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Mothers' Labour Market Transitions in Spain: the Role of Part-Time Parental Leave.

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Abstract:

This paper examines the labour market transitions mothers make in Spain after having their first child, with special attention paid to part-time parental leave (also known as 'reduced working hours'). Until now, most studies have largely neglected this option, and those that do include part-time parental leave have not usually distinguished it from part-time work. This results in a lack of knowledge about the causal mechanisms behind mothers' labour decisions and, even more seriously, the confounding of two choices with very different constraints, especially in Southern Europe where part-time jobs have very poor employment protection, social benefits and earnings. This paper attempts to clarify these issues. Using a competing risks event history analysis, I investigate the likelihood of mothers, who are employed full-time at the birth of their first child, to move thereafter to any of the following destination states: 1) part-time parental leave; 2) full-time parental leave; 3) part-time work; or 4) inactivity or unemployment. The analysis is based on a subsample of 16.902 women from the 'Muestra Continua de Vidas Laborales' (waves 2005-2008). The results show support for the opportunity cost hypothesis for high-wage earners but, contrary to initial expectations, do not show a lower opportunity cost associated to transitions to part-time parental leave in comparison to full-time parental leave. Only those mothers with middle-range wages, very high job security and working in the private sector have part-time parental leave as a real labour market alternative, while those in more vulnerable positions in the labour market appear to be pressured into part-time work or, more frequently, withdraw from the labour market altogether.

Keywords: family policies, part-time parental leave, employment transitions, first child, Spain.

4.1. Introduction

The dramatic increase in the female labour force participation rate is one of the most significant social changes of the past few decades. However, the process of family formation and, specifically, the birth of a child remains, in many countries, a critical juncture for women, where tensions between paid work and care of young children emerge. As a result, some researchers have focused on the study of factors that explain mothers' labour market transitions after childbirth. Nevertheless, most of the analysis developed in this area has limited the range of options to a choice between abandoning or continuing employment (Dex et al., 1999; Hong and Corman, 2005; Gutiérrez-Domènech, 2005b; Vlasblom and Schippers, 2006; Han et al., 2008). In contrast, few studies have analyzed the different forms that continued labour market participation can take and, when this is accounted for, analysis is limited to the distinction between full-time and part-time work (Giannelli, 1996; Ondrich et al., 1999; Rønsen and Sundström, 2002; Lauer and Weber, 2003; Stanfords, 2006).

The literature, therefore, presents little evidence on the mechanisms that underlie taking full- or part-time parental leave to care for children; two new possibilities offered by the extension of family leave policies in most industrialized counties¹ (Ray et al., 2010; Planteaga and Remery, 2010). These time resources, complementary to maternity and paternity leaves, have transformed the range of alternatives available for managing early childhood care. At the same time, they have altered the relationship of parents, especially mothers, to employment. Nowadays, being employed without actually working or doing so with a reduced schedule has become a relatively common situation among women with children under three years old (Fagan and Hebson, 2004; Moss, 2011).

In addition, research thus far equates part-time parental leave with part-time work. The result is a misinterpretation of the causal mechanisms of two decisions with very different constraints. Indeed, part-time parental leave is a statutory right, which means employers must grant it. As a consequence, whether to use or not use part-time parental leave and, even more important, for how long to use it are workers' decisions, whereas the possibility of working part-time also depends on the availability of this kind of job. Job continuation and return to a full workday are legally insured in part-time parental leave, but not for part-time work. In the latter case, the working day is set in the employment contract and cannot be modified unilaterally by the worker. Furthermore, the job guarantees and social protection of the two situations are also different in most countries (Hegewisch, 2009; OECD, 2010). I expect, therefore, that the explanatory factors of each transition and the sociological profiles of users to differ. Hence, separate analysis is essential to understand the career paths of workers once they become parents, especially in countries where part-time work leads to lower welfare benefits, lower

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¹ Leave policy terminology is especially varied due to the existence of different types of leave across countries and the need to translate national terms into English. In this article, I use the terms 'full-time parental leave' and 'part-time parental leave' as equivalents to 'parental leave' and 'reduced working hours' respectively. To refer collectively to all leaves related to the birth and care of children, I use the terms 'care leaves', 'parental leave benefits' and 'parental leave system' interchangeably.

wages and weaker employment protection, as is the case of Southern Europe (Del Boca et al., 2005 and 2009; OECD, 2010).

With this context as background, this article sheds light on the role of part-time parental leave (also known as 'reduced working hours') in labour market transitions made after the first birth in Spain. Specifically, by applying an Event History Analysis with a competing risks design, I explore the factors that influence the labour transition from full-time employment at the time of birth of the first child to any of the following four destination states: part-time parental leave, full-time parental leave, part-time work or unemployment/inactivity. The source of information used is the '*Muestra Continua de Vidas Laborales*', stems from the administrative records of Social Security, the Municipal Population Register and the Tax Agency. Taking advantage of its panel structure, I have constructed a subsample, which consists of 16,902 women with two common features: first, all had their first child between 2005 and 2008; and second, were working as full-time employees at childbirth.

The article is structured in five sections. The second section describes the Spanish parental leave system. The third reviews the literature and proposes hypotheses. The fourth section explains the main features of the data source used, the MCVL, and describes the empirical method. In the fifth, I present the results of the multivariate model. Finally, the article ends with a few short conclusions.

4.2. Parental leave policies and employment transitions: the Spanish case.

Most of the industrialized countries have developed statutory leaves in the last years that allow parents to look after their children when maternity and paternity leave have expired. The most widespread are full-time and part-time parental leaves. The former entitles parents to quit their job temporarily until the child reaches a certain age, while the latter allows shortening the standard workday. Consequently, part-time parental leave enables the worker to adapt the number of working hours to the new family circumstances. However, the design of both leaves varies hugely among countries in terms of eligibility criteria, length, payments, and the employment guarantees recognized during these periods (Planteaga and Remery, 2010; Moss, 2011).

Concerning part-time parental leave, there are two main forms of regulation. The first one gives parents the possibility of taking extended leave on a full-time or part-time basis. That means parents can choose either to remain at home taking care of their children or to combine a reduced workday with a part-time leave. Part-time parental leave is, therefore, conceived as a way of flexibility in the use of the extended leave. This is, for example, the case of Sweden where parents can take paid leave on part-time basis and to increase its length accordingly. The second type of regulation recognizes the parents' right to reduce their working hours. As a result, part-time parental leave is, in these cases, a different entitlement to full-time parental leave and could be also subject to different rules. The Spanish part-time parental leave is an example of this type of regulation. Table 1 contextualizes it with the remaining leaves for birth and childcare currently available in Spain.

| Type of Leave | Eligibility | Duration | Wage replacement |
|--------------------|---|---|---------------------|
| Maternity Leave | All workers with 180 days of | 16 weeks ² | 100% |
| Paternity Leave | full-time contribution to Social Security System within 7 years prior to the beginning of the leave or 360 days over the entire labour history ¹ . | 13 days (+ 2 for employees) ² | 100% |
| Breastfeeding | | Two daily breaks of half an | 100% |
| Leave | | hour until the child turns 9 | |
| | Self-employed excluded. | months or between 2 or 4 | |
| | Without prerequisites in terms | weeks off work. | |
| Full-time Parental | of time contributed into Social | Until the child turns 3 | Unpaid |
| Leave | Security System. | years old | |
| Part-time Parental | | Until the child turns 8 | Unpaid |
| Leave | | years old | |

 Table 1: Characteristics of Parental Leave Benefits for the Birth and Care of Children. Spain: 2011.

