

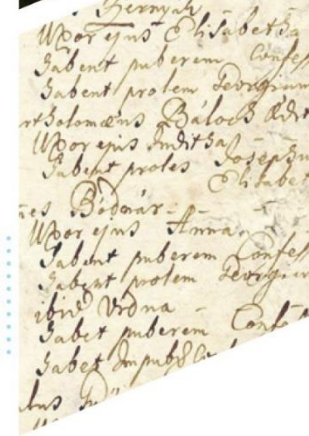


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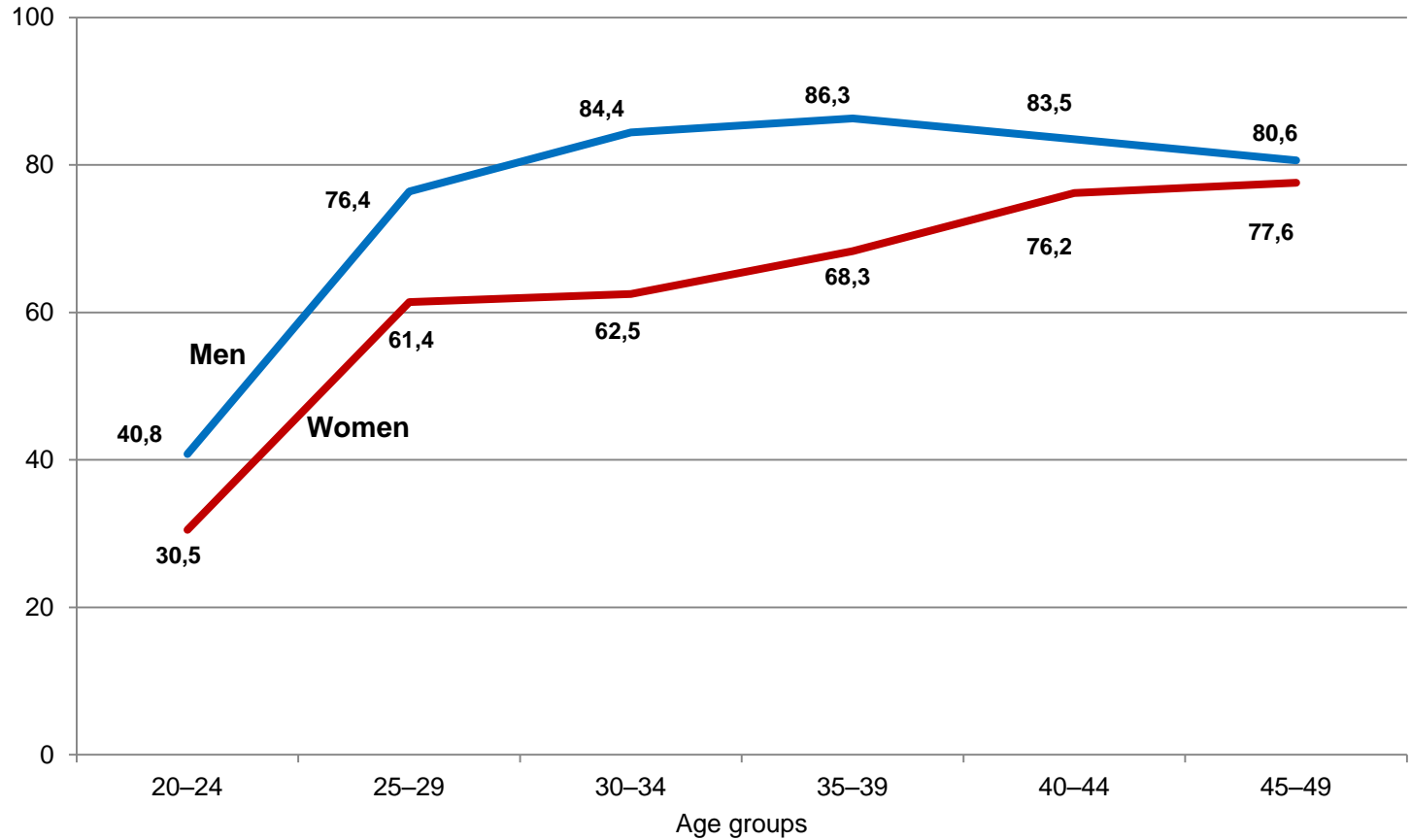
Mothers' labour market participation and recent family policy reforms in Hungary: trends towards more flexibility?

