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Does Family Policy Influence Women's Employment?: Reviewing the Evidence in the Field

Emanuele Ferragina

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Emanuele Ferragina

Abstract

During the past two decades, the debate over the relation between family policy and women's employment in high-income countries has grown in prominence. Nevertheless, the evidence proposed in different disciplines – sociology, politics, economics and demography – remains scattered and fragmented. This article addresses this gap, discussing whether family policy regimes are converging and how different policies influence women's employment outcomes in high-income countries. The main findings can be summarized as follows: family policy regimes ('Primary Caregiver Strategy', 'Choice Strategy', 'Primary Earner Strategy', 'Earning Carer Strategy', 'Mediterranean Model') continues to shape women's employment outcomes despite some process of convergence towards the Earning Carer Strategy; the shortage of childcare and the absence of maternal leave curtail women's employment; long parental leave seems to put a brake to women's employment; unconditional child benefits and joint couple's taxation negatively influence women's employment but support horizontal redistribution; policies and collective attitudes interact, influencing women's behaviour in the labour market; and the effect of policies is moderated/magnified by individual socioeconomic characteristics, that is, skills, class, education, income, ethnicity and marital status. The article concludes by suggesting avenues for future research.

Keywords

family policy, women's employment, childcare, leave, family allowances

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Introduction

There is considerable interest in understanding the relationship between family policy and women's employment in high-income countries, with extensive comparative research published in leading social sciences journals over the past two decades, as for example,

Observatoire Sociologique du Changement (OSC), CNRS and Laboratoire Interdisciplinaire d'Evaluation des Politiques Publiques (LIEPP), Sciences Po, Paris, France

Corresponding author:

Emanuele Ferragina, Observatoire Sociologique du Changement (OSC), CNRS and Laboratoire Interdisciplinaire d'Evaluation des Politiques Publiques (LIEPP), Sciences Po, 27 Rue Saint-Guillaume, 75337 Paris, France.

Email: emanuele.ferragina@sciencespo.fr

American Economic Review, *American Journal of Sociology*, *Demography*, *Political Theory*, *Journal of Comparative Policy and Analysis* and *Journal of European Social Policy*. This rising interest has come in the context of a parallel rise of female employment and the expansion of employment-oriented family policies. In this regard, Goldin (2006) spoke of a 'quite revolution', while Esping-Andersen (2009) indicated this revolution remains largely 'incomplete' as growing inequalities accompanied women's broader access to labour market in several countries.

There are at least two other reasons for this emerging debate. The first is that women's labour supply and demand diverge sharply from that of men, as women are more likely to experience work interruptions and take irregular employment trajectories. The second relates to the growing availability of data and the quantitative turn of the social sciences. This availability influences the scholarship: while critical works based on theory and qualitative evidence were prevalent in the past, more recently, quantitative accounts become more widespread. A new generation of social scientists – chiefly concerned with policy effects – has gained *momentum*, shifting the focus of the investigation. Gender has perhaps gone 'mainstream' (Daly, 2005), and over this process, the quantitative literature complemented the old critical focus with more systematic comparative accounts of policy developments and their effects.

In this context, while previous scholarly reviews survey the literature, such works are either thematically broad – only briefly discussing the influence of family policy among other determinants (Cooke and Baxter, 2010; Steiber and Haas, 2012) – or they do not consider the effect of several components of the family policy package, that is, the tax system, cash benefits and the interaction between attitudes and policy (Hegewisch and Gornick, 2011). We address this gap by summarizing data on family policy and related employment outcomes and by taking stock of the main empirical findings presented during the past 20 years in order to answer two overarching questions. First, are family policy and employment outcomes converging and does it still make sense to consider alternative regime types? Second, what are the main findings concerning the relation between specific family policy domains, that is, leave-taking, childcare, cash benefits and taxation, and female employment in different national contexts? And, by extension, does their effect change in combination with different attitudes and individual socioeconomic characteristics?

Context and Definitions

The relation between family policy and women's employment outcomes has been approached from a welfare regime perspective – especially on the part of political scientists and sociologists – and also testing abstract theories on different national contexts (mostly by economists and demographers). This work bridges both literatures – which are rarely jointly analysed – focusing on the regime approach, on one hand, and covering the theoretical and empirical ground mostly developed at the national level, on the other.

Family policy is an umbrella of instruments that includes both 'explicit' and 'implicit' policies (all policies related to family characteristics/dynamics) (Kammerman and Kahn, 1978). To disentangle the effect of family policy from the overall social policy package, we focus on a restrictive definition of explicit family policy, considering child income support (cash or tax), leave-taking and childcare for young children. Kammerman and Kahn (1994) originally argued – and most subsequent literature accepted – that scholars should use indicators able to distinguish between cash benefits, time and services. Furthermore, Lewis (2006) emphasized the uniqueness of family policy as a cross-cutting policy area.

Despite the existence of a clear and consistent operationalization of the indicators within the literature, cross-country comparable data available to scholars prove incomplete and present several shortcomings (for a discussion, see Lohmann and Zagel, 2016). In our introductory analysis, we will focus on the most reliable data collected by international organizations and scholars to measure and compare the generosity of different family policy package (for a detailed illustration, see Daly and Ferragina, submitted).

