



- Occupational segregation by gender refers to the inequality in the distribution of women and men across different occupational categories.
- Occupational segregation is an important dimension to gender inequality in the labour market.
- Segregation also has important implications for the gender pay gap, as well as opportunities for advancement in the labour market.
- Understanding the causes and consequences of occupational segregation is crucial to the formulation of labour market policies.

Different theories

Neoclassical economic explanations of occupational segregation include:

- human capital theory; and
- theories of discrimination.

Human capital

- Refers to the ‘investment by people in skills linked to productive capability’.
- Refers to the ‘stock of skills and knowledge embodied in the ability to perform labour’.
- Skills and knowledge gained by a worker through education and experience.
- Skills, dexterity (physical, intellectual, psychological) and judgement.

Human capital theory has many embedded assumptions which make it unacceptable to those seeking to explain gender differences in the labour market and in pay.

Human capital theory focuses on the ‘supply side’ of the labour market. This theory explains segregation as a result of decisions made by women in that they choose to take up different opportunities in education and training. Women are assumed to make different human capital investment decisions mainly because of their expected intermittent labour market participation. Under this assumption, that women’s participation in the labour market is not continuous and that the skills acquired through the human capital investment will depreciate during periods when women are out of the labour force, women will chose to invest in skills for which the depreciation value is low. Therefore, women end up in the lowest paid and lowest skilled jobs.

Theories of discrimination

Theories of **labour market discrimination** focus on the demand side of the labour market. This theory relies on the assumption that employers will discriminate (for a number of reasons) and therefore, women will simply not be hired, and find it difficult to break into such occupations. Segregation will therefore develop.

Statistical discrimination is used as a means of explaining occupational segregation. According to this theory, employers make decisions based on 'imperfect information' about the likely productivity of certain workers. There are costs associated with hiring and training workers and employers will only invest in these workers if they can be guaranteed to a certain extent that they will get returns for that investment. If women are assumed to be more of a risk (less committed due to caring responsibilities, likely to leave and have children) then they will not be hired by these employers.

Feminist economic theory would argue that:

- human capital theory does not take into account discrimination (at the point of entry) and also broader societal influences that determine what occupational choices are most 'suitable' for women;
- discrimination theory assumes such actions as simply given and it is based on a neo-classical economic approach of 'fixed preferences' which do not allow for any analysis of the motivations for or sources of discriminatory behaviour;
- statistical discrimination theory is also criticised as it tends to legitimise discrimination by employers as a rational behaviour in response to reducing costs and increasing productivity.

A Feminist approach?

Labour markets cannot be viewed in isolation from the rest of society. Occupational segregation is explained by 'segmented labour market theory' in part as a result of employers' assignment of workers to jobs on the basis of gender stereotypes, assumptions and discrimination. Segregation does not occur purely as a result of choices made by women or men.

Segmented labour market theories also explain occupational segregation as a result of the larger social context in which labour markets operate, and see labour markets as subject to the same 'rules' (cultural norms) as the rest of society – where discrimination is allowed to develop.

The '**relative attractiveness**' model of segregation approach argues that segregation occurs because men have the first choice of occupations that are relatively attractive (in terms of compensations, working conditions, status, etc.) and those that are less attractive are left for women to occupy. According to this theory, men have the choice as a result of the position of power they

have in society. Occupational distribution is not determined by supply and demand but also by how these choices are made by men and therefore constrain women. Changes in the 'gender label' of the job will only occur if the job then becomes less attractive to men in some way.

Reskin and Roos¹ describe occupational segregation, and changes in the occupational distribution of women and men over time, as a result of a 'dual queuing' process. The two queues are a job queue (where different jobs are ranked by workers), and a workers queue (where workers are ranked by employers). The distribution of women and men across occupations will be determined by the way in which the workers queue is matched into the job queue. Employers want those best skilled and qualified at the front of the queue as they don't want to go too far down to seek workers.

This theory suggests that women are placed at the back of the queue for a variety of reasons – stereotypical expectations, discrimination – and therefore occupational segregation develops.

According to this theory, occupational segregation will change over time. For example, particular sectors might experience growth; there may be a change in the gender composition of the labour force, a change in the nature of some sectors, etc. This theory links labour markets and societal changes as a whole, in order to explain some of the reasons for occupational segregation.

1. Reskin, B. and
Roos, P. (1990)
*Job Queues,
Gender Queues:
Explaining
women's inroads
into male
occupations.*