

Motherhood and Flexible Jobs: Evidence from Latin American Countries

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Motivation

- Great convergence of roles of men and women in labor markets over the last century.
- Gaps remain considerable: labor supply, income and wages (Goldin 1995, 2006, 2014; Blau and Kahn 2017).
- These gaps are especially large in Latin America (Marchionni et al. 2019):
 - labour force participation: 27 p.p.;
 - earnings: 17% less an hour (same education and experience);
 - glass ceiling: 40% of hierarchical positions.

Motivation

- Motherhood: key factor. Women primary caregivers (Blau and Kahn 2006).
- Recent evidence on motherhood effects for developed countries (Angelov et al. 2016; Kleven et al. 2019, 2020; Kuziemko et al. 2018; Berniell et al. 2020).
- Evidence for developing countries: scarce. Important: different cultural and institutional backgrounds.
 - weaker regulations for work-life balance;
 - lower provision of care services;
 - high levels of labor informality;
 - conservative social norms;
 - lower female attachment to employment.

This paper

- 1 Provides comparable causal evidence of the impact of the birth of first child on female labor outcomes: Chile, Mexico, Peru, and Uruguay.
- 2 Assesses the motherhood effect in a variety of labor market outcomes: labor supply (extensive and the intensive margins) and occupation structure (part-time work, informal jobs, self-employment).
- 3 Provides suggestive evidence on the relationship between motherhood effects and social norms/family policies in Latin America.

Methodology & Data

- Event study approach around birth of first child (Kleven et al., 2019).
- Requires panel data (some countries: monthly; others: yearly).
- Sample: men and women who become parents at some point.
- Post-birth effects only.
- Identification assumption: the timing of the event is not correlated with outcome conditional on having a child in the sample period and on the included controls.

Methodology & Data

We estimate (OLS) the following equation

$$Y_{it} = \sum_{\tau \neq -12} \beta_{\tau} \cdot I(e_{it} = \tau) + \sum_j \gamma_j \cdot I(\text{age}_{it} = j) + \delta_t + \epsilon_{it} \quad (1)$$

- Y_{it} : labor outcome of individual i in period t .
- e_{it} : number of calendar years/months since (before) birth of first child.
- τ : month/year relative to birth.
- β_{τ} ($\tau > 0$): causal post-child effect τ periods after birth (normalized relative to $\tau = -12| - 1$).
- β_{τ} ($\tau < 0$): pre-event trends.
- Controls:
 - γ 's: Age fixed effects,
 - δ 's: Calendar month and year fixed effects.

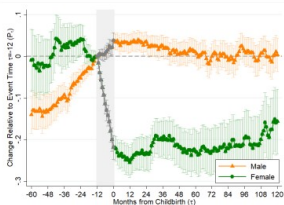
Methodology & Data

Data source

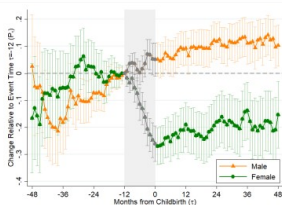
- Panel data: birth of first child and parents labor market outcomes.
- Only available for four countries in the region:
 - Chile: Longitudinal Social Protection Surveys (2004 and 2016);
 - Mexico: Labor Trajectories Module - Employment Survey (2012 and 2015);
 - Peru: National Household Survey (2007 to 2019);
 - Uruguay: Longitudinal Social Protection Surveys (2012 and 2016).
- All surveys are nationally representative.
- Follow individuals labor market trajectories before and after the birth of the first child.
- Our sample: women 18-50 years old; men: 18 and 55 years old.