¹ In the case of maternity leave, eligibility criteria varies with the age of the mother at the time of delivery. Those under 21 years old are not required to have a minimum contribution period, while those between

21 and 26 years are required to have contributed 90 days during the 7 years immediately prior to delivery. ² The duration of both leaves is longer in cases of multiple births or handicap of the child.

Source: own elaboration.

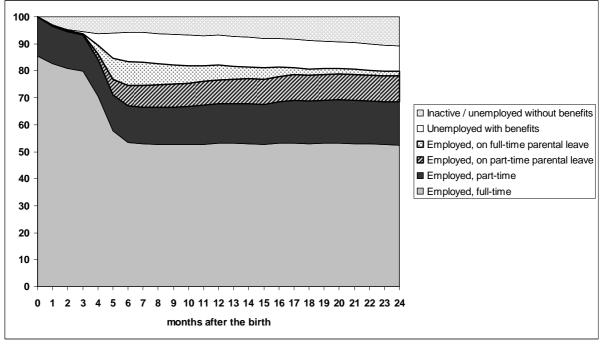
Maternity leave has a length of sixteen weeks, of which six must be taken after the birth. The remaining ten weeks can be used before or transferred to the father, when there is no risk to the mother's health. Since 2007, fathers also have the right to thirteen days of paternity leave, with two extra days if they are employees. It can be simultaneously or consecutively used to the maternity leave. Both leaves guarantee wage replacement up to a ceiling fixed in 3,230 euros per month in 2011, the return to the same job, and the payment of contributions for the whole period, which is assumed by the Spanish Social Security System. Breastfeeding leave entitles one of the parents (usually the mother) to two daily breaks of half an hour within the workday until the child is 9 months old or, as an alternative option and depending on the collective agreements, between two and four weeks off work after maternity or paternity leave. This leave also guarantees full wage replacement but, unlike the previous ones, it is paid by the employer. Self-employed parents are, therefore, excluded.

Alongside these three entitlements, employees can take an extra time-period off work to look after each child until he reaches three years old (known as full-time parental leave), and reduce their working hours between an eighth and up to half until the child turns eight (known as part-time parental leave). Both leaves are individual rights without any contributory requirements, but do not guarantee any compensation for salary loss. For that reason, some regional governments have established flat-rate benefits, with the aim of encouraging their use. In 2011, seven of the seventeen Spanish regions offered financial support for using any of these leaves, although their designs vary greatly regarding prerequisites and the payments offered (Lapuerta, 2012). Nevertheless, both leaves guarantee special labour protection. First, parents on full- or part-time parental leave are credited by the Social Securty System with up to two years of full contributions. This reduces workers' penalties in the access to other rights which

depend on previous contributions (e.g. pensions or new maternity/paternity leave entitlements). Second, in the case of full-time parental leave, return to the same job position is ensured during the first year (or two years for public sector employees). After this time, job protection is restricted to a job of a similar category. The return to the full-time working schedule is also secured when part-time parental leave expires.

As a result, the Spanish parental leave system ensures comprehensive coverage during the period immediately after birth, coinciding with the 16 weeks of 100% paid and protected maternity leave, but disparate and fragmented thereafter, depending on circumstances such as employment status, labour market sector, and place of residence. These regional differences add to an already unequal provision of childhood services (Baizán and González, 2007). Figure 1 approximates the impact of full- and part-time parental leaves for employed women who had the first child in 2005 and 2006, reflecting their labour market status in the twenty-four months after the birth.

Figure 1: Women's evolving relationship with the labour market for those employed* at the time of the birth of their first child. Spain: A cohort of children born in 2005 and 2006.



^{*} Self-employed excluded.

Note: Women on maternity or breastfeeding leave are considered 'employed' in the figure. Source: MCVL, 2005-2008 waves.

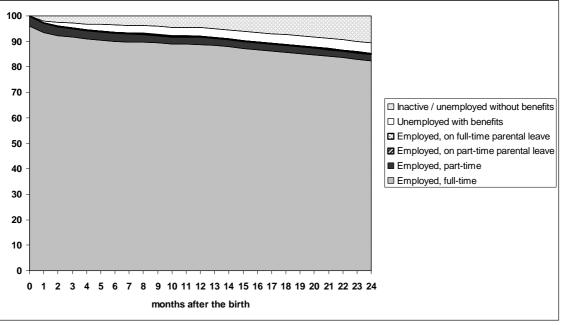
We can observe that the percentage of women employed full-time falls very sharply between the third and sixth month after delivery, from 79.7% to 53.5% respectively. This is precisely the time interval when situations of full- and part-time parental leaves, and also unemployment benefits, appear². In exact terms, the percentage of women on

 $^{^{2}}$ Women who are on maternity leave can enjoy their corresponding 16 weeks, even in those cases where the employment contract ends during the leave period. In these cases, the receipt of unemployment benefits begins after the completion of maternity leave.

full-time parental leave goes from 3.3% in the fourth month, to 8.9% in the sixth, and then declines gradually. The percentages at the same time points are 2.1% and 7.5% for part-time parental leave which, unlike the former leave, then increases to account for 9.5% of the situations from month sixteen on. The percentage of mothers claiming unemployment benefit ranges between 11% and 9% from the sixth month on, while the inactivity increases slightly as time moves on in the period observed. In contrast, the percentage of women employed part-time stays at around 14% throughout the observation period, increasing slightly from the eleventh month on. Therefore, the distribution of the areas in Figure 1 reflects the variations in the duration of the paid period enjoyed by mothers after delivery, ranging from 16 weeks of maternity leave to 24 weeks, when the breastfeeding leave and vacation days are added directly to the end of maternity leave. It also makes clear that a popular subsequent strategy is to take additional legally-guaranteed care leaves, which allows them to maximize time with the newborn.

The relationship with the labour market of their male counterparts is very different, as reflected in Figure 2. Full-time employment is clearly the majority employment situation among males, with figures above 85%. On the contrary, situations of full- or part-time parental leave are not detectable. Nor were there changes in the percentage of part-time workers at around 4% throughout the observation period. Consecuently, there is no impact on men of those labour market situations theoretically designed to combine work and care tasks.

Figure 2: Men's evolving relationship with the labour market for those employed* at the time of the birth of their first child. Spain: A cohort of children born in 2005 and 2006.



*Self-employed excluded. Source: MCVL, 2005-2008 waves.

Remaining in full-time work is, thus, the situation that defines men's relationship with the labour market after the birth of the first child. This reality contrasts with the great variety of labour market situations facing women. Hence, the relevance to analyze the explanatory factors associated with those transitions that facilitate remaining in the labour market, in particular, the least-investigated at the moment: part-time parental leave. With this objective in mind, the next section summarises the main theoretical approaches on the determinants of mothers' labour market transitions, paying special attention to their usefulness for predicting the use of care leaves. It also presents the hypotheses of this research.