Zsuzsanna MAKAY

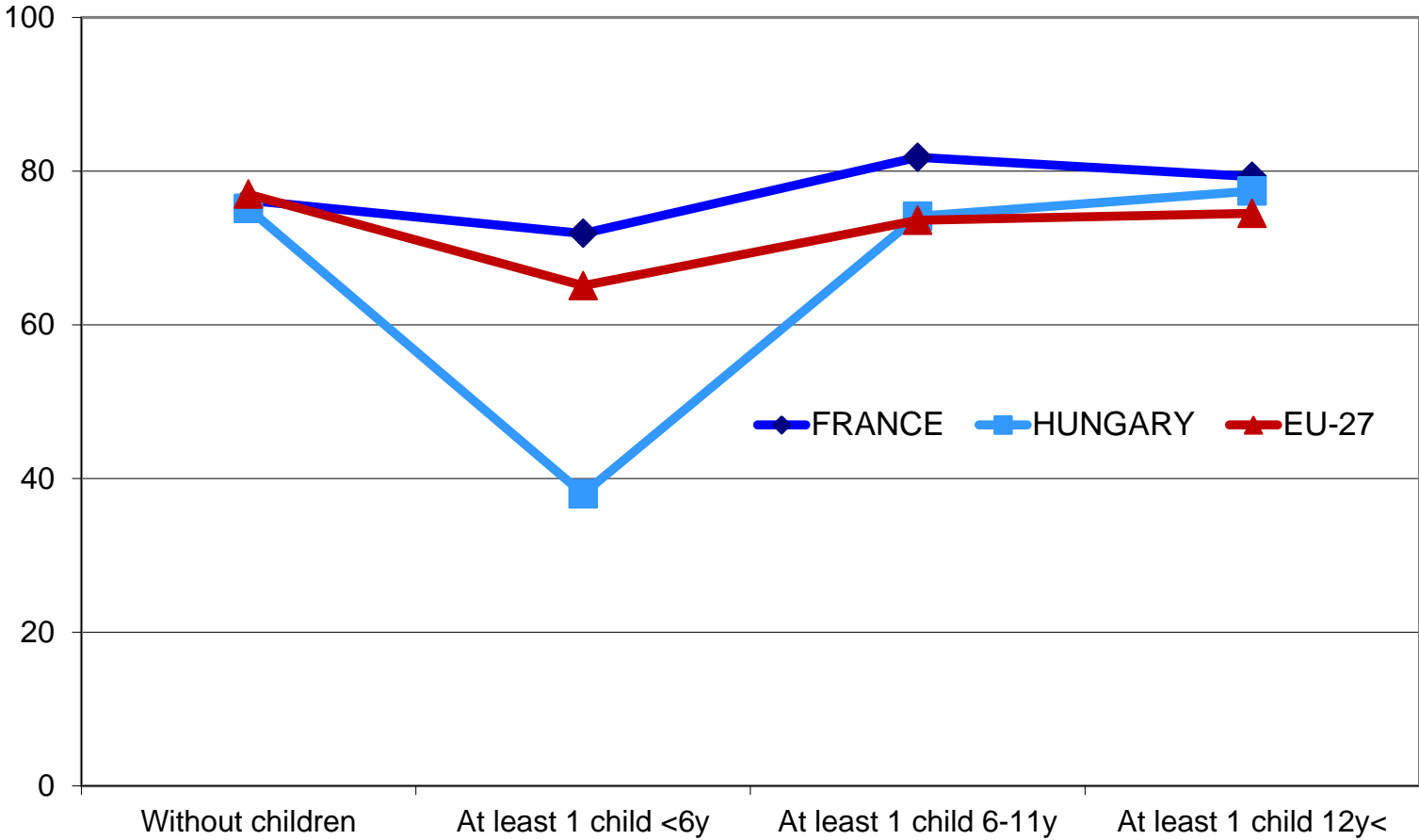
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Employment rates of women and men aged 20-49 by age groups, 2013

