SUPPLEMENTAL APPENDIX

You're the one that I want! Understanding the Over-Representation of Women in the Public Sector by Pedro Gomes and Zoë Kuehn

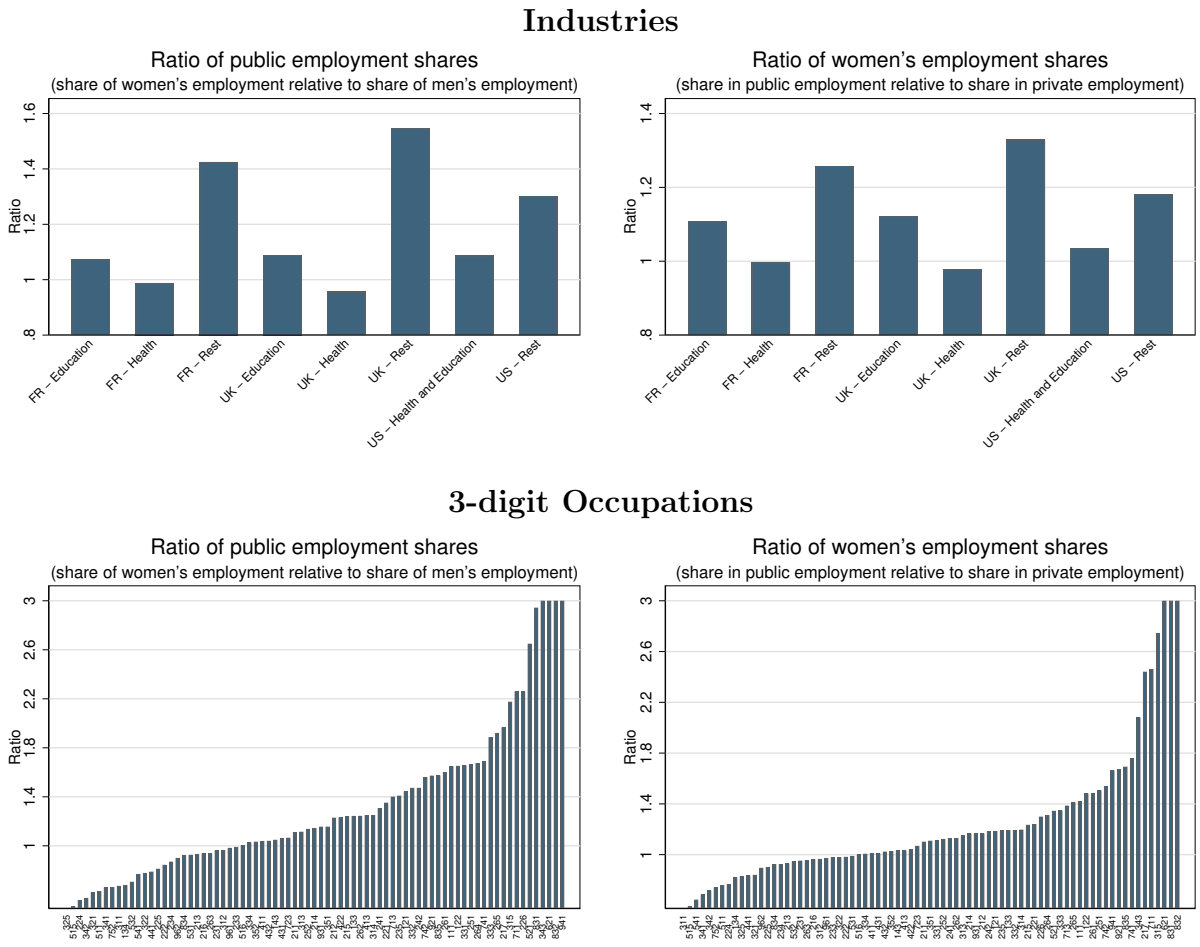
Appendix A: Empirical Analysis, additional results

Appendix B: Data description, details

Appendix C: Further model results and inputs

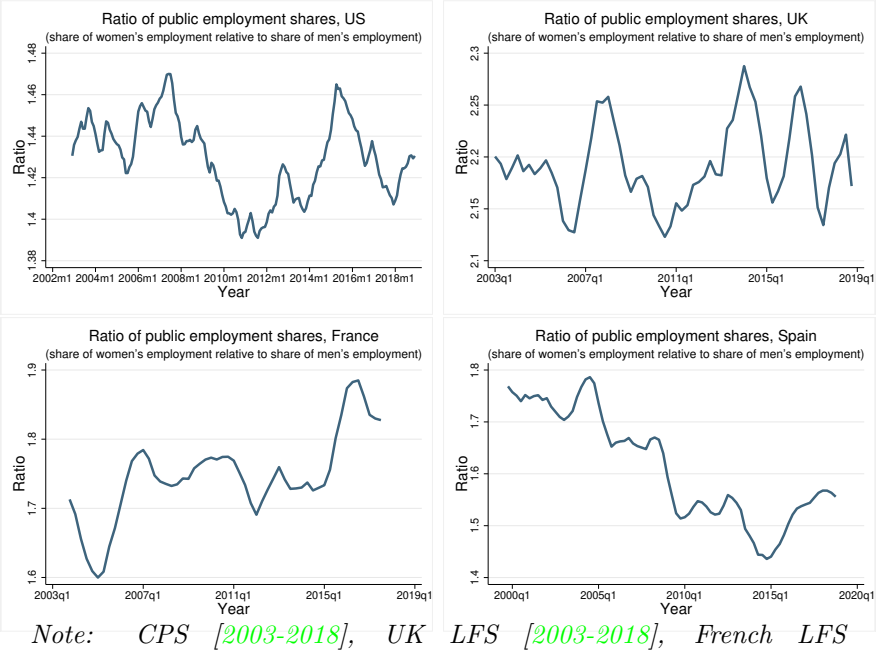
A Empirical Analysis, additional results

Figure A.1: Over-representation of women in public employment by industry and occupation



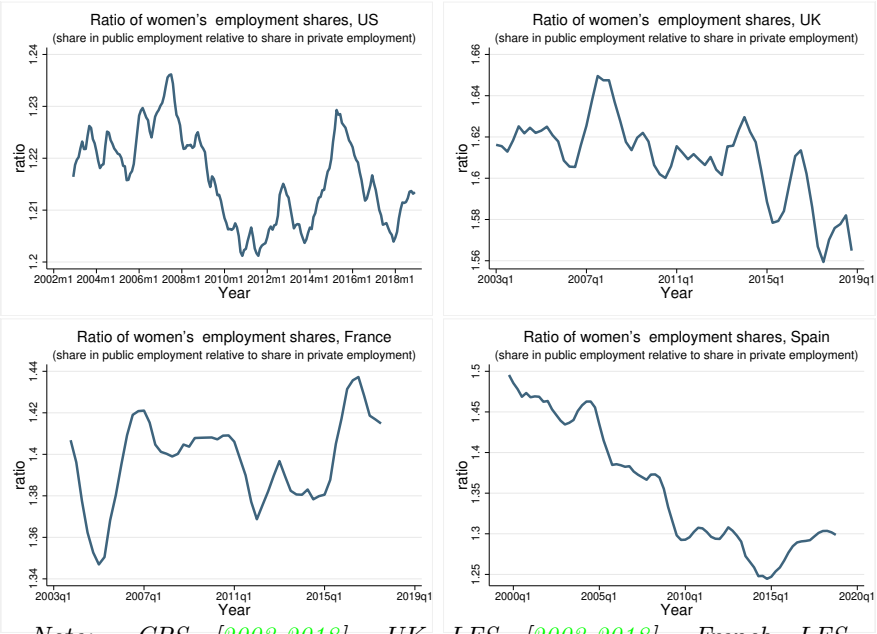
Note: the 1st panel uses data from the French Labor Force Survey [2003-2017] and the UK Labour Force Survey [2003-2018] and the CPS [2003-2018], extracted by Fontaine et al. [2020]. The Spanish Labor Force Survey does not allow for a disaggregation of public employment by industry. The 2nd panel shows CPS data, averages over 1996-2017. 3-digit occupations that have an overall share of public-sector employment between 0.05 and 0.95. The ratios were capped at 3 for readability.

Figure A.2: Public employment shares ratio, time variation



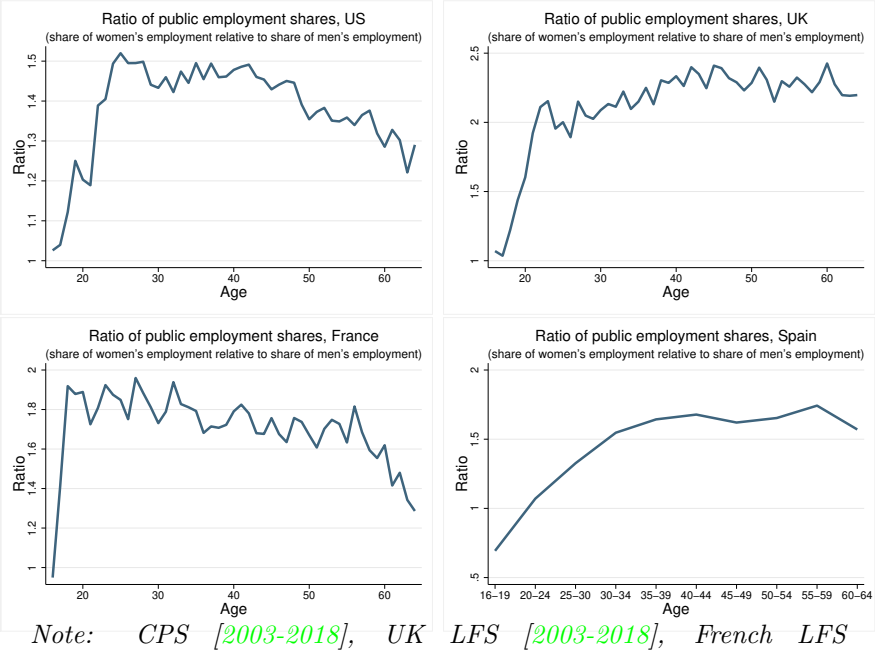
Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.3: Ratio of women's employment shares, time variation



