Wage Discrimination on the
Turkish labor market

Can Turkey be part of Europe ?

Elisabeth Cudeville¹ et Leman Yonca Gurbuzer²

January 2007

Incomplete Version

Abstract: While the topic of gender equality turns out to be an important element in the preparation of Turkey to join the European Union, very little empirical research on this issue has been done using Turkish data. This paper aims to contribute toward filling this gap. We propose an estimate of the gender wage gap in Turkey, and different decompositions are examined to isolate the contribution of discrimination to the gender wage differential. The analysis is completed with a Heckman’s two-steps procedure to correct for selectivity bias. The data set used is the 2003 Household Budget. One of the main objective of this paper was to obtain measurements of wage discrimination in Turkey comparable with the ones traditionnally proposed in the literature so that to be able to situate Turkey in the range of the EU countries. The results are that the gender wage gap in Turkey for the salaried population amounts to 34.2% in favour of men and that around half of it may be attributed to discrimination. Turkey happens to do better than most of the Southern European countries in terms of wage discrimination.

Keywords: discrimination, gender wage gap decomposition, Turkey

JEL Codes: J16, J71, J82

¹ TEAM, Université Paris I Panthéon-Sorbonne. E-mail : elisabeth.cudeville@univ-paris1.fr

² Université Paris I Panthéon-Sorbonne. E-mail : Leman.Yonca.Gurbuzer@malix.univ-paris1.fr