The Parenthood Effect On Employment In Europe

Parenthood is a major determinant of labour market participation and it has a very different incidence on male and female employment due to the fact that women and men differ in terms of allocation of resources between to their role as workers and as parents (Bielby and Bielby, 1989).

In this paper, the main objective is to analyse the child effect on labour market participation and employment patterns of parents - both mothers and fathers - and their implication in terms of working hours and employment continuity. This analysis will compare 24 European countries using data from the European Survey on Income and Living Conditions (EU-SILC) for the year 2005 (all countries available in EU-SILC 2005 except for Island and Lithuania).

Firstly, we start out from a multinomial logit model to analyse the determining factors which explain female labour market participation (such as the age of the youngest child, the level of education, the potential wage and we correct for the selection bias, the wage of the partner, etc.) and analyse motherhood-induced employment gaps in the European Union. Female labour supply is not just studied in terms of participation versus non-participation but we also distinguish between the effect of motherhood on women's probability to hold part-time versus full-time jobs.

A decomposition technique based on the method of recycled prediction is applied to the computed gross full-time equivalent employment gaps between mothers and non-mothers to isolate the net child effect on employment. This technique allows to test whether or not the employment gap that separates mothers from their counterparts without children is mainly due to the fact that they have different personal characteristics or rather to the presence of a child.

Secondly, we examine the relationship between fatherhood and men's hours of work and we tend to explore evidence for the existence of breadwinning as a component of men's fathering identity. Having children may have opposite effects: according to the "good-provider" model (Bernard, 1981), fathers will work more than non-fathers while the opposite is true according to the "involved-father" model (Kaufman and Ulhenberg, 2000).