4.3. Labour market transitions following the birth of children: main theoretical explanations and hypotheses

The study of female employment behaviour following childbirth has been widely explored from different theoretical perspectives in the literature. For studies analyzing labour force supply, the theory of human capital is a fundamental reference point (Becker, 1964). According to this theory, women weigh the advantages and disadvantages of each employment option and act accordingly, maximizing the benefits of their participation in the labour market. The choice is made, accounting for the value of time devoted to paid work and that dedicated to the home. Thus, the higher the woman's investment in education or work experience, the less likely she is to leave the labour market and the more likely she is to return after childbirth. The underlying logic is that career interruptions produce an underutilization and depreciation of acquired human capital and, thus, reduce the possibility of recovering investments made beforehand. Numerous studies have demonstrated the validity of this theory in predicting female labour market behaviour in most industrialized countries (see, for example, Gutiérrez-Domènech, 2005b for the Spanish case or Rønsen and Sundström, 2002; Pettit and Hook, 2005; Gutiérrez-Domènech, 2005a; Schippers and Vlasblom, 2006; Del Boca et al., 2005 and 2009 for comparative studies).

Based on the same premise as utility maximization, the *New Economics of the Family* incorporates the dimension of household in analyzing female employment behaviour (Becker, 1981). The idea here is that partners decide together how to allocate their time between the market and the family, comparing the marginal productivities of each partner in each sphere. Thus, if the marginal productivity differs, partners tend to choose a division of labour that maximizes family welfare. In other words, if productivity of the husband in the market is equal to or greater than that of his wife, she will probably specialize in the home. This specialization may be complete, involving an interruption in women's labour market participation, or partial, by reducing the number of hours devoted to paid work. The transition to full-time parental leave or exit from the labour market are two alternatives which are consistent with the first option, while part-time parental leave or part-time work with the second one.

Nevertheless, the *social exchange and bargaining theories* have questioned the joint utility function of the couple (Lundberg and Pollak, 1996). In contrast to this assumption, these authors argue that partners have motivations and aspirations which can conflict. It follows then that each spouse negotiates for the time distribution that suits them best. The result of the negotiations depends on differences in power, which in turn are determined by economic resources (primarily income), accumulated human capital, and the feasible alternatives to a rupture of the relationship. The partner with less bargaining power will therefore be most likely to make concessions. In addition, the

theoretical bargaining models add that in post-industrial economies, characterized by increased employment insecurity and declining male wages, the classic pattern of specialization is no longer the most efficient strategy for ensuring household welfare (Oppenheimer, 1994; Esping-Andersen et al., 2003). In a context of greater uncertainty, women's earnings are a good insurance against the risk of poverty, especially in cases where the husband loses his job (McGinnity, 2002). Given this argument, full-time parental leave and, in particular, part-time parental leave would be the most suitable alternatives, because they allow both parents to remain employed. In addition, since these are legally-protected rights, the ability to return to the original situation depends exclusively on the worker and not on the good will of the employer.

Other authors, however, stress the importance of less tangible factors and those related to the process of socialization in female employment decisions. *Preference theory*, proposed by Hakim (2000), identifies three different groups of women who vary in their degree of commitment to paid work: the first has a clear preference for dedication to the family (home-centered women); a second group is oriented to paid work (work-centered women); and a third group, the largest, adapts to circumstances and time constraints (adaptive women). The labour market behaviour of women is therefore explained based on different lifestyles preferences, which can be expressed at an early age and would condition choices and human capital investments from then on. From this perspective, a change to a full- or part-time parental leave after the birth of children would be the result of individual free choice and alternatives that are in line with the preferences of the group of adaptive women. However, preference theory has been widely criticized, among other things, for ignoring constraints imposed by characteristics of the institutional context, social norms and the demand for female labour (McRae, 2003).

From the *institutional perspective*, the coverage of childcare services, the structure of the parental leave system, direct economic aids and characteristics of the tax system determine the employment choices of working women, altering the perceptions of costs and rewards associated with each labour market transition. The evidence confirms that mothers have a greater continuity of employment in those countries which combine a generous parental leave system with a large supply of childcare services (Del Boca and Pasqua, 2005). However, while comprehensive nursery school coverage reduces the risk of withdrawal from the labour market (Gutiérrez-Domènech, 2005a; Pettit and Hook, 2005; Baizán and González, 2007), the effects of care leaves on employment decisions of mothers are more ambiguous. In fact, numerous studies find that the effects of care leaves vary greatly depending on the design of these benefits (Pettit and Hook, 2005; Pronzato, 2009). Thus, fully-paid and flexible care leaves which are configured as individual rights for each parent, stimulate their use and reduce any possible post-leave penalties (Bygren and Duvander, 2006; Moss, 2011).

Studies that focus on *culture* highlight, however, that mothers' employment decisions are governed by more than economic rationality. They are also influenced by prevailing gender values in society, that is, the forms of social relations between men and women and the model of sexual division of labour. In fact, the prevailing ideal of the role of women as mothers and workers in each cultural context influences female behaviour, assigning a higher value and social recognition for certain employment transitions over others and, by extension, limiting the range of options that are considered. Societal norms about how and who should care for young children are also particularly relevant in the case of transitions to care leaves. In this sense, Pfau-Effinger (2005) argues that,

with similar designs, such resources will be most used in contexts where the prevailing belief is that children under three should be cared for at home.

Finally, research centred on *labour market demand* focuses on: the changes in the structure of the productive system; the regulations that affect how the labour market works; and the level of demand for female workforce. In this sense, the expansions of the service sector and part-time work have led to increased employment opportunities for women, but also have given rise to new lines of market segmentation. Yet, studies show huge differences among countries regarding the characteristics of part-time work. It varies in terms of availability, and also quality -understood in terms of pay, employment protection, job profiles, and promotion opportunities- (Giannelli, 1996; Stanfords, 2006; Del Boca et al., 2009). The use of part-time parental leave would, therefore, be higher in contexts where part-time jobs are scarce and poorly paid, as in the Spanish case (Smith et al., 2000).

Labour market regulations and especially those affecting labour costs also influence the demand for workers. From this approach, the mechanisms of collective bargaining and wage determination, the employment protection laws and, in particular, the dismissal costs or those benefits related to labour market participation affect female employment opportunities by determining the degree of labour market rigidity (Esping-Andersen, 2000). Thus, labour markets with high labour costs, such as those in the Mediterranean or continental Europe, tend to create a division between 'insiders' and 'outsiders', protecting permanent workers in already well-protected sectors of the labour market and making access difficult for workers in weaker positions (Bratti et al. 2005; Solera, 2009). In these contexts, which are characterized by a strong labour market fragmentation, full- and part-time parental leaves would be rights that are only accessible to 'insider' or specially protected workers.

In summary, the theoretical views presented above attempt to explain the factors that influence the decision-making process faced by employed mothers following the birth of their first child. Nevertheless, few studies have analyzed full-time parental leave as a labour market alternative, and fewer still, the role of part-time parental leave. Of the latter, only one have applied a multivariable and longitudinal perspective (Sundströn, 1996)³. Hence, taking into account these gaps in the literature and the characteristics of our data source (to be explained in the following section), I propose the following three hypotheses:

Hypothesis 1: *Opportunity cost*. Mothers with higher wages will be less likely to move to situations that involve the partial or total loss of income. However, it is expected that the opportunity cost associated with part-time parental leave is less than that associated with full-time parental leave, since the former enables mothers to continue working.

