IMSEE Monaco Statistics

Measuring the gender pay gap
in the private sector and the Civil service in Monaco in 2024

Avec la participation du Gouvernement Princier
PRINCIPAUTÉ DE MONACO

COMITÉ DROITS DES FEMMES
PRINCIPAUTÉ DE MONACO

SOMMAIRE

Introduction

This study on measuring the gender pay gap follows on from an initial report based on 2019 data, which was compiled and published by IMSEE (Monaco Statistics) in 2022.

The methodological principles established at that time have been retained for this edition, which provides an overview of the situation as of 2024 and looks back over the recent period.

For this work, IMSEE mainly relied on information provided by the Caisses sociales de Monaco regarding the private-sector employees, supplemented by an analysis of Civil service pay indices, carried out using data from the Human Resources and Training Department.

In response to the recommendations from international bodies, the Principality of Monaco established in 2018 a Committee for the Promotion and Protection of Women's Rights. Its missions are to ensure the coordination, implementation, monitoring and evaluation of national policies and measures aimed at promoting equality between women and men, as well as combating violence and discrimination against them.

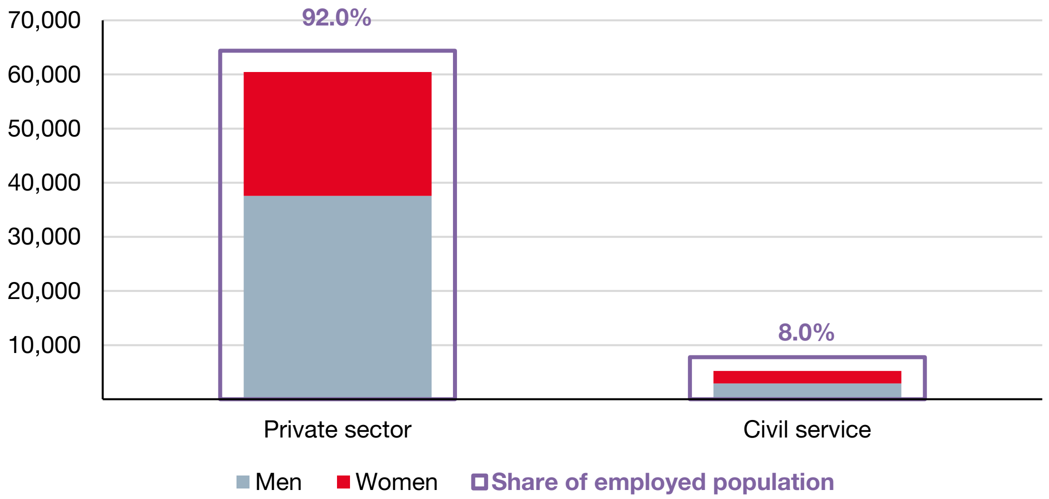
Following the introduction of the Committee, the Minister of State commissioned IMSEE for conducting a study on gender-based pay inequalities, both in the private sector and the Civil service. As part of this initial study on measuring the gender pay gap, IMSEE focused on developing a robust methodology allowing for an "all other things being equal" analysis, in order to take into account Monaco's specific context and the structure of its employed population.

1. Overview of Monaco's employed population gender distribution

The Principality of Monaco has many specific geographical, demographic, and economic characteristics, which have a direct impact on its labour market.

The public sector, for example, represents a very small share of Monaco's workforce. In 2024, 92.0% of all employees work in the private sector, compared with 8.0% in the Civil service (Figure 1). Therefore, the gender distribution observed in the private sector reflects, to a large extent, that of the entire employed population.

Figure 1. Distribution of the employed population by sector and gender in 2024



Sources: Human Resources and Training Department, Caisses sociales de Monaco, Monaco Statistics

Due to a private-sector workforce that is composed of 62.1% men and 37.9% women at the end of 2024, the Principality's overall employed population is male-dominated (Table 1). With women accounting for 44.0% of its staff, the Civil service shows a more gender-balanced distribution.

Two categories of workers stand out for their opposite gender breakdown in the private sector. Temporary work, on the one hand, is overwhelmingly masculine: in 2024, almost 90% of employees in temporary activities are men. On the other hand, the household staff (or "domestic personnel") are made up of nearly three-quarters women.

Table 1. Distribution of the employed population by sector and gender in 2024

	Men	Women	Total	Share of men	Share of women
Private sector	37,568	22,887	60,454	62.1%	37.9%
of which temporary work	*6,843*	*964*	*7,808*	*87.6%*	*12.4%*
of which household staff	*703*	*2,051*	*2,754*	*25.5%*	*74.5%*
Civil service	2,924	2,302	5,226	56.0%	44.0%
TOTAL	**40,492**	**25,189**	**65,680**	**61.6%**	**38.4%**

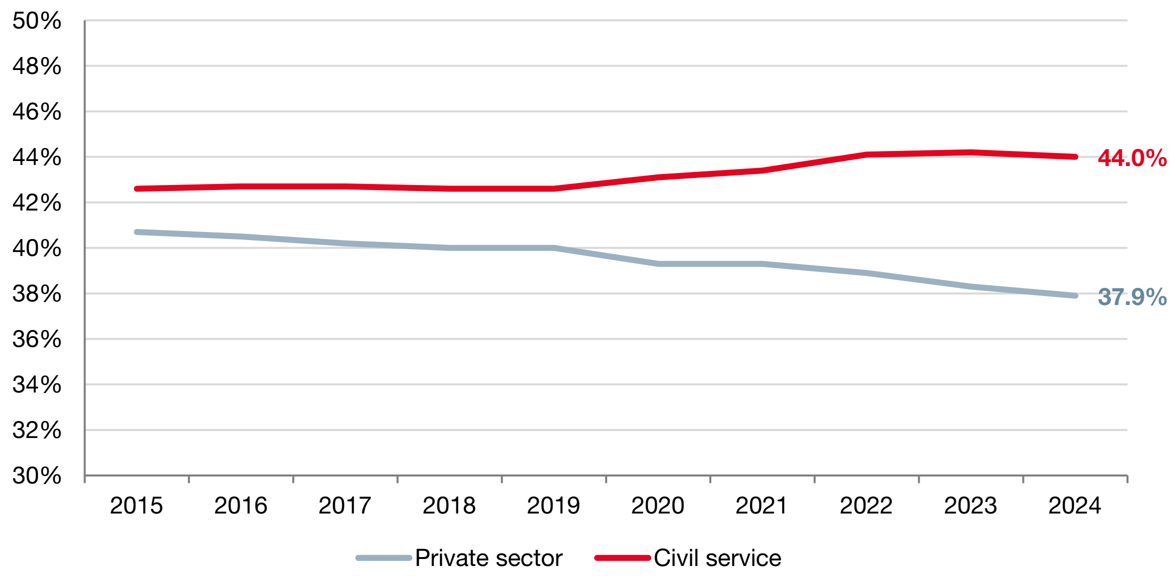
Sources: Human Resources and Training Department, Caisses sociales de Monaco, Monaco Statistics

Over the past decade, the share of women in the Civil service has increased from 42.6% in 2015 to 44.0% in 2024 (Figure 2).

In the private sector, however, the proportion of employed women has decreased from 40.7% in 2015 to 37.9% in 2024. In fact, the growth in the number of female employees was almost half that of male over the period (+18.4% versus +33.3%).

This 2.8-percentage-point decline over the decade is largely attributable to the fall in the proportion of women among temporary workers, the sector in which the workforce grew most significantly during the period, having almost doubled in ten years (+95.3%). While women represented 20.4% of the temporary staff in 2015, they only account for 12.4% in 2024.

Figure 2. Ten-year change in the share of women among employed population by sector



Sources: Human Resources and Training Department, Caisses sociales de Monaco, Monaco Statistics

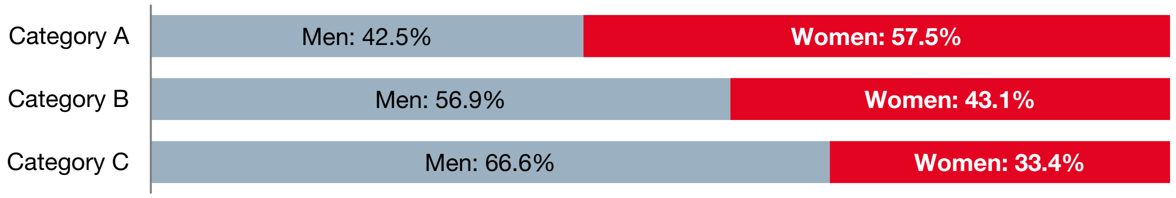
2. Assessment of the gender pay gap in the Civil service

2.1. Women in the Civil service are more likely to hold higher-qualified positions

In the Monegasque Civil service, the pay index depends mainly on the level of the position held. The remuneration of civil servants in category A generally exceeds that of category B, which in turn is higher than that of category C.

