

Labor Market Regimes, Family Policies, and Women's Behavior in the EU



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Since 2000, the Lisbon Strategy and the European Employment Strategy (EES) have promoted a gender perspective on European labor markets, with the goal of attaining a 60 percent female employment rate and other indicators of gender equality by 2010. Policies for the promotion of work-life balance and childcare are still mentioned in the new EU 2020 employment guidelines that were approved in 2010, though they are no longer prominent on the agenda. In addition, some EU member states, Germany in particular, have engaged in important reforms to make institutions and policies more favorable to women's employment, although such developments are not equally shared across EU countries.

Limited evidence. Despite these recommendations, policy goals, and indicators, empirical evidence on the impact of these policies or institutions on women's employment remains relatively limited for the twenty-eight member states of the EU. Research by Christine Erhel and Mathilde Guergoat-Larivière seeks to fill this gap, using recent comparative data on childcare and family policies for twenty-four European countries, including states that joined the EU in the past 10 years, commonly referred to as new member states: Slovakia, Hungary, the Czech Republic, Baltic countries, and Poland. Erhel and Guergoat-Larivière rely on an original methodology (multilevel models) that jointly considers individual factors and countries' institutions to explain women's labor supply decisions and inter-country heterogeneity.

Descriptive analysis confirms the positions of some countries in regard to women's employment: the higher probabilities of working full-time for women from Nordic countries (Denmark, Norway, Iceland, and Sweden) and the predominance of part-time work in the Netherlands, along with the contrasting, very limited share of part-time work in the new member states named above.

Determinants of women's employment status. Using multilevel models, the authors then highlight the determinants of women's employment status at the individual and country levels. Their results show that individual effects such as age, education, citizenship, and parenthood – especially if the child is younger than 3 – are stronger than institutional country effects. In terms of public policies, results suggest that an increase in education levels

is likely to exert a positive influence on women's employment.

Negative effects of parenthood. The authors also focus on the links between employment status and the presence of young children. It appears that having a young child decreases the probability of working part-time and, to a greater degree, the probability of being employed full-time, even if the negative child effect varies a lot across countries. Other individual characteristics being equal, having a young child has a particularly negative effect in the Czech Republic, Austria, Hungary, Germany, Estonia, and Finland. This negative child effect is the most limited in Italy, Norway, Belgium, as well as Portugal (only for full-time work) and the Netherlands (only for part-time work).

Though individual determinants play a strong role in explaining women's labor market situations, Erhel and Guergoat-Larivière find that institutional settings and policies also matter for women's employment conditions. Indeed, their results confirm the relationships between women's employment and two sets of variables: childcare variables and some characteristics of national labor market regimes (part-time employment rate).

The role of formal childcare. When the authors distinguished between different types of childcare, they observed two statistically significant relationships between institutional settings and the probability of being employed for each woman: 1) a positive relationship between the development of formal childcare (and especially public childcare) and women's employment, and 2) a negative relationship between the development of informal childcare and women's employment, which might be explained by a substitution effect within women's population, given that informal childcare is usually provided by women. For mothers of young children, public childcare is found to have a positive influence on their employment probability and the length of parental leave a negative one. The positive role of formal childcare (and especially public childcare) is therefore clearly highlighted by this empirical study, and in a large geographical context.

Read the article in full at

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