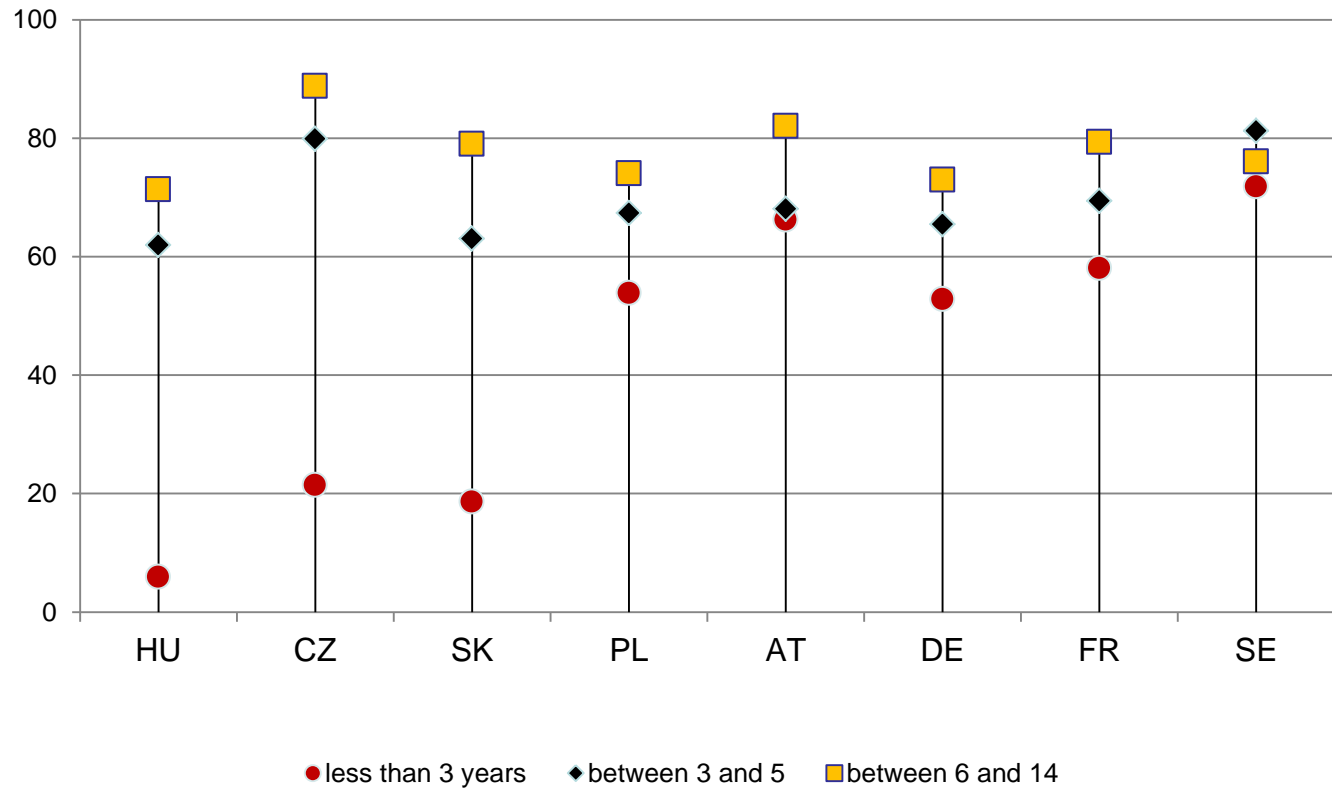


Women's employment rates by the age of their children



Eurostat, Labour Force Surveys.
Women between 20 and 49 years.

Employment rate of mothers by the age of their youngest child in some EU countries, 2011



The issues

- Women tend to leave the labour market for several years after childbirth
- OECD, Eurostat criticism towards Hungary: mothers are *encouraged* to leave the labour market after childbirth because the very special parental leave system; about 10% of women between 15 and 54 are inactive earners receiving some form of childraising allowance
- Low fertility: TFR ~ 1.3
- Aim of the research: study the effect of parental leave legislation on mothers' career interruption

Questions:

- How many women work before and after childbirth?
- How long does it take to go (back) to labour market ?
- Is there a visible effect of family policy on mothers' occupational status after birth?
- What might be the effect of the reform of 2014 ?