However, gender disparities stand out according to the category of post. In 2024, two-thirds of category C positions are held by men, while more than half of category A positions (57.5%) are occupied by women (Figure 3). The latter correspond to higher-skilled functions and are associated with better levels of remuneration.

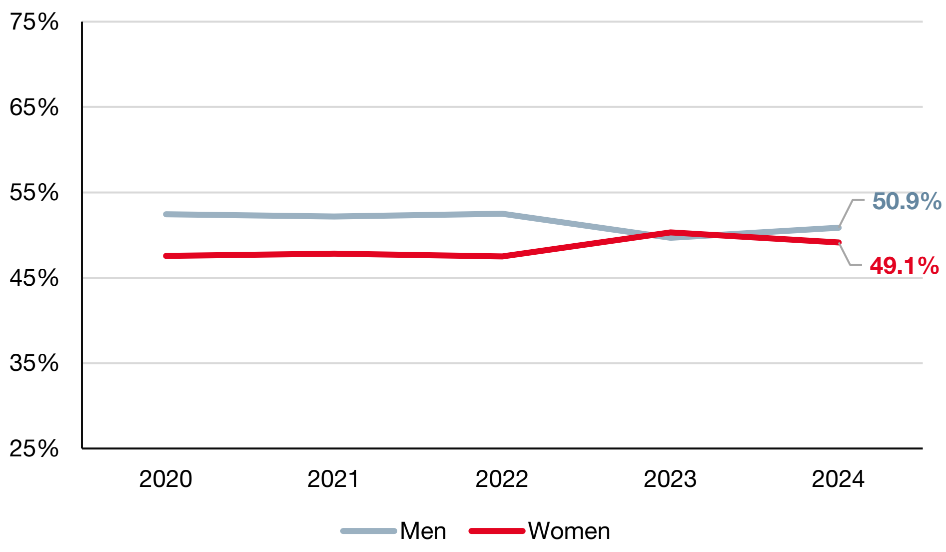
Figure 3. Distribution of civil servants by category of position and gender in 2024



Sources: Human Resources and Training Department, Monaco Statistics

Furthermore, the gender distribution is practically equal among positions with a very high level of responsibility in the Civil service. These "senior positions" defined by a Sovereign Ordinance[1] involve around a hundred people on average. Among them, 49.1% are female in 2024 (Figure 4). This proportion has changed favourably towards women over the last years, reaching virtual parity in 2023.

Figure 4. Change in the gender distribution among senior positions of the Civil service



Sources: Human Resources and Training Department, Monaco Statistics

[1] Ordinance n. 6.364 of 17/08/1978 determining the senior positions referred to in Article 4 of Law n. 975 of 12 July 1975 on the status of State employees modified

2.2. Women's pay index is on average 2.4% higher than that of men

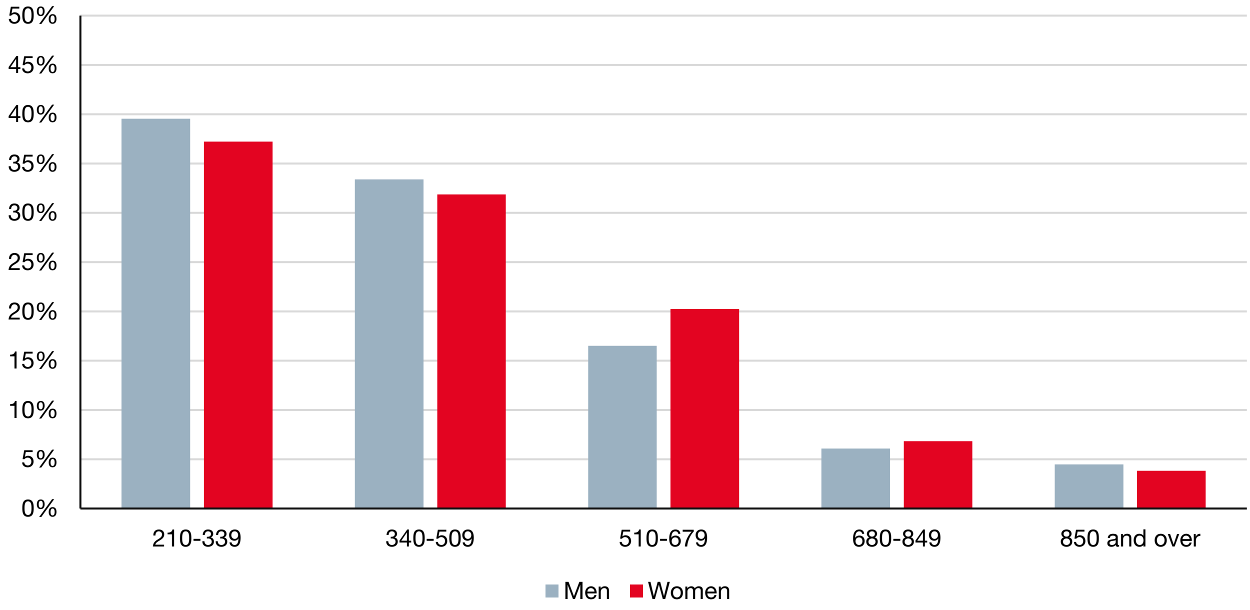
The various positions within the Monegasque Civil service are classified hierarchically into salary grades, established by Sovereign Ordinance issued following the advice of the Civil service Commission. The basic salary of civil servants and employees of the State and the Municipality is set by ministerial decree each year. In addition, allowances or other form of remuneration may be added to the basic indexed pay.

The pay indices for civil servants range from a minimum of 210 to over 1,000.

The index group from 210 to 339 is the most common and includes proportionally more men than women (Figure 5). This largely corresponds to category C positions, which include occupation historically dominated by men (gardeners, car park attendants, etc.).

Conversely, women are over-represented among index ranging between 510 and 850, which mainly correspond to category A positions (such as schoolteachers, heads of section, mission leaders, etc.), held by women in the majority.

Figure 5. Distribution of remuneration indexes in the Civil service by gender in 2024



Reading: in 2024, 39.5% of male civil servants have a remuneration index between 210 and 339; this proportion is 37.2% for women.

Sources: Human Resources and Training Department, Monaco Statistics

In 2024, the median pay index in the Civil service is 380 for men and 412 for women (Table 2). In other words, half of female civil servants have an index higher than 412, while the other half has a lower one.

The median for women is thus 8.4% above that for men.

Table 2. Distribution of remuneration indexes in the Civil service by decile and gender in 2024

	Men	Women	Gender gap
1st decile	259	258	0.4%
2nd decile	280	289	3.2%
3rd decile	307	319	3.9%
4th decile	340	356	4.7%
Median	380	412	8.4%
6th decile	426	456	7.0%
7th decile	486	513	5.6%
8th decile	567	586	3.4%
9th decile	695	693	0.3%
Mean	**447.1**	**457.8**	**2.4%**

Gap in favour of men | **Gap in favour of women**

Sources: Human Resources and Training Department, Monaco Statistics

At the extremes of the distribution, gender differences are minor: one man out of ten has an index below 259, compared with 258 for a woman (1st decile), and one man out of ten has an index above 695, against 693 for a woman (9th decile).

In these groups, the gender gap in favour of men does not exceed 0.5%. Apart from these cases, women generally show a higher index.

