).

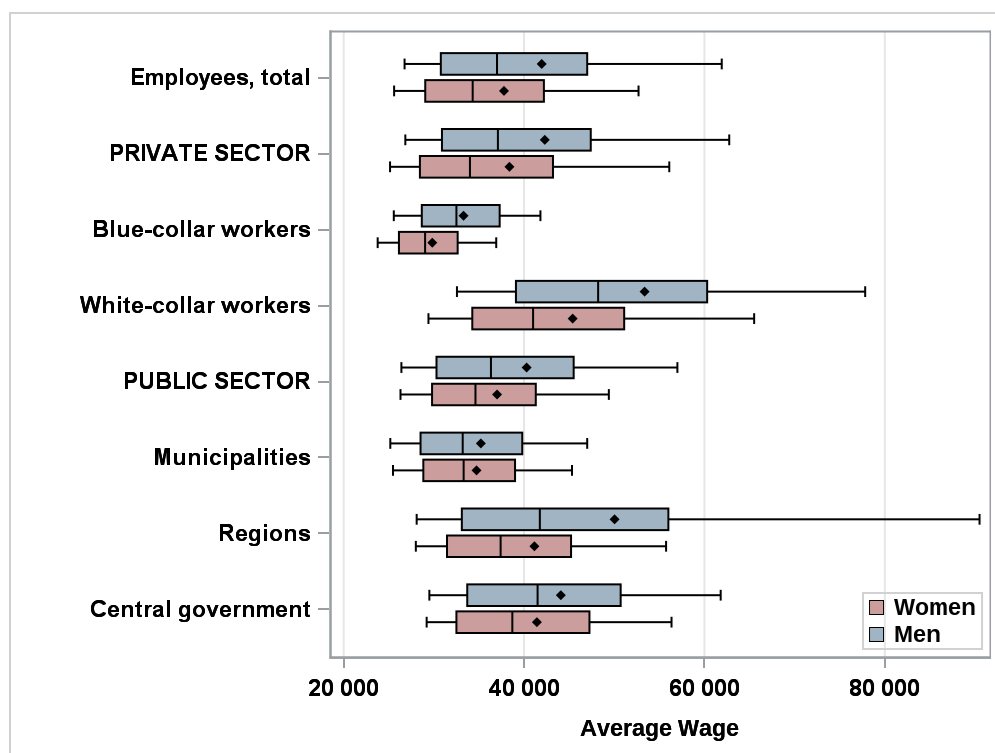
TABLE 1.2 Average wages* and women's wages as a percentage of men's wages, 2023
SEK and percentages, respectively

	Women	Men	Total	Women's share of men's wages(%)	Gender pay gap (%)
Employees, total	37 800	42 000	39 900	90.0	10.0
Private sector	38 400	42 300	40 800	90.7	9.3
Blue-collar workers	29 800	33 300	32 100	89.6	10.4
White-collar workers	45 400	53 400	49 800	85.1	14.9
Public sector	37 000	40 300	37 900	91.9	8.1
Municipalities	34 700	35 200	34 800	98.6	1.4
Regions	41 100	50 000	43 200	82.2	17.8
Central Government	41 400	44 100	42 700	94.0	6.0

*Monthly salaries are rounded to the nearest hundred.
Source: Swedish National Mediation Office

If the distribution of men's and women's monthly salaries in the various sectors is compared, it appears that there are gender differences both within and between the sectors (see **chart 1.3**). Both the wage levels of the distributions and the spread within the distributions vary. It is clear that the wage distribution for women in blue collar occupations in the private sector lies strictly to the left in the chart, indicating both that the level and spread of wages is low. Within the municipalities, the difference between women's and men's distribution of monthly salary is smaller.

CHART 1.3 Monthly salary broken down by sector and gender, 2023



Source: Swedish National Mediation Office

When comparing box plots, it is important to also consider the size of the groups. **Table 1.3** shows the number of women and men and the proportion of women in total and by sector. The table also shows a segregation index, which quantifies the degree of occupational segregation for women and men.

Table 1.3 shows that 69.8 percent of the total number of jobs are found in the private sector. In the private sector, 51.1 percent of employment was in blue-collar occupations and 48.9 percent in white-collar occupations. Of the employees, 30.2 percent were employed in the public sector.

Within the public sector, most employees were in the municipalities, at 61.9 percent. In both the regions and the central government, the proportion of employees in the public sector was 19 percent.

The table also shows that the labour market is divided by gender both at the sector and occupational level. Overall, 49.1 percent of the number of employees were women. However, the proportion of women and men is unevenly distributed between the sectors, where the proportion of women amounted to 39.4 percent in the private sector and 71.5 percent in the public sector.