Indicators for child income support consider spending, the level of entitlements in relation to the Average Production Worker's (APW) wage and, more generally, the characteristics of the tax system for the first and second earner (data are mostly gathered from the *Child Benefit Dataset* (1960–2010), the *Social Expenditure Database* (Organisation for Economic Co-operation and Development (OECD), 1980–2013) and other OECD databases). The generosity of maternal, parental, childcare and paternity leave is evaluated considering their duration and replacement rates (with data from *The Comparative Family Policy Database* (Gauthier, 2011) and *the Family Database* (OECD, 1970–2015)). Concerning childcare for the youngest children, data are scant due to the difficulty in capturing the quality of services and the existence of great regional/local variation. As their chief indicators, scholars tend to rely upon Early Childhood Education and Care (ECEC) spending and, as a proxy for the level of services diffusion, the percentage of children enrolled in formal childcare (Gauthier, 1998; OECD, 1980–2013).

Women's employment outcomes are measured using four kinds of indicators, comparing men and women and/or childless women and mothers: participation rates/gaps, number of hours worked, quality of occupation and earning levels (Budig et al., 2012, 2016; Mandel and Semyonov, 2006; Pettit and Hook, 2005, 2009). Micro-data to construct these dependent variables are gathered from the *Luxembourg Income Study* (wave V: 2000–2001) and, more rarely, from the *European Community Household Panel* (ECHP 1994–2001) and the *EU Statistics on Income and Living Conditions* (Eu-Silc, 2005–2006) or other national data sets.

In the empirical literature, macro- and micro-theoretical perspectives are combined, as are interacting policies and cultural preferences. At the macro level, each 'explicit' family policy package is embedded within regimes (see Esping-Andersen, 1990; Ferragina and Seeleib-Kaiser, 2011) that articulate the relation between states, markets and families (Fraser, 1994). Scholars traditionally distinguished four regimes on the basis of the different characteristics of family policy packages (Misra et al., 2007): First, the 'Primary Caregiver Strategy' – in conservative countries – in which the state provides generous cash allowances for mothers engaged in care work, in recognition of their effort and also reinforcing the male breadwinner model; second, the 'Choice Strategy' – differentiating Belgium and France from other conservative countries – characterized by a dual approach: mothers can choose to be active in the labour market and receive childcare support or, alternatively, obtain generous leave and cash benefits if they care for their children at home; third, the 'Primary Earner Strategy' – in liberal countries – characterized by meagre public support for care activities and the idea that all adults in the household should work even without collective support to reduce the care burden; fourth, the 'Earner Carer Strategy' – in Scandinavian countries – supports both parents in balancing employment and care activities. To these four models, scholars often add a Mediterranean category. Mediterranean countries are characterized by a strategy similar to the Primary Caregiver Strategy, but, as for other policy domains (Ferrera, 1993), they offer more modest provisions/services.

Despite the persistence of these strategies/regimes, family policy evolved over the past two decades and its relation to women's employment may have undergone a similar

evolution. In the context of welfare retrenchment (Starke, 2006) and liberalization processes boosting female employment in the service sector, family policy is the only social policy domain characterized by a significant expansion. This expansion is remarkable in countries where service provision to families (i.e. childcare) was historically lean (i.e. Ireland and Germany), bringing OECD countries towards a progressive (although far from complete) convergence (Ferragina and Seeleib-Kaiser, 2015). Starting from this macro-context, in the next section we will measure the level of family policy convergence across regimes and analyse whether this convergence is mirrored by a reduced gap in terms of employment outcomes between men and women.

Micro-economic theory analyses the relationship between specific family policies and female employment, formulating general hypotheses about their effects (Becker, 1985; for a critique, see England, 1982), for example, if childcare is cheap (or easily accessible) and statutory maternal leave is available, the likelihood of mothers to secure a well-paying job should increase. Conversely, long parental leave and unconditional cash benefits might have a detrimental effect. Moreover, the joint taxation of married couples, in contrast to an individualized system, should reduce women's incentive to work. Several studies test these hypotheses also accounting for cross-national differences.

The interaction between policy and individual employment attitudes/cultures is also hotly discussed in the literature. Two opposing views delimit the corresponding debate. 'Preference theory' argues that women are not constrained by structural factors and can freely decide about their own labour market involvement following their preferences (Hakim, 2000). Others scholars propose an 'integrative approach' (Pfau-Effinger, 2004), suggesting women's choices are conditioned by societal structures, that is, policy and men's attitudes towards women's employment (Crompton and Harris, 1998; Ginn and et al., 1996; McRae, 2003). The interaction between culture, preferences and policy generosity is mostly captured with attitudinal data concerning gender roles and the 'duty' women should fulfil in terms of formal employment and care work (often using the *International Social Survey Programme* on 'Gender Roles and Family Relations (ISSP 1994/2002/2012) and the European Social Survey (especially wave II; ESS 2005)).

Main Findings

Family Policy Regimes and Employment Outcomes

This section evaluates whether family policy and employment outcomes are converging across regimes, addressing our first research question. Without the pretention to establish causal *nexi* or be exhaustive in terms of the indicators employed for the evaluation, we map over-time (30 years or more for policy and around 10 for employment outcomes) and by regime-type family policy generosity and some related employment outcome. As discussed above, five models can be distinguished: Primary Caregiver Strategy (Austria, Germany, Japan, Luxembourg and the Netherlands); Choice Strategy (Belgium and France); Primary Earner Strategy (Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States); Earner Carer Strategy (Denmark, Finland, Iceland, Norway and Sweden); and Mediterranean Strategy (Greece, Italy, Portugal and Spain).

