

Laudage, Sabine

Article

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PART-TIME WORK AND FAMILY BUILDING IN OECD COUNTRIES

Part-time work enjoys different levels of popularity across OECD countries and is a controversial workplace practice. The share of part-time workers¹ and the reasons why family earners decide to work part-time vary across OECD countries. On average, part-time employment in OECD countries accounted for 16.8 percent of the working age population in 2013. Between 2000 and 2013 the share of part-time employment increased by five percent in the whole OECD area. During the financial crisis part-time employment rose, especially in Southern European countries and Ireland (DICE 2015a).

On the one hand, part-time work is a family-friendly working-time arrangement and allows parents to maintain their job and spend more time with their family. This may lead to rising parental employment rates and

¹ Persons who work less than 30 hours per week in their main job are regarded as part-time workers. According to the ILO guidelines of measuring employment this refers to employees and self-employed workers within the working age population of 15-64 years (OECD 2013).

higher fertility rates due to the improved reconciliation of work and family. Most people choose voluntarily to work part-time in order to care for their children or for elderly family members. Furthermore, part-time work increases labour force participation, especially of women, and offers an alternative to inactivity.

On the other hand, it reduces total family income (as opposed to cases where two parents have full-time jobs) and parents wishing to work part-time often have to accept a lower-ranking job. Part-time workers are often disadvantaged compared to full-time workers in terms of job-security, promotion, training and unemployment benefits. Furthermore, there is a clear trend towards women making the sacrifice of reducing their full-time job to a part-time position, rather than men, which is often due to the gender gap that persists in income. Moreover, the “voluntary” choice by family earners to work part-time is often provoked by a supply constraint in public childcare services or not-affordable nursing homes for the elderly (OECD 2013).

This article shows the distribution of part-time work across OECD countries in general and in terms of gender differences. Secondly, different family-employment-models are introduced in order to depict the pop-

Figure 1

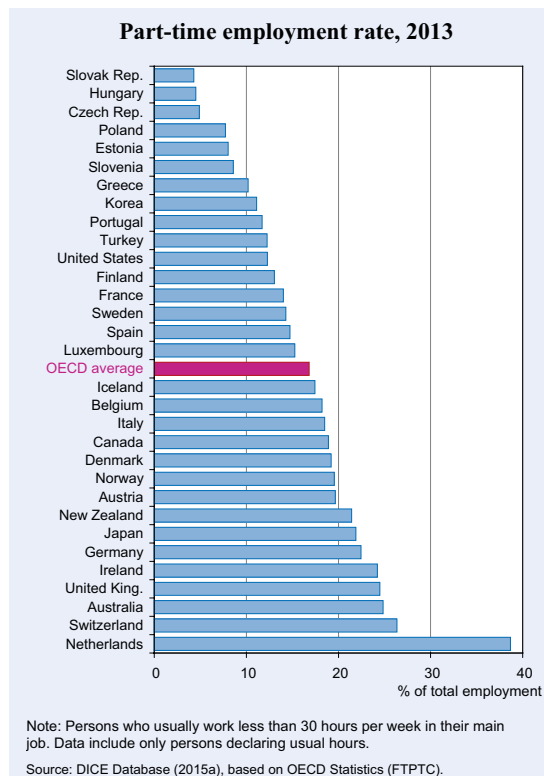
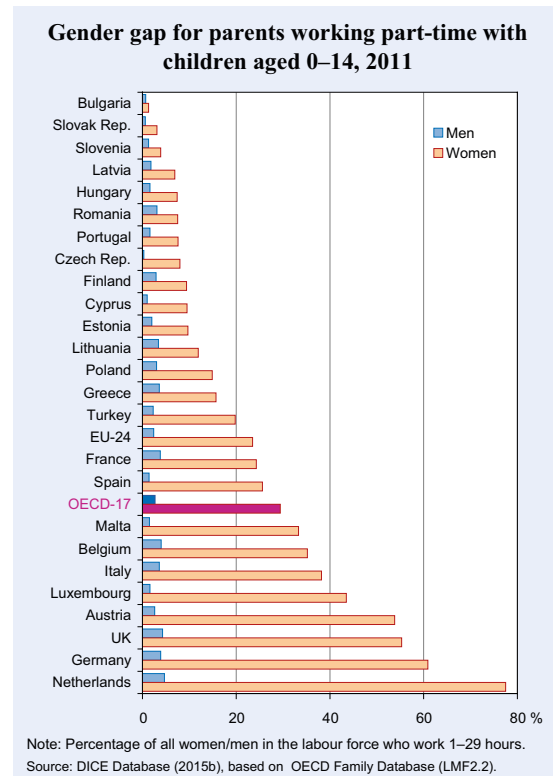


Figure 2



ularity of part-time work among families with young children. Thirdly, the relation between part-time employment and public expenditure on childcare is examined for OECD countries. Thus conclusions can be drawn regarding part-time work as a family-friendly workplace practice for young families.