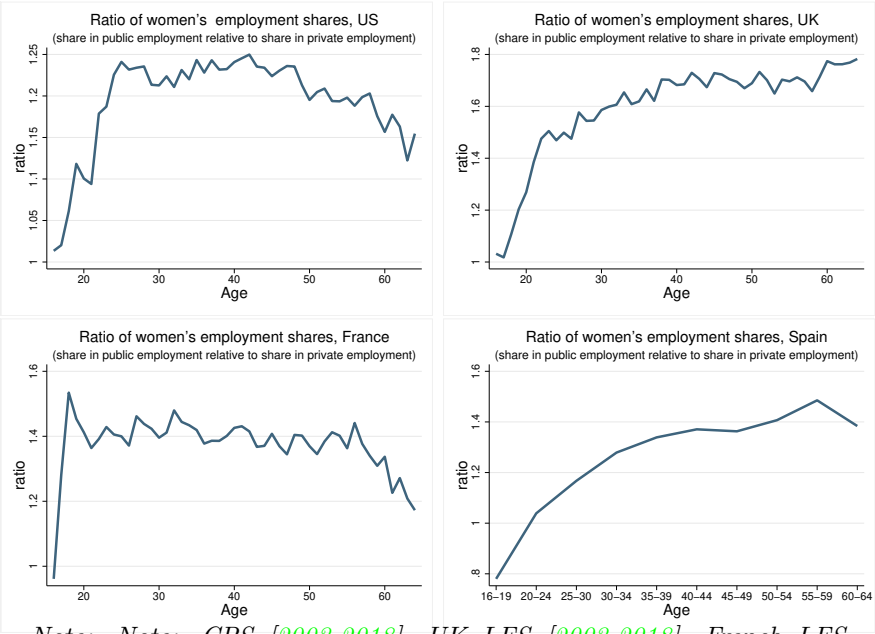
Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.4: Public employment shares ratio, variation over age groups



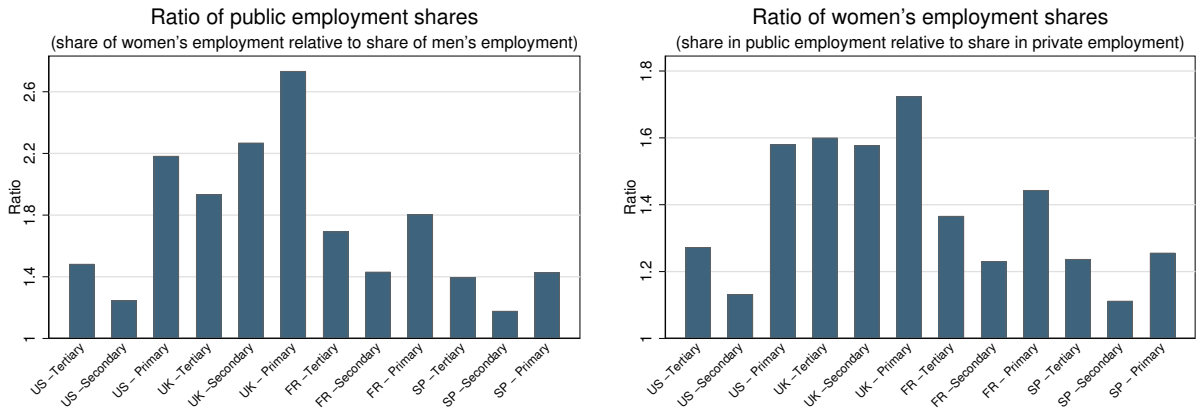
Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.5: Ratio of women's employment shares, variation over age groups



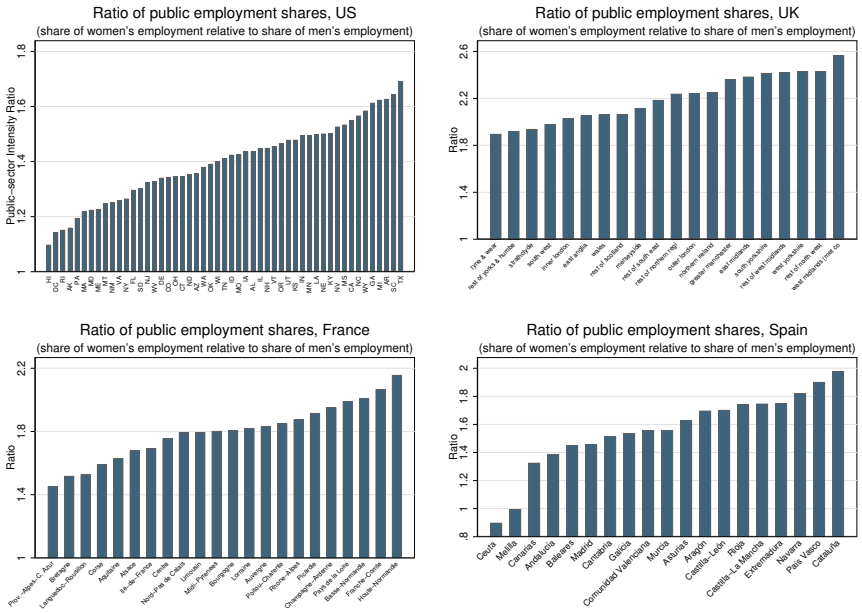
Note: Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.6: Over-representation of women in public employment, by education



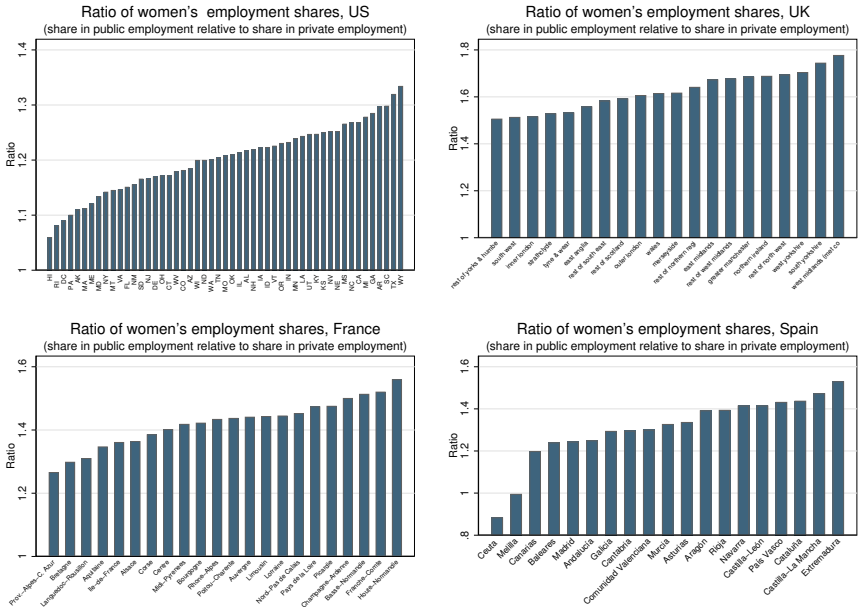
Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.7: Public Employment Share Ratios, regional variation



Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Figure A.8: Ratio of women's employment shares, regional variation



Note: CPS [2003-2018], UK LFS [2003-2018], French LFS [2003-2017], and Spanish LFS [2003-2018], extracted by Fontaine et al. [2020].

Table A.1: Incidence of part time by sector, gender and education

	US	**UK**	**France**	**Spain**
	(1)	(2)	(3)	(4)
Incidence part-time	0.219	0.287	0.152	0.147
Public sector	0.194	0.325	0.174	0.098
Private sector	0.224	0.272	0.146	0.154
Men	0.151	0.132	0.074	0.074
Women	0.288	0.435	0.251	0.258
Men in public sector	0.134	0.122	0.081	0.081
Men in private sector	0.153	0.135	0.073	0.073
Women in public sector	0.238	0.427	0.26	0.113
Women in private sector	0.301	0.44	0.247	0.286
Among college educated	0.158	0.216	0.123	0.116
Public sector	0.161	0.263	0.163	0.11
Private sector	0.157	0.19	0.11	0.117
Men	0.095	0.093	0.065	0.075
Women	0.218	0.332	0.2	0.162
Men in public sector	0.118	0.113	0.094	0.109
Men in private sector	0.088	0.086	0.057	0.068
Women in public sector	0.189	0.338	0.229	0.11
Women in private sector	0.232	0.327	0.188	0.181
Among non-college educated	0.249	0.321	0.17	0.16
Public sector	0.228	0.371	0.182	0.086
Private sector	0.251	0.306	0.167	0.167
Men	0.177	0.151	0.08	0.074
Women	0.323	0.486	0.28	0.306
Men in public sector	0.149	0.129	0.071	0.058
Men in private sector	0.18	0.156	0.082	0.075
Women in public sector	0.293	0.493	0.281	0.116
Women in private sector	0.329	0.484	0.28	0.33
Nr. observations	1,071,617	622,013	722,571	876,348

Note: Structure of Earnings Survey [2002, 2006, 2010, 2014] for France, UK, and Spain; CPS March Supplement [2003-2018] for US, see Appendix B for details.

Table A.2: Aggregate gender wage gap

	US		**UK**		**France**		**Spain**	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Panel A: wage regressions								
Aggregate gender wage gap								
	-0.276***	-0.268***	-0.182***	-0.216***	-0.152***	-0.183***	-0.205***	-0.237***
	(-170.08)	(-165.17)	(-90.96)	(-110.12)	(-103.31)	(-131.46)	(-167.16)	(-203.68)
Controls								
Demographics	X	X	X	X	X	X	X	X
Region year FE	X	X	X	X	X	X	X	X
Reg., year	X	X	X	X	X	X	X	X
Job characteristics	X	X	X	X	X	X	X	X
Part time dummy	X		X		X		X	
Only fll time wkr		X		X		X		X
Obs.	1,071,617	837,088	622,013	443,801	722,571	612,527	876,348	747,302
R-squared	0.516	0.403	0.561	0.387	0.496	0.453	0.599	0.538

Note: Estimated by OLS regressions of the log of gross yearly earnings on a female dummy, a dummy for working in the public sector, controlling for region, year, occupation, education, age groups, part-time, tenure and tenure squared. The aggregate gender wage gap corresponds to the coefficient on the female dummy. Data for UK, France, and Spain from the Structure of Earnings Survey [2002, 2006, 2010, 2014]; for the US from the CPS March Supplement [2003-2018]. Demographic controls include age, education, and race (only for the US). Job characteristics include occupation and for European countries tenure and tenure squared.