Child income support – including tax credits/allowances/rebates/exemptions and cash benefits – is converging across regimes, with a slight decline in Earner Carer Strategy and Choice Strategy and an increase in other regimes (Figure 1). This overview, however, masks an important difference: in Primary Earner Strategy countries, the increase in child income support is channelled through tax credits, while in other regimes universal cash benefits remain prevalent (for a detailed analysis, see Daly and Ferragina, submitted).

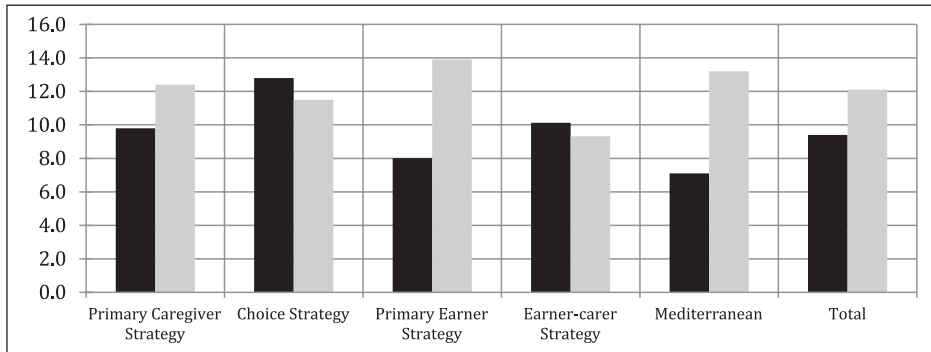


Figure 1. Total Child Income Support, 1980 (Black), 2010 (Grey) (Measured as % of the APW's Salary).

Source: *The Child Benefit Dataset (1960–2010)*.

**Primary Caregiver Strategy* includes Austria, Germany, Japan, and The Netherlands. The *'Choice Strategy'* includes Belgium and France. The *'Primary Earner Strategy'* includes Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The *'Earner Carer Strategy'* includes Denmark, Finland, Norway and Sweden. *'Mediterranean'* includes Italy.

**Net replacement rate of various child income supports for a model family earning an average production worker's wage.

***The indicators are retrieved from the following variables: 'Rr Total Child Benefit (apw)', 'Rr Universal Child Benefit (apw)', 'Rr Child Tax Allowance (apw)', 'Rr Child Tax Credit (apw)', 'Rr Child Tax Rebate (apw)', 'Rr Employment-based Child Benefit (apw)', 'Rr Income-tested Child Benefit (apw)'.

There has been little change over the past 30 years in terms of maternity leaves, with more generous support provided by male breadwinner-oriented regimes (Primary Caregiver Strategy, Choice Strategy, Mediterranean Strategy) (Figure 2). A large increase instead interested parental leave generosity, with Earner Carer Strategy and Primary Caregiver Strategy offering considerable support (Figure 3). Over a similar time span, also the number of weeks reserved for the father (considering parental and paternity leave) increased. Traditionally, male breadwinner-oriented countries (Primary Caregiver Strategy and Choice Strategy) are those who mostly expanded this policy (Figure 4). In most countries, however, it remains of voluntary use, with low take-up rates (Iceland is an exception). The enrolment in formal childcare of children aged between 0 and 2 years grew everywhere, with Earner Carer Strategy and Choice Strategy maintaining the lead. Primary Caregiver Strategy is in the process of catching up, as shown by Germany, while Mediterranean Strategy and Primary Earner Strategy still lag behind (Figure 5).

These changes can be portrayed globally using OECD spending data. Family allowances and other cash benefits are slightly declining but remain the most considerable family policy expenditures. Spending on leave is also rather constant, although the allocation between maternity, parental and paternity leaves is changing, and the main *locus* of family policy expansion is constituted by childcare services (Figure 6) – where countries are showing a certain degree of convergence towards the Earner Carer Strategy pioneered by Scandinavian countries (for a critique, see Lewis, 2009: 95).

We complete this overview by examining employment outcomes in consideration of gender wage and participation gaps between men and women. Concerning the gender gap in median earnings of full-time employees, every regime experienced a reduction during the period 2002 to 2014. Differences remain considerable, however, with Primary Caregiver Strategy and Primary Earner Strategy displaying higher levels than Earner

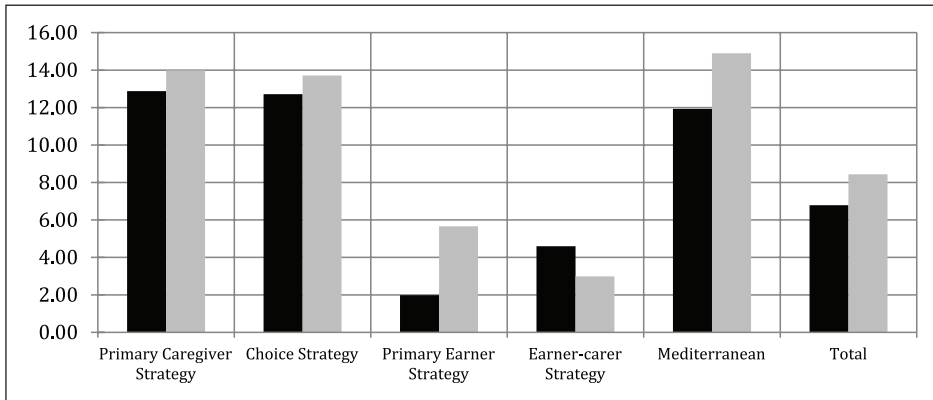


Figure 2. Maternity Leave Generosity, 1980 (Black), 2010 (Grey) (Measured as Number of Weeks with 100% Replacement Rate).

Source: *Comparative Family Policy Database* (Gauthier, 1960–2010).