Distribution of part-time work across OECD countries

The incidence of part-time employment is not evenly distributed across OECD countries (Figure 1). The highest share of part-time employment can be found in the Netherlands, with almost 40 percent of the working population working part-time, followed by Switzerland, Australia and the UK. In Eastern European countries like Slovak Republic, Czech Republic and Hungary the part-time employment rate is below 5 percent and thus plays no important role in those countries. The OECD average of the part-time employment rate lies at around 17 percent (DICE 2015a).

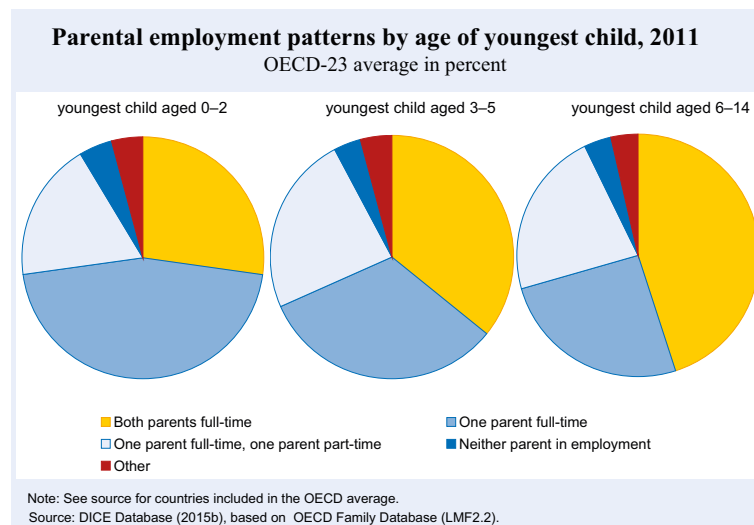
Gender gap in part-time employment

Looking at the gender distribution of part-time work (Figure 2), a deep gender gap can be observed. The majority of parents with children aged 0–14 who work 1–29 hours per week mainly belong to the female labour force in all OECD countries. The gender gap is highest in Western European countries and relatively low in Eastern European countries. In the Netherlands where part-time work as an overall share of employment is highest, almost 80 percent of women in employment work part-time. On OECD average, almost 30 percent of women in employment work part-time, whereas the share of men in employment working part-time is less than three percent (DICE 2015b). Part-time work seems to be popular among mothers with young children everywhere. But part-time work is not the only family-employment-model that enables a better reconciliation of family and work.

Family-employment-models

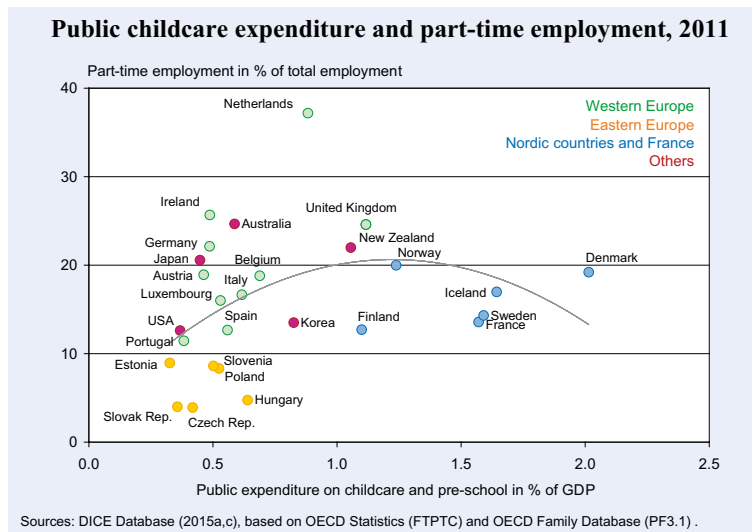
The choice of a family-employment-model depends on the age of the youngest child and is differently distrib-