Table A.3: Public-sector wage and hours premium and private-sector gender wage gap: For College (C) and Non-college (NC) educated individuals.

	US		UK		France		Spain	
	(C)	(NC)	(C)	(NC)	(C)	(NC)	(C)	(NC)
Panel A: wage regressions								
Public sector wag premium								
Men	-0.088***	0.034***	0.01**	0.061***	-0.207***	-0.044***	-0.061***	0.048***
	(-20.35)	(8.43)	(2.06)	(15.28)	(-57.22)	(-16.52)	(-16.53)	(16.94)
Women	0.043***	0.042***	0.031***	0.067***	-0.188***	-0.036***	0.038***	0.107***
	(10.79)	(11.24)	(6.97)	(16.76)	(-46.56)	(-12.20)	(11.06)	(34.26)
Gender wage gap								
Private	-0.264***	-0.287***	-0.215***	-0.219***	-0.199***	-0.162***	-0.245***	-0.246***
	(-90.69)	(-129.42)	(-56.84)	(-75.37)	(-75.43)	(-83.02)	(-102.88)	(-167.41)
Controls								
Demographics	X	X	X	X	X	X	X	X
Region Year FE	X	X	X	X	X	X	X	X
Job Characteristics	X	X	X	X	X	X	X	X
Only fll time wkr	X	X	X	X	X	X	X	X
Obs.	296,111	540,977	159,293	284,508	242,034	370,493	222,147	525,155
R-squared	0.331	0.307	0.330	0.365	0.382	0.399	0.481	0.482
Panel B: hours regressions								
Public	-0.027***	-0.029***	-0.042***	-0.033***	-0.123***	-0.055***	-0.038***	-0.069***
	(-25.41)	(-31.63)	(-57.48)	(-50.07)	(-183.96)	(-121.19)	(-80.15)	(-256.22)
Controls								
Demographics	X	X	X	X	X	X	X	X
Region Year FE	X	X	X	X	X	X	X	X
Job Characteristics	X	X	X	X	X	X	X	X
Only fll time wkr	X	X	X	X	X	X	X	X
Obs.	296,111	540,977	159,293	284,508	242,034	370,493	222,147	525,155
R-squared	0.072	0.066	0.173	0.181	0.261	0.126	0.218	0.335
Panel C: wage regressions								
Aggregate Gender Wage Gap								
Women	-0.229***	-0.286***	-0.207***	-0.218***	-0.194***	-0.161***	-0.222***	-0.239***
	(-90.29)	(-135.16)	(-67.92)	(-85.30)	(-85.29)	(-92.40)	(-105.69)	(-171.73)
Controls								
Demographics	X	X	X	X	X	X	X	X
Region Year FE	X	X	X	X	X	X	X	X
Job Characteristics	X	X	X	X	X	X	X	X
Only fll time wkr	X	X	X	X	X	X	X	X
Obs.	296,111	540,977	159,293	284,508	242,034	370,493	222,147	525,155
R-squared	0.330	0.307	0.330	0.365	0.382	0.399	0.480	0.482

Note: Estimated by OLS regressions. Panel A regresses the log of gross yearly earnings on a female dummy, a female and male dummy interacted with a dummy for working in the public sector, controlling for region, year, occupation, education, age groups, part-time, tenure and tenure squared. Panel B (panel A) regresses log hours worked on a female dummy, a dummy for working in the public sector, controlling for region, year, occupation, education, age groups, part-time, tenure and tenure squared. In panel A, the public-sector wage premium for men (women) corresponds to the coefficient β_3 (β_4). The private-sector gender wage gap corresponds to the coefficient β_1 from Equation 1. In panel B, the public sector hours premium correspond to the coefficient α_3 from Equation 2. Data for UK, France, and Spain from the Structure of Earnings Survey [2002, 2006, 2010, 2014]; for the US from the CPS March Supplement [2003-2018]. Demographic controls include age, education and race (only for the US). Job characteristics include occupation and for European countries tenure and tenure squared.

B Data description, details

Data sources

CPS and Labor Force Surveys The CPS is conducted on a monthly basis while the other surveys are conducted quarterly. The surveys include individuals' demographic characteristics, as well as information on their labor force status, sector of employment, occupation, industry of employment, weeks worked, and hours per week worked. We restrict our sample to individuals aged 16 to 64. For calculating stocks of unemployed, employed, and inactive individuals we use averages from 2003 to 2018. We define public employment in line with each country's official statistics. For the US, the public sector includes individuals who work for the government (further disaggregated into Federal, State or Local government). In the UK, we include the following categories: i) Central Government, Civil Service; ii) Local government or council (including police, fire services and local authority controlled schools or colleges); iii) University or other grant-funded educational establishments; iv) Health authority or NHS trust; and v) Armed forces. We exclude from our definition every private organization, as well as: i) Public company; ii) Nationalised industry or state corporation; iii) Charity, voluntary organisation or trust; and iv) other organisation. As in Fontaine et al. [2020], we exclude publicly-owned companies because those sell their goods and services and thus face market forces. Including them into private employment, together with non-profit institutions tends to reduce the observed differences between the two sectors. A similar definition is used for France. For Spain, the survey asks directly whether respondents work for the public or the private sector. For the US, we also use CPS data to analyze the gender composition of public sector jobs based on a 3-digit ISCO-08 occupational classification. To this end, we consider only occupations with non-trivial public and private-sector employment, i.e. occupations where the share of the public sector in total employment is larger than 5 percent and smaller than 95 percent. This implies that some top-paid occupations are excluded (i.e. as manufacturing, mining, construction, and distribution managers) as well as some low-paid jobs (i.e. domestic, hotel and office cleaners and helpers or waiters and bartenders).

Structure of Earnings Survey and CPS March Supplement We impose the following sample restrictions for the CPS March Supplement. We eliminate all individuals older than 65 and those currently not working. We also exclude self-employed and unpaid family workers as well as those in agriculture, fishing and forestry as our European data does not extent to these sectors. In particular our measure of annual hours worked is constructed the following way. We consider 260 working days and subtract the number of holidays and then multiply those by daily hours which we obtain dividing usual hours per month by 20. Note that US data does not include information on holidays which is why we use data from the Bureau of Labor Statistics [2022a] on Employee Benefits in the US which provides information on paid vacation for government and private industry workers. This data is provided by workers' fulltime and part time status and tenure. Information on the latter variable is not available in the CPS March Supplement. We do however have data on individuals' age and hence using additional information from the BLS [2022b] on employee tenure by age we assign tenure to individuals of different ages and then assign paid vacations by tenure separately to

public and private-sector workers of full and part-time status. Note that in any case for the US, there is very little difference in the estimated public sector hours discount when using actual hours worked or annual hours worked (2.5% vs. 2.8%).

Table B.1: Descriptive Statistics: Samples for wage and hours regressions

	US		**UK**		**France**		**Spain**	
	Mean	**Std.**	**Mean**	**Std.**	**Mean**	**Std..**	**Mean**	**Std.**
Columns (1) - All workers								
Yearly earnings	44684.27	52107.26	22188.46	33097.16	36800.44	36245.00	21800.25	19336.08
Annual hours	2048.95	2613.54	1713.05	593.83	1719.37	368.33	1915.30	402.70
Public sector	0.176	0.381	0.272	0.445	0.231	0.421	0.123	0.328
Women	0.498	0.500	0.509	0.500	0.443	0.497	0.399	0.490
Women public	0.102	0.303	0.181	0.385	0.121	0.326	0.065	0.247
Men public	0.074	0.262	0.091	0.287	0.110	0.313	0.058	0.233
Age	40.03	12.20	40.53	12.48	42.71	10.90	40.04	10.88
College	0.328	0.470	0.327	0.469	0.382	0.486	0.287	0.452
Part time	0.219	0.413	0.287	0.452	0.152	0.359	0.147	0.354
Tenure	–	–	7.17	8.15	11.75	10.59	8.55	9.69
Non-white	0.200	0.400	–	–	–	–	–	
Nr of observations	1,071,617		622,013		722,571		876,348	
Columns (2)- Full time workers only								
Yearly earnings	50444.03	54583.05	27608.57	36245.45	40014.76	37703.08	24106.44	19832.53
Annual hours	2176.01	2224.49	2011.22	328.82	1822.70	239.25	2048.06	153.87
Public sector	0.182	0.386	0.257	0.437	0.225	0.418	0.130	0.336
Women	0.454	0.498	0.402	0.490	0.391	0.488	0.348	0.476
Women public	0.100	0.300	0.145	0.352	0.105	0.307	0.068	0.251
Men public	0.082	0.274	0.112	0.315	0.120	0.325	0.062	0.241
Age	41.10	11.41	40.42	11.83	42.59	10.83	40.13	10.68
College	0.354	0.478	0.359	0.480	0.395	0.489	0.297	0.457
Tenure			7.75	8.49	12.05	10.67	9.05	9.81
Non-white	0.204	0.403						
Nr of observations	837,088		443,801		612,527		747,302	

Note: Data for the US from CPS March Supplement [2003-2018], for the UK, France and Spain from the Structure of Earnings Survey [2002, 2006, 2010, 2014]; see description above for details.