Family benefits in Hungary

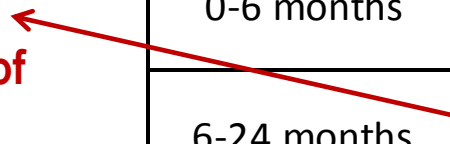
- 1.9% of GDP is spent on family benefits ; rather generous
- 4% of GDP is spent according to the OECD definition (includes services, etc.)
- 35% of the expenditures is spent on 3 main childraising allowances: CSED, GYED, GYET



Types of financial assistance for families with young children

	Prior to childbirth the mother	
Age of the child	Worked	Did not work
0-6 months	CSED: 70% of previous earnings	GYES: fixed-sum benefit
6-24 months	GYED: 70% of previous earnings with an upper limit	
24-36 months	GYES: fixed-sum benefit	
3-8 years	GYET: fixed-sum benefit for families with three or more children	

No paid work.
Otherwise loss of benefits.



Data, methodology, sample, definitions

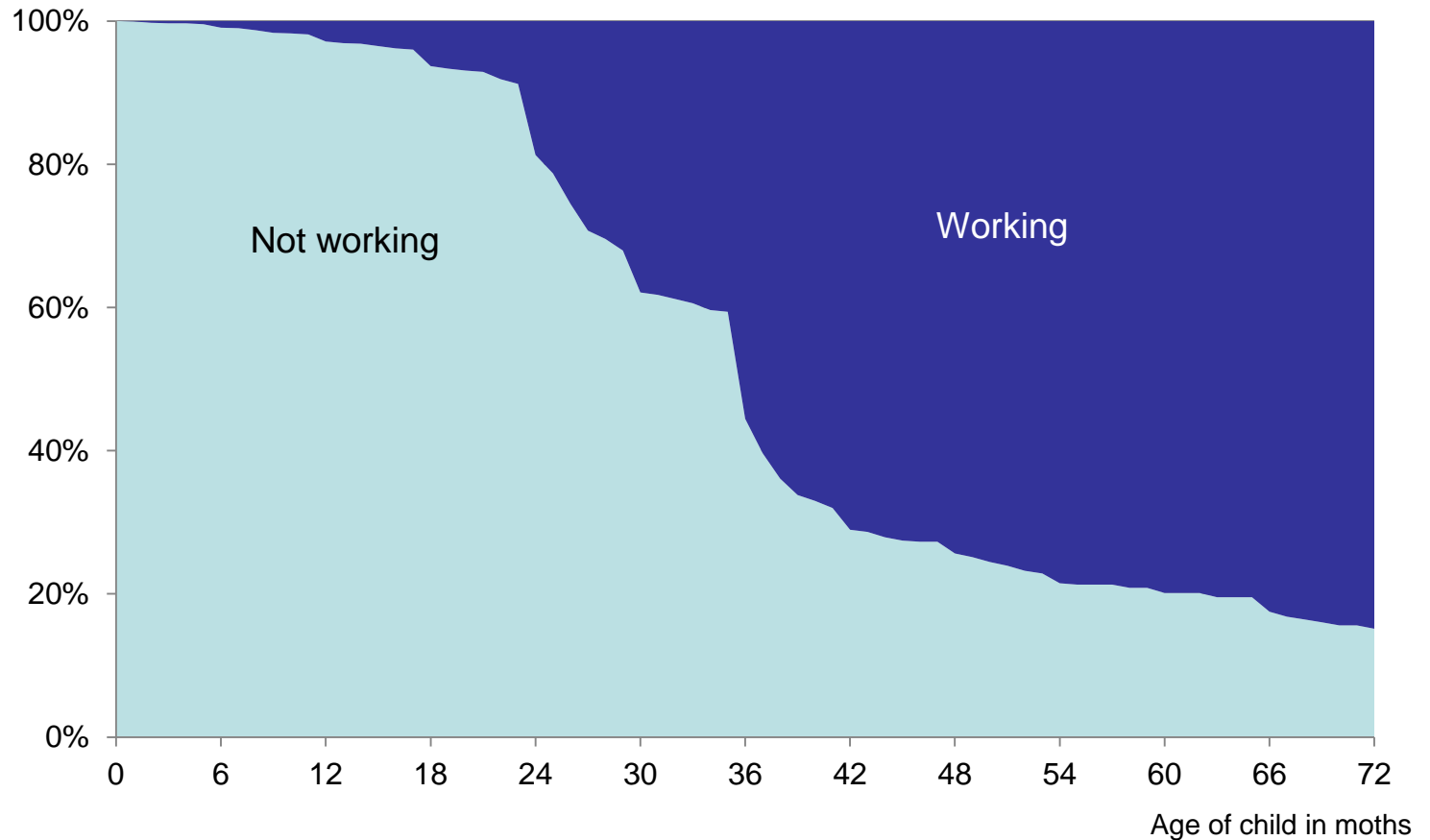
- Data: 3 waves of Generations and Gender Survey : follow up of the working career + retrospective tables: career interruptions related to births between 1976 and 2004 are studied
- Methods: Kaplan Meier curves and Cox regressions
- Sample: women who had at least one child (their 1st, 2nd or 3rd) during the period of observation
 - Birth orders 1, 2 and 3 but this is NOT a longitudinal analysis!
- Definitions:
 - Occupational status *before birth*: 9 month before the date of the birth
 - Occupational status *after birth*: after the end of legal maternity leave