**Primary Caregiver Strategy* includes Austria, Germany, Japan, Luxembourg and The Netherlands. The *Choice Strategy* includes Belgium and France. The *Primary Earner Strategy* includes Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The *Earner Carer Strategy* includes Denmark, Finland, Norway and Sweden. *Mediterranean* includes Greece, Italy, Portugal and Spain.

**The indicators are retrieved from the following variables: ML_WKS, ML_PAY.

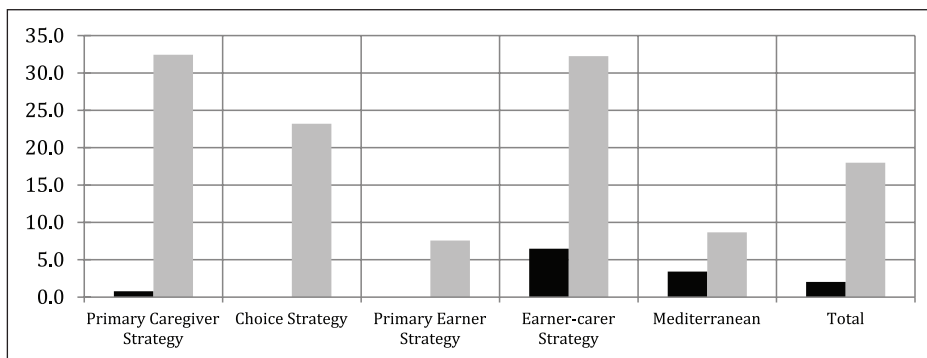


Figure 3. Parental Leave Generosity, 1980 (Black), 2010 (Grey) (Measured as Number of Weeks with 100% Replacement Rate).

Source: *Comparative Family Policy Database* (Gauthier, 1960–2010).

**Primary Caregiver Strategy* includes Austria, Germany, Japan, Luxembourg and The Netherlands. The *Choice Strategy* includes Belgium and France. The *Primary Earner Strategy* includes Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The *Earner Carer Strategy* includes Denmark, Finland, Norway and Sweden. *Mediterranean* includes Greece, Italy, Portugal and Spain.

**The indicators are retrieved from the following variables: PL_WKS, PL_PAY.

Carer Strategy, Mediterranean Strategy and Choice Strategy (Figure 7). Employment rates converged with a reduction of the gap, but differences across regimes remain considerable: Earner Carer Strategy displays the highest proportion of women employed in relation to men, followed by Choice Strategy, Mediterranean Strategy, Primary Earner Strategy and Primary Caregiver Strategy (Figure 8; Del Boca et al., 2009).

This overview confirms the main findings proposed in the field, suggesting that at the opposite extremes of the spectrum, Earner Carer Strategy/Choice Strategy models seem

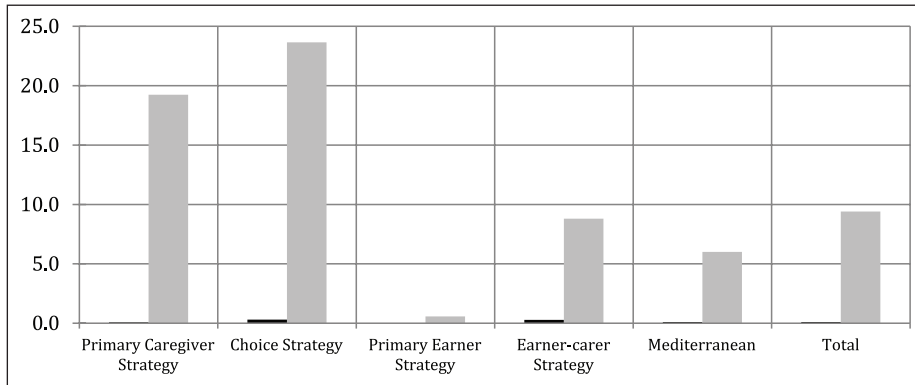


Figure 4. Leave for Exclusive Use of the Father, 1980 (Black), 2015 (Grey) (Measured as Number of Paid Weeks).

Source: Family Database (OECD, 1970–2015).

*Primary Caregiver Strategy includes Austria, Germany, Japan, Luxembourg and The Netherlands. The 'Choice Strategy' includes Belgium and France. The 'Primary Earner Strategy' includes Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The 'Earner Carer Strategy' includes Denmark, Finland, Iceland, Norway and Sweden. 'Mediterranean' includes Greece, Italy, Portugal and Spain.

**The indicator is retrieved from Table PF2.5.

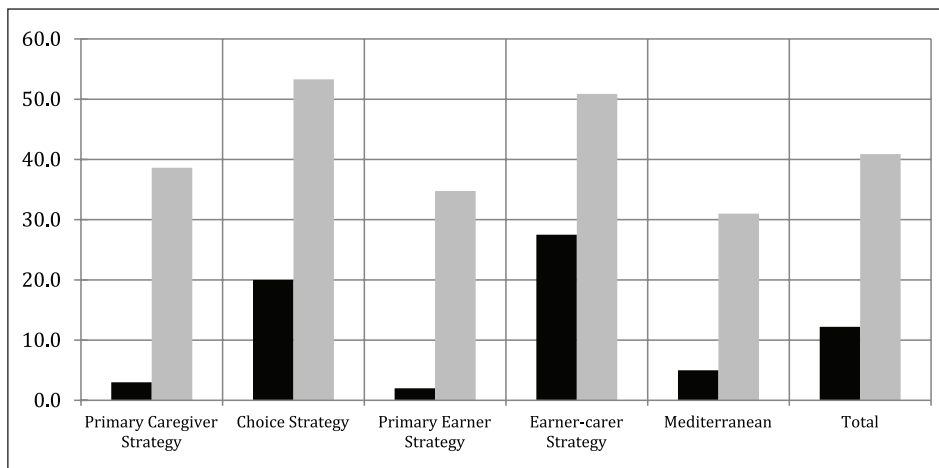


Figure 5. Enrolment of Children in Formal Childcare and Preschool Institutions, 1988 (Black), 2014 (Grey) (Measured as % of the Total Age Cohort 0–2 years).