Estimation of conditional transition probabilities

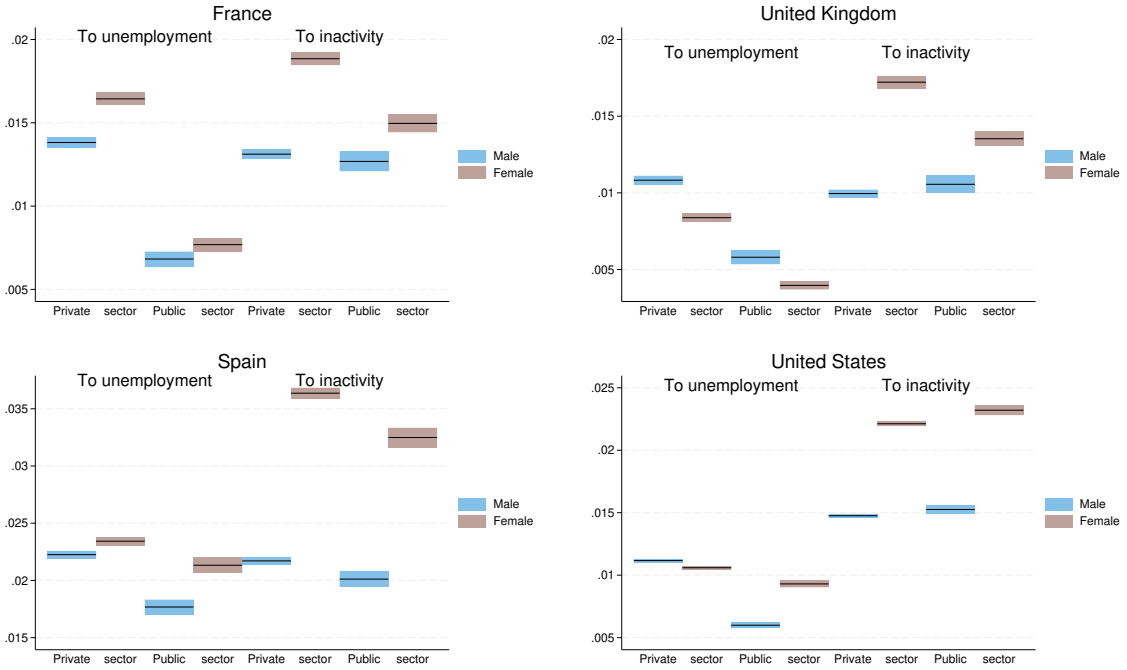
Conditional on being employed, a worker can keep his job, become unemployed or become inactive. We consider staying employed as the base outcome and compute the probabilities of becoming unemployed or inactive as:

$$\lambda_i^U = \frac{\exp(x_i\beta_U)}{1 + \exp(x_i\beta_U) + \exp(x_i\beta_I)} \tag{B.1}$$

$$\lambda_i^I = \frac{\exp(x_i\beta_I)}{1+\exp(x_i\beta_U)+\exp(x_i\beta_I)}, \tag{B.2}$$

where x_i denotes the control variables age and age squared, as well as indicator variables for education, region, year, occupation, and age between 60 and 64 to capture increasing flows into retirement. The estimation also includes a female dummy, a public sector dummy, and an interaction term between the two. These estimates then allow us to predict transition probabilities for the average female and male employee in both public and private sector.

Figure B.1: Conditional transition probabilities out of employment



Note: Based on the estimation of equations B.1 and B.2 using a multinomial logit regression. For France the number of observations is 1,421,243 and the pseudo R-squared is 0.092. For the UK the number of observations is 1,393,928 and the pseudo R-squared is 0.071. For Spain the number of observations is 1,989,672 and the pseudo R-squared is 0.090. For the US the number of observations is 6,479,457 and the pseudo R-squared is 0.068. For France, the UK, and Spain, transition rates are quarterly, while they are monthly for the US. Included as controls are regional and year fixed effects, education and occupation dummies as well as age and age squared and a dummy for age 60-64. The predicted probability is calculated based on an individual with the average characteristics of the employed population. Data is for 2003-2016 (2005-2016 for Spain). The boxes report the 95 percent confidence interval on the prediction.

C Further model results and inputs

C.1 Dis-aggregated value functions

Our two value functions for employment and non-employment can be disaggregated into three value functions for employment, unemployment and inactivity as follows:

$$(r+\tau+\lambda)E_{i,j} = (1-\xi_i)x + w_{i,j} + \delta_i[U_{i,j} - E_{i,j}] + \lambda[A^1_{i,j} + A^2_{i,j}], \tag{C.1}$$

$$(r+\tau+\lambda)U_{i,j} = x + m(\theta_i)[E_{i,j} - U_{i,j}] + \lambda[B^1_{i,j} + A^2_{i,j}], \quad \text{if } x \leq \hat{x}_{i,j} \tag{C.2}$$

$$(r+\tau+\lambda)I_{i,j} = x + \lambda[B^1_{i,j} + A^2_{i,j}], \quad \text{if } x > \hat{x}_{i,j} \tag{C.3}$$

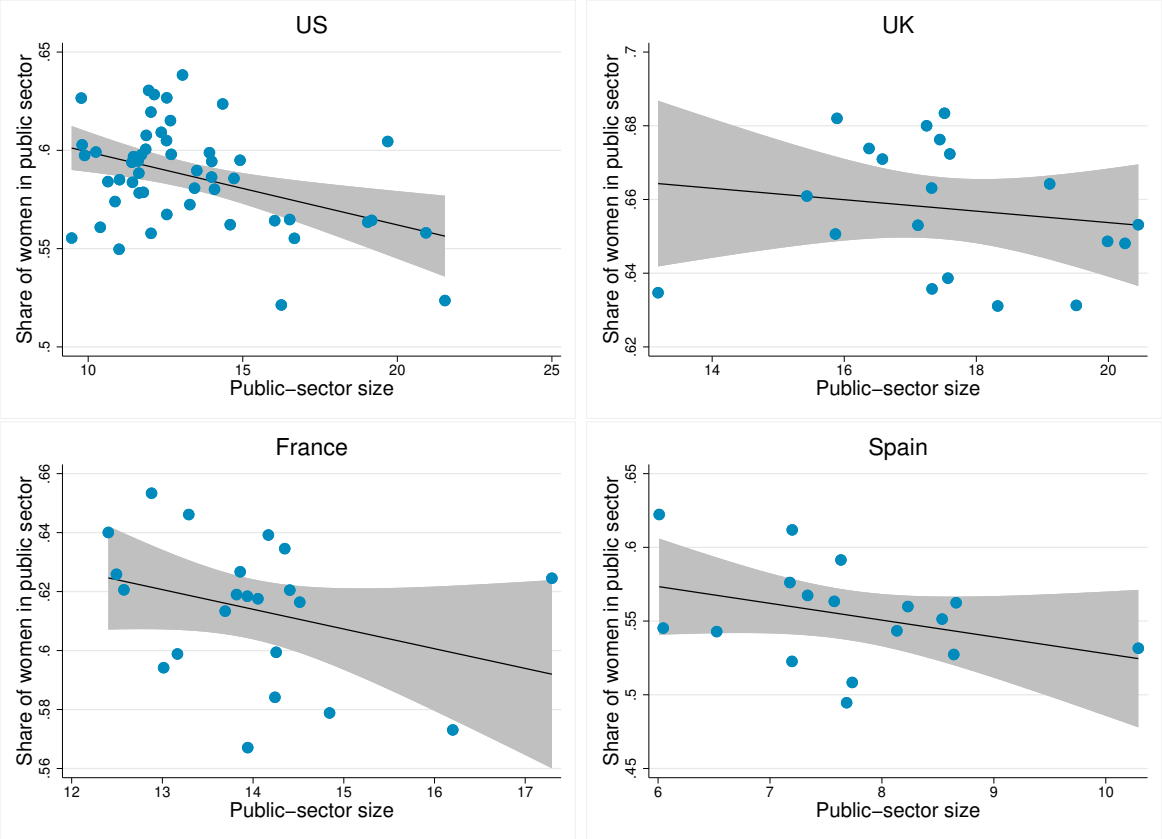
where $A^1_{i,j} = \int_0^{\hat{x}_{i,j}} E_{i,j}(x')dF_j(x')$, $A^2_{i,j} = \int_{\hat{x}_{i,j}}^{\infty} I_{i,j}(x')dF_j(x')$, $A_{i,j} = A^1_{i,j} + A^2_{i,j}$, $B^1_{i,j} = \int_0^{\hat{x}_{i,j}} U_{i,j}(x')dF_j(x')$, and $B_{i,j} = B^1_{i,j} + A^2_{i,j}$.

Table C.1: Cross-regional relationship between share of women in public sector and its size

	US	**UK**	**France**	**Spain**
% public sector employment	-0.0037***	-0.0016	-0.0067	-0.0114
	(0.0012)	(0.0023)	(0.0044)	(0.0078)
Constant	0.6363***	0.6848***	0.7075***	0.6418***
	(0.0159)	(0.0404)	(0.0612)	(0.0606)
Obs.	51	20	22	17
R-squared	0.1701	0.0248	0.1048	0.1242

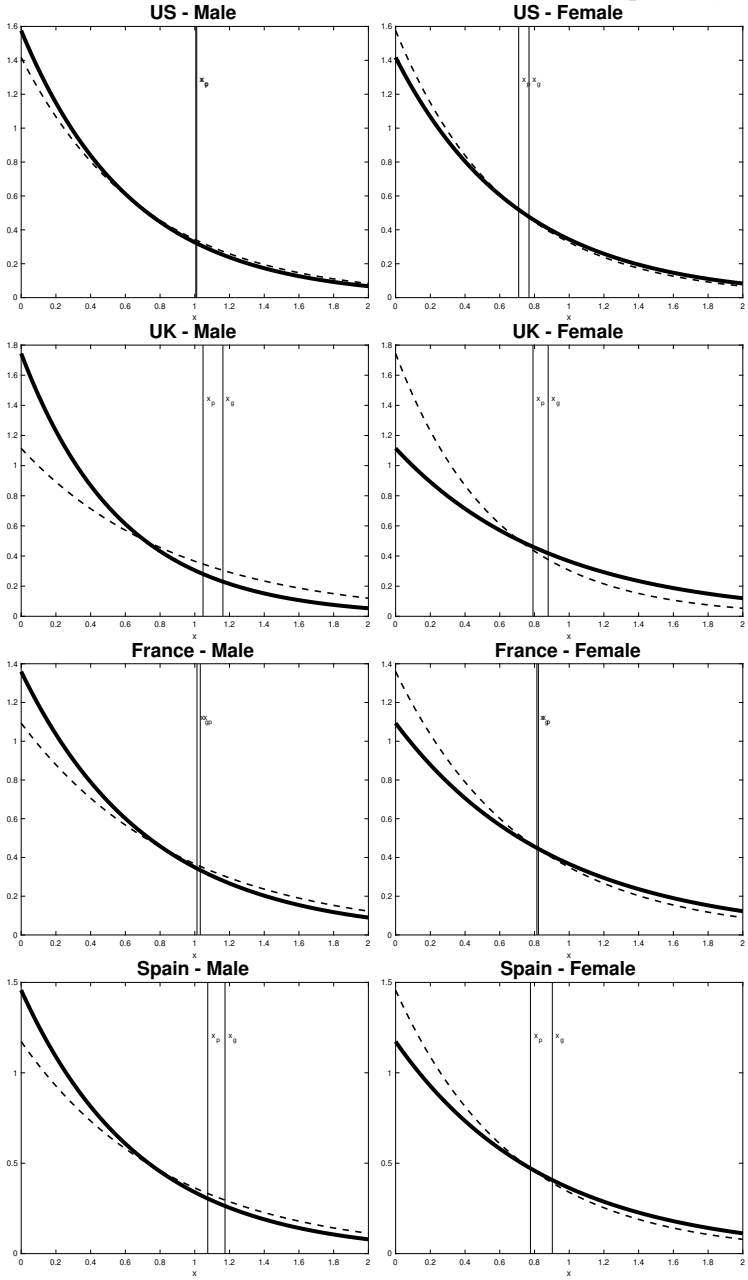
Notes: Estimated by OLS regressions. Data for UK LFS [2003-2018], French LFS [2003-2017] and Spanish LFS [2003-2018]; for US, CPS data [2003-2018], extracted by Fontaine et al. [2020]. For Spain, we exclude two regions – Ceuta and Melilla – characterized by a strong presence of the armed forces due to their location on the African continent.