Figure 3



uted across OECD countries. The first family-employment-model is that one parent works part-time and the other parent works full-time. A second type of arrangement is the modern-couple-family-employment-model in which both parents work full-time. This calls for good and affordable childcare institutions that offer around 40 hours childcare services per week. A third model is a more traditional one in which one parent works full-time and the other one cares for the children. Further possibilities are that neither parent is in employment or other constellation such as both parents work part-time. The choice of one of the various couple-family-employment-models depends on the age of the family's youngest child (Figure 3). In OECD countries on average 45 percent of couple families with the youngest child aged zero-to-two years chose the one-parent-working-full-time-model. This can be explained by the long periods of parental leave during which the parent in leave is not counted as employed. One fifth of parents work according to the one-parent-full-time and one-parent-part-time-model, whereas both parents work full-time in 27 percent of the families in the OECD area. As the child grows up and pre-school public childcare is broadly provided, the distribution of the chosen family-employment-models changes. The parental leave period ends for many parents and thus the one-parent-part-time and one-full-time-model becomes more attractive. With a share of 36 percent, the both-parents-work-full-time-model is the most popular among couple families on OECD average in 2011. Neither parent in employment, or other models combined account for less than 10 percent and seem to show no variation for the ages of the youngest child. When the youngest child enters school

Figure 4



(aged 6–14 years), the share of both parents working full-time rises to 45 percent. The one-parent-full-time and one-parent-part-time-model remains popular with 22 percent, whereas the traditional model of only one parent working full-time declines to 25 percent.

The distribution of working hours within the families strongly varies across the OECD countries. In the Baltic countries, Finland, Portugal, the Slovak Republic and the USA both partners work full-time in 50 percent of the couple families. The heterogenic family model in which one parent works full-time and the other one part-time is very popular in Austria, Germany, Switzerland, UK and especially in the Netherlands. In Southern European countries, as well as Japan, Mexico and Turkey, 40 percent of family households stick to the old traditional model of a sole-earner (DICE Database 2015b).

Part-time work and public expenditure on childcare

The choice of family employment model also depends on the public provision of childcare and pre-school services. Public expenditure on childcare as a percent of GDP is a good indicator for measuring the quantity and quality of the public childcare offering (DICE 2015c). In Figure 4 a scatterplot shows the relation between public expenditure on childcare and pre-school services and the share of part-time employment for a sample of 27 OECD countries in 2011. A parabolic relation can be observed between the two indicators. The turning point lies at around 1.25 percent of GDP spent on public childcare and pre-school. For countries with public

childcare expenditure below 1.25 percent of GDP the relationship is clearly positive. A better childcare and pre-school offering increases the number of parents working part-time and offers an alternative to inactivity. If public childcare expenditure lies above 1.25 percent of GDP, the share of part-time work decreases for increasing units of childcare expenditure. Above this threshold public childcare provision seems to decrease part-time work, since more parents can afford to work full-time. The highest public expenditure on childcare and pre-school and relatively low shares of part-time work can

be observed in the Nordic countries and in France. In Eastern European countries the least money (in absolute terms) is spent on public childcare, but part-time work is not widespread. In around 60 percent of families with children aged 0-14 both parents work in full-time jobs, which places a great emphasis on informal childcare in Eastern European countries (DICE Database 2015b). In Southern and Western European countries and the Western offshoots, part-time work seems to be a second-best alternative for parents given the limited supply of public childcare and pre-school services.

To sum up, the workplace practice of part-time work offered by many companies and public institutions is differently distributed across OECD countries. In Western European countries part-time work is very popular, whereas in Eastern European countries it is rare. Although part-time work increases participation in the labour force, especially by women, it can be also at the sacrifice of job-related benefits. Part-time jobs nevertheless allow parents to spend more time with their children and can create a better work-family-balance. The occurrence of part-time work seems to depend on the age of a family's youngest child and on public expenditure on childcare and pre-school services. The Nordic countries and France spend the highest share of GDP on public childcare and thus have relatively low part-time work shares because parents can afford to work full-time.

To conclude, in countries with insufficient childcare provision part-time work seems to be a family-friendly, second-best workplace practice in order to raise parents'

labour force participation. If, however, a large amount of high quality public childcare is offered, full-time employment becomes a first-best option for families.

Sabine Laudage

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