Source: Gauthier (1998: 958) for 1988 and OECD for 2014.

*Primary Caregiver Strategy includes Austria, Germany, Japan, Luxembourg and The Netherlands. The 'Choice Strategy' includes Belgium and France. The 'Primary Earner Strategy' includes Australia, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The 'Earner Carer Strategy' includes Denmark, Finland, Iceland, Norway and Sweden. 'Mediterranean' includes Greece, Italy, Portugal and Spain.

**The OECD data are retrieved from Table PF3.2

conducive to closing the gap between men’s and women’s wages (Misra et al., 2007), while the Primary Earner Strategy/Primary Caregiver Strategy is associated with considerable wage penalties for mothers (Stier et al., 2001). Empirical studies in the US – prototype of Primary Earner Strategy – show that the statutory provision of childcare

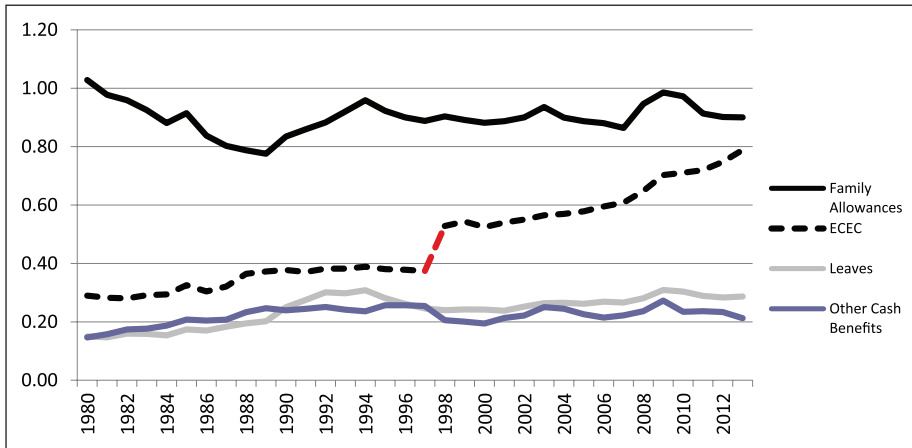


Figure 6. The Evolution of Family Policy Spending by Type in the OECD: Family Allowances, ECEC, Leaves, and Other Cash Benefits (Spending as % of the GDP).

Source: *Social Expenditure Database* (OECD, 1980–2013).

The series changed in 1997, so data before and after 1997 are not strictly comparable.

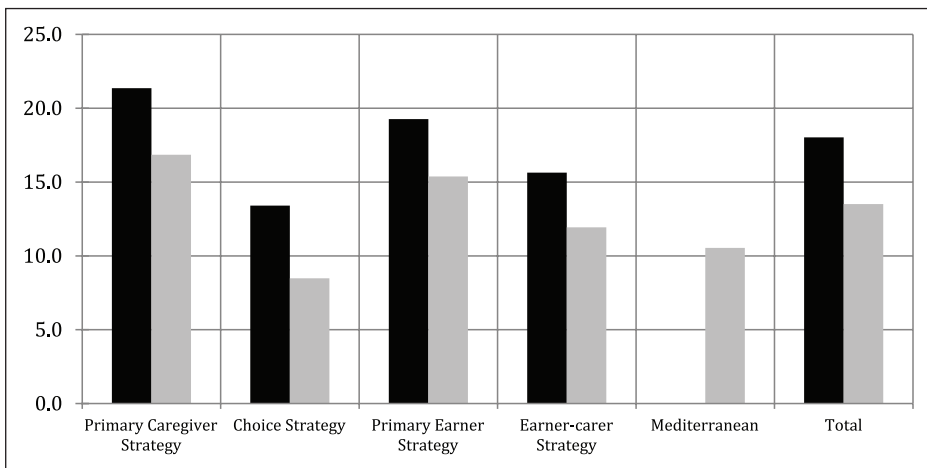


Figure 7. Gender Gap in Median Earnings of Full-Time Employees, 2002 (Black), 2014 (Grey) (The Gender Wage Gap Is Unadjusted and Is Measured as the Difference Between Median Earnings of Men and Women Relative to Median Earnings of Men).

Source: *Family Database* (OECD, 2002–2014).

**Primary Caregiver Strategy* includes Austria, Germany, Japan, Luxembourg and The Netherlands. The *Choice Strategy* includes Belgium and France. The *Primary Earner Strategy* includes Australia, Canada, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The *Earner Carer Strategy* includes Denmark, Finland, Iceland, Norway and Sweden. *Mediterranean* includes Greece, Italy, Portugal and Spain.

**The indicator is retrieved from Table LMF1.5.A.

subsidies would boost maternal employment, reduce wage inequalities and expand care options available to families (Han and et al., 2009). The absence of such public support is considered the main reason for the increasing gap between Europe and the US in terms of women's employment outcomes over the past 20 years (Blau and Kahn, 2013).