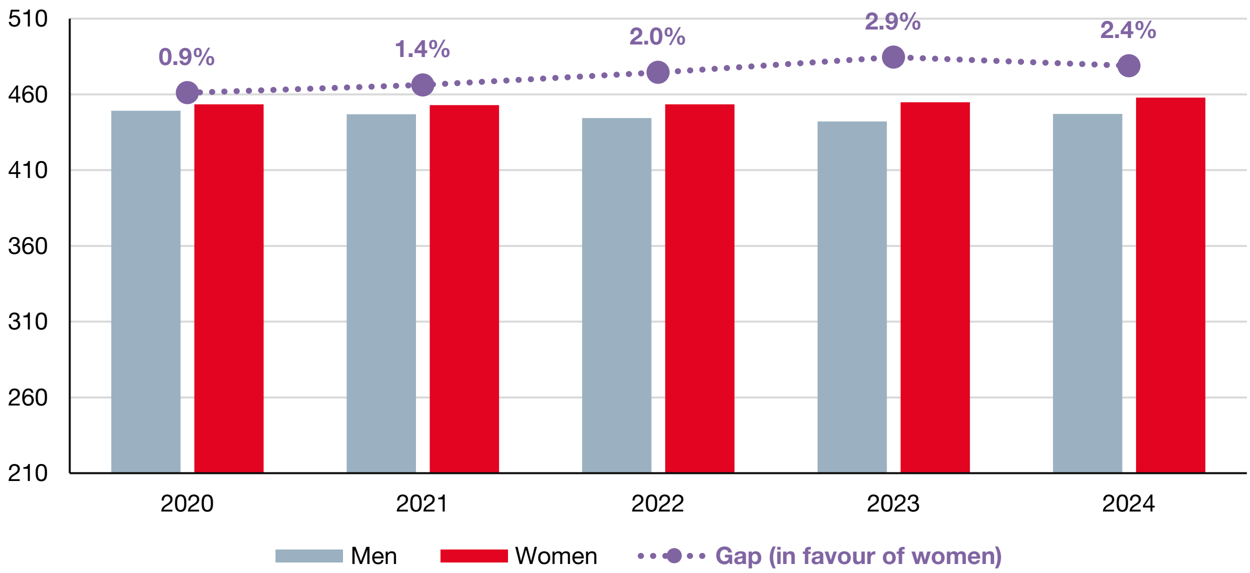
The average pay index stands at 447.1 for men and 457.8 for women in 2024. Therefore, women in the Civil service have an index that is 2.4% higher than that of men on average in 2024.

Over the past five years, the indexed pay gap in the Civil service remained in favour of women.

While the gender difference was relatively small in 2020, the average index grew faster for women over the next years, thus widening the gap to their advantage (Figure 6).

In 2023, women's pay index was 2.9% above that of men on average. The slightly more pronounced rise in the average male indices in 2024 resulted in a 0.5-percentage-point reduction in the gender gap compared to the previous year.

Figure 6. Change in the average remuneration index in the Civil service by gender and in the gender gap



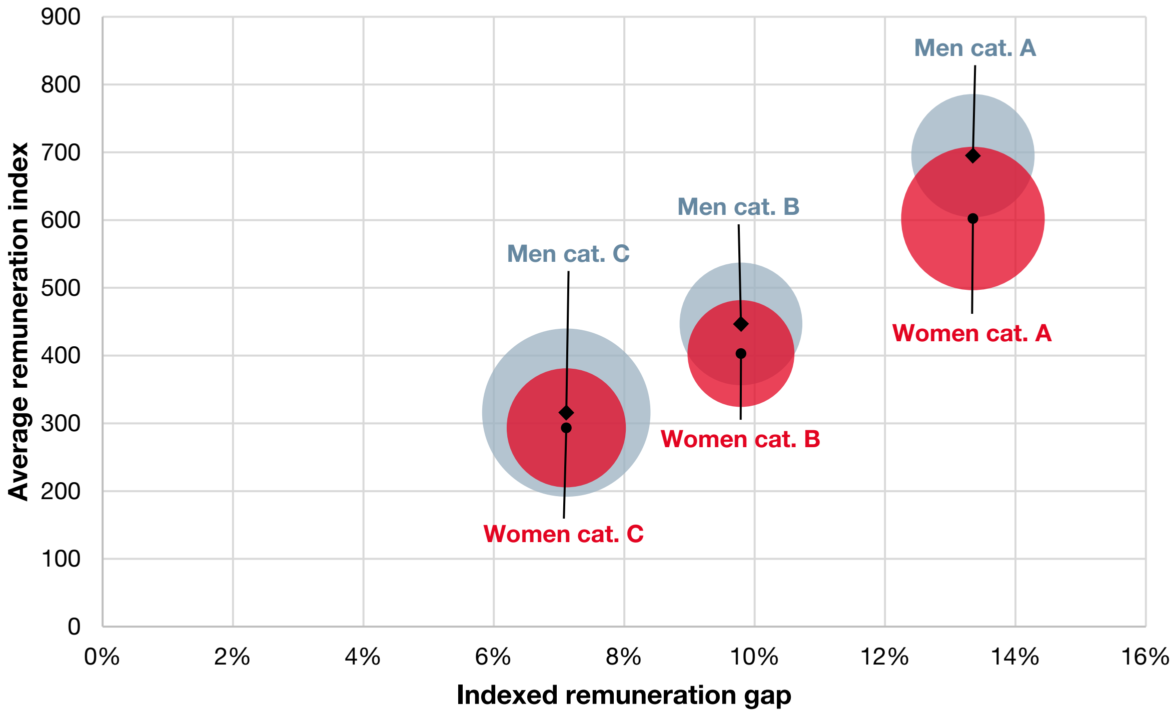
Sources: Human Resources and Training Department, Monaco Statistics

2.3. A trend that reverses when considering the job category

While the pay index for women is, on average, higher than that of men in the Civil service, the picture is completely different when looking at the position categories (A, B, C) separately. In each of them, the average index for men is indeed above that of women.

In 2024, this gap ranges from 7.1% in favour of men in category C to 13.3% in category A (Figure 7). Men who hold a category B position show a remuneration index that is 9.8% higher on average than their female counterparts.

Figure 7. Average remuneration index in the Civil service by gender and job category and gender gap in 2024



Reading: in 2024, the average remuneration index for employees in category A is 695 for men and 602 for women; in this category, men's index is 13.3% higher than that of women on average.

Note: the size of the bubbles is proportional to the number of employees in each category

Sources: Human Resources and Training Department, Monaco Statistics

These results, which contrast with the overall trend, can be explained by an unequal gender distribution within the different position categories.

Therefore, although men have an average index that is much higher in category A, they are proportionally far fewer in number than women in these positions.

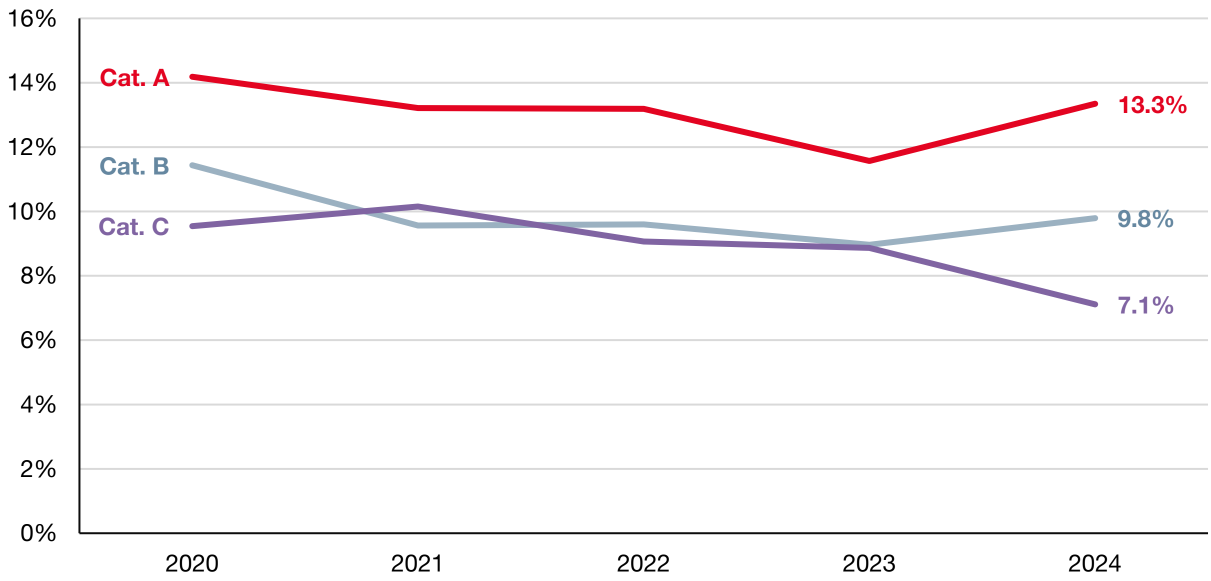
At the same time, women are significantly under-represented in Category C posts, which are associated with lower indices.

This combined effect results in women's average index being higher than that of men overall.

The pattern observed in 2024 also applies to the past five years: the average pay remained generally higher for women, but it shifted in favour of men within each position category (Figure 8).

However, the gender gap by category has narrowed over the period.

Figure 8. Change in the average remuneration index gender gap in the Civil service by category



Reading: in 2020, the average remuneration index for men in category A was 14.2% higher than that of women in the same category; in 2024, this gap is 13.3% in favour of men for this category.