The gender breakdown at the occupational level is shown in the table with a segregation index (dissimilarity index). The index shows the proportion of men, or alternatively women, who would have to change occupations in order to achieve an even distribution of occupations between the sexes. The value zero means that the distribution is completely even, that is, there are as many women as men in all occupations. The value 100 indicates a completely segregated labour market, that is, women and men work in completely different occupations.

Table 1.3 shows that the degree of occupational segregation is greatest in labour occupations in the private sector and least in the municipalities, followed by the central government.

TABLE 1.3 Number of women and men, proportion of women and occupational segregation index in 2023, by sector

Number, thousands and percentage, respectively

	Women	Men	Share of employees	Women, share of employees (%)	Dissimilarity index (occupation)
Employees, total	2 266	2 350	100.0	49.1	48.8
Private sector	1 268	1 952	69.8	39.4	47.1
Blue-collar workers	571	1 076	35.7	34.7	52.0
White-collar workers	697	876	34.1	44.3	42.0
Public sector	998	398	30.2	71.5	36.5
Municipalities	650	211	18.7	75.4	31.7
Regions	208	61	5.8	77.2	41.8
Central Government	140	125	5.8	52.9	33.3

Source: Swedish National Mediation Office

1.4 The labour market is gender segregated at the occupational level

Table 1.3 shows that the Swedish labour market is divided by gender at the occupational level. The fact that women and men work in different professions and that these have different wage levels is an important explanation for the difference in women's and men's wages. How the gender composition at the occupational level varies with the wage level and the gender gap between women and men can be shown graphically in a so-called bubble plot (**chart 1.4**).

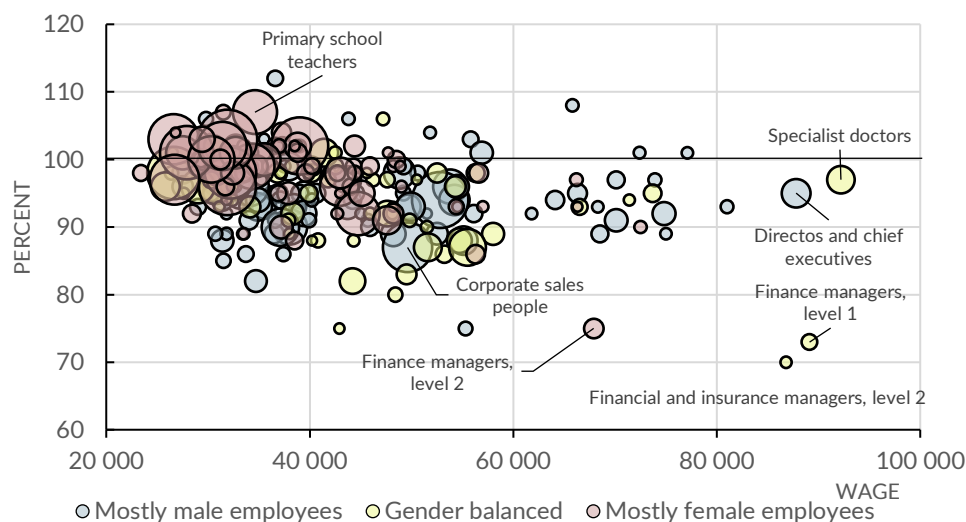
The plot is constructed by showing, for each occupation, women's wages as a percentage of men's (y-axis) against the average wage level (x-axis). Each observation (occupation) in the plot is then illustrated by a circle, the size of which represents the number of wage earners in the occupation.

Finally, the gender composition is described by the circles having different colours, depending on the proportion of men and women in the profession. Female-dominated occupations are coloured in red³, male-dominated occupations in blue and gender-neutral occupations, with a gender composition between 40 and 60 percent, in yellow.

³Female-dominated occupations are defined as occupations with more than 60 percent women.

In total, the plot contains information on 255 different occupations. Not all circles are visible in the plot because they partially overlap. For technical reasons, the x-axis with women's wages as a percentage of men's wages and the y-axis with salary level have also been limited (60 to 120 percent and SEK 20,000 to 100,000, respectively).

CHART 1.4 Women's salary as a percentage of men's, average salary, size and proportion of women for each profession, the entire economy, in 2023



Note: Not all occupations are included in the data material due to uncertainty in the estimates.
Source: Swedish National Mediation Office

Chart 1.4 shows that the majority of occupations have an average salary below SEK 40,000. The accumulation to the left of the chart makes it difficult to distinguish individual occupations, but, for example, the red circle on the far left and above the 100 line represents the occupation "primary school teacher". The average wage for this occupation was SEK 34,600 a month; the fact that the circle is slightly above the line means that women had a higher average wage than men (7 percent higher) and the number of wage earners were 65,400. To take another example, the large, blue circle below the 100 line in the middle of the chart represents corporate sales people. In that occupation, the average salary was SEK 49,600 a month; women had an average 13 percent lower salary than men and the number of employees was 82,700.

