Stockholm School of Economics Department of Economics 659 Degree project in economics Spring 2020

Gender and immigrant wage differences among Swedish real estate brokers: controlling the wage gaps for actual performance

Axel Skorup Averås (24112) and Olof Tydén (24091)

Abstract: We employ a Blinder-Oaxaca decomposition to investigate the gender and immigrant wage gaps for Swedish real estate brokers. In addition to customary controls for human capital endowments and family variables, we include measures of actual, on-the-job performance. Our purpose is twofold. Firstly, we want to give estimates of the Swedish gender and immigrant wage gaps and secondly, we want to study how controlling for actual performance affects the unexplained part of the wage gap. We find a significant raw gender wage gap of 17.5%, and ambiguous, non-significant results for the immigrant wage gap. We find no significant indications that adding performance variables would affect the unexplained wage gap in either direction.

Keywords: Labor discrimination, wage differentials, gender, immigrant status, performance pay, real estate.

JEL: J31, J71

Supervisor:	Andreea Enache
Date submitted:	May 12, 2020
Date examined:	May 19, 2020
Discussants:	Marcus Hagman and Samuel Repfennig
Examiner:	Johanna Wallenius