Figure C.1: Share of women in public sector and the size of government



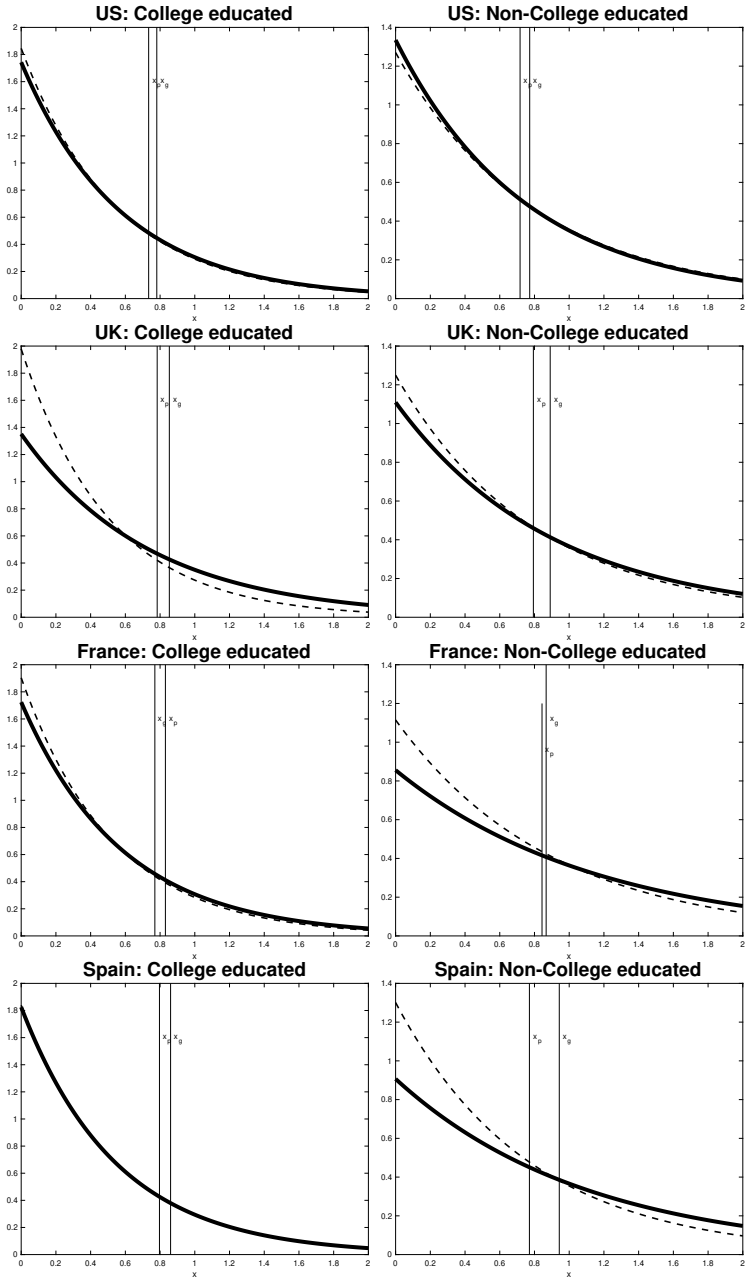
Note: Data for UK LFS [2003-2018], French LFS [2003-2017] and Spanish LFS [2003-2018]; for US, CPS data [2003-2018], extracted by Fontaine et al. [2020]. For Spain, we exclude two regions – Ceuta and Melilla – characterized by a strong presence of the armed forces due to their location on the African continent.

Figure C.2: Calibrated distributions for individuals' outside options, $F(\mu_x^j)$, $j = [m, f]$



Note: The left-hand graphs show the distributions of individuals' outside options together with the different thresholds for men (for comparison the distributions for women are plotted as dashed lines). The right-hand graphs show the distributions of individuals' outside options together with the different thresholds for women (for comparison the distributions for men are plotted as dashed lines). Means of these distributions for men (women) in each country are 0.635 (0.706) for the US, 0.573(0.897) for the UK, 0.736(0.915) for France and 0.686(0.853) for Spain. Thresholds for the public and private sector for men (women) are 1.006 (0.768) and 1.011 (0.709) in the US, 1.162 (0.879) and 1.047 (0.792) for the UK, 1.013 (0.814) and 1.032 (0.823) for France and 1.174 (0.903) 1.075(0.777) for Spain.

Figure C.3: Calibrated distributions for individuals' outside options, $F(\mu_x^j)$, $j = [m, f]$for college and non-college educated individuals



Note: The left-hand graphs show the distributions for college-educated individuals' outside options together with the different thresholds for women (for comparison the distributions for men are plotted as dashed lines). The right-hand graphs show these distributions for non-college educated individuals. Means of these distributions for men (women) with college education in the US are 0.542(0.574) for those without college education 0.787(0.749), in the UK 0.506(0.740) and 0.800(0.901), in France 0.525(0.580) and 0.897(1.169), and in Spain 0.544(0.548) and 0.769(1.103). Thresholds for the public and private sector for men (women) are 0.936 (0.781) and 1.011 (0.734) for college and 1.085 (0.773) and 1.015 (0.717) for non college educated in the US, 1.086(0.853) and 1.014 (0.783) for college and 1.156 (0.891) and 1.031 (0.794) for non college educated in the UK, 0.952 (0.770) and 1.049 (0.831) for college and 1.057 (0.867) and 1.030(0.843) for non college educated in France and 1.062 (0.861) and 1.092 (0.797) for college and 1.275 (0.943) and 1.089 (0.771) for non college educated in Spain.

Table C.2: Gender composition of the public sector under different scenarios, alternative and raw measures for the over-representation of women

	Benchmark	No wage difference $\pi_f = \pi_m = 1$	No hours diff. $\xi_g = \xi_p$	No job security diff $\delta_g = \delta_p$	No sector diff. $\pi_f = \pi_m = 1$ $\xi_g = \xi_p$ $\delta_g = \delta_p$
Panel A: Sector differences					
Women's employment shares ratio					
US	1.250	1.132(47.1%)	1.246(1.3%)	1.252(-1.1%)	1.132*(47.2%)
UK	1.723	1.721*(0.3%)	1.713(1.4%)	1.729(-0.9%)	1.717*(0.8%)
France	1.440	1.404(8.2%)	1.423(3.8%)	1.447(-1.5%)	1.384(12.7%)
Spain	1.301	1.101(66.5%)	1.271(10.0%)	1.316(-4.8%)	1.087(71.1%)
Raw Measures					
Share of public sector in women's employment					
US	0.193	0.178	0.192	0.193	0.176*
UK	0.343	0.340*	0.342	0.344	0.329*
France	0.278	0.274	0.277	0.280	0.274
Spain	0.204	0.178	0.201	0.206	0.177
Share of women in public-sector employment					
US	0.528	0.485	0.527	0.529	0.485*
UK	0.600	0.600*	0.597	0.602	0.600*
France	0.573	0.560	0.567	0.575	0.554
Spain	0.524	0.455	0.513	0.528	0.450
Panel B: Gender differences					
	Benchmark	No preference difference $\epsilon_f = \epsilon_m$	No x distrib. $\mu_f = \mu_m$	No wedge diff $\alpha = 1$	No gender diff. $\mu_f = \mu_m$ $\alpha = 1$ $\epsilon_f = \epsilon_m$
Women's employment shares ratio					
US	1.250	1.105*(58.1%)	1.248(0.4%)	1.243(2.4%)	1.115(53.8%)
UK	1.723	1.005*(99.3%)	1.641(11.4%)	1.671(7.2%)	1.009*(98.7%)
France	1.440	1.057*(87.0%)	1.394(10.4%)	1.381(13.4%)	1.024(94.7%)
Spain	1.301	1.082(72.7%)	1.338(-12.1%)	1.386(-28.2%)	1.200(33.7%)
Raw Measures					
Share of public sector in women's employment					
US	0.193	0.165*	0.187	0.177	0.157
UK	0.343	0.166*	0.302	0.321	0.168*
France	0.278	0.203*	0.256	0.256	0.189
Spain	0.204	0.175	0.196	0.199	0.166
Share of women in public-sector employment					
US	0.528	0.478*	0.550	0.585	0.550
UK	0.600	0.407*	0.685	0.642	0.504
France	0.573	0.456*	0.610	0.600	0.510*
Spain	0.524	0.450	0.588	0.614	0.586

Note: Model simulations; Women's employment shares ratios defined as $\frac{e_{g,f}}{e_g} / \frac{e_{p,f}}{e_p}$*. Eliminating all sector and gender differences leads to women's employment shares ratios of 1. In brackets we report the % of over-representation explained. Percentages do not necessarily add up because of interaction effects. In some counterfactuals (marked with *), the size of the public sector has to be adjusted when the government cannot fill all its vacancies.*

Table C.3: Sensitivity Analysis: Gender composition of the public sector under different scenarios