There are more red circles (occupations) at lower average wages, which means that many female-dominated occupations have lower wages than male-dominated ones.

The fact that the majority of occupations are below the 100 line means that women's wages in most occupations are on average lower than men's. It also seems that the higher the wage level, the greater the gender pay gap within the respective occupation. In other words, there seems to be a negative co-variation between women's wages as a percentage of men's and the level of average wage.

In the lower part of the chart, there are a number of different management occupations in economics, finance and banking where women's share of men's wages is relatively low.

The calculations are based solely on average wage differences. In the calculations for Chart 1.4, no consideration has therefore been given to the fact that men and women are distributed differently between sectors, nor to possible differences in company-specific factors, such as industry and company size, etc.

1.4 The gender-segregated labour market explains a large part of the pay gap

In addition to studying the difference in average wages for women and men, alternative methods can be used. These methods take into account how women and men are distributed with respect to various factors that affect pay. The size of the wage difference in such calculations depends, among other things, on which

variables have been included. The pay gap that remains after taking these variables into account, the so-called unexplained pay gap, is the pay gap that cannot be explained by available variables.

In this report two methods are used, standard weighting and regression analysis, to take into account factors that affect the calculation of the pay gap between women and men.

1.4.1 Certain factors influencing wages are missing from the statistics

The wage structure statistics contain a wealth of information about employees and their workplaces. But, of course, there are other factors besides those included in the statistics that can conceivably affect an individual's wage, such as absenteeism or different measures of individual productivity. The wages are also affected by other information that is missing from the statistics, for example, the requirements that a job sets in the form of qualifications, competence, motivation and other characteristics that employees or job seekers have.

1.4.2 Unexplained is not the same as unfounded

It is not possible to use standard weighting or regression analysis to answer the question of whether unfounded pay gaps exist. The unexplained gap is unexplained only in a statistical sense.

An unfounded pay gap is defined in this context as a difference in outcomes that is due solely to gender. In other words, an unfounded gender pay gap exists if differences in pay persist after taking into account all systematic differences in characteristics between the sexes. In practice, this is largely impossible to do because all conceivable factors cannot be captured in the statistics.

Because of this, it is difficult to determine whether differences in outcomes between women and men are due to relevant differences in characteristics – which cannot be observed in the statistics but are evident when wages are determined – or to discrimination. Standard weighting and regression analysis can therefore only show the relationship between gender and wage outcomes after taking into account differences in a number of other observable characteristics. However, they cannot show a causal relationship, that is, the analysis cannot prove that the remaining pay gap, the so-called unexplained pay gap, between the sexes is due solely to gender.⁴

Since it cannot be shown that the remaining wage difference is solely due to gender, it is also not possible to give an answer to the question of whether there is wage discrimination according to the Discrimination Act. Applying different wage terms for women and men who perform equal or equivalent work for the same employer is illegal unfair treatment but based on the official salary structure statistics, it is not possible to determine whether an occupation or job is equivalent in relation to another.

1.4.3 The wage difference was 4.8 percent after standard weighting

The standard weighting used in **table 1.4** takes into account that women and men work in different occupations and sectors, have different levels of education, different working hours and different ages. After standard weighting, women's wages increase as a percentage of men's to 95.2. This means that the remaining unexplained pay gap was 4.8 percent for the entire labour market in 2023.

⁴A causal relationship exists if it is the gender of the individual that determines the salary. That there is a correlation (connection) between gender and salary does not necessarily mean that gender determines the salary level. This connection may instead be due to other factors that the analysis did not take into account.

TABLE 1.4 Standard weighted pay gap in 2023

	Standard weighted percentage (%)	Gender pay gap, standard weighted (%)
Employees, total	95.2	4.8
Private sector	94.0	6.0
Blue-collar workers	96.0	4.0
White-collar workers	92.8	7.2
Public sector	98.1	1.9
Municipalities	99.4	0.6
Regions	96.9	3.1
Central Government	96.6	3.4

Source: Swedish National Mediation Office

After standard weighting, it is no longer the regions that have the largest difference in 2023. The largest unexplained difference, 7.2 percent, was among white collar workers in the private sector. The regions' unexplained wage difference amounted to 3.1 percent after standard weighting (which can be compared with the unweighted wage difference, which was 17.8 percent).

The unexplained difference was smallest among employees in the municipalities, 0.6 percent. Among blue collar workers in the private sector, the unexplained pay gap was 4.0 percent and within the central government 3.2 percent.

1.3.4 Regression analysis shows that differences in occupational choice explain a large part of the wage difference

Another way of trying to take into account differences in how men and women are distributed in various wage-influencing factors, for example, occupations and education levels, is to use regression analysis. With this method, one can examine the relationship between a factor (for example, gender) and an outcome variable (for example, wage) while controlling for other factors such as occupation, sector and education.

