in many deciles on average own less private pension wealth than, for instance, German
women. Among the countries studied here, Belgium seems to be the only country with
three effectively equal pillars of a pension system since a scheme of sectoral complemen-
tary pensions was introduced in 2003 to further extend the occupational pillar (OECD,
2013). Furthermore, the workforce covered by private pension is relatively high in Bel-
gium, with 75% of workers covered, compared to Austria, for example, with just 30%
(PensionsEurope, 2012).

These data thus permit a – highly tentative – conclusion that the gender wealth gap for
single households appears to broadly persist at the individual level for the entire population
in the Euro area, at least for occupational pension wealth. However, a more detailed
analysis of the pension systems in the countries studied here would be required for more
substantiated insights into the gender gap for this wealth component. In particular, the
other two pillars of the pension system, public and voluntary pension plans, and their
interplay with the occupational pension plans presented here would need to be taken
into account if data were available. All in all, the evidence presented here provides some
indication that our findings regarding a gender wealth gap for single households extend to
the larger population, at least regarding singular wealth components.

5 Discussion and Conclusion

It is well-documented that wealth is unevenly distributed, but gender differences in
wealth remain under-studied, especially in cross-country comparisons. This is the first
paper to examine the gender wealth gap in a large sample of multiple European countries
(Austria, Belgium, Germany, Spain, France, Greece, Portugal, Slovakia). It uses the
Household Finance and Consumption Survey of the European Central Bank to test for
gender differences in wealth in working-age (25-60 years) “single” households with one
adult, male or female.

The raw data show little difference in the net wealth owned by single households across
much of the distribution. Only at the top of the unconditional distribution of net wealth
does a substantial difference between genders appear. Consequently, an OLS analysis
does not show an unexplained gap in average net wealth between male and female single
households in the full specification. Somewhat more surprisingly, quantile regressions at
the upper end of the distribution (95th percentile) yield mixed evidence for a gender gap
in net wealth.

Where it can be confirmed statistically, the gender gap in net wealth is economically
significant; it ranges from 25% in France to 100% in Austria in different specifications of
the control variables. Furthermore, covariates show the expected signs. Youth, seniority,
education, and marital status have the expected effects. Children are correlated nega-
tively and inheritances positively with wealth of single households. Wealth rises with the
ownership of certain asset classes, but the holding of debt is statistically insignificant.

In order to investigate the gender wealth gap in more detail, this paper looked beyond
differences in net wealth to the individual components of wealth. Differences in gross wealth appear to drive the gender gap in net wealth at the top of the distribution. The size of the gender gap in gross wealth is compressed across countries, and at the full specification it amounts to 27% in Slovakia, 33% in France, 44% in Austria, 45% in Germany, and 48% in Greece. However, in four countries – Spain, France, Portugal, and Slovakia – a gender gap in (collateralized) debt dampens this gender gap in net wealth sufficiently to render its statistical significance patchy in multivariate analysis. Unsecured debt might play a role in Greece (negatively) and Germany (positively), although quantile regressions detect little statistical significance for this debt component.

Since data are available only at the household level, selection into single households may be a concern. The descriptive analysis suggests that there are systematic differences in the characteristics of female and male single households, and that the mechanisms affecting selection into being a single household (and thus in our sample) may be related to age, the presence of children, relationship status, home ownership, and earnings. We follow the literature in truncating our sample by age, and we apply a Heckman selection model in all our results. In addition, we perform a robustness check using occupational pension wealth, for which person-level data are available.

The country level differences in the gender gap in net wealth are likely to be affected by historical trajectories, institutions, and social norms. For instance, selection into single households, as well as wealth, might be driven less strongly by individual traits such as risk preference in countries where large family systems are the norm. This paper provided a brief discussion of country differences in availability and affordability of child care facilities, the legal framework surrounding divorce, taxation of wealth and inheritances, housing policies, pension systems, and banking practices where they might explain differences in the gender wealth gap across countries.

The work presented here has answered some important questions regarding the gender wealth gap in eight European countries, but opened the door to several others. First, it is clear that the availability of data measuring wealth at the individual level, such as in the German Socio-Economic Panel (Wagner et al., 2007), would be useful in measuring a gender wealth gap for the entire population. Second, a more in-depth analysis of the effect of institutional differences on the gender wealth gap would be a fruitful avenue for future research. Third, research on the mechanisms which determine wealth accumulation and how they differ for women and men would be useful, either by analysing panel data (as in the preliminary work of Sierminska et al. (2015)) or in a cross-cohort analysis. Just as studying pay gaps by gender tells us a great deal about the structure of our society and economy, a greater understanding of wealth gaps by gender will illuminate the ways in which wealth is intertwined with economic and social outcomes.