Sources: Human Resources and Training Department, Monaco Statistics

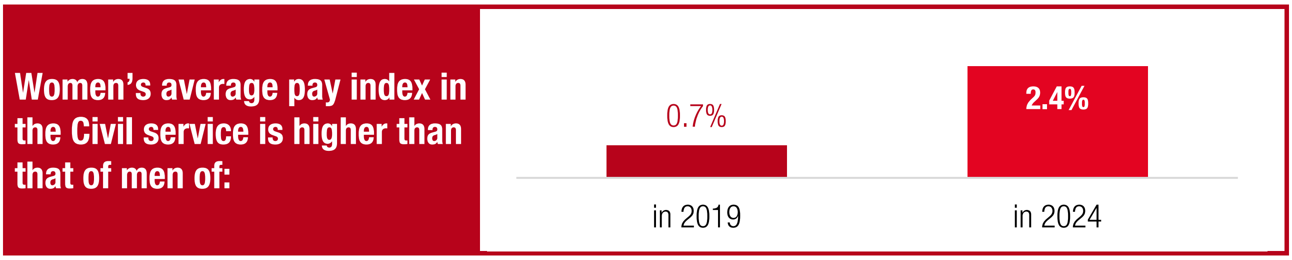
While men's index was 14.2% higher than that of women in category A in 2020, this difference is 13.3% at the end of 2024.

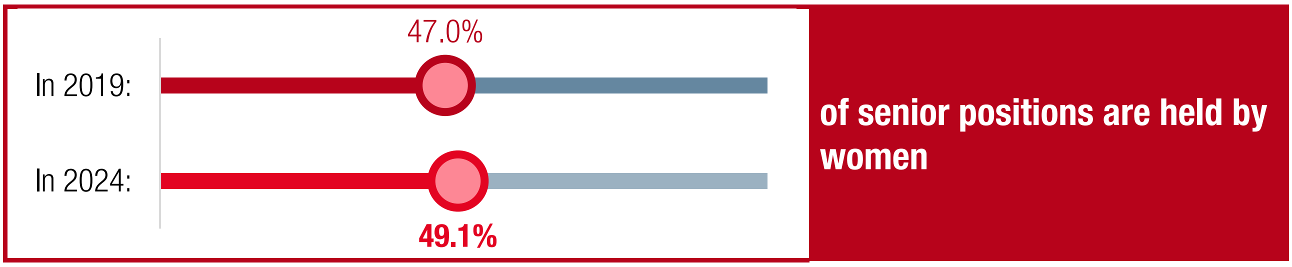
Regarding employees holding a category B position (which is closest to parity in terms of staff numbers), the index gap reached 11.4% in favour of men in 2020 compared 9.8% five years later.

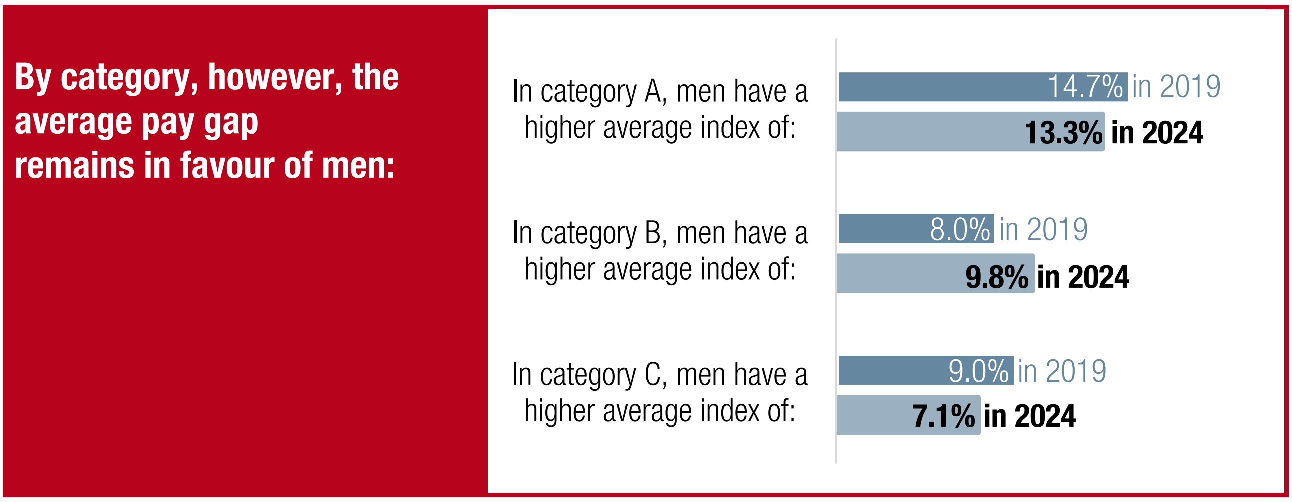
Gender gap narrowed more markedly among category C servants, showing male indices 7.1% higher than those of women in 2024, compared to 9.5% in 2020.

2.4. Womens' situation in Civil service is more favourable than in 2019

- In 2019, the distribution of pay indices in the Civil service was broadly similar between men and women, with an average index 0.7% higher for women.
- This already favourable situation for female employees has strengthened over time. In 2024, women's average indexed pay exceeded that of men by 2.4%.
- However, when considering the category of positions held (A, B or C), male indices remained higher on average over the period, although the gaps tend to narrow.
- While women are still fewer than men among senior positions, this highly qualified population is almost in parity in 2024, comprising 49.1% of women (compared to 47.0% in 2019).
- Furthermore, women remain both over-represented among category A positions and under-represented in category C. As in 2019, this distribution helps to explain why their average remuneration is higher than that of men overall.







3. Assessment of the gender pay gap in the private sector

3.1. In the private sector, men's monthly salary is on average 18.6% higher than women's

The shape of the monthly-based salaries distribution[2] in the private sector is quite similar for men and women, with the exception of the highest income bracket. In 2024, nearly a quarter of employees, regardless of gender, earn between €2,000 and €3,000 per month (Figure 9): this category accounts for the largest share of workers.

Figure 9. Distribution of monthly-based gross salaries in the private sector by gender in 2024

Reading: in 2024, 15.3% of male employees in the private sector earn less than €1,000 in monthly-based salary; this proportion is 16.0% for women.

Note: Some salaries fall below the minimum wage (SMIC), particularly due to part-time work, temporary work or apprenticeship contracts.

Sources: Caisses sociales de Monaco, Monaco Statistics

Women are slightly over-represented among the lowest salaries: 16.0% earn less than €1,000 monthly (compared with 15.3% for men). This category mainly comprises part-time employees. Men, on the other hand, are proportionally more numerous in the €1,000 to €2,000 bracket (up to 16.8% versus 16.2%). In the salary groups ranging from €3,000 to €6,000, women outnumber their male counterparts. However, beyond €7,000 per month, they are systematically under-represented.

4.0% of all employees earn €10,000 or more per month in 2024. Men account for three quarters of them (75.2%).

These very high salaries mainly concern certain categories of employees: professional athletes, of whom nine out of ten are men, senior management positions, three quarters of which are held by men, as well as private banking professions, where 61.4% of the workforce is male.

[2] This section considers all hours worked and salaries received in 2024 over the period from January to December by private-sector employees. The total annual salary was prorated to the number of months worked during the year in order to obtain a monthly-based salary. This indicator differs from the full-time equivalent salary (FTE - EQTP) and should not be compared to it.

In 2024, half of private sector male employees receive more than €2,743.7 monthly, and the other half earn less (Table 3).

The corresponding figure for women is very similar (€2,741.8), therefore the median gender pay gap is only 0.1% in favour of men, or €1.90 more earned per month.

Table 3. Distribution of monthly-based gross salary in the private sector by decile and gender in 2024

	Men	Women	%Gap	€Gap
1st decile	672.8	597.8	11.1%	75.0
2nd decile	1,339.2	1,314.1	1.9%	25.1
3rd decile	1,916.8	1,921.4	-0.2%	-4.6
4th decile	2,349.0	2,325.2	1.0%	23.8
Median	2,743.7	2,741.8	0.1%	1.9
6th decile	3,154.2	3,156.7	-0.1%	-2.4
7th decile	3,668.2	3,652.7	0.4%	15.5
8th decile	4,553.4	4,402.7	3.3%	150.7
9th decile	6,570.1	5,887.2	10.4%	682.9
Mean	**4,073.8**	**3,316.5**	**18.6%**	**757.2**

Unit: euros

Note: Some remunerations are below the minimum wage (SMIC), particularly due to part-time work, temporary work or apprenticeship contracts.

Sources: Caisses sociales de Monaco, Monaco Statistics

Differences in remuneration are, however, significantly greater at the lower and upper ends of the distribution.

One man out of ten earn less than €672.8 per month in 2024 (1st decile), or €75.0 more than a woman for that same category (representing a 11.1% gap in favour of men).

At the same time, very high incomes are also higher among male employees: one out of ten earn more than €6,570.1 monthly compared to €5,887.2 for women (9th decile), resulting once again in a gender pay gap that is above 10%.