Panel B: Gender differences

	Benchmark	No preference difference $\epsilon_f = \epsilon_m$	No x distrib. $\mu_f = \mu_m$	No wedge diff $\alpha = 1$	No gender diff. $\mu_f = \mu_m$ $\alpha = 1$ $\epsilon_f = \epsilon_m$
Public-sector employment shares ratio					
+std	1.428	1.200*(53.2%)	1.457 (-6.7%)	1.504(-17.7%)	1.272(36.4%)
US	1.427	1.167*(60.8%)	1.449(-5.2%)	1.482(-13.0%)	1.216(49.4%)
-std	1.427	1.155*(63.7%)	1.452(-5.9%)	1.475(-11.3%)	1.195(54.4%)
+std	2.187	0.997*(100.3%)	2.451(-22.3%)	2.304(-9.9%)	1.020*(98.3%)
UK	2.187	1.007*(99.4%)	2.419(-19.5%)	2.273(-7.3%)	1.015*(98.7%)
-std	2.185	1.014*(98.8%)	2.394(-17.7%)	2.246(-5.2%)	1.012*(99.0%)
+std	1.742	1.738(0.5%)	1.529(28.8%)	1.401(45.9%)	1.191(74.2%)
France	1.744	1.084*(88.8%)	1.751(-0.9%)	1.708(4.8%)	1.039(94.8%)
-std	1.744	1.045*(93.9%)	1.769(-3.4%)	1.740(0.5%)	1.020*(97.3%)
+std	1.509	1.509(0.0%)	2.961(-285.0%)	4.173(-523.0%)	5.176(-719.8%)
Spain	1.503	1.123(75.5%)	1.660(-31.0%)	1.802(-59.2%)	1.402(20.1%)
-std	1.504	1.059(88.3%)	1.556(-10.2%)	1.572(-13.5%)	1.112(77.7%)

Note: Model simulations. Public employment shares ratios defined as $\frac{e_{g,f}}{e_f} / \frac{e_{g,m}}{e_m}$*. Eliminating all sector and gender differences leads to public employment shares ratios of 1. In brackets we report the % of over-representation explained. Percentages do not necessarily add up because of interaction effects. In some counterfactuals (marked with *) the government cannot fill all its vacancies so the size of the public sector is adjusted.*

Table C.4: Sensitivity Analysis: Gender composition of the public sector, different values for matching elasticity (η)

Panel A: Sector differences					
	Benchmark	No wage difference $\pi_f = \pi_m = 1$	No hours diff. $\xi_g = \xi_p$	No job security diff $\delta_g = \delta_p$	No sector diff. $\pi_f = \pi_m = 1$ $\xi_g = \xi_p$ $\delta_g = \delta_p$
Public-sector employment shares ratio					
US					
$\eta = 0.3$	1.427	1.212(50.5%)	1.421(1.5%)	1.433(-1.3%)	1.212*(50.3%)
$\eta = 0.4$	1.426	1.211(50.5%)	1.420(1.5%)	1.432(-1.3%)	1.211*(50.4%)
$\eta = 0.5$	1.427	1.210(50.7%)	1.420(1.5%)	1.432(-1.3%)	1.211*(50.5%)
UK					
$\eta = 0.3$	2.188	2.190*(-0.2%)	2.165(1.9%)	2.202(-1.2%)	2.202*(-1.2%)
$\eta = 0.4$	2.187	2.189*(-0.2%)	2.164(1.9%)	2.201(-1.2%)	2.201*(-1.2%)
$\eta = 0.5$	2.187	2.189*(-0.2%)	2.164(1.9%)	2.201(-1.2%)	2.201*(-1.2%)
FR					
$\eta = 0.3$	1.744	1.667(10.4%)	1.708(4.9%)	1.758(-1.9%)	1.625(16.0%)
$\eta = 0.4$	1.744	1.666(10.5%)	1.707(5.0%)	1.757(-1.8%)	1.623(16.2%)
$\eta = 0.5$	1.744	1.667(10.4%)	1.708(4.9%)	1.758(-1.8%)	1.625(16.0%)
ES					
$\eta = 0.3$	1.504	1.180(64.4%)	1.448(11.0%)	1.532(-5.6%)	1.159(68.5%)
$\eta = 0.4$	1.504	1.180(64.3%)	1.448(11.0%)	1.532(-5.6%)	1.159(68.5%)
$\eta = 0.5$	1.503	1.152(69.8%)	1.445(11.6%)	1.532(-5.6%)	1.130(74.2%)
Panel B: Gender differences					
	Benchmark	No preference difference $\epsilon_f = \epsilon_m$	No x distrib. $\mu_f = \mu_m$	No wedge diff $\alpha = 1$	No gender diff. $\mu_f = \mu_m$ $\alpha = 1$ $\epsilon_f = \epsilon_m$
Public-sector employment shares ratio					
US					
$\eta = 0.3$	1.427	1.167*(61.0%)	1.449(-5.1%)	1.483(-13.0%)	1.215(49.7%)
$\eta = 0.4$	1.426	1.167*(60.9%)	1.448(-5.1%)	1.481(-12.9%)	1.215(49.6%)
$\eta = 0.5$	1.427	1.167*(60.8%)	1.449(-5.2%)	1.482(-13.0%)	1.216(49.4%)
UK					
$\eta = 0.3$	2.188	1.007*(99.4%)	2.419(-19.5%)	2.274(-7.3%)	1.015*(98.7%)
$\eta = 0.4$	2.187	1.007*(99.4%)	2.418(-19.5%)	2.273(-7.3%)	1.015*(98.7%)
$\eta = 0.5$	2.187	1.007*(99.4%)	2.419(-19.5%)	2.273(-7.3%)	1.015*(98.7%)
France					
$\eta = 0.3$	1.744	1.083*(88.8%)	1.751(-0.9%)	1.708(4.8%)	1.039(94.8%)
$\eta = 0.4$	1.744	1.084*(88.6%)	1.749(-0.8%)	1.706(5.1%)	1.040(94.7%)
$\eta = 0.5$	1.744	1.084*(88.8%)	1.751(-0.9%)	1.708(4.8%)	1.039(94.8%)
Spain					
$\eta = 0.3$	1.504	1.107(78.7%)	1.660(-31.1%)	1.778(-54.5%)	1.363(28.0%)
$\eta = 0.4$	1.504	1.107(78.7%)	1.660(-31.1%)	1.778(-54.5%)	1.363(28.0%)
$\eta = 0.5$	1.503	1.123(75.5%)	1.660(-31.0%)	1.802(-59.2%)	1.402(20.1%)

Note: Model simulations. Public employment shares ratios defined as $\frac{e_{g,f}}{e_f} / \frac{e_{g,m}}{e_m}$. *Eliminating all sector and gender differences leads to public employment shares ratios of 1. In brackets we report the % of over-representation explained. Percentages do not necessarily add up because of interaction effects. In some counterfactuals (marked with *) the government cannot fill all its vacancies so the size of the public sector is adjusted.*

Table C.5: Gender composition of the public sector for different education groups

Panel B: Gender differences

	Benchmark	No preference difference $\epsilon_f = \epsilon_m$	No x x distribution difference $\mu_f = \mu_m$ $\bar{x}_{x,f} = \bar{x}_{x,m}$	No wedge $\alpha = 1$	No gender difference $\mu_f = \mu_m$ $\bar{x}_{x,f} = \bar{x}_{x,m}$ $\alpha = 1$ $\epsilon_f = \epsilon_m$
Public employment shares ratio					
US					
College	1.550	1.329*(40.2%)	1.562(-2.1%)	1.583(-6.0%)	1.357(35.0%)
Non-college	1.296	0.991*(102.9%)	1.292(1.3%)	1.331(-12.0%)	1.014(95.1%)
UK					
College	1.977	1.029*(97.1%)	2.135(-16.2%)	2.044(-6.8%)	1.023*(97.6%)
Non-college	1.098	0.982(118.0%)	1.109(-10.9%)	1.126(-28.1%)	1.009(90.7%)
FR					
College	1.693	15.493(-1992.2%)	1.276(60.1%)	0.554(164.4%)	1.920(-32.7%)
Non-college	1.676	1.003(99.5%)	1.717(-6.0%)	1.702(-3.8%)	1.020(97.1%)
ES					
College	1.544	12.850(-2076.9%)	1.555(-2.0%)	2.343(-146.7%)	13.433(-2184.1%)
Non-college	1.306	1.039(87.2%)	1.385(-25.7%)	1.428(-39.6%)	1.128(58.2%)

Note: Model simulations. Public employment shares ratios defined as $\frac{e_{g,f}}{e_f} / \frac{e_{g,m}}{e_m}$. *Eliminating all sector and gender differences leads to public employment share ratios of 1. In brackets we report the % of over-representation explained. Percentages do not necessarily add up because of interaction effects. In some counterfactuals (marked with *) the government cannot fill all its vacancies so the size of the public sector is adjusted.*

Table C.6: Alternative calibrations: +/- std. error on slope coefficient

	US	UK	FR	ES	
Calibrated parameters					**Target**
+std on slope coefficient					
Bargaining power, men (β)	0.929	0.971	0.964	0.949	Unemployment
Labor market parameters					
Vacancy costs (κ)	3.707	1.081	1.513	1.938	Equivalent to 8 weekly wages
"Wedge" (α)	0.264	0.208	0.180	0.237	Private sector gender wage gap
Outside option distribution: Exponential					
Mean men: $\mu_{x,m}$	0.634	0.573	0.737	0.672	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.708	0.894	0.905	0.944	Non-employment rate, women
Arrival rate of shocks					
Outside option(λ)	0.084	0.082	0.067	0.099	E I flow, aggregate
Preference distribution: Normal					
Mean - men ($\tilde{\epsilon}_m$)	-76.717	-42.487	-0.481	-4.010	Job finding public/private sector
Mean - women ($\tilde{\epsilon}_f$)	-68.898	-18.845	-0.476	-4.010	% women in public sector
Std. - all (σ_ϵ)	69.945	39.575	3.150	2.227	Slope of regional variation in over-representation; + std error
- std on slope coefficient					
Bargaining power, men (β)	0.929	0.971	0.964	0.949	Overall unemployment
Labor market parameters					
Vacancy costs (κ)	3.696	1.077	1.514	1.932	8 weekly wages
"Wedge" (α)	0.261	0.207	0.180	0.237	Gender wage gap
Outside option distribution: Exponential					
Mean men: $\mu_{x,m}$	0.633	0.573	0.736	0.682	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.724	0.911	0.915	0.862	Non-employment rate, women
Arrival rate of shocks					
Outside option (λ)	0.084	0.082	0.066	0.102	E I flow, aggregate
Preference distribution: Normal					
Mean - men ($\tilde{\epsilon}_m$)	-110.562	-77.309	-35.884	-51.430	Job finding public/private sector
Mean - women ($\tilde{\epsilon}_f$)	-96.422	-33.422	-21.400	-41.661	% women in public sector
Std. - all (σ_ϵ)	100.799	73.761	38.574	43.789	Slope of regional variation in over-representation; - std. error.

