

# Bargaining and the Gender Pay Gap

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November 2023

## Abstract

We use novel, linked survey-administrative data to study the importance of bargaining for the gender pay gap. We do not find that women select into firms with rigid pay policies at higher rates than men. However, when firms set pay via individual-bargaining, there is a 3 percentage point higher gender wage gap. Gender differences in behavior begin at the earliest stages of bargaining—before a firm provides an initial salary offer—and emerge even among workers in the same occupation and firm. Providing pay ranges does not eliminate gender gaps in behavior.

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