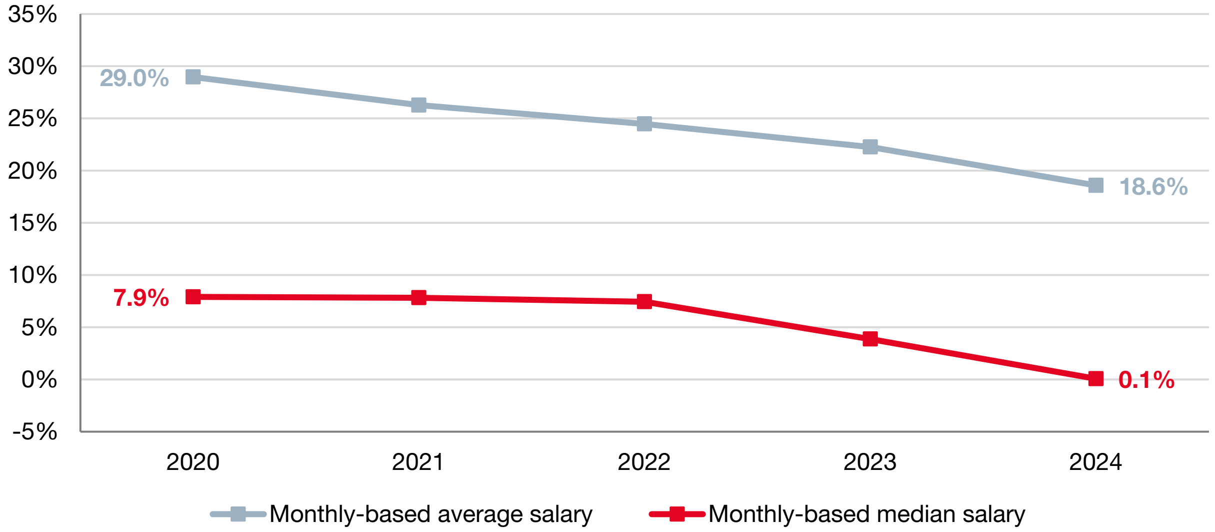
With an average monthly pay of €4,073.8 for men versus €3,316.5 for women, male employees earn 18.6% more than their female counterparts.

The average salary, however, remains strongly influenced by extreme values, particularly in the Monegasque private sector, which features some very specific characteristics among its workforce, predominantly masculine.

Over the past five years, the wage differential between men and women has narrowed in terms of monthly-based salary.

Although remaining at the advantage of men over the period, the average gender pay gap has decreased by more than 10 percentage points between 2020 and 2024 (Figure 10).

Figure 10. Change in the gender pay gap in terms of monthly-based salary in the private sector



Reading: in 2020, the monthly-based salary for men is 29.0% higher than that of women; in 2024, the gender gap stands at 18.6%.

Sources: Caisses sociales de Monaco, Monaco Statistics

At the same time, the median pay gap has also shrunk: in 2020, men's monthly median salary was almost 8% higher that of women. Since then, this gap has continued to narrow, settling at a virtually equal salary between the genders in 2024.

Nevertheless, the monthly-based salary indicator alone is not sufficient to capture the diversity of employees' working situations, especially regarding workload.

Indeed, when measuring the gender pay gap, working-time conditions are an essential factor to consider.

3.2. For equal work time, men earn 16.4% more than women on average

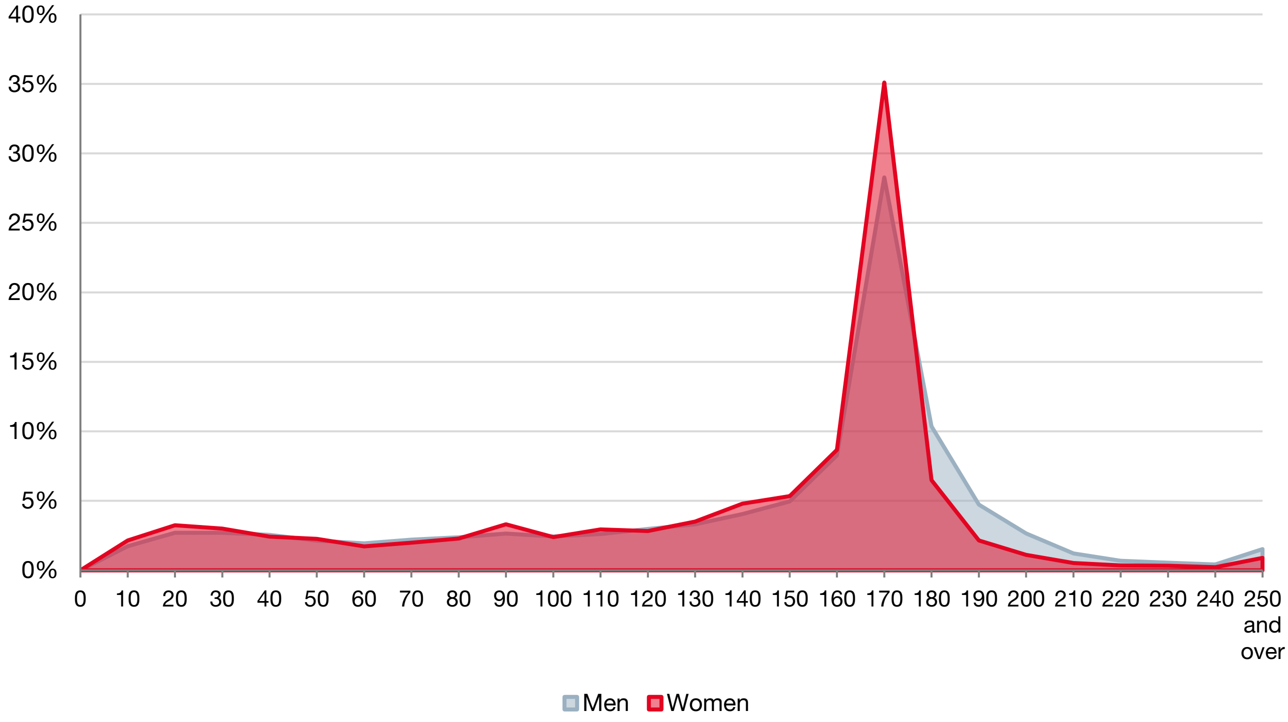
There are differences in working hours between men and women in the private sector.

On average, female employees worked 5 hours fewer than men in 2024[3].

While the legal duration is 169 hours monthly in Monaco's private sector, more than a third of men (36.3%) worked more than 169 hours over the year 2024 on average (Figure 11). Among women, this proportion falls to 29.1%.

Male employees are thus far more likely to exceed the 180 hours per month threshold.

Figure 11. Distribution of monthly hours worked in the private sector by gender in 2024



Unit: hours

Sources: Caisses sociales de Monaco, Monaco Statistics

The analysis of hourly wage – calculated as the ratio between gross salary and the number of hours paid – enables a more precise examination of the gender pay gap, while mitigating the effects related to work time discrepancies.

[3] Considering the total number of hours worked in 2024 divided by the number of months worked during the year for each employee.

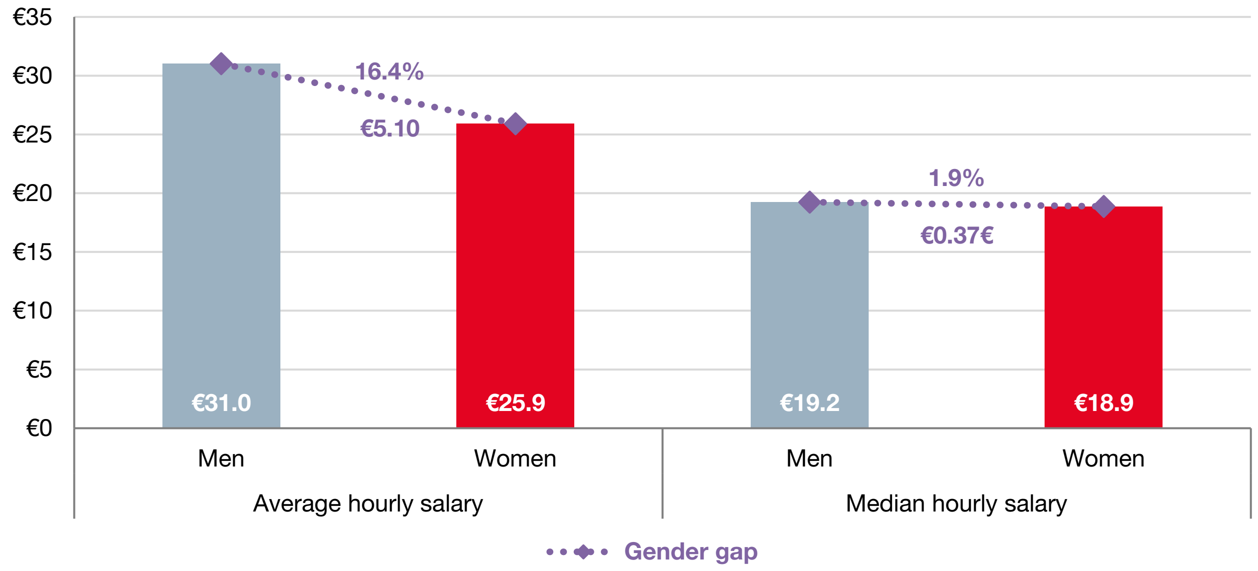
In 2024, the average hourly salary[4] in the private sector reaches €31.0 for men, compared to €25.9 for women (Figure 12).