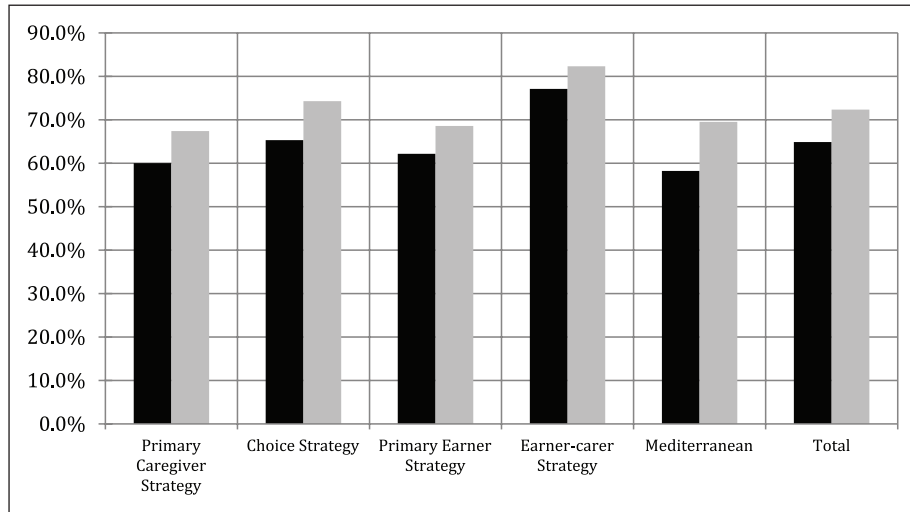


Figure 8. Women vs Men in Full-Time Equivalent Employment Rates (15- to 64-year olds), 2002 (Black) 2014 (Grey) (Measured as Women Employed FTE Divided by Men Employed FTE). Source: *Family Database* (OECD, 2002–2014).

**Primary Caregiver Strategy* includes Austria, Germany, Luxembourg and The Netherlands. The '*Choice Strategy*' includes Belgium and France. The '*Primary Earner Strategy*' includes Australia, Ireland, New Zealand, Switzerland, the United Kingdom and the United States. The '*Earner Carer Strategy*' includes Denmark, Finland, Iceland, Norway and Sweden. '*Mediterranean*' includes Greece, Italy, Portugal and Spain.

**The indicator is calculated from Tables FTEEmpRate_Male and FTEEmpRate_Fem.

The effect of different regime strategies has also been tested at the micro level, providing additional insights. The Earner Carer Strategy – conducive to reduced wage inequalities and smaller women/men employment gaps – seems to negatively affect women's access to top managerial positions (Datta Gupta et al., 2008; Mandel and Semyonov, 2006). Differently, the Primary Earner Strategy – undermining wage equality and in certain cases women's labour market participation – seems conducive to a larger presence of women in top managerial jobs. How do scholars explain these findings?

Countries following a Primary Earner Strategy are characterized by highly deregulated labour markets: women and men display similar employment patterns with no work interruptions. This means there are fewer women able to continuously stay in the labour market than in Earner Carer Strategy, but those who do so are more likely to reach a better position over the years (Mandel and Semyonov, 2005). This result is also a by-product of different individual socioeconomic characteristics and their interaction with policy. The Earner Carer Strategy model seems to reduce the employment gap between people belonging to different social classes, while Primary Earner Strategy magnifies these differences. In the latter regime, belonging to the upper-middle class seems to increase the likelihood to reach a better labour market position. That said, this interpretation remains contested in the literature: Mandel (2012) suggests the Earner Carer Strategy curtails job opportunities for upper class and skilled women, while favouring those belonging to a lower class. Differently, Korpi et al. (2013) confirm the positive influence of the Scandinavian model on lower class women but reject the idea that labour market achievements of skilled women are curtailed by the Earner Carer Strategy. Other works attempt to explain these developments intersecting family policy, gender and class (Cooke, 2011; Mandel and Shalev, 2009; Misra and

Murray-Close, 2014; Shalev, 2008). The debate remains open with scholars proposing alternative empirical findings and theoretical explanations.

The Effect of Family Policies and the Decisive Role of Culture and Attitudes

In order to measure the effect of specific family policy, scholars have tested the hypothesis formulated by Becker (1985) in different contexts. In what follows, we will answer our second research question, focusing on both national and cross-national studies.

The most widely confirmed finding is that maternity leave fosters women's return to employment (Waldfogel et al., 1999), while the impact of parental leave remains controversial.

Several studies suggest that a parental leave 20–30 weeks long – considered 'short' within the literature – has a positive effect on women's employment outcomes, while longer leaves have an opposite effect (Akgunduz and Plantenga, 2013; Boeckmann et al., 2015; Del Boca et al., 2009; Erhel and Guergoat-Larivière, 2013; Jaumotte, 2003; Misra et al., 2011; Pettit and Hook, 2005; Ruhm, 1998). Accordingly, the relationship between the length of parental leave and women's employment outcomes assumes an inverted U-shape (Pettit and Hook, 2005): until leave remains below 30 weeks, women seem to experience better chances to re-enter the labour market after childbirth and earn higher salaries (Evertsson and Duvander, 2011; Ruhm, 1998); beyond this threshold, their employment outcomes are negatively affected. In contrast to these studies and the expectations of micro-economic theory, a large comparative work suggests that if parental leave is too short, it negatively influences mothers' employment outcomes (Keck and Saraceno, 2013).

