

Family and labour market reconciliation in Poland: economic effects of maternity and parental leaves

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Summary

The dissertation aims to assess the economic effects of maternity and parental leaves and their impact on work–family reconciliation in Poland. The author assesses the effectiveness of family policies through the use of the experimental design, the Polish Social Security’s administrative data for the period 1999–2011 and survival analysis. The effects of taking leave (differentiated by length) have been subjected to detailed analysis (descriptive and model) and documented on the basis of the current theory. The role of the means–tested child–raising allowance in shaping an effective period for parental leave has also been assessed.

The author assumes that the current shape of work–family reconciliation settings (maternity and parental leaves) has a negative impact on any subsequent employment career in Poland. The verification of the thesis is made by testing the following hypotheses:

1. Incidence of maternity leave increases the intensity of transition to unemployment, compared with female workers not taking leave during their current job contract.
2. Incidence and an extended duration of parental leave increase the intensity of the transition to unemployment, compared with women who take only maternity leave. Incidence of an extended parental leave increases the intensity of the transition to unemployment but it has no effect on the intensity of changing the workplace, compared with mothers who take short parental leave.
3. Eligibility for child–raising allowance increases the effective duration of parental leave for those females entitled to it.
4. Length of service, employer sector and previous spells of unemployment influence continued job tenure after returning from the parental leave.

The results obtained are coherent with many existing theories, including e.g. Human Capital Theory, Neoclassical Labour Supply Theory, Hakim’s Preferences Theory and hypotheses concerning the stigma and hysteresis effect. They are further backed up with reference to other empirical research. All estimated models also take the work–family reconciliation context into account.

The work consists of 4 Chapters. The dissertation begins with a theoretical framework that puts an emphasis on reviewing the literature concerning parental and maternity leave, female employment, and their institutional context. Chapter 1 also presents a review of theories concerning the relations between fertility, female employment, and family policy. Later, it provides both theoretical and empirical evidence for the thesis and hypotheses also presented in this chapter.

Chapter 2 describes the dataset and methods used for verification of the hypotheses. The Polish Social Security administrative database (sample of 251k individuals) is presented and verified for application to the research framework. The author provides a review of statistical methods and justifies the use of survival analysis for measuring the impact of the child-related leaves on female employment. The author also uses a model that measures the impact of the duration of leave more accurately by using the time-dependent variables (also used as treatment variables).

Chapter 3 contains the results, that can be divided into descriptive statistics, nonparametric Kaplan–Meier estimates and Cox models of parental leave spells and employment spells. The duration of a spell of parental leave has been modelled to verify the impact of child-raising allowance on shaping its effective length. Continued job tenure is modelled to verify whether the occurrence of extended parental leave is related to a higher intensity of the transition to unemployment and the transition to employment for other employers, than the occurrence of short parental leaves.

Further results presented in Chapter 4 are based on the experimental design. The author assesses employment spells from the moment of returning from maternity leave or from the commencement of an employment contract, with maternity and parental leave as a time-dependent treatment. Duration analysis has been used to test whether the occurrence of parental leave is related to the transition to unemployment or other employment when compared with mothers who only take maternity leave. Then, the employment tenure from commencement of the job contract, with maternity leave and parental leave defined as treatments, is used to compare women not taking the leave with those who take advantage of maternity or parental leave.

The estimation results presented in the dissertation confirm that the current shape of work–family reconciliation regulations might have a negative impact on female employment. Taking advantage of the leave and its effective length is related to the intensity of the transition to unemployment after returning from the leave — the longer the leave is, the higher is the intensity of transition to unemployment, in particular, in the first months after return from the leave. This effect can be explained in many ways. We can distinguish here: human capital depreciation, finding a replacement worker by the employer, or interpreting the leave as a sign of low commitment to the job. Even long parental leave has only a minor (though statistically significant and positive) impact on the intensity of changing the employer.

The intensity of transition from a job (after returning from the leave) to unemployment is also related to employment in the private/public sector, length of service and unemployment history. Females employed by private enterprises seem to have a higher intensity of transition to unemployment in comparison to the public sector. Long professional experience seems to reduce the intensity of transition to unemployment. An unemployment spell at any time in a two year period before taking leave is positively related to the intensity of return to unemployment.

The author has also found a positive relation between the eligibility for child-raising allowance and the effective duration of parental leave. Low income level (an eligibility criterion for child-raising allowance) loses any significant negative effect on the intensity of returning to employment as soon as the eligibility period for the allowance expires.

The conclusions include the summary of results and hypotheses, proposals for the future research and policy implications.

Keywords: parental leave duration, female employment duration, child-raising allowance impact, duration analysis, policy evaluation, impact assessment, natural experiment.

JEL classification: J18, J48, K31.