Results: motherhood effect on employment

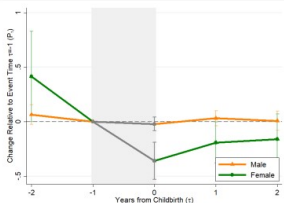
Chile



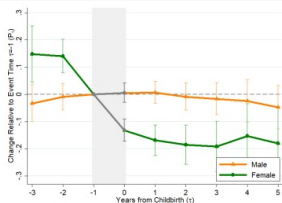
Mexico



Peru



Uruguay

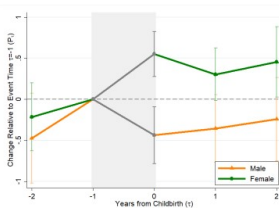


Results: motherhood effect on **part-time employment**

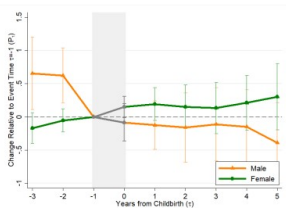
Chile



Peru

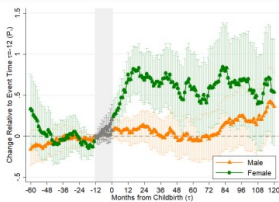


Uruguay

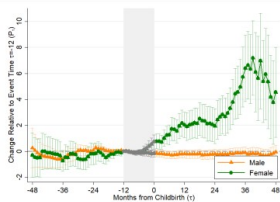


Results: motherhood effect on self-employment

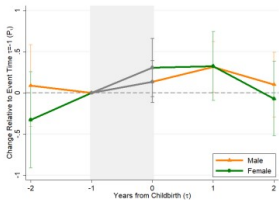
Chile



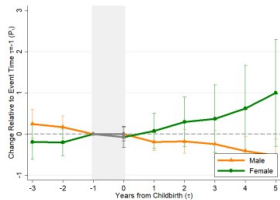
Mexico



Peru

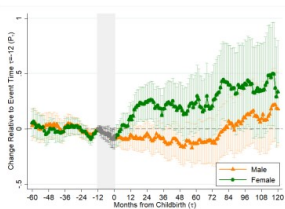


Uruguay

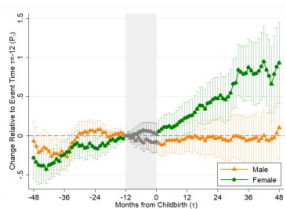


Results: motherhood effect on labor informality

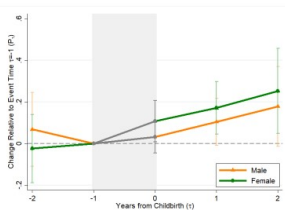
Chile



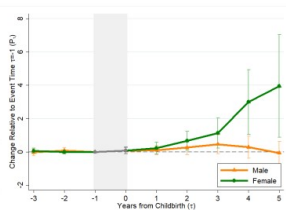
Mexico



Peru



Uruguay



Motherhood and flexible jobs

- In all countries: motherhood has large effects on women labor outcomes:
 - large portion of women leave the labor force;
 - if they stay: part-time, informal jobs or self-employment increase.
- High cost: reducing or giving up economic independence and social security benefits.
- But. . . these choices also offer a relevant benefit: time flexibility.
- Why are mothers willing to exchange present and future benefits for flexibility?
- We explore two possible drivers behind these choices:
 - gender norms
 - family policies

Motherhood and flexible jobs: norms and family policies

- Impact of gender norms and family policies: (i) endogeneity issues; (ii) data restrictions.
- Even if descriptive analysis, further challenges arise.
- Ideal: correlate the causal effect of motherhood to gender norms and family policies across the region.
- But. . . we are only able to estimate this effect for 4 countries.

Motherhood and flexible jobs: norms and family policies

- Our exercise:
 - compute gaps in labor market outcomes of mothers to non-mothers for all countries in the region;
 - rely on them as an approximation of the motherhood effect;
 - correlate gaps to the prevailing gender norms and family policies in each country.
- Data: SEDLAC (CEDLAS and The World Bank).
- Focus on women aged 25 to 54.
- Consider two groups: mothers (at least one child under 5) and childless women.
- On average, the gap in the employment rate is -17%. Same order of magnitude as the estimated causal effects of motherhood.

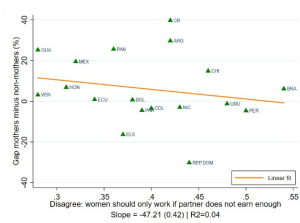
Motherhood and flexible jobs: gender norms



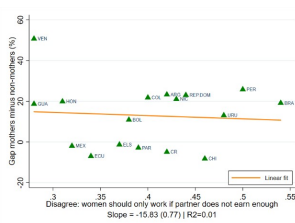
(a) Employment



(b) Part-time work



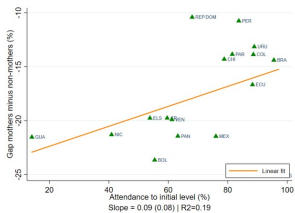
(c) Self-employment



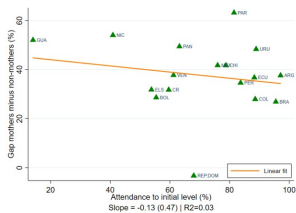
(d) Labour informality

Figure: Disagreement: "Women should work only if partner does not earn enough"

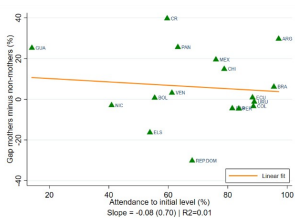
Motherhood and flexible jobs: **childcare availability**



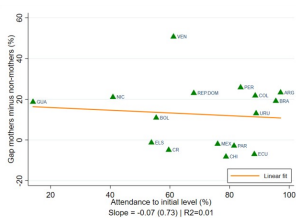
(a) Employment



(b) Part-time work



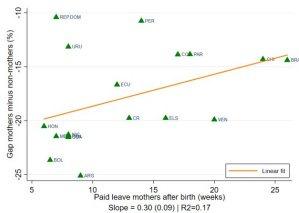
(c) Self-employment



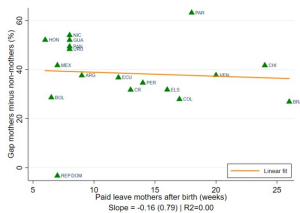
(d) Labour informality

Figure: Pre-school enrolment rates (children 3 to 5)

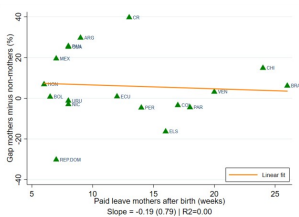
Motherhood and flexible jobs: maternity leave



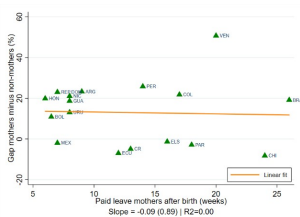
(a) Employment



(b) Part-time work



(c) Self-employment



(d) Labour informality

Figure: Number of weeks of protected maternal leave

Conclusions

- Motherhood effects: Chile, Mexico, Peru and Uruguay.
 - reduction in employment close to 20%;
 - increase in part-time work (16%-20%);
 - informal jobs (16-50%);
 - and self-employment (17%-42%).
 - Differences persist over time. Chile: 16% 10 years after first child.
- High cost. But flexibility. Why are women willing to trade?
- Gender norms and family policies play a substantial role.
- Descriptive evidence for 18 LA countries: more egalitarian views; and stronger family policies associated to smaller gaps in labor market outcomes of mothers and childless women.
- Room for policies that promote co-responsibility and alleviate time restrictions of families.