

Exploring Gender, Motherhood, and Fatherhood Wage Gaps in Kosovo

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Abstract

This paper examines gender, motherhood, and fatherhood wage gaps among working-age individuals in Kosovo using pooled SILC data for 2018-2022. Kosovo provides an important case study because its labour market is characterised by low employment and high unemployment, alongside substantial gender gaps in labour force participation, employment and unemployment. These conditions make it especially important to examine whether observed wage gaps among workers reflect differences in characteristics, differences in returns to those characteristics, and selection into employment. The study applies weighted Oaxaca-Blinder decomposition techniques to hourly gross wages in order to separate observed wage differences into explained differences in characteristics, unexplained differences in returns, and interaction effects. The analysis focuses on three comparisons: women and men, mothers and non-mothers, and fathers and non-fathers. The baseline results show a small and statistically insignificant conditional gender wage gap among employed workers and a negative but statistically insignificant motherhood wage gap. By contrast, fatherhood is associated with a large and statistically significant wage premium of nearly 20 percent. When the gender model includes the number of children, the wage gap becomes larger and statistically significant, suggesting that family responsibilities are central to gendered wage inequality. The findings indicate that wage differences in Kosovo are shaped not only by education, age, marital status and household structure, but also family formation and the unequal valuation of similar characteristics. Overall, the paper shows that motherhood appears to mainly lead to reduced employment, while fatherhood is linked to wage advantages.

Keywords: Kosovo; gender wage gap; motherhood; fatherhood; Oaxaca-Blinder decomposition