This first hypothesis is supported by economic theory which predicts that individuals weigh the value of time devoted to home and work before choosing any employment alternative (Becker, 1981). Thus, making any decision about employment will be

³ Sundström (1996) differentiates part-time parental leave from part-time work. Nevertheless, her results cannot be generalized to the Swedish populaton at-large, since the author's sample is restricted to female employees of the Swedish phone company 'Televerket'.

influenced by the volume of lost income relative to the income at the time of childbirth. In addition, these will be affected by the reduction of future earnings due to the depreciation of specific human capital (eg. tied to specific job skills) and the loss of training and promotion opportunities. The opportunity cost is therefore greater the higher the salary received, which discourages transitions to those destinations that involve the partial or total loss of income, as is the case for all four destinations analyzed.

However, I expect that the opportunity cost associated with the transition to part-time parental leave is less than that of full-time parental leave. The reason is that the reduced working hours enables mothers to continue working. Consequently, the depreciation of human capital and, by extension, the reduction in income will be lower when utilizing part-time parental leave than when interrupting labour market participation, albeit temporarily as in the case of full-time parental leave. Furthermore, in the Spanish context where care leaves are unpaid, part-time parental leave allows, unlike full-time parental leave, the employee to continue to receive a portion of their salary for the duration of the license.

Hypothesis 2: *Bargaining power in the workplace*. Mothers with better working conditions, and those who work for large enterprises where workers are better organized and covered by specific collective bargaining agreements, will be more likely to make transitions to a full- or part-time parental leave and less likely to transition to part-time work or a situation of non-employment (unemployment or inactivity).

The second hypothesis is supported by the fact that the exercising of voluntary employment rights⁴, such as full- and part-time parental leaves, depends largely on the power relations between the worker and the employer (Bygren and Duvander, 2006; Crompton, 2006). These, in turn, are determined by the work conditions, the existing industrial relations framework, and the structure of the labour market. Thus, it is expected that women with greater job protection (eg. workers with permanent contracts, higher seniority, or those in the public sector) are more likely to make transitions to full-or part-time parental leave. Workers in large firms, which are covered by organized union representation and specific collective bargaining agreements, will also be more likely to move towards either of both leaves. This is a trend I expect to be further reinforced by the rigidity of the Spanish labour market, which establishes high dismissal costs for permanent employees and those with higher seniority (Esping-Andersen, 2000), giving even greater bargaining power to these workers. In contrast, mothers employed in small businesses or with less job security will be more likely to switch to a part-time job or a situation of non-employment (inactivity and unemployment).

Hypothesis 3: *Alternative care*. Mothers who have more opportunities to outsource part of the care, either due to the availability of childcare services or family support, in particular the care provided by grandparents, will be less likely to transition to full- or part-time parental leave, as well as to the other destinations analyzed.

⁴ Unlike the maternity leave, which is a compulsory right in the sense that all mothers have to take a minimum of six weeks after the childbirth, full- and part-time parental leaves are voluntary rights because they can be used or not.

The third hypothesis refers to the fact that the decision to change employment status is influenced by the availability of alternative sources of childcare, alternatives to care provided directly by the parents. Previous studies have confirmed that a wide range of childcare services increases the likelihood that mothers continue to work after the birth of children (Gutiérrez-Domènech, 2005a; Pettit & Hook, 2005; Baizán and González, 2007; Del Boca et al., 2009). Similarly, given the importance of intergenerational solidarity networks in the context of Southern Europe and in particular the role of grandparents as caregivers, it is expected that the presence of third-generation members in the home reduces the likelihood of transition to any of the four situations studied.

4.4. Data and methodology

The empirical analysis is based on data from the Continuous Sample of Working Life Histories ('*Muestra Continua de Vidas Laborales*' in Spanish or MCVL) and specifically in its four waves from 2005 to 2008. This resource provides a set of individual microdata extracted from three administrative records: Social Security, the Municipal Population Register and the Tax Agency. The MCVL includes information on more than one million individuals who, in each reference year, have maintained some relationship with the Spanish Social Security System, either as contributors or as recipients of some contributory benefit (Durán, 2007).

Nevertheless, the MCVL also has some limitations (Lapuerta, 2010). The first of these is that the Municipal Register data does not include information on family relationships. As a result, I have excluded from our analysis individuals living in extended family households for whom it was impossible to infer mother / father-child links. This is a problem that affects men more than women and especially certain groups: young people or immigrants, for example⁵. Second, although I can distinguish episodes of full- and part-time parental leaves, I cannot do so for maternity, paternity or breastfeeding leaves, which are not differentiable from the original labour situation. Nor can I discern between periods of unemployment when the individual does not receive benefits from periods of inactivity. For this reason, both transitions are studied together in the multivariate analysis. Finally, the third limitation is related to the fact that, since I am dealing with a source of individual administrative information. I cannot include a couple's perspective in the analysis, nor relate it to individual preferences. However, the MCVL is the only dataset that allows researchers to differentiate episodies of part-time work from part-time parental leave and, consequently, analyze to what extent individual, labour and institutional characteristics affect the use of this leave.

With these limitations in mind, I have selected a subsample of 16,902 women who share two features: (1) each had her first child between 2005 and 2008 and (2) each was a full-time employee at the time of the birth and, therefore, had the right to full- and parttime parental leaves. As discussed in the second section, the number of men who enjoy leave benefits is so slight that it was impossible to conduct a multivariate analysis with them. For the sake of simplicity, I also deliberately exclude women working part-time. The reason is that part-time parental leave is not a popular option for these mothers

⁵ I consider that a person is the mother or the father when there are not three or more adults living in the household. If there are three or more adults, I assume they are 'adults of a third generation' when the age difference between the person of reference and each adult is older than 20 years. Otherwise, I exclude the case from the analysis.

since they already have a less than standard workday⁶. The scenario of employment alternatives is, therefore, different and depends on the origin state analyzed. As such, and in order to explore especially the role of part-time parental leave, this research focuses on full-time workers in the multivariate analysis.

For this study, I use an Event History Analysis (EHA) with a competing risks design (Blossfeld et al., 2007), through which I determine which factors influence a change from the 'paid full-time employment'⁷ origin state to the following destination states, each mutually exclusive: part-time parental leave, full-time parental leave, part-time work, and unemployment/inactivity. The start date for the probability of making a transition is the birth of the child, while the end date coincides with the first change to any of the four states mentioned above, provided that the episode lasts at least 30 days. The advantage of this design is two-fold. First, EHA can capture all the different labour market transitions, regardless of their duration and the moment in which they arise. This is not feasible in cross-sectional analysis, where the labour market episodes whose start and end dates are prior to the time of observation are excluded. This increases the likelihood of obtaining biased results, since transitions of shorter durations are more likely to be excluded. Second, EHA can account for individuals who have not made any of the transitions. These are the so-called 'right censored' cases. In our study, these correspond to cases where, before any of the four transitions of interest, one of the following situations occurred: the birth of a second child; the death of the mother; or the end of the period under observation (December 31, 2008). In these cases, the end date is that in which the above event occurred.