Note: The model is calibrated at monthly frequency for the US and at quarterly frequency for the other countries.

Table C.7: Alternative calibrations: +/- std. error on slope coefficient - model vs. data

Targets	**US**		**UK**		**FR**		**ES**	
	Data	Model	Data	Model	Data	Model	Data	Model
+std on slope coefficient								
Unemployment rate								
$(u_m + u_f)/(1 - i_m) + (1 - i_f))$	0.071	0.071	0.065	0.065	0.099	0.099	0.186	0.186
Non-employment rates, FTE								
Male $(i_m + u_m)$	0.252	0.252	0.200	0.200	0.315	0.316	0.338	0.332
Female $(i_f + u_f)$	0.418	0.415	0.450	0.450	0.473	0.469	0.522	0.555
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.284	-0.285	-0.219	-0.219	-0.186	-0.185	-0.247	-0.249
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	8.000	8.001	8.000	8.007	8.000	7.992	8.000	8.001
Flow rate								
$E \to I$, aggregate	0.023	0.023	0.021	0.021	0.021	0.021	0.029	0.029
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.427	1.428	2.187	2.187	1.744	1.742	1.504	1.509
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	1.066	1.066	0.743	0.743	0.847	0.847	0.878	0.881
Regional variation in public sector size								
and women's over-representation	0.005	0.005	0.004	0.004	0.011	0.011	0.019	0.019
-std on slope coefficient								
Unemployment rate								
$(u_m + u_f)/(1 - i_m) + (1 - i_f))$	0.071	0.071	0.065	0.065	0.099	0.099	0.186	0.186
Non-employment rates, FTE								
Male $(i_m + u_m)$	0.252	0.252	0.200	0.200	0.315	0.315	0.338	0.338
Female $(i_f + u_f)$	0.418	0.423	0.450	0.457	0.473	0.473	0.522	0.522
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.284	-0.283	-0.219	-0.218	-0.186	-0.186	-0.247	-0.247
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	8.000	8.007	8.000	7.989	8.000	8.009	8.000	7.998
Flow rate								
$E \to I$, aggregate	0.023	0.023	0.021	0.021	0.021	0.021	0.029	0.029
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.427	1.427	2.187	2.185	1.744	1.744	1.504	1.504
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	1.066	1.066	0.743	0.744	0.847	0.846	0.878	0.878
Regional variation in public sector size								
and women's over-representation	0.003	0.003	-0.001	-0.001	0.002	0.002	0.004	0.004

Table C.8: Alternative calibrations: Different matching elasticities: $\eta = 0.3$, $\eta = 0.4$

	US	UK	FR	ES	
Calibrated parameters					**Target**
$\eta = 0.3$					
Bargaining power, men (β)	0.929	0.971	0.964	0.949	Unemployment
Labor market parameters					
Vacancy costs (κ)	9.289	2.139	4.744	8.568	Equivalent to 8 weekly wages
"Wedge" (α)	0.265	0.208	0.180	0.237	Private sector gender wage gap
Outside option distribution: Exponential					
Mean men: $\mu_{x,m}$	0.635	0.573	0.736	0.682	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.705	0.897	0.915	0.862	Non-employment rate, women
Arrival rate of shocks					
Outside option (λ)	0.084	0.082	0.066	0.102	E- I flow, aggregate
Preference distribution: Normal					
Mean - men ($\tilde{\epsilon}_m$)	-99.451	-58.423	-14.172	-15.281	Job finding public/private sector
Mean - women ($\tilde{\epsilon}_f$)	-87.492	-25.610	-8.576	-13.131	% women in public sector
Std. - all (σ_ϵ)	90.360	55.094	16.856	12.099	Slope of regional variation in over-representation
$\eta = 0.4$					
Bargaining power, men (β)	0.929	0.971	0.964	0.949	Unemployment
Labor market parameters					
Vacancy costs (κ)	5.231	1.395	2.322	3.378	Equivalent to 8 weekly wages
"Wedge" (α)	0.265	0.208	0.180	0.237	Private sector gender wage gap
Outside option distribution: Exponential					
Mean men: $\mu_{x,m}$	0.635	0.573	0.736	0.682	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.705	0.896	0.913	0.862	Non-employment rate, women
Arrival rate of shocks					
Outside option (λ)	0.084	0.082	0.066	0.102	E- I flow, aggregate
Preference distribution: Normal					
Mean - men ($\tilde{\epsilon}_m$)	-99.550	-58.459	-13.848	-15.282	Job finding public/private sector
Mean - women ($\tilde{\epsilon}_f$)	-87.626	-25.651	-8.389	-13.132	% women in public sector
Std. - all (σ_ϵ)	90.466	55.125	16.525	12.100	Slope of regional variation in over-representation

Note: The model is calibrated at monthly frequency for the US and at quarterly frequency for the other countries.

Table C.9: Alternative calibrations with $\eta = 0.3$, $\eta = 0.4$: model vs. data

Targets	**US**		**UK**		**FR**		**ES**	
	Data	Model	Data	Model	Data	Model	Data	Model
$\eta = 0.3$								
Unemployment rate								
$(u_m + u_f)/(1 - i_m) + (1 - i_f))$	0.071	0.071	0.065	0.065	0.099	0.099	0.186	0.186
Non-employment rates, FTE								
Male $(i_m + u_m)$	0.252	0.252	0.200	0.200	0.315	0.315	0.338	0.338
Female $(i_f + u_f)$	0.418	0.414	0.450	0.451	0.473	0.473	0.522	0.522
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.284	-0.285	-0.219	-0.219	-0.186	-0.186	-0.247	-0.247
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	8.000	8.001	8.000	8.008	8.000	8.009	8.000	7.998
Flow rate								
$E \to I$, aggregate	0.023	0.023	0.021	0.021	0.021	0.021	0.029	0.029
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.427	1.427	2.187	2.188	1.744	1.744	1.504	1.504
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	1.066	1.066	0.743	0.743	0.847	0.847	0.878	0.878
Regional variation in public sector size								
and women's over-representation	0.004	0.004	0.002	0.002	0.007	0.007	0.011	0.011
$\eta = 0.4$								
Unemployment rate								
$(u_m + u_f)/(1 - i_m) + (1 - i_f))$	0.071	0.071	0.065	0.065	0.099	0.099	0.186	0.186
Non-employment rates, FTE								
Male $(i_m + u_m)$	0.252	0.252	0.200	0.200	0.315	0.315	0.338	0.338
Female $(i_f + u_f)$	0.418	0.413	0.450	0.451	0.473	0.472	0.522	0.522
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.284	-0.285	-0.219	-0.219	-0.186	-0.185	-0.247	-0.247
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	8.000	8.001	8.000	8.009	8.000	8.005	8.000	7.998
Flow rate								
$E \to I$, aggregate	0.023	0.023	0.021	0.021	0.021	0.021	0.029	0.029
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.427	1.426	2.187	2.187	1.744	1.744	1.504	1.504
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	1.066	1.066	0.743	0.743	0.847	0.847	0.878	0.878
Regional variation in public sector size								
and women's over-representation	0.004	0.004	0.002	0.002	0.007	0.007	0.011	0.011

Table C.10: Additional calibration: US and UK for college and non -college educated

	US		UK		
	College	Non College	College	Non-College	**Source**
Parameters set exogenously					
Discounting					
Interest rate (r)	0.004	0.004	0.012	0.012	Annual interest rate of 4%
Death rate (τ)	0.002	0.002	0.006	0.006	Working life of 40 years
Public sector policies					
Wage (men) (π_m)	0.912	1.034	1.010	1.061	Wage regressions
Wage (women) (π_f)	1.043	1.042	1.031	1.067	Wage regressions
Employment - (e_g)	0.191	0.073	0.269	0.102	Census Data
Labor market parameters					
Matching efficiency (ζ)	1	1	1	1	Normalization
Matching elasticity (η)	0.5	0.5	0.5	0.5	Literature
Share of women	0.546	0.519	0.510	0.509	Census Data
Time cost of labor force					
Private (ξ_p)	1	1	1	1	Normalization
Public (ξ_g)	0.973	0.971	0.958	0.967	Hours regressions
Arrival rate of shocks					
Separation - private (δ_p)	0.007	0.018	0.012	0.017	P-U flow, aggregate
Separation - public (δ_g)	0.005	0.009	0.004	0.006	G-U flow, aggregate
Calibrated parameters					Target
Bargaining power, men (β)	0.948	0.945	0.968	0.978	Unemployment
Labor market parameters					
Vacancy costs (κ)	4.387	2.489	0.856	0.753	10 (college), 5 (non-college) weekly wages
"Wedge" (α)	0.253	0.279	0.206	0.217	Private sector gender wage gap
Arrival rate of shocks					
Outside option (λ)	0.058	0.083	0.069	0.069	E- I flow, aggregate
Outside option distribution:exponential					
Mean men: $\mu_{x,m}$	0.542	0.787	0.506	0.800	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.574	0.749	0.740	0.901	Non-employment rate, women
Preference distribution: Normal					
Mean - men ($\bar{\epsilon}_m$)	-57.755	-197.805	-43.300	-49.879	Job finding public/private sector
Mean - women ($\bar{\epsilon}_f$)	-47.622	-174.266	-2.713	-46.568	% women in public sector
Std. - all (σ_ϵ)	80.454	150.003	63.152	46.307	Slope of regional variation in over-representation

Note: The model is calibrated at monthly frequency for the US and at quarterly frequency for the UK.

