

Labour Market analysis methodology info (component 1)

Gender based educational and occupational segregation in four CCB countries is estimated using the Labor Force surveys of the following years Bahamas (2006-2014), Barbados (2004-2016), Jamaica (2002-2016) and Trinidad and Tobago (1991-2016). For Trinidad and Tobago, we additionally estimate race based educational and occupational segregation between the two major ethnic groups: African origin and Indian origin. Segregation is measured by the Duncan Index, Karmel Maclachlan index and Gini coefficient following the approach taken by Borghans and Groot (1999) to provide insights on the impact that educational segregation has on subsequent occupational segregation. Changes in segregation over time are subsequently decomposed using the Shapley decomposition technique developed by Deutsch, Flückinger and Silber (2009). This analysis is complemented by an analysis of female intensity of different occupations using the approaches known as I) Flückinger & Silber approach, (II) marginal matching approach; and (III) Oppenheimer approach. Besides, we predict male occupations using a multinomial logit approach and can from this derive the counterfactual occupations for women given their characteristics if they had been men instead and observe changes over time and by age groups.

Using the same datasets (with few adjustments on the years based on variable availabilities) we also provide general labor market statistics and estimate returns to education and wage gaps by gender and race for all previously indicated four CCB countries. This analysis estimates standard earnings equations as developed by Mincer (1974) and from these calculates wage gaps at the mean as well as disaggregated wage gaps by educational level and occupational category. Using a variation of the Heckman selection correction model developed by Bourgingnon (2007) we can additionally impute wages for those employed respondents with missing wage information using a multinomial logit. In addition, we distinguish between wage gaps observed in the private versus the public sector and determine the heterogeneous impact of other factors. Moreover, the Brown, Moon Zoloth (1980) methodology is applied to estimate the impact of occupational segregation on the mean wage gap. Using Oaxaca and Blinder (1973) technique we further decompose the wage gap into explained and unexplained factors. Finally, we investigate the heterogeneity of particular wage gaps along the income distribution using quantile regressions developed by Koenker and Bassett (1978). These wage gaps along the income distribution are then further decomposed using the techniques proposed by Machada and Mata (2005), Melly (2005, 2006) and Firpo, Fortin and Lemieux (2009).

Finally, exploiting rich race information available for Trinidad and Tobago, we extend the race based wage gap analysis by adding sections analyzing the impact that changes in the party in power at the national government which is associated to one or the other main ethnic groups has on wage gaps along racial lines. In the light of the country's colonial history, the race based segregation and wage gap analysis for Trinidad and Tobago aims at estimating the evolution of the existence of potential remaining differences between African and Indian origin Trinidadians and Tobagonians and the extent of these over a

period between 1999-2015. Segregation is measured in terms of highest educational levels, occupational categories and industries. Wage gaps are measured at the mean and over the wage income distribution. Regarding the methodology, the analysis follows standard methodologies used in the academic literature, consisting of the estimation of segregation indices, earnings equations and quantile regression and decomposition techniques.

This analysis will provide rigorous empirical evidence on a topic that has in Trinidad and Tobago mostly received anecdotal publicity and moreover lacks wider academic empirical evidence from developing countries. Race based segregation and wage gaps are topics of particular ongoing interest to policy makers and the government in Trinidad and Tobago and academics more widely and highly policy relevant. The analysis will be conducted in a strictly academic manner intended for publication in an academic journal its language will be objectively descriptive.