As for monthly salary, the hourly salary is higher for male workers. However, when mitigating the working time effect, the pay gap falls to 16.4% or €5.10 more earned by men per hour worked on average.

The median hourly salary, although still greater for men, is more balanced between the two sexes.

Half of women thus earn less than €18.9 hourly in 2024, while the median salary for men is 37-euro cents higher (or 1.9%).

Figure 12. Average and median weighted hourly salary in the private sector by gender and gender gap in 2024



Sources: Caisses sociales de Monaco, Monaco Statistics

[4] Annual wage in relation to the total number of hours worked, weighted by working time

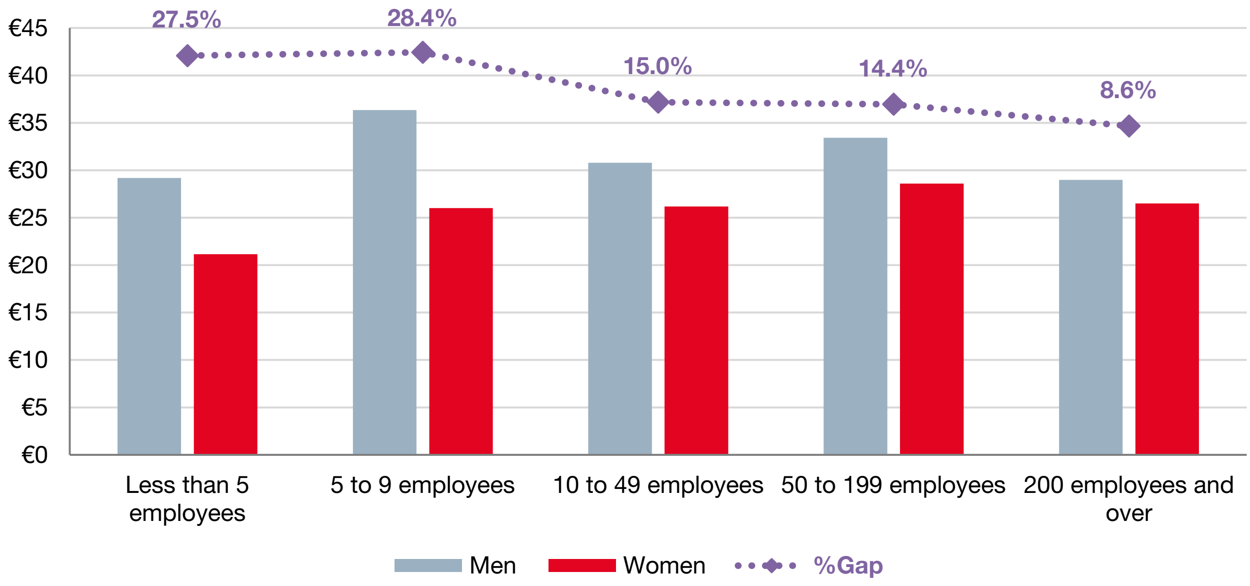
The male hourly wage is also higher regardless of the company size.

In 2024, the average hourly salary gap in favour of men ranges from +8.6% to +28.4% depending on the size considered (Figure 13).

However, beyond 9 employees, the average differences between men and women decrease as the size of the company increases.

Therefore, it is among employers with at least 200 employees that the average hourly wage gender gap is smallest (8.6%, or +€2.50 per hour earned by men on average).

Figure 13. Average weighted hourly salary in the private sector by gender and employer size and gender gap in 2024



Sources: Caisses sociales de Monaco, Monaco Statistics

Wages in the private sector differ markedly depending on the major economic sector (MES), with levels ranging from single to triple. Indeed, some MES bring together a wide variety of profiles, resulting in significant wage disparities.

Even within each sector, the gender pay gap also varies greatly: in 2024, the hourly wage difference ranges from 50 euros cents to more than €39.0 (Table 4).

Table 4. Average weighted hourly salary in the private sector by gender and employer's major economic sector (MES) and gender gap in 2024

	Men	Women	%Gap	€Gap
Financial and insurance activities	84.4	45.2	46.4%	39.2
Other service activities	46.9	20.6	56.1%	26.3
Wholesale trade	39.8	26.3	34.0%	13.5
Information and communication	31.8	25.0	21.3%	6.8
Manufacturing, mining and quarrying, and other industries	28.3	22.9	19.0%	5.4
Accommodation and food service activities	25.4	22.4	11.8%	3.0
Retail trade	24.2	21.3	11.7%	2.8
Transportation and storage	34.3	31.6	7.9%	2.7
Public admin., education, human health and social work act.	25.8	23.4	9.2%	2.4
Scientific and techn. act., admin. and support service act.	25.9	25.4	1.9%	0.5
Construction	21.0	21.5	2.7%	0.6
Real Estate activities	22.7	27.7	22.1%	5.0
Total	**31.0**	**25.9**	**16.4%**	**5.1**

Gap in favour of men | **Gap in favour of women**

Unit: euros

Sources: Caisses sociales de Monaco, Monaco Statistics

The largest gender gap in terms of value is observed in Financial and insurance activities, showing an hourly salary that is €39.2 higher for male employees in this MES.

Other service activities record the most pronounced difference in volume: men earn 56.1% more than women on average for equal work time. This sector includes both household staff – predominantly female and whose occupations are less lucrative – and professional elite athletes – more frequently male and with higher incomes. Therefore, men's average salary in this MES is significantly increased by the very high wages of these atypical employee profiles.

Scientific and technical activities, administrative and support service activities (the largest provider of jobs in the Principality) appear to be the sector closest to parity in terms of hourly salary, although wages remain slightly in favour of men.

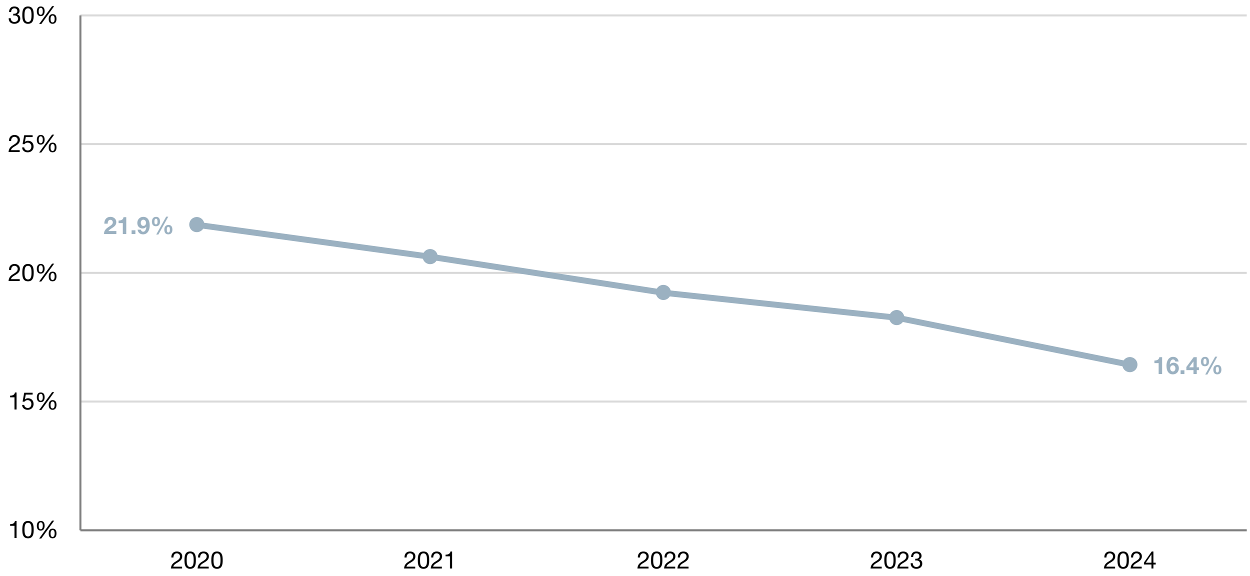
Only two sectors out of twelve show a gender pay gap that is at the advantage of women: Construction and Real Estate activities.