Of the various factors that have been taken into account, it is occupation that makes the single biggest contribution to explaining the pay gap between women and men. This is evident when you look at the percentage of the average salary difference that the various factors explain. When the calculation takes occupational affiliation into account, we see that the unexplained pay gap decreases significantly, to 4.3 percent.

Table 1.5 presents the results from the regression analysis for the entire labour market. The analysis is structured in different steps; information about the employee's characteristics and work is added step by step in different models. In this way, the importance of the various individual and work-related characteristics is made clear.

Model 1 reports results from a base model where gender is the only thing that affects salary. The wage difference will then be 8.5 percent. With this value as a starting point, the result of including additional factors can be interpreted.

If you control for age and level of education (**model 2**), the unexplained wage difference increases to 12.1 percent. This is due to a composition effect and to the fact that women on average have higher education.

If one also controls for occupation (**model 3**), it appears that a large part of the wage difference between women and men is explained by differences in occupational choice. The unexplained wage difference that remains when you also include occupation in the analysis is 4.3 percent. The unexplained pay gap is more than halved in almost all sectors when occupation is added to the analysis.

That the pay gap decreases compared to model 2 reflects that women tend to work in professions with a lower average salary than in those professions where men are found to a greater degree. This is also clearly seen in the bubble plot above (chart 1.4).

TABLE 1.5 Pay gap between women and men, the entire labour market in 2023
Estimates of the percentage pay gap

	Model 1*	Model 2*	Model 3*
Employees, total	-8.5	-12.1	-4.3
Private sector	-8.6	-10.6	-4.9
Blue-collar workers	-10.1	-9.1	-3.0
White-collar workers	-13.8	-14.1	-6.7
Public sector	-6.3	-6.9	-1.7
Municipalities	-0.9	-3.9	-0.7
Regions	-13.9	-13.1	-2.7
Central Government	-7.1	-6.5	-2.7

Note: Logarithmic monthly wages as dependent variable. The estimates are transformed according to $(\exp(\beta_1)-1)*100$.

All estimates significant at the 5 percent significance level.

Source: Swedish National Mediation Office

1.5 Small changes in the pay gap in recent years

Between 2022 and 2023, the unweighted pay gap between women and men increased by 0.1 percentage points. Compared to 2022, women's average wage rose by SEK 1,600 (an increase of 4.3 percent), while men's average wage increased by SEK 1,800 (an increase of 4.3 percent). The average rates of increase varied between sectors. The largest increase was among men employed in the regions where the increase was 4.9 percent. The second largest increase was among female white-collar workers in the private sector, where the average monthly wage increased by 4.7 percent. It was lowest among employees in the central government, where the increase was 3.0 percent among men and 2.6 percent among women.

The outcome for 2023 shows a slight reduction in the pay gap compared to 2022 in the private sector. Both among blue and white-collar workers in the private sector, the difference narrowed somewhat compared to the previous year. Within the public sector as a whole, the difference was unchanged compared to 2022. Within the various parts of the public sector, the differences increased somewhat among employees in the regions and in the central government.

Since the pay gap is expressed as a difference between two average values, the difference for the parts may indicate a different development than the whole. If groups where the pay differences are high increase in size compared to groups where the pay differences are low, this in itself contributes to increased pay differences in the entire economy, even if the pay differences within the groups are decreasing. The proportion employed in the private and public sectors has not changed between 2022 and 2023. However, white collar workers in the private sector made up a slightly larger proportion of the total number of employees, 34.1 percent, an increase of 0.5 percentage points compared to the previous year.

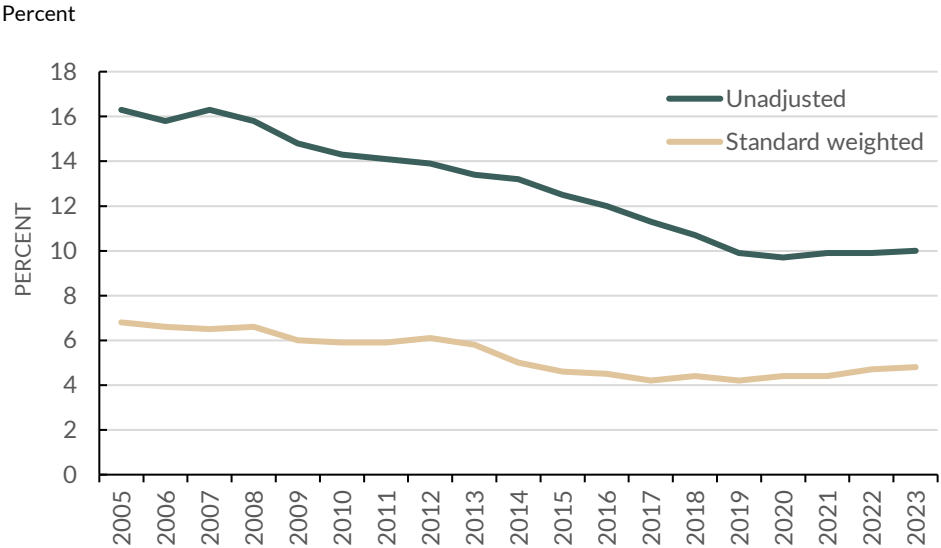
Another factor that can influence these trends is whether the rate of wage growth has been different in different sectors. This affects the ratio (relative weight) between sectors between years in the calculation of the total pay gap. An examination shows that the wage increase rate was higher in the private sector compared to the public sector (4.6 and 3.6 percent, respectively). In summary, both these circumstances contribute to a greater pay gap for the entire economy than would otherwise have been the case.