Descriptive results



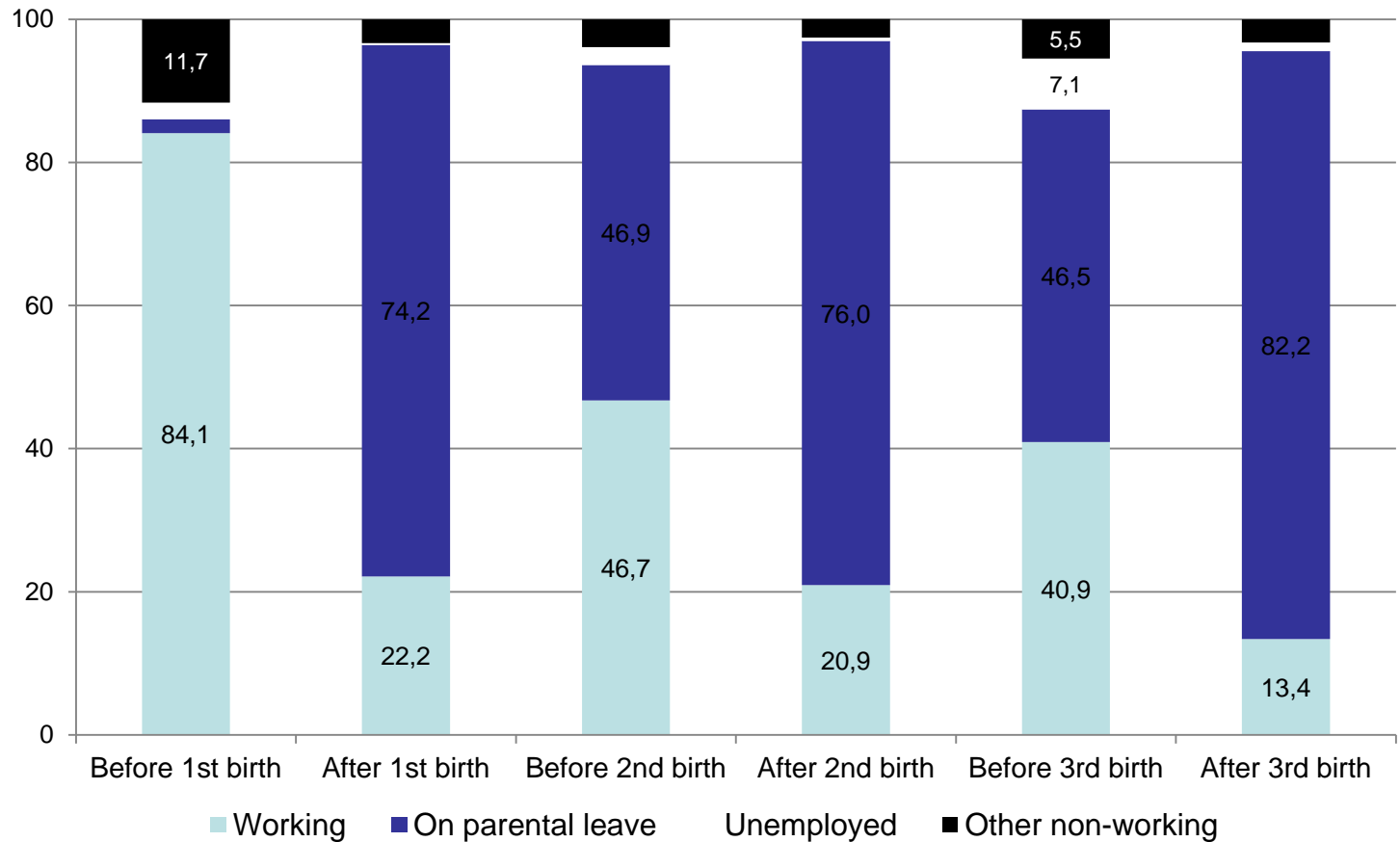
Distribution of mothers by employment status according to the age of the youngest child