Table C.11: Additional calibration: France and Spain for college and non-college educated

	France		Spain		
	College	Non College	College	Non-College	**Source**
Parameters set exogenously					
Discounting					
Interest rate (r)	0.012	0.012	0.012	0.012	Annual interest rate of 4%
Death rate (τ)	0.006	0.006	0.006	0.006	Working life 40 years
Public sector policies					
Wage (men) (π_m)	0.793	0.956	0.939	1.048	Wage regressions
Wage (women) (π_f)	0.811	0.964	1.038	1.107	Wage regressions
Employment - (e_g)	0.208	0.094	0.201	0.050	Census Data
Labor market parameters					
Matching efficiency (ζ)	1	1	1	1	Normalization
Matching elasticity (η)	0.5	0.5	0.5	0.5	Literature
Share of women	0.544	0.496	0.526	0.483	Census Data
Time cost of labor force					
Private (ξ_p)	1	1	1	1	Normalization
Public (ξ_g)	0.877	0.945	0.962	0.931	Hours regressions
Arrival rate of shocks					
Separation - private (δ_p)	0.016	0.023	0.029	0.048	P-U flow, aggregate
Separation - public (δ_g)	0.005	0.010	0.014	0.033	G-U flow, aggregate
Calibrated parameters					Target
Bargaining power, men (β)	0.964	0.975	0.952	0.963	Unemployment
Labor market parameters					
Vacancy costs (κ)	1.529	1.030	2.041	1.301	10 (college), 5 (non-college) weekly wages
"Wedge" (α)	0.194	0.159	0.254	0.237	Private sector gender wage gap
Arrival rate of shocks					
Outside option (λ)	0.077	0.062	0.104	0.109	E- I flow, aggregate
Outside option distribution:exponential					
Mean men: $\mu_{x,m}$	0.525	0.897	0.544	0.769	Non-employment rate, men
Mean women: $\mu_{x,f}$	0.580	1.169	0.548	1.103	Non-employment rate, women
Preference distribution: Normal					
Mean - men ($\bar{\epsilon}_m$)	5.740	-26.126	-0.782	-48.016	Job finding public/private sector
Mean - women ($\bar{\epsilon}_f$)	3.954	-17.966	-3.156	-43.983	% women in public sector
Std. - all (σ_ϵ)	1.500	24.318	2.000	33.499	Slope of regional variation in over-representation

Table C.12: US and UK for college and non-college educated: model vs. data

	US				UK			
Targets	**College**		**Non-college**		**College**		**Non-college**	
	Data	Model	Data	Model	Data	Model	Data	Model
Unemployment rate								
$(u_m + u_f/(1-i_m) + (1-i_f))$	0.037	0.036	0.088	0.088	0.034	0.034	0.078	0.078
Non-employment rates								
Male $(i_m + u_m)$	0.158	0.185	0.332	0.332	0.154	0.154	0.321	0.322
Female $(i_f + u_f)$	0.287	0.301	0.441	0.440	0.363	0.360	0.466	0.459
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.265	-0.267	-0.287	-0.287	-0.215	-0.215	-0.219	-0.220
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	10.000	10.013	5.000	4.998	10.000	9.984	5.000	4.997
Flow rate								
$E \to I$, aggregate	0.013	0.013	0.027	0.027	0.015	0.015	0.023	0.023
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.532	1.550	1.298	1.296	1.976	1.977	1.097	1.098
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	1.248	1.238	1.009	1.008	0.742	0.743	0.735	0.736
Regional variation in public sector size								
and women's over-representation	0.004	0.004	0.004	0.004	0.002	0.002	0.002	0.002
Non-targeted moments								
Unemployment rates								
Male $(u_m/(1-i_m))$	0.037	0.031	0.091	0.081	0.035	0.027	0.076	0.071
Female $(u_f/(1-i_f))$	0.037	0.041	0.085	0.096	0.033	0.043	0.082	0.087
Inactivity rates								
Male $(i_m))$	0.126	0.160	0.264	0.273	0.123	0.130	0.266	0.270
Female $(i_f))$	0.260	0.272	0.389	0.381	0.342	0.332	0.418	0.408
Aggregate gender wage gap	-0.230	-0.244	-0.286	-0.286	-0.207	-0.205	-0.217	-0.218
Flow rates								
$P \to I$, men	0.009	0.009	0.024	0.023	0.011	0.009	0.023	0.019
$P \to I$, women	0.017	0.016	0.033	0.032	0.024	0.024	0.026	0.029
$G \to I$, men	0.011	0.010	0.019	0.021	0.012	0.008	0.016	0.016
$G \to I$, women	0.016	0.015	0.026	0.030	0.015	0.022	0.017	0.026

Table C.13: France and Spain for college and non-college educated: model vs. data

	France				Spain			
Targets	**College**		**Non-college**		**College**		**Non-college**	
	Data	Model	Data	Model	Data	Model	Data	Model
Unemployment rates	0.061	0.061	0.117	0.117	0.114	0.112	0.227	0.227
$(u_m + u_f/(1-i_m) + (1-i_f))$								
Non-employment rates								
Male $(i_m + u_m)$	0.189	0.189	0.391	0.390	0.214	0.226	0.394	0.395
Female $(i_f + u_f)$	0.298	0.298	0.549	0.550	0.316	0.318	0.623	0.623
Private-sector wage gap								
$w_f^p/w_m^p - 1$	-0.199	-0.199	-0.162	-0.162	-0.245	-0.261	-0.246	-0.246
Nr. of weekly wages- exp. cost vacancy								
$\kappa\Theta^{1-\eta}/(W_{mp}/12)$	10.000	10.004	5.000	5.009	10.000	9.999	5.000	4.999
Flow rate								
$E \to I$, aggregate	0.015	0.015	0.024	0.024	0.019	0.019	0.036	0.036
Public-sector employment shares ratio								
$(e_f^g/(e_f^p + e_f^g))/(e_m^g/(e_m^p + e_m^g))$	1.692	1.693	1.675	1.676	1.524	1.544	1.307	1.306
Ratio probability job finding public/private								
$p_g/m(\theta_p)$	0.955	0.955	0.807	0.806	1.064	1.064	0.775	0.775
Regional variation in public sector size								
and women's over-representation	0.007	0.007	0.007	0.007	0.011	0.008	0.011	0.011
Non-targeted moments								
Unemployment rates								
Male $(u_m/(1-i_m))$	0.059	0.055	0.106	0.108	0.097	0.105	0.199	0.206
Female $(u_f/(1-i_f))$	0.065	0.067	0.132	0.129	0.131	0.119	0.274	0.260
Inactivity rates								
Male $(i_m))$	0.139	0.141	0.319	0.316	0.130	0.136	0.244	0.238
Female $(i_f))$	0.250	0.248	0.480	0.484	0.213	0.226	0.481	0.490
Aggregate gender wage gap	-0.194	-0.219	-0.161	-0.164	-0.222	-0.241	-0.239	-0.240
Flow rates								
$P \to I$, men	0.013	0.010	0.021	0.020	0.013	0.014	0.025	0.026
$P \to I$, women	0.021	0.018	0.031	0.030	0.026	0.024	0.055	0.054
$G \to I$, men	0.011	0.013	0.017	0.019	0.013	0.015	0.021	0.021
$G \to I$, women	0.013	0.020	0.022	0.030	0.019	0.022	0.046	0.046

Calculation of compensating differentials for public-sector workers

Alternatively, we can measure compensating differential as the additional wage needed for a public sector worker to accept the same job characteristics as workers in the private sector. Hence the hours premium changes to:

$$PremiumH_j^g = \frac{(\xi_p - \xi_g)\int_0^{\bar{x}_{g,j}^{na}} xf(x)dx}{F(\bar{x_{g,j}^{na}})}\frac{1}{w_{g,j}} \times 100, j = [m, f]. \tag{C.4}$$

Regarding job security one obtains:

$$\begin{aligned} PremiumS_j^g = \xi_{g,j}&\left(\frac{\delta_p}{r+\tau+\lambda+\delta_g+pg} - \frac{\delta_g}{r+\tau+\lambda+\delta_g+pg}\right) \\ &\times \left[F(\hat{x}_{g,j})\hat{x}_{g,j} - \int_0^{\hat{x}_{g,j}} xf_{g,j}(x)dx\right]\frac{1}{F(\hat{x}_{g,j})w_{g,j}} \times 100, \end{aligned} \tag{C.5}$$

$j = [m, f]$.

Table C.14: Value of public sector job characteristics

Perspective of a public sector worker

	Hours premium $[\xi_p = \xi_g]$		**Job security** $[\delta_{p,j} = \delta_{g,j}]$	
	Women	Men	Women	Men
US	0.870	0.817	0.941	0.985
UK	1.514	1.037	1.049	1.326
France	3.664	2.962	1.767	2.057
Spain	2.373	2.023	3.159	3.639

Notes: Model simulations; percentages of public sector wages that men and women are willing to give up for continuing to work fewer hours (compared to the private sector) and for keeping their greater job security (compared to the private sector).

References

Bureau of Labor Statistics (2022a): "Paid sick leave, paid vacation, and consolidated leave plan provisions in the United States, December 2022." https://www.bls.gov/ebs/notices/2023/paid-sick-leave-paid-vacation-and-consolidated-leave-plan-provisions-in-the-united-htm

Bureau of Labor Statistics (2022b): "Employee Tenure in 2022," News Release, September 2022. https://www.bls.gov/news.release/archives/tenure_09222022.pdf

Eurostat(2002, 2006, 2010, 2014): Structure of Earnings Survey. https://ec.europa.eu/eurostat/web/microdata/structure-of-earnings-survey

Fontaine, Idriss; Galvez-Iniesta, Ismael; Gomes, Pedro and Diego Vila-Martin (2020): "Labour market flows: Accounting for the public sector," *Labour Economics,* 62, 101770. Data available at https://sites.google.com/view/ismaelgalvez/research?authuser=0

Instituto Nacional de Estadística (2003-2018): Encuesta de población activa.

Institut national de la statistque et des études économiques (2003-2017): Enquête Emploi en continu (version FPR), INSEE (producteur), PROGEDO-ADISP (diffuseur).

Office for National Statistics (2003-2018): Labour Force Survey. [data series]. 11th Release. UK Data Service. SN: 2000026.

Ruggles, Steven; Flood, Sarah; Sobek, Matthew; Backman, Daniel; Chen, Annie; Cooper, Grace; Richards, Stephanie; Rodgers, Renae and Megan Schouweiler (2003-2018): IPUMS USA: Version 15.0 [dataset]. Minneapolis, MN: IPUMS.