There are several explanations for this contention. Keck and Saraceno (2013) employed a different database to capture women's employment outcomes – EU-Silc (2006) rather than Luxembourg Income Study (LIS) (1999–2000). Moreover, their empirical model uses different explanatory variables and a larger number of interaction effects to isolate the effect of leave from other policies (Gornick and Meyers, 2003). There might also be divergence between long-term and short-term effects on women's employment outcomes. This distinction is hard to make in comparative research, while scholars have managed to provide stricter measurements in longitudinal case studies (i.e. Australia, Finland, Norway, Sweden, Germany and the US; Hofferth and Curtin, 2006).

Mirroring the contention previously exposed about the effect of family policy regimes, the debate is even more controversial when the influence of parental leave is evaluated considering individual socioeconomic characteristics. Akgunduz and Plantenga (2013) suggested long parental leave have a negative influence on highly skilled mothers. Comparing fewer countries, Del Boca et al. (2009) instead showed that long parental leaves are detrimental for mothers with low skills. This is because a long parental leave would tend to bolster gender specialization, favouring the work–life balance exclusively for mothers in good labour market positions.

The effect of parental leave on women's employment outcomes might also change in relation to the leave period reserved for fathers. The evidence derives mainly from countries characterized by the Earner Carer Strategy (the first to provide such leave). In Denmark, Norway and Sweden, longer paternity leaves and periods reserved for fathers within parental leave schemes positively influence women's employment outcomes (Kotsadam and Finseraas, 2011; Pylkkänen and Smith, 2004). In Sweden, however, the introduction of further leave for fathers did not reduce the employment gap existent between childless women and mothers (Ekberg et al., 2013). Analysing the Norwegian case, Petersen et al.

(2014) also suggested that, following the recent evolution of family policy, the motherhood penalty dropped and the gender wage pay gap is mostly explained by a husband *premia*.

In contrast to parental leave, comparative studies almost universally suggest that cheap and public childcare service provision favours mothers' employment (Boeckmann et al., 2015; Del Boca et al., 2009; Erhel and Guergoat-Larivière, 2013; Jaumotte, 2003; Keck and Saraceno, 2013; Misra et al., 2011; OECD, 2007; Pettit and Hook, 2005; Steiber and Haas, 2009; Van Ham and Mulder, 2005), and often consider childcare the family policy component with the strongest impact on maternal employment (De Henau et al., 2010).

The extension of childcare services has a strong effect in countries belonging to Primary Caregiver Strategy/Mediterranean Strategy, boosting women's employment rates (Germany: Bauernschuster and Schlotter, 2015; the Netherlands: Van Ham and Mulder, 2005; Italy: Del Boca and Vuri, 2007; Portugal: Tavora, 2012). Furthermore, the availability of day care centres in the vicinity of residence also seems to foster maternal employment within this welfare regime (Van Ham and Mulder, 2005). Other evidence from the Netherlands suggests that investments in childcare facilities pay off in the long run, as the higher employment rates translate into tax revenues greater than the costs incurred to set up and maintain such facilities (Graafland, 2000). Also, in Eastern Europe – not part of the Primary Caregiver Strategy, but close to this model in light of recent reforms – the reduction of childcare costs fosters maternal employment and moderate poverty rates (Lokshin and Fong, 2006). These findings are replicated in countries belonging to Primary Earner Strategy (i.e. Australia, Canada/Quebec, US and the UK), where subsidized childcare contributes to boost maternal employment (Baum, 2002; Breunig et al., 2012; Chevalier and Viitanen, 2002; Connelly and Kimmel, 2003; Lefebvre and Merrigan, 2008).

Greater caution is necessary when analysing the Earner Carer Strategy. In Sweden, the effect of childcare on women's employment seemed to be positive during the 1990s (Gustafsson and Stafford, 1992), but appears insignificant in more recent years (Lundin et al., 2008). Moreover, André (2003) argued that a childcare cost-reduction tends to increase working hours for women already working but does not positively affect unemployed and/or inactive mothers. More strikingly dissimilar is the case of Norway: additional subsidies for childcare do not seem to increase maternal employment, but instead contribute to reducing the provision of informal childcare (Havnes and Mogstad, 2011). This result echoes the contention of communitarian theory that excessive formal and state run welfare services tend to reduce informal ties and care within the immediate family and community (for a discussion see Ferragina, 2017). The cases of Sweden and Norway might signal that in countries with a generous family policy and where the majority of women are already active in the labour market, additional childcare services or subsidies might not boost women's employment anymore (Lundin et al., 2008).

In terms of the effect of childcare on different segments of the population, better childcare coverage for children below 3 years of age seems beneficial for mothers at risk of poverty and with low educational attainment in countries belonging to different regimes (in Portugal, Canada, and the US; Gennetian et al., 2004; Tavora, 2012). In the US – prototype of the Primary Earning Strategy – high childcare costs reduce the employment outcomes for mothers with low income, low skills and who are single or Black (Avellar and Smock, 2003; Baum, 2002; Han and Waldfogel, 2001; Presser and Baldwin, 1980). Other studies suggest that childcare provision helps to balance work and care also for mothers with tertiary education (De Henau et al., 2010).

In the case of child benefits, comparative evidence confirms micro-economic theory: generous and unconditional benefits seem to reduce women's employment

outcomes (Jaumotte, 2003). However, these benefits have other rationales, that is, to moderate poverty and boost fertility (which in turn have a long-term effect on labour supply). We find contrasting evidence in countries following different family policy strategies (Primary Caregiver Strategy and Mediterranean Strategy). In Switzerland, generous cash benefits negatively affect women's employment, especially for mothers with high educational levels (Stadelmann-Steffen, 2011), while in Spain the introduction of a new childcare benefit boosted maternal participation (Sánchez-Mangas and Sánchez-Marcos, 2008).