The results in recent years show that the clear reduction in the pay gap seen since 2007 has stopped (see **chart 1.5**). Overall, the pay gap has changed only marginally since 2019. The subsequent years have been marked by a turbulent situation on the labour market, where the pandemic and its aftermath led to changes in the composition within certain parts of the labour market. What role these have played in halting the reduction in the pay gap is difficult to estimate.

Chart 1.5 shows the development of the unweighted and the standard weighted pay gap from 2005 to the year 2023 in the entire economy. During that period, women's average wages has risen by SEK 15,700 or 71.0 percent, which corresponds to an average annual increase of 3.9 percent. The men's average wage increased during the same period by SEK 15,600 or 59.1 percent. This corresponds to an average annual increase of 3.3 percent.

The unexplained pay gap after standard weighting (that is, when you have corrected for differences in occupation, sector, education, age and whether the person works part-time) amounted to 4.8 percent in 2023. Although the changes have been small in recent years, the unexplained pay gap after standard weighting reduced over a longer period of time. Between 2005 and 2023, the reduction among all employees was 2.0 percentage points.

CHART 1.5 Unweighted and standard weighted pay gap between women and men 2005–2023

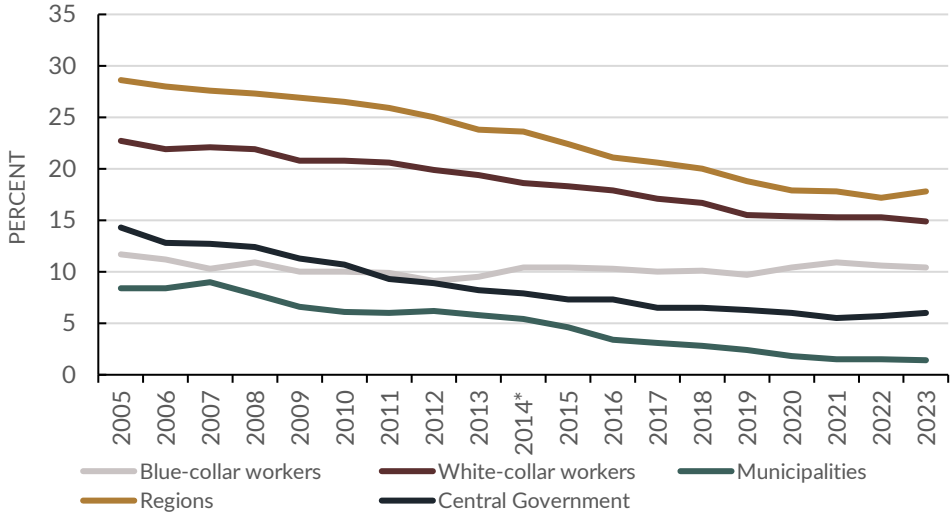


Source: Swedish National Mediation Office

Although the pay gap in the economy as a whole increased by 0.1 percentage points between 2022 and 2023, it decreased in the private sector and was unchanged for the public sector as a whole. In the public sector, the unweighted pay gap continued to decrease slightly among employees in municipalities, while it increased among employees in the regions and the state.

Viewed over the entire period from 2005 to 2023, the change has been greatest in the regions where women's wages have grown closer men's wages by 10.8 percentage points. The second largest decrease has been among employees in the central government, where the pay gap has decreased by 8.3 percentage points.