The model used is the piece-wise constant exponential model, which has the following formulation:

| $r(t)_{cr} = \exp(\beta' X_t)(h_t)$ | (1) |
|-------------------------------------|-----|
| $r(t)_{ce} = \exp(\beta' X_t)(h_t)$ | (2) |
| $r(t)_{cp} = \exp(\beta' X_t)(h_t)$ | (3) |
| $r(t)_{cd} = \exp(\beta' X_t)(h_t)$ | (4) |

where *c* indicates the origin state; being an employee and working full-time. The terms *r*, *e*, *p*, *d* are mutually exclusive destination states and mean; *r*, part-time parental leave; *e*, full-time parental leave; *p*, part-time work; and *d*, unemployment or inactivity. r(t) is the transition rate that expresses the probability of experiencing a transition from origin state to any of the destination states at time *t*. The probability depends on a number of covariates X_t , which reflect the socio-demographic, work, and contextual characteristics of the individual at the time of first birth or in the year immediately prior to its occurrence, and is a function of time, h_t . Finally, β' represents the coefficients of the model estimated by the maximum likelihood.

 $^{^{6}}$ The analysis performed with the MCVL shows that only 0.7% of mothers who were part-time employees at the time of the birth of their first child were on part-time parental leave a year and a half later, compared to 10.9% of mothers who worked full-time at childbirth.

⁷ As explained previously, the self-employed are excluded from the analysis since they are not eligible for either full- or part-time parental leave. For that reason, throughout the text, I will use the term 'employed' to refer only to mothers who are employees.

In the analysis, the time function (h_t) from birth until the first labour market transition is specified through a set of dummy variables for five time intervals: 0 to 2 months, 3 to 5 months, 6 to 11 months, 12 to 35 months and 36 or more months. It is assumed that the transition rate is constant in each interval, but that it can vary between each one (Blossfeld et al., 2006)⁸. Independent variables included in the model are the monthly contribution salary base (a wage proxy) to test the hypothesis on *opportunity cost*; the type of contract, the activity sector, contract duration and company size as indicators of the second hypothesis on *bargaining power in the workplace*; and, finally, the childcare enrollment rate for 0-2 year-olds at a regional level and a dummy variable that takes the value 1 if other adults of the third generation (grandparents) live in the household to test the hypothesis concerning *alternative care*.

Similarly, control variables include maternal sociodemographic characteristics (age, age squared, education level, nationality and whether the birth was multiple) and employment history for the year immediately preceding the birth of their first child (the number of contracts the mother had, whether or not she had any part-time work and if she had been pluri-employed). Contextual variables also include: a dummy variable that takes the value 1 if the child's birth occurred in 2007 and 2008 to capture the change from an economically expansionary cycle to a recession during our observation period; two variables accounting for differences in the regional and local labour markets (the female unemployment rate in the province of residence and if the mother was living in a rural area); and, finally, whether the Autonomous Community of residence issued additional lump-sum benefits for full- or part-time parental leave in order to control for variables included in the model).

4.5. Results of the multivariate analysis: factors explaining the transition to parttime parental leave in a context of multiple options

Table 2 shows the analysis of first transition from full-time work (at the birth of the first child) to one of the four destination states studied: part-time parental leave, full-time parental leave, part-time work and inactivity/unemployment.

Starting with the sociodemographic variables, I highlight that the mother's age at time of delivery has a positive effect on all four transitions, although this effect weakens at older ages. However, it is not statistically significant for transition to part-time work. Previous studies on the use of full-time parental leave in Spain have linked this effect with greater work experience and higher confidence that use of the leave would not have a negative impact on employment (Lapuerta et al., 2011). In contrast, the level of education has different effects depending on the transition. University studies significantly reduce the probability of moving into inactivity/unemployment and part-time work with coefficients of -0.43 and -0.29, respectively, precisely the most penalizing options. The category of secondary education also has a significant negative effect on the transition to inactivity/unemployment. By contrast, the coefficients for these two categories in the transitions to full- and part-time parental leave have opposite signs -positive in the case of the first benefit and negative in the second-, although neither is significant.

⁸ The survival analysis performed with the Kaplan-Meier method confirms this assumption, but results are not included in this chapter due to space limitations. They are available upon request.

The fact that the mother has a foreign nationality lowers the probability of moving toward either leave arrangement. This is an effect that is particularly significant and pronounced for part-time parental leave. In particular, foreign women experience approximately half the risk of taking a part-time parental leave than that of Spanish mothers, while the relative risk of switching to a full-time parental leave is 33% lower. At the same time, mothers with foreign nationality are more likely to move towards a situation of inactivity or unemployment, which corresponds to a 1.1 times higher relative risk than that of Spanish mothers. In this regard, it is noteworthy that the effects of foreign nationality remain, although the model controls for other variables related to the woman's employment situation. Therefore, these results highlight the barriers faced by this group of women in exercising care leave rights. In fact, this variable can also be considered an indicator of the weak bargaining power of these women in their workplace (Hypothesis 2), in part due to their concentration in the sectors of the labour market with the least protection and poorest conditions (Cebolla and González-Ferrer, 2008).

Nevertheless, the key independent variables used to test the hypothesis 2 are the type of contract (temporary vs. permanent), the duration of the contract, company size (measured by number of employees) and the sector (public vs. private). Most of these variables show results fully consistent with this hypothesis, although statistical significance varies depending on the destination state analyzed. For example, having a temporary contract at the time of childbirth significantly reduces the probability of moving to either parental benefit (coefficient of -0.69 for part-time parental leave and -0.83 for full-time parental leave), while at the same time, it increases the probability of transitioning to a state of inactivity or unemployment (coefficient equal to 0.65). Similarly, the coefficient for 'temporary contract' is positive for the transition to part-time work: 0.16, although, unlike the above, it does not reach the minimum levels of statistical significance.

The company size variable reflects that, as the number of employees increase, the probability of making transitions towards part-time parental leave, and especially to full-time parental leave, increases as well. In fact, mothers employed in a workplace with 500 or more employees have a 3.9 times higher relative risk to transition to full-time parental leave after the birth of a first child than those employed in companies with less than 11 workers, who have a 1.5 times higher relative risk of moving to a part-time parental leave. In contrast, as one would expect *a priori*, the effect is negative for the other two destinations analyzed: the larger the company, the lower the probability of moving into inactivity or unemployment and part-time work. The contract duration variable has similar signs to those described above for company size; positive in the case of transitions to full- and part-time parental leave and negative in the case of withdrawing from paid work. The transition to part-time work is, however, the exception, since the coefficients are not statistically significant for contracts lasting longer than 29 months and do not reflect a clear pattern.