Comparative information about the effect of taxation suggests a differential effect of individual and joint taxation systems: similar taxation rates for the first and second earner seem to boost women's employment. This is particularly true in Primary Earning Strategy countries where the taxation system and the provision of generous tax breaks has distorted mothers' propensity to work, that is, the UK and Ireland (Jaumotte, 2003). In other context, such as Spain, the implementation of an individualized taxation system for couples boosted maternal employment (Gutiérrez-Domènech, 2005). Differently from these studies, Dingeldey (2001) is cautious, suggesting the taxation system influences employment outcomes only in conjunction with other family policy measures.

Other than specific policy provisions, the structure of family policy interacts with attitudes towards women's employment. The empirical evidence lends more credit to the 'integrative approach' than 'preference theory'. According to Kremer (2007), women are not the *homo oeconomicus* and their vision of work and care is mediated by contextual and cultural factors: welfare state structures are not only policy providers but also cultural agents able to catalyse, reinforce or disincentivize certain behaviours (Gangl and Ziefle, 2015).

Policy structures seem to influence collective and individual attitudes, in turn influencing women's employment outcomes (Kangas and Rostgaard, 2007). Attitudes in favour of maternal employment seem to strengthen the positive relation between a generous family policy package and higher wages for mothers. Conversely, negative societal attitudes curtail the positive influence of policies or turn it into a negative effect (Boeckmann et al., 2015; Budig et al., 2012). Finally, societal attitudes towards women's employment might influence outcomes also independently from the effect of institutional factors (Fortin, 2005; and Algan and Cahuc, 2005).

Conclusion and New Avenues for Research

The principal findings of the existing literature reveal that in the face of family policy convergence (especially concerning childcare) across high-income countries, the existence of five regimes still contributes to determine women's employment outcomes. Hence, whether all family policy models would progressively converge towards the Earning Carer Strategy remains an open question. As for the empirical test of Becker's original hypotheses, it appears that the shortage of childcare and the absence of maternal leave curtail maternal employment. In addition, long parental leaves seem to put a brake on women's employment, and unconditional child benefits and joint couple's taxation negatively influence women's employment, but support horizontal redistribution and fertility. Finally, women's behaviour in the labour market is conditioned by the interaction between policy and cultural variables. Generally speaking, these effects of policies are moderated/magnified by individual socioeconomic characteristics, that is, skills, education, income, class, ethnicity and marital status.

Despite these important findings, several challenges and related avenues for future research remain to be explored. A first challenge is to distinguish between short-term and long-term effects of family policy in comparative settings. One route is to employ comparable panel data on a small subset of high-income countries belonging to different regimes, that is, the German Socio-Economic Panel (GSOEP), the British Household Panel Survey (BHPS), the US Panel Study of Income Dynamics (PSID), the Australian Household Income and Labour Dynamics (HILDA), the Korea Labour and Income Panel Study (KLIPS), the Swiss Household Panel (SHP), and the Canadian Survey of Labour and Income Dynamics (SLID). The CNEF (2013 [1970]) contains harmonized information about labour market outcomes for these panels. Another way is to construct large-N comparisons using cross-sectional waves of the EU-Labour Force Survey.

A second challenge comes in updating the empirical evidence in the light of recent family policy expansion. Most studies are based on micro-data from 2000 or previous years (and only in one case from 2006), and for this reason, they do not test whether recent policy changes modified the relations between family policy and employment outcomes. Much empirical work is based on the fifth wave of LIS (data collected in the early 2000s), and despite recent developments (i.e. Budig et al., 2016), analyses remain quite dated and unable to capture recent reforms.

A third challenge is to measure ‘the real effect’ of family policy on women’s employment. So far, scholars have measured whether different legal entitlements influence employment. The presence of a legal right, however, does not always translate into access to provisions/services. Hence, one might also capture the impact of family policy on women’s employment with two-stage models. At the same time, scholars should measure the relationship between the legal entitlements captured with macro-data and the real take-up rate of these benefits at the individual level, and by extension, how receiving these provisions affects women’s employment (see Bartova and Emery, 2016).

A fourth challenge concerns the reliability of macro-variables employed in capturing the generosity of family policy. Scholars must make better use of existing data, but they should also collect new harmonized information. On one hand, the OECD’s update of the *Family Database* and creating the *Benefits and Wages Dataset* provides new information with which to analyse the influence of different types of leave (i.e. the time reserved to fathers) and taxation systems. On the other, there is no harmonized comparative information about the opening time of childcare facilities. The quality and comprehensiveness of childcare and its influence on women’s employment cannot only be measured with spending and child enrolment, but must also be understood in relation to its daytime availability. In addition, several high-income nations lack comparative information on various aspects of family policy (i.e. Eastern European countries, South Korea). Looking ahead, a process of data harmonization from national sources might help to support more extended geographical analyses.

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Author biography

Emanuele Ferragina is Assistant Professor of Sociology at Sciences Po Paris. Prior to Sciences Po, he was lecturer at University of Oxford where he also received his PhD. Emanuele is interested in comparative social policy and social capital. Besides academia, he has established the think tank Fonderia Oxford, he is a columnist for the Italian newspaper *il fatto quotidiano*, and he has appeared in several political talk shows on issues related to the welfare state and inequality.