In these two MES, women generally occupy more lucrative positions than the male workforce, particularly in Real Estate activities (especially real estate negotiators). Female employees thus earn 22.1% more on average (+€5.0) than men for equal work time.

As with monthly-based salary, the hourly gender pay gap has also narrowed over the recent years, although it has remained at the advantage of male employees.

Therefore, the gender gap has decreased by more than 5 percentage points between 2020 and 2024 (Figure 14).

Figure 14. Change in the gender pay gap in terms of weighted hourly salary in the private sector



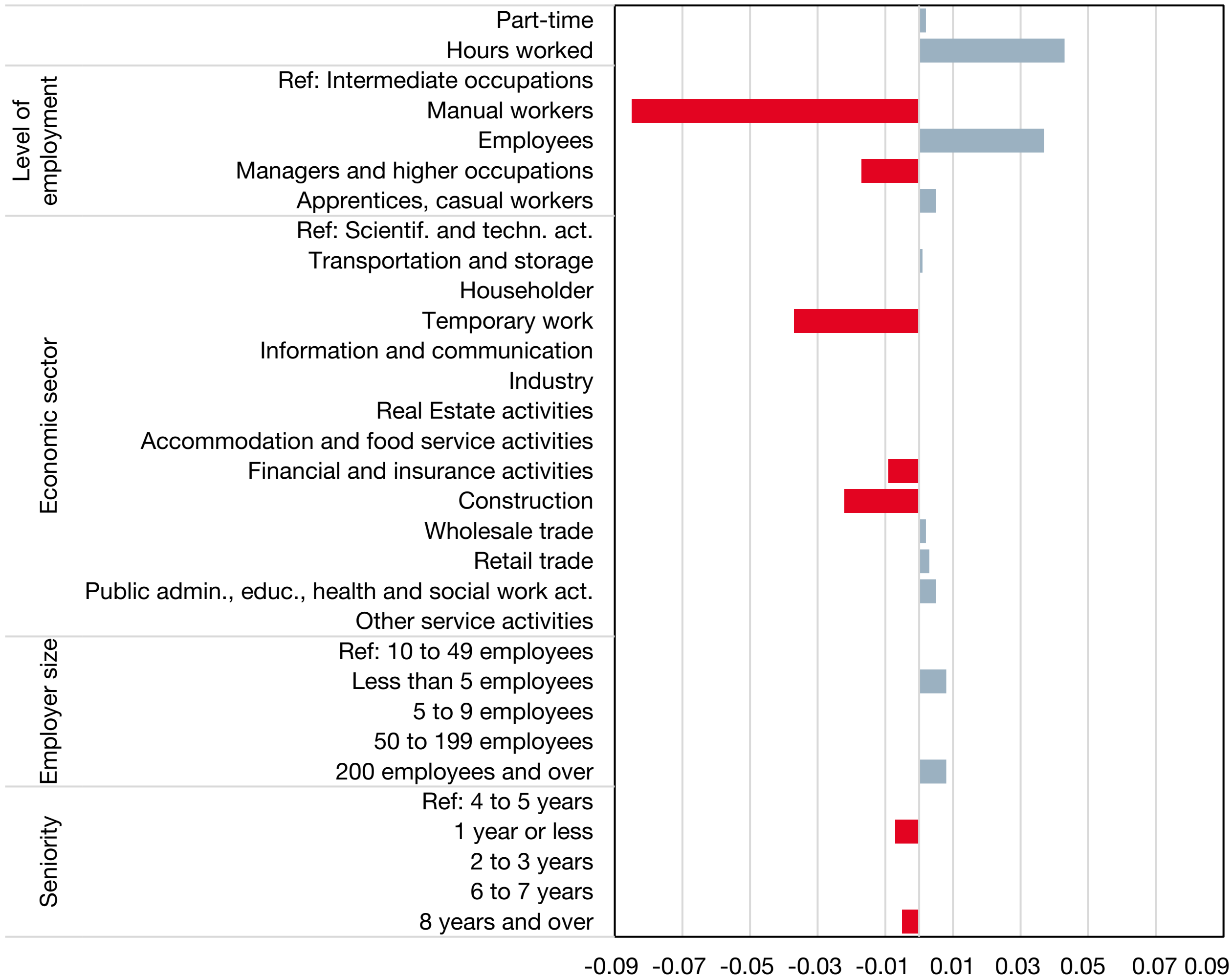
Reading: in 2020, men's weighted hourly salary is 21.9% higher than women's on average; in 2024, the gender gap stands at 16.4%

Sources: Caisses sociales de Monaco, Monaco Statistics

3.3. Workload and level of employment play a crucial role in the gap

An in-depth analysis of gender pay gaps requires the use of advanced statistical methods that take into account the structural effects specific to the employed population of Monaco. For this purpose, the Oaxaca-Blinder decomposition method is a relevant tool: it enables measuring the contribution of the various observable characteristics ("explained") to the gender gap and indicating their respective shares (Figure 15).

Figure 15. Decomposition of the explained gender pay gap in the private sector in 2024



Notes: Positive coefficients contribute to widening gender gaps in favour of men while negative coefficients, favourable to women, narrow the gaps. The variable relating to age groups, considered insignificant by the model, is not represented graphically. Reference categories correspond to those of which salaries are mean-centered.

Sources: Caisses sociales de Monaco, Monaco Statistics

The Oaxaca-Blinder model points out first and foremost the importance of working time: men work more hours and hold less part-time positions on average, which tends to widen the monthly gender pay gap. However, the distribution by professional categories appears to be the most determinant factor, overall favouring women. The over-representation of men among manual workers, who are lower earners, and the relatively higher concentration of women among managers contribute to narrow the gap.

Regarding economic sectors, the significant contribution of temporary work and Construction stands out. These two sectors are male-dominated and less lucrative, which also reduces the overall gender pay gap. The same applies to Financial and insurance activities, where wages are high on average: women are there relatively more represented, which helps to narrow the gap in their favour.

Finally, employer size and seniority in the position play a very marginal role, while the age of employees (not represented graphically) has no significant impact, according to the wage gap model.

In view of the parameters considered, the model implies that, on average, women's observable characteristics are more favourable than men's (see box). Indeed, the "explained" component of men's salary advantage is negative, meaning that women have more advantageous employment characteristics on average. In other words, if wage were determined solely by the objective factors incorporated into the model, women should have a salary advantage over men.

However, the unexplained share, which is the fraction of the salary that cannot be attributable to the considered variables, show that other parameters are at the root cause of men's wage advantage. This component is generally interpreted as the result of unobserved determinants (such as academic degree or career interruptions), unmeasurable factors such as differences in negotiation practices, certain organisational biases, or potential wage discrimination.

Furthermore, changes in the employed population structure since 2019, driven in particular by strong growth in temporary work (male-dominated manual work population), has significantly impacted the Oaxaca-Blinder model.

The Oaxaca-Blinder decomposition (Oaxaca 1973, Blinder 1973) can be used to assess the contribution of each variable to the explained (structural effects) and unexplained (with identical characteristics / all other things being equal) gender pay gap.

Applied to the 2024 private-sector salaries (considering the most lucrative position for each individual), the model points out a 0.019 pay gap between average natural logarithm of salary of men, and that of women.

Variable to explain: natural logarithm of monthly salaries

Male group	7.777*** (0.004)
Female group	7.757*** (0.006)
difference	0.019** (0.007)
explained	-0.068*** (0.007)
unexplained	0.087*** (0.004)
Number of observations:	72,110

p-value: * p<0.05, ** p<0.01, *** p<0.001
Standard deviations are shown in brackets

The decomposition shows that explained share is -0.068 and unexplained share is 0.087, which accurately reflects the total difference observed (-0.068 + 0.087 = 0.019).

The explained share being negative means that women have, on average, characteristics (especially in terms of level of employment, economic sectors) that should lead to a slightly higher remuneration than men, all other things being equal.

The unexplained share, which is positive and greater in absolute value than the explained share, indicates that some unobserved factors largely offset this structural advantage and maintain an overall gap in favour of men.

3.4. Gender pay gaps tend to reduce

- In 2024, in the private sector, the average remuneration of male employees remains higher than that of women.
- However, wage differences have decreased over the last years: the monthly pay gap, which was nearly 28% in favour of men in 2012, has dropped by almost 10 percentage points to settle at 18.6% in 2024.
- At equal working time, the ratio is still in favour of men in 2024 but falls to 16.4%. In 2012, the gender gap in terms of weighted hourly salary was over 22%.
- The median monthly salary is almost equal for men and women in 2024 (0.1% gap). This indicator is also 10 percentage points lower than its 2012 value.
- Finally, workload and level of employment are the characteristics that play a greater role in gender pay gap in the private sector, based on known and usable information in 2024.