Table 2: Transitions to part-time parental leave, full-time parental leave, part-time work and inactivity/unemployment for women employed full-time at the time of the birth of their first child. Event history analysis. Piece-wise Constant Exponential Model. Spain: 2005-2008.

| | Part-time parental leave | | Full-time parental leave | | Part-time work | | Inactivity / | |
|--|-----------------------------|-----|-----------------------------|-----|----------------|-----|--------------|----------|
| | | | | | | | unemployment | |
| Time ^a : | | | | | | | | |
| 3 to 5 months | 5.35 | *** | 5.29 | *** | 3.30 | *** | 1.15 | **: |
| 6 to 11 months | 3.91 | *** | 2.90 | *** | 2.18 | *** | 0.34 | **: |
| 12 to 35 months | 2.73 | *** | 1.16 | *** | 1.86 | *** | 0.31 | **: |
| 36 months or more | 2.68 | *** | 0.16 | | 1.71 | *** | 0.26 | ** |
| Age | 0.13 | * | 0.25 | *** | 0.10 | | 0.05 | * |
| Age ² | -0.00 | ** | -0.00 | *** | -0.00 | | -0.00 | * |
| Foreigner | -0.75 | *** | -0.40 | ** | -0.09 | | 0.10 | ** |
| Level of education ^b : | | | | | | | | |
| Lower secondary (obligatory) | 0.05 | | 0.21 | | -0.14 | | -0.05 | |
| Higher secondary | -0.07 | | 0.13 | | -0.09 | | -0.35 | **: |
| University studies | -0.13 | | 0.18 | | -0.29 | ** | -0.43 | **: |
| Multiple birth | -0.16 | | 0.17 | | -0.14 | | 0.21 | ** |
| N° contracts in previous year | -0.01 | | 0.01 | | 0.01 | | 0.03 | ** |
| Part-time work in | -0.16 | | -0.02 | | 0.47 | *** | 0.06 | |
| previous year Pluri-employed in | -1.25 | *** | -0.94 | *** | -0.88 | *** | -0.79 | ** |
| previous year | 0.60 | | | | 0.1.6 | | | <u>.</u> |
| Temporary contract | -0.69 | *** | -0.83 | *** | 0.16 | | 0.65 | ** |
| Public Sector | -0.58 | *** | 0.23 | ** | -0.15 | | -0.09 | |
| Contract Length ^c : | | | | | | | | |
| 10 to 28 months | 0.40 | *** | 0.35 | *** | 0.22 | ** | -0.38 | ** |
| 29 to 57 months | 0.42 | *** | 0.42 | *** | 0.00 | | -0.64 | ** |
| 58 months or more | 0.45 | *** | 0.51 | *** | -0.05 | | -0.83 | ** |
| Company size ^d : | | | | | | | | |
| 11 to 49 employees | 0.13 | * | 0.53 | *** | -0.24 | ** | -0.17 | **: |
| 50 to 499 employees | 0.36 | *** | 0.92 | *** | -0.39 | *** | -0.40 | ** |
| 500 employees or more | 0.41 | *** | 1.36 | *** | -0.72 | *** | -0.49 | ** |
| Monthly contribution base ^e : | | | | | | | | |
| 0 to 999 euros | -0.67 | *** | -0.22 | ** | -0.20 | ** | 0.07 | * |
| 1,346 to 1,999 euros | 0.02 | | -0.10 | | -0.29 | *** | -0.31 | ** |
| 2,000 euros or more | -0.45 | *** | -0.33 | *** | -0.76 | *** | -0.64 | ** |

Table 2: (continued)

| | Part-time parental leave | | Full-time parental leave | | Part-time work | | Inactivity / unemployment | |
|---|--------------------------|-----|--------------------------|-----|----------------|-----|---------------------------|-----|
| Childcare enrollment rate for 0-2 year-olds | 0.01 | *** | -0.02 | *** | 0.01 | * | 0.00 | *** |
| Other adults in the home (grandparents) | -0.54 | *** | -0.16 | * | -0.27 | *** | -0.06 | |
| Province unemployment rate | -0.05 | *** | -0.03 | *** | -0.00 | | 0.00 | |
| Financial help for full- or part-time parental leave in Autonomous Community | 0.53 | *** | 0.94 | *** | -0.68 | *** | -0.14 | ** |
| Rural | -0.00 | | 0.02 | | -0.11 | * | 0.10 | *** |
| Crisis (2007-2008) | -1.32 | *** | -1.55 | *** | -1.92 | *** | -1.49 | *** |
| Constant | -9.4 | *** | -12.34 | *** | -6.84 | *** | -3.26 | *** |
| log-likelihood | -4751 | | -3682 | | -3519 | | -11672 | |
| chi2 | 5871.3 | | 5875.84 | | 2035.43 | | 6373.47 | |
| Number of observations | 49,658 | | 49,658 | | 49,658 | | 49,658 | |
| Number of individuals | 16,902 | | 16,902 | | 16,902 | | 16,902 | |
| Number of events | 1,885 | | 1,468 | | 976 | | 4.621 | |

* Significant at $p \le 0,10$; ** $p \le 0,05$; *** $p \le 0,01$.

Reference categories: ^a 0 to 2 months; ^b without completing lower secondary (obligatory) education; ^c 0 to 9 months; ^d 0 to 10 employees; ^e 1,000 to 1,345 euros.

Note: Missing information of contract type, company size and level of contribution have been included in a category apart in each variable (missing) in order not to accumulate missing cases or to introduce potential problems of bias. The coefficients are not included in the table for reasons of length. In no case did missing information represent a significantly large category. See descriptive statistics of these variables in Annex 1.

Source: MCVL, 2005-2008 waves.

The activity sector deserves special attention. While working in the public sector increases the probability of moving to full-time parental leave (coefficient equal to 0.23), it decreases, contrary to our initial expectations, the probability of moving to part-time parental leave (coefficient equal to -0.58). This result may reflect that public sector workers in Spain already enjoy very favorable working hours and greater flexibility, clear disincentives for opting for unpaid part-time parental leave⁹. Also, the extension from one to two years of job post guarantee for this group of workers makes full-time parental leave a more attractive possibility.

Alongside these variables, the model includes three indicators describing the work history of the mother in the year previous to the childbirth: the number of work contracts, if she had any experience of part-time work and if she had ever been pluriemployed, that is, if she had had more than one job simultaneously. The result of this last variable is negative and significant for all destination states examined, noting the

⁹ The Work-Family Conciliation Plan, applicable from January 2006, allows workers of the General Administration (*Administración General del Estado*' in Spanish) to choose their own work schedule for a third of the 37.5 hours that make up their working week (2.5 hours lower than the private sector workers). It also established that the workday could not extend beyond 6 pm. (see <u>http://www.mpt.es</u> for more information). Most regional governments also include measures in this regard.

intense work orientation of this group. The impact of multiple jobs is also remarkable in the use of part-time parental leave. Mothers with multiple jobs have a 71% lower relative risk than mothers of single jobs to transition to this destination. For the rest of the transitions analyzed, the relative risk of multiple job holders is 55% lower in the case of inactivity or unemployment, 59% for part-time work and 61% for the leave. In contrast, the number of contracts indicator only has statistically significant results for the transition to inactivity/unemployment, indicating a positive association between them (coefficient equal to 0.03). This means that those women with many contracts and thus high labour instability are also those with higher chances of dropping out of paid work. The same applies to the indicator for part-time work, which has only a positive and significant effect for transitions to part-time work (coefficient equal to 0.47).