CHART 1.6 Unweighted pay gap between women and men 2005–2023 by sector

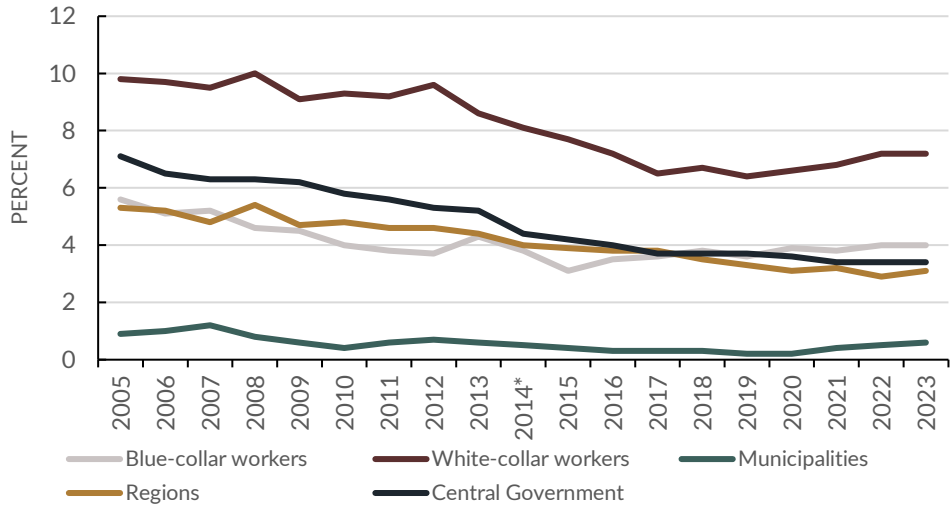


*Not comparable with years before 2014 due to changed classification of personnel category.
 Source: Swedish National Mediation Office

Chart 1.7 shows the percentage wage difference between women and men after standard weighting during the period 2005 – 2023. Divided by sector, the change during the period was greatest among government employees, where the unexplained wage difference decreased by 3.7 percentage points.⁵

However, it is important to remember that comparisons of how the pay gap has changed over time, especially from one year to the next, must be done with great care. In addition to effects of, for example, changes in the selection of the companies included in the wage structure statistics and revisions of control variables, the calculated wage difference can be affected by the design of collective agreements and whether the contractual wage increases have had time to be paid at the time of measurement. The change in the composition of the workforce is another factor that can affect the development of the pay gap over time.⁶

CHART 1.7 Pay gap (standard weighted) between women and men 2005–2023 by sector



*Not comparable with years before 2014 due to changed classification of personnel category.
 Source: Swedish National Mediation Office

⁵The parties in the labor market can report other levels of the wage difference. This may be due, among other things, to the fact that they study other samples or have more detailed information.
⁶For an in-depth discussion, see section 2.2 of "Löneskillnaden mellan kvinnor och män 2009" (Medlingsinstitutet).

1.5.1 Reduced gender segregation

The labour market is divided by gender so that women and men are largely found in different occupations with different wage levels. One explanation for the decreasing pay gap could be that this division is decreasing. **Chart 1.8** illustrates the change from the year 2014 to 2023. In the chart, the percentage of women is plotted for each occupation and year, where the x-axis indicates the percentage of women in 2014 and the y-axis the percentage of women in 2023. In the chart, there is an auxiliary line with a slope of 45 degrees. With its help, one can determine whether the proportion of women increased or decreased between the two years. A circle lying on the line shows that the proportion is unchanged. Above the line, the proportion of women has increased, and below the line it has decreased. The gender composition of the occupations is shown with different colours. Occupations in red have more than 60 percent women, occupations in blue more than 60 percent men and occupations in grey have a gender-neutral distribution. The size of the circles indicates the number of employees in the occupation. The shading shows the range for gender-neutral occupations.

The chart shows that the proportion of women has increased in male-dominated occupations and decreased in female-dominated occupations, so that occupational segregation has decreased. The proportion of women has increased in 71 out of 95 male-dominated occupations and decreased in 43 out of 70 female-dominated occupations. In 29 out of 51 gender-balanced professions, the proportion of women has also increased. Since male-dominated occupations often have a higher wage situation, this is one of the explanations for the reduction in the unweighted pay gap between women and men.

CHART 1.8 The proportion of women in 2014 and 2023 for each profession and the number of employees in the profession in 2023 divided by gender composition

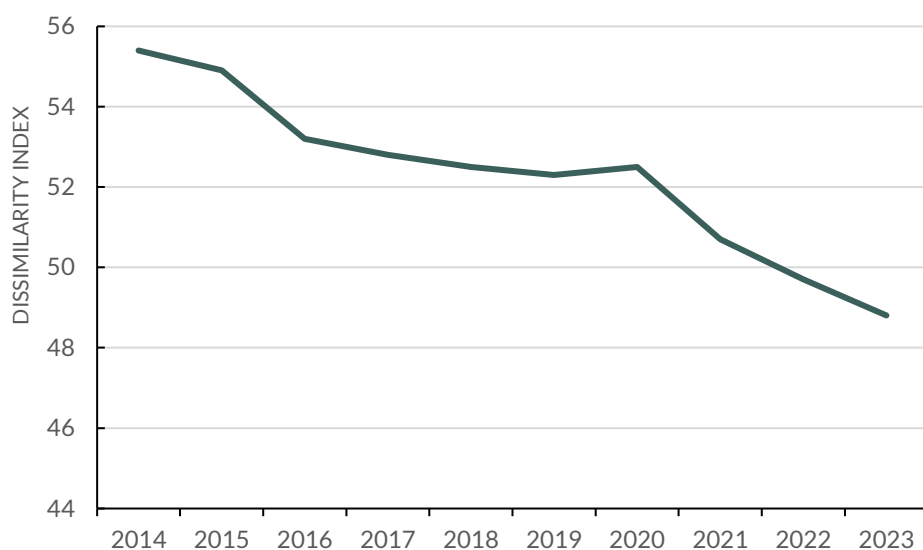


Note: Only occupations with more than 3,000 employees are included.
Source: Swedish National Mediation Office