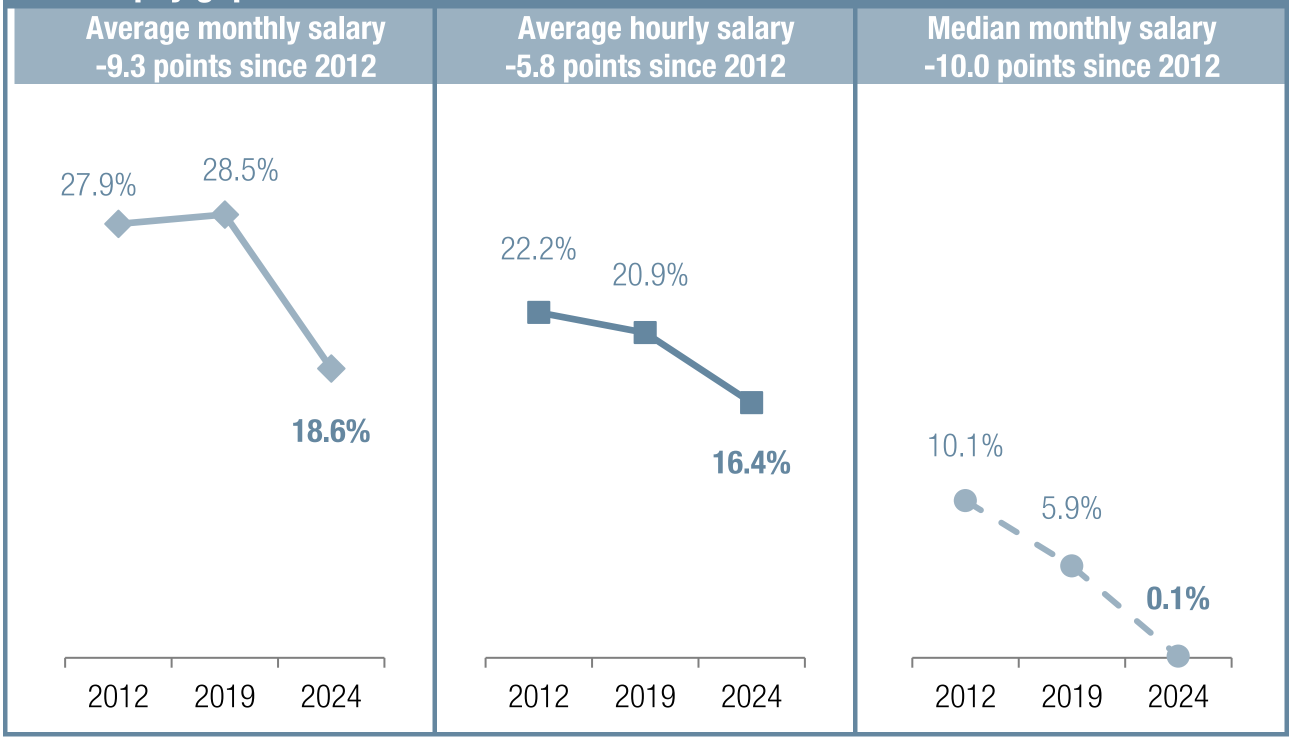
In the private sector, men are better paid than women in 2024:

The average monthly salary gap is: **18.6%** in favour of men
(22.2% in France in 2023 – in salary income)

The average hourly salary gap is: **16.4%** in favour of men
(14.2% in France in 2023 – in full-time equivalent (FTE-EQTP)

The median salary gap is: **0.1%** in favour of men
(6.2% in France, 11.5% in OECD countries in 2023)

Gender pay gaps have narrowed since 2012:



Notes on methodology

Context and legal framework

The Principality of Monaco covers an extremely small area of 2 square kilometres and its territory is enclosed within France. It has approximately 38,000 inhabitants on the national territory but only a quarter of them are of Monegasque nationality. More than 65,000 people are employed in Monaco, the vast majority of whom do not live there. Moreover, the Principality's residents do not have to make an income declaration and there are no national accounts.

Several fundamental texts are devoted to the exercise of salaried employment in Monaco and lay down the main principles:

- The Constitution clearly sets out the principle of freedom of work and its regulation by law, and introduces the concept of priority access for Monegasques to public and private jobs, as well as the defence of their rights and interests through trade union action;
- Law n. 629 of 17/07/1957 regulating the conditions of recruitment and dismissal in the Principality sets out the obligation to hold a work permit to work in Monaco and defines, among other things, the procedure for recruitment in the private sector, giving an order of priority linked to the domicile of the candidate;
- Ministerial Order n. 58-150 of 24/04/1958, while linked to Law n. 636 of 11/01/1958 aimed at instituting the control of payment and declaration of salaries, clearly sets out the information that must be included on pay slips and makes it compulsory to keep personnel and pay registers;
- Law No. 739 of 16/03/1963 on wages defines the notion of remuneration and introduces the notion of "equal pay for equal work" (article 2-1 and article 2-2).

At the same time, other texts are important in defining the framework of labour relations, in particular Ordinance-Law no. 677 of 02/12/1959 on working hours, which defines working time on a weekly basis (there is no notion of annualisation of working time).

Furthermore, in various business sectors, pay scales are missing or are no longer applied. However, a minimum wage, based on the French hourly minimum wage (SMIC) and revalued on the same basis, is set. In addition to this salary, there is a compulsory exceptional bonus, commonly known as the "Prince's bonus", amounting to 5%, which is not subject to contributions.

In summary, the following legal elements should be taken into account in the context of a study on measuring the gender pay gap:

- The clear and precise statement in law of the principle of equal pay;
- The notion of a work permit, which entails a registration of the parameters of the job (position held, employee, salary, start date, end date);
- The existence of a precise recruitment procedure, starting with the submission of a duly completed job offer, registered by the Employment Service;
- The definition of compulsory information to be included on the pay slip;
- The concept of the payroll and the personnel register;
- The definition of wages, the existence of a minimum hourly wage;
- The difficulty of basing oneself on salary scales, except in a few activities (hotel industry).

Principles and methodological choices adopted for the analysis

The scope of the public sector component of the study is the Civil service workforce present on 31 December of the year considered, according to the management rules defined by the Human Resources and Training Department and Monaco Statistics. The analyses relating to the public employed population and the distribution of salaries concern the year 2024.

The processing of the Civil service workforce database also involved the creation of analysis variables, in particular with the identification of "senior jobs" as defined in Ordinance n. 6.364 of 17/08/1978 determining the senior positions referred to in Article 4 of Law n. 975 of 12 July 1975 on the status of State employees modified.

Regarding the private sector, all employees who worked at least one paid hour during the year 2024 were considered.

The monthly private sector data, once compiled, required extensive processing to arrive at groupings on four levels of employment which are close to the socio-professional categories widely used in employment statistics: apprentices and casual workers, manual workers, employees, intermediate occupations and managers and higher occupations.

At the same time, analytical variables were constructed from the raw data, relating in particular to the number of hours worked and the size of the employer.

For the analysis in terms of hourly pay, the weighted average hourly salary was used: for each employee, it corresponds to the annual salary in relation to the total number of hours worked, weighted by the ratio of hours worked in the year to the theoretical number of hours in a full-time position. Thus, a weight equal to 1 was assigned to individuals who worked 2,028 hours during the year.

In terms of statistical method to explain the possible wage gap between men and women "all other things being equal", the Oaxaca-Blinder decomposition was applied. This procedure, commonly used in the analysis of discrimination (particularly in terms of pay), consists of a decomposition of the observed difference in pay between men and women. The model thus breaks down the gap into a part explained by the characteristics of the two populations (on average) and an unexplained part. However, it remains dependent on the information available, so only known and useable variables can be taken into account in the decomposition.

For the pay gap decomposition, the highest paying job in 2024 was considered for each individual. In fact, in the case of workers who have held positions with different employers during the year, it is the job that generated the highest pay over the year that is retained, in order to take into account the most characteristic position for these employees. It should be noted that a specific treatment was applied to temporary workers and staff employed by "housekeepers": for these employees, who are most often multi-employer and hold several part-time jobs, the sum of hours and wages over the year was considered.

More information

IMSEE's Measuring the gender pay gap studies: https://www.monacostatistics.mc/Population-and-employment/Salary/Measuring-the-gender-pay-gap

Other publications on salaries in Monaco: https://www.monacostatistics.mc/Population-and-employment/Salary

Committee for the Promotion and Protection of Women's Rights (DFM): https://dfm.mc/?lang=en

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