To test the opportunity cost hypothesis (Hypothesis 1), I used the monthly base contribution to Social Security. This variable is an approximation of the salary, because it is limited by a ceiling¹⁰. In this case, the reference category coincides with the second quartile of the distribution, and includes mothers who have a monthly contribution base located between 1,000 and 1,345 euros. The coefficients for the fourth quartile are negative and highly significant for all transitions studied: -0.33 in the case of full-time parental leave, -0.45 for part-time parental leave, -0.64 in the case of inactivity/ unemployment and, -0.76 for part-time work. The results thus do confirm that an opportunity cost decision exists for Spanish mothers with a contribution base of 2,000 euros or more in the month of childbirth. In other words, they have a lower probability, compared to mothers in the reference category, of experiencing any of the transitions studied. These results are consistent with those reflected in other case studies, where the likelihood of taking parental leave falls for mothers with higher earnings potential (Bygren and Duvander, 2006 for Sweden; Gottschall and Bird, 2003 for Germany). However, I cannot confirm a lower opportunity cost for transitions to part-time parental leave in comparison to full-time parental leave. The coefficients for the third quartile of the wage distribution do not reach a sufficient level of statistical significance, despite the fact that they appear to have opposite effects (positive for the transition to part-time parental leave and negative for that of full-time parental leave). Furthermore, the coefficient for the highest quartile is even larger in the case of part-time parental leave. This might indicate that mothers with higher wages and occupational categories have special difficulties in partially reducing their paid work burden.

There are significant negative effects for mothers located at the bottom of the wage distribution with respect to the reference category in the transitions to full-time parental leave (coefficient equal to -0.22), part-time parental leave (-0.67) and part-time work (-0.20), corresponding to a 20%, 50% and 18% lower relative risk respectively. Instead, these mothers are more likely to move toward inactivity and unemployment, although in this case, both the coefficient and its significance level are very low. These results reveal, consistent with evidence found in other countries which do not provide financial compensation for the use of these benefits, that the full- and part-time parental leaves are only accessible to mothers in the middle of the wage distribution (Baird and Litwin, 2005). The Spanish parental leave system, therefore, is not accessible to female workers at both ends of the spectrum, but for apparently different reasons: the highest wage earners, because of the opportunity cost incurred if these women were to reduce their workday or take full-time leave and, at the opposite end, those with the lowest wages

¹⁰ In 2008, it was fixed at 3,074.10 euros.

because they cannot possibly afford the income loss that either leave would imply (Lapuerta et al., 2011).

The results in Table 2 confirm the validity of the hypothesis of alternative care (Hypothesis 3) to explain transitions to full-time parental leave, but show different effects on transitions to part-time parental leave and part-time work, depending on the possibility of outsourcing care. So as expected *a priori*, mothers who live in the same household with other adults of third generation (mostly grandparents) have a lower likelihood to move towards full-time parental leave than those who do not (coefficient equal to -0.16). Similarly, the coefficient of the 'childcare enrollment rate of 0-2 yearolds' is negative and significant: -0.02. Nonetheless, the sign of this indicador becomes positive in the transition towards part-time parental leave and part-time work, indicating that a one percentage-point increase in the childcare enrollment rate produces, keeping other variables constant, a 1.01-fold increased relative risk to transition to both destination states. Early childcare centres operate, according to these results, as subsitutes for full-time parental leave in the provision of care and attention to young children, but are complementary to part-time parental leave. An explanation for this is the limited and inflexible schedules of these services in Spain (González, 2005; Baizán and González, 2007). Hence, in a context where working hours are very long, such as those in Southern European countries, they are particularly used by mothers who do not work or have shorter-than-standard workdays (Del Boca et al., 2009: 154).

Table 2 shows that the effect of living with adults of the third generation is negative for transitions to part-time parental leave, as well as the other transitions analyzed, although the effect is not statistically significant for the change to inactivity/unemployment. But beyond the sign, the really remarkable characteristic is the differences in the magnitude of its effects among the destinations analyzed. Specifically, mothers who live with adults other than their partners have a 42% less relative risk of moving toward part-time parental leave than those who do not. This is a much more pronounced effect than that observed in the transition to part-time work (coefficient equal to -0.27, corresponding to a 24% lower relative risk) and far greater than that for full-time parental leave (with a 15% lower relative risk). The results lend support, in this way, to the key role of grandparents when parents balance work schedules with the care of the child, especially when there are misfits between the two at specific times during the day (Tobío et al., 2010).

Table 2 also shows that situations with the greatest need of care, as happens in the case of multiple births, increase the likelihood of transition to those destinations that are a permanent or temporary interruption of employment (0.21 for inactivity or unemployment and 0.17 for the full-time parental leave), while decreasing the likelihood of switching to part-time parental leave or part-time work (coefficients equal to -0.16 and -0.14, respectively). However, the only result of this variable that reaches minimum levels of statistical significance is the transition to inactivity or unemployment. Nevertheless, previous studies show a significant positive association between multiple births and the use of full-time parental leave (Lapuerta et al., 2011).

The result of the variable capturing time elapsed since childbirth until any transition is made -or, which is the same, the child's age- shows the protective effect of the six-weeks of compulsory post-partum leave for the mother as provided by maternity leave. In fact, regardless of the destination analyzed, the probability of transition is higher for

all time intervals after the third month than between 0 and 2 months post-partum. However, these probabilities are higher in those months immediately following the completion of maternity leave. In fact, the results show a drastic decrease in the coefficients with the child's age, especially in the transitions associated with both leaves, although they all remain positive. This tendency confirms that the use of parttime parental leave, and in particular that of full-time parental leave, is linked to the completion of maternity leave and other available benefits.

With regards to the contextual variables, it should be noted that the fact of living in an Autonomous Community that offers flat-rate benefits for full- or part-time leaves has, as expected *a priori*, a positive and significant effect on transitions to both destinations (0.94 and 0.53, respectively) and negative in the transition to a state of inactivity or unemployment and part-time work (-0.14 and -0.68, respectively). In contrast, the results of the female unemployment rate in the province of residence are statistically significant only for transitions to the two forms of parental benefit, indicating that, holding all other variables constant, a one percentage-point increase in this indicator decreases the relative risk 5% of moving toward part-time parental leave and 3% to full-time parental leave. These results demonstrate the permeability of female labour market behavior, especially when exercising care leave rights, to external institutional and economic constraints.

The economic crisis variable supports this but, simultaneously, shows an opposite effect to that expected in the case of transitions to inactivity or unemployment. In Table 2, I see that the fact that the child was born in the years 2007-2008, coinciding with the start of a recessive economic cycle, reduces the likelihood of changing to any of the destinations analyzed, including inactivity or unemployment (coefficient equal to -1.49). This result may actually be concealing a selection effect, given that, in an unfavourable economic environment, only those mothers who are the most established in the labour market and with the most stable employment positions decide to have children (Baizán, 2006). Another plausible explanation is that the opportunity cost of becoming inactive and unemployed increases during a recessive economic cycle and, therefore, women try to keep their attachment to the labour force (Vlasblom & Schippers, 2006). In an adverse economic context, it could be easier for mothers to exit the labour market, but more difficult to re-enter later when the child is older (Solera, 2009). At the same time, women's earnings could be fundamental for households to avoid the risk of poverty, especially in post-industrial economies where labour market security and family stability have diminished (Oppenheimer, 1994; McGinnity, 2002; Esping-Andersen et al., 2003). Consequently, when unemployment is high, it may be unwise to use either full- or part-time parental leave.

Finally, living in a rural setting (towns with fewer than 40,000 inhabitants) has a positive effect on the transition to inactivity and unemployment (coefficient of 0.10), possibly because of lower economic performance in small towns. The effect of this variable is negative on the transition to part-time work (coefficient equal to -0.11), due to the predominance of service sector in major population centers, precisely where most part-time work is concentrated in Spain (Smith et al., 2000; OECD, 2010). The coefficients for the transitions to full- or part-time leave do not reach the minimum levels of statistical significance.