To analyse the change in occupational segregation over time, the change in the Dissimilarity Index between 2014 and 2023 is reported in **chart 1.9**. In 2014, the value of this index was 55.4. This should be understood as the proportion of women or men who need to change professions so that the distribution within the profession reflects the distribution for all employees.

Throughout the period 2014 to 2023, the index value has decreased, with the exception of the period between 2019 and 2020. The last three outcomes have shown a continued clear reduction in occupational segregation.

CHART 1.9 Occupational segregation index, change from 2014 to 2023, entire economy



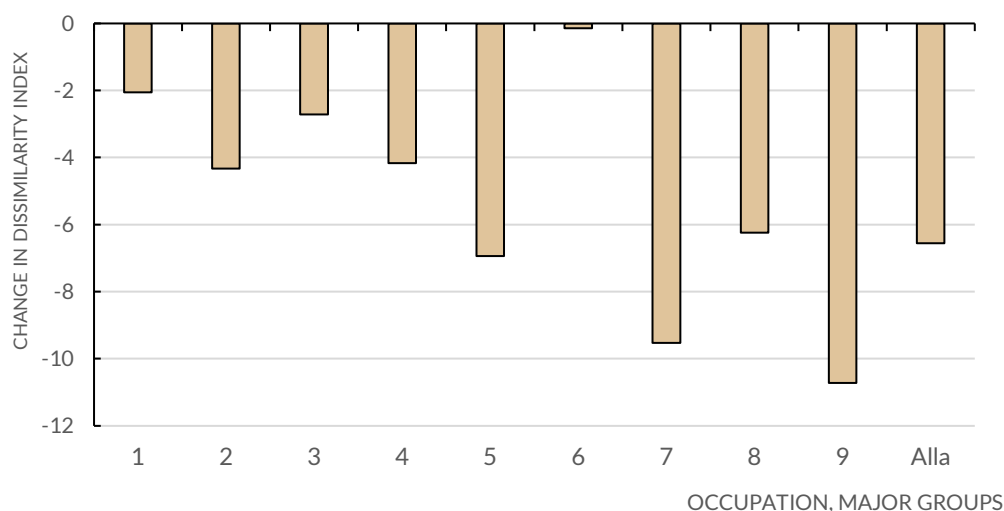
Source: Swedish National Mediation Office

For a more detailed analysis, it is possible to show the development broken down by professional area. It should be pointed out that the interpretation of the results should be done with caution as the measure only reflects the difference between the gender distribution at the occupational level and the distribution at the overall level at any given time.

Chart 1.10 shows that occupational segregation has decreased in all occupational areas, even if the size varies. The biggest decrease was in occupational area 9 - Occupations with requirements for shorter training or introduction and occupational area 7 - Occupations in construction and manufacturing.

Within professional area 1 management work, the reduction was 2 percentage points, and it is, with the exception of professional area 6, the group of occupations where the reduction of gender segregation has been the slowest during the period.

CHART 1.10 Occupational segregation index by occupation, change 2014 to 2023, whole economy



Note: Occupational area 1: Manager occupations contain 57 different occupations. Occupational area 2: occupations with requirements for in-depth university competence contain 113 different occupations. Occupational area 3: occupations with requirements for university qualifications or the equivalent contain 68 different occupations. Occupational area 4: occupations in administration and customer service contain 22 different occupations.

