



## Findings

The gap between female and male average wages may be as much as 30% in Myanmar.

There is strong sectoral and occupational gender segregation in the urban labor market.

The sectoral segregation accounts for about 25% of the wage gap.

The occupational segregation cannot explain the gap as it alone points to higher female wages compared to male wages.

The statistical analysis of the gender wage differences therefore points to discrimination as the main explanation of the large gap.

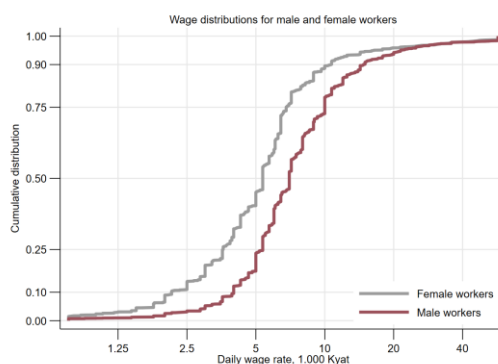
For more, see the DERG working paper 05-2020: "The gender wage gap in Myanmar: Adding insult to injury?"

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# Female waged workers are paid much less than male workers despite the equal payment guarantee in the Constitution of Myanmar

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Article 350 of the Constitution of Myanmar guarantees gender equality and progress has been made in many areas in recent years. The improvements have given rise to a view that gender equality is not a matter of concern in Myanmar. This view is challenged in reports both by national and international organizations. Moreover, recent large-scale surveys of workers, households and enterprises all point to gender inequalities and substantial differences in wages for female and male workers.



The figure shows the distribution of wages for female and male workers in urban areas in Myanmar in 2017. It demonstrates how female workers have substantially lower wages compared to male workers. As a simple illustration, almost 50% of the female workers are paid less than 5,000 Kyat per day. In contrast, only 25% of the male workers are receiving such low wages. This should be seen in the context of a national minimum wage of 4,800 Kyat per day. At the top of the scale, only 10% of the female workers are paid 10,000 Kyat or more while 25% of the male workers earn such wages. Thus, the gap between female and male wages is substantial both at the bottom and at the top.

Two explanations for the wage gap, found in other countries, are gender segregation into different sectors and into different occupations. In Myanmar, the segregation into different sectors is significant and on par with findings in other countries. Occupational segregation is likewise important—but the gender differences in occupations point to higher female wages compared to male wages. Thus, the two segregation effects are running in opposite directions and at present, the sum is close to zero. Unfortunately, if Myanmar converges towards the structure in many other East Asian countries regarding occupational effects, we can expect an increasing gender wage gap.

Within sectors and occupations, we find that female workers have a lower start wage and their wages increase less with experience compared to male workers. Overall, our statistical analyses points to discrimination—or social norms—as the main reason for the wage gap.

## Policy recommendation

Our results illustrate how gender equality must be transformed from being viewed as a marginal area in the development process in Myanmar to a central theme in which gender inequality is recognised as an impediment to inclusive growth. Equal opportunities in the labour market are important because they influence many household decisions. A necessary step towards increased equality is to pay women the same salaries as that received by men in respect of similar work, as stated in the Constitution.