4.6. Conclusions

This paper has analyzed the role of part-time parental leave in the context of the multiple labour market transitions that Spanish women can make following the birth of their first child. This is a relevant object of study, since most existing research has either focused on the abandonment of the labour market or has only analyzed part-time work when studying the labour market continuity. In addition, no study had yet differentiated the situation of part-time parental leave from that of part-time work, when in fact these two decisions are subject to very different constraints. The result in the literature is, therefore, the confusion of explanatory factors associated with both transitions and an almost complete ignorance of the demographic profile of users of this type of care leave and its patterns of utilization.

This empirical research confirms that part-time parental leave operates as a complementary resource to childcare services in Spain, due to the increased likelihood that mothers use this type of license where there is a higher coverage of childcare services. The explanation lies in the reduced and inflexible schedules of these servicies, which are not suited to the long working hours that Spanish mothers have to deal with. On the other hand, the co-residence of grandparents in the household reduces the probability that the mother changes to part-time parental leave. This result confirms the important role of family solidarity networks in reconciling work and family life in the context of Southern Europe (Naldini, 2003; González, 2006). Besides these factors, the bargaining power of workers in the workplace is also key for explaining transitions following the birth of the first child. In fact, the likelihood of moving to part-time parental leave is higher among stable workers -or in other words, those with permanent contracts and high seniority- and especially those employed in the private sector by large companies, where industrial relations are much more regulated and protected by collective bargaining agreements than in small and medium-sized companies.

Thus, part-time parental leave is accessible only to permanent workers who enjoy high protections in the workplace. The results of this study also show that the mothers with a higher propensity to move towards either full- or part-time parental leave are those in the middle of the wage distribution. The evidence demonstrates that, on the one hand, an opportunity cost exists that is too high for high-wage mothers; an effect already seen in other studies (Gottschall and Bird, 2003; Baird and Litwin, 2005; Bygren and Duvander, 2006). On the other hand, the results also confirm the inefficiency of the current part-time parental leave design to maintain low-waged mothers in employment, precisely those whose greater economic weakness ought to be the focus of public policy. Data on gender values would allow us to understand how this behaviour is explained by preferences or gender norms, besides economic constraints. Therefore, it would be advantageous to develop new sources of information in the near future that include these kinds of indicators, absent in the MCVL given its origin in the administrative record.

Finally, the data confirms that these leaves are used only in situations of economic security and, indeed, by segments of the population that already have an advantageous position in the labour market. This is a reality that, in the current economic crisis, highlights the enormous difficulties of Spanish mothers in reconciling paid work and family, especially mothers with low wages, poor working conditions or without a family support network. For these women, having fewer children than desired or moving to a

situation of non-employment (unemployment and inactivity) remain the only alternatives. The results of this study confirm that unpaid part-time parental leave, not only reinforces gender inqualities -less than 1% of men use it-, but also social inequalities, since those mothers who are in the most fragile situation in the labour market cannot access this right.

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| | Mean | Standard deviation | Definition of the variable |
|--|-------|--------------------|---|
| Time: | Mean | deviation | Time (months) from date of birth of the |
| 0 to 2 months | 0.10 | | child until the date of the first transition, |
| 3 a 5 months | 0.10 | | |
| 6 a 11 months | 0.33 | | lasting at least 30 days, occurs. |
| 12 a 35 months | 0.14 | | |
| 36 months or more | 0.32 | | |
| Age | 31.17 | 4.71 | Age of mother at childbirth |
| Foreigner | 0.09 | 4./1 | Nationality of mother at childbirth |
| Level of education: | 0.09 | | Highest level of education in the year of |
| | 0.10 | | childbirth and declared by the mother in |
| No studies or primary school Lower secondary school | 0.10 | | the Municipal Register. |
| (obligatory stage) | 0.28 | | the Municipal Register. |
| Upper secondary school | 0.41 | | |
| University studies | 0.41 | | |
| Other adults in the home | 0.20 | | Identify mothers who live with other |
| (grandparents) | 0.15 | | adults of the third generation |
| (granuparents) | | | (grandparents). |
| Multiple birth | 0.03 | | Identify if birth was multiple. |
| N° contracts in previous year | 1.66 | 2.44 | Number of contracts in year immediately |
| IN [*] contracts in previous year | 1.00 | 2.44 | prior to the birthday of child. |
| Part-time work in previous year | 0.04 | | Identify mothers who have had at least |
| | | | one part-time work contract in the year |
| | | | previous to the birthday of the child. |
| Pluri-employed in previous year | 0.06 | | Identify mothers who have |
| | | | simultaneously worked in more than one |
| | | | job in the year immediately prior to the |
| | | | birth of their child. |
| Type of contract | | | Contract type at childbirth. |
| Permanent | 0.66 | | |
| Temporary | 0.21 | | |
| Missing cases | 0.13 | | |
| Public sector | 0.14 | | Activity Sector at childbirth. |
| Contract duration: | | | Length (months) of contract at childbirth. |
| 0 to 9 months | 0.25 | | |
| 10 a 28 months | 0.25 | | |
| 29 a 57 months | 0.25 | | |
| 58 months or more | 0.25 | | |
| Company size: | | | Number of employees in company in the |
| 1 to 10 employees | 0.21 | | year of childbirth. |
| 11 to 49 employees | 0.19 | | |
| 50 to 499 employees | 0.25 | | |
| 500 employees or more | 0.19 | | |
| Missing cases | 0.16 | | |

Annex 1. Descriptive Statistics for variables included in the multivariable model.

| Annex 1: (continued) | | | |
|-----------------------------------|-------|-----------|--|
| | | Standard | |
| | Mean | deviation | Definition of the variable |
| Monthly contribution base: | | | Contribution base to Social Security in |
| 0 to 999 euros | 0.24 | | the month of childbirth. This variable is |
| 1000 to 1345 euros | 0.24 | | an approximation of the monthly salary, |
| 1346 to 1999 euros | 0.24 | | because it is limited by a ceiling (fixed at |
| 2000 euros or more | 0.24 | | 3,074.10 euros in 2008). |
| Missing cases | 0.04 | | |
| Province Unemployment Rate | 11.42 | 4.36 | Female unemployment rate in the |
| | | | province of residence in the year of |
| | | | childbirth. |
| Childcare Enrollment Rate of 0-2 | 24.38 | 12.05 | Enrollment Rate of 0-2 year-olds in the |
| year-olds in the Autonomous | | | Autonomous Community of residence in |
| Community | | | year of childbirth. |
| Financial help for full- or part- | 0.11 | | Identify whether there are economic help |
| time parental leave in | | | for taking full or part-time parental leave |
| Autonomous Community | | | in the Autonomous Community of |
| | | | residence at the moment of childbirth. |
| Rural | 0.45 | | Residence in a municipality of less than |
| | | | 40.000 habitants in the year of childbirth. |
| Crisis (2007-2008) | 0.46 | | Identify if childbirth happened during a |
| | | | period of economic recession (years |
| | | | 2007-2008). |
| | | | |

Annex 1: (continued)

Source: MCVL, 2005-2008 waves.