Source: Swedish National Mediation Office

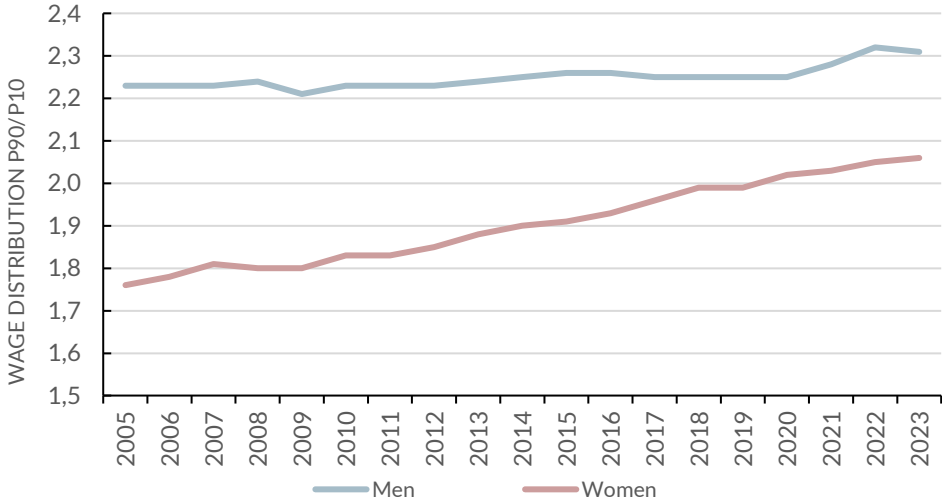
Previous reports by the Swedish National Mediation Office have shown that the proportion of women in occupational groups with higher salary levels has increased over time⁷. For example, there is a clear trend with more and more women being managers. Looking at the economy as a whole, women in managerial occupations have increased from 32.9 percent in 2008 to 41.8 in 2023, an increase of 8.9 percentage points. A development that is reflected in the increased wage dispersion among women.

During the period 2005 to 2023, the spread of wages has increased more among women than men, as can be seen from **chart 1.11**. The wage dispersion has been calculated by dividing the wage in the 90th percentile by the wage in the 10th percentile. ⁸A ratio of two then means that the ten percent who have the highest wage earn at least twice as much as the ten percent who have the lowest wage.

That the wage dispersion increased more among women during the period can partly be explained by the fact that women are to a greater extent found in occupations with relatively higher wages.

The results for 2023 showed a slight reduction in the wage dispersion among men, while it increased slightly among women. This means that the difference between women's and men's wage dispersion decreased slightly after increasing in 2021 and 2022.

CHART 1.11 Wage dispersion for women and men 2005–2023



Source: Swedish National Mediation Office

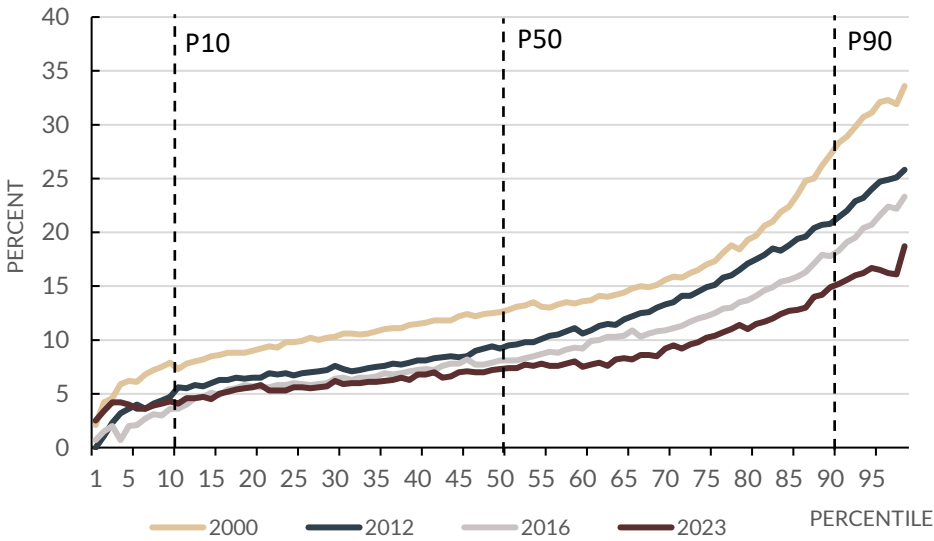
1.5.2 Reduced difference between women's and men's wage distributions

Chart 1.12 illustrates the difference between women's and men's wage distributions for the years 2000, 2012, 2016 and 2023. The chart indicates the wage difference, in percent, between women and men for each percentile of the wage distribution. The pay gap increases along the distribution, i.e., the higher the wage, the larger the average difference between the sexes.

⁷See the in-depth section in *The gender pay gap 2021* (Swedish National Mediation Office).

⁸The 10th percentile is the salary where 10 percent of the employees have a lower salary and 90 percent have a higher salary. The 90th percentile is the salary where 90 percent of the employees have a lower salary and 10 percent have a higher salary.

CHART1.12 Pay gap by percentile, in 2000, 2012, 2016 and 2023



Source: Swedish National Mediation Office

The wage differences decrease from year to year in almost all percentiles. The reduction is greatest among those with higher wages. This can be explained, for example, by the fact that the proportion of female managers has increased. The difference between men's and women's median wage, i.e., the 50th percentile, was 7.3 percent in 2023. Since the year 2000, this difference has decreased by 5.3 percentage points. In the 90th percentile, the pay gap was 14.9 percent, a decrease of 12.3 percentage points since 2000. The corresponding decrease for the 95th percentile was 14.4 percentage points.



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