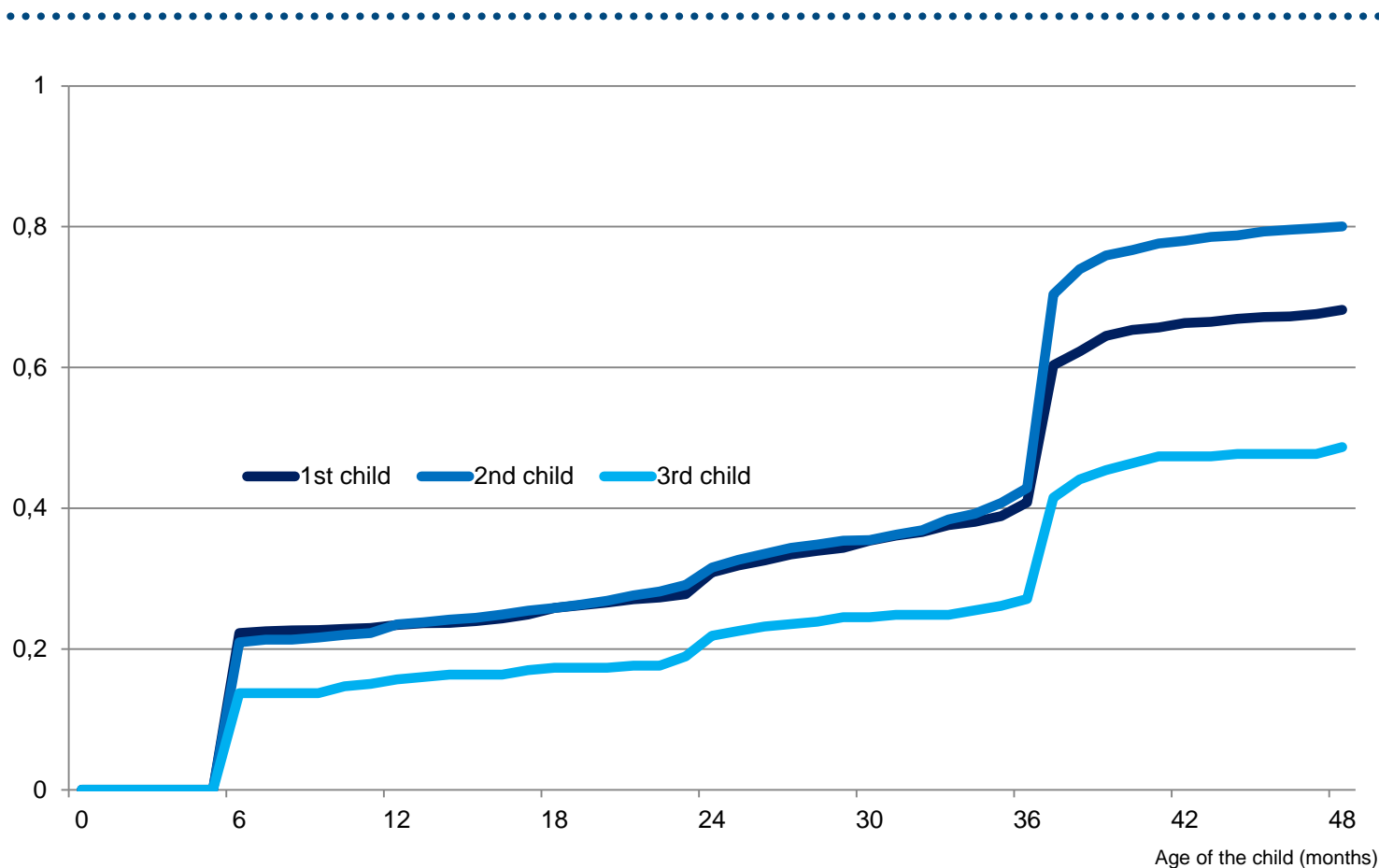
HDRI

Source: HDRI: GGS 3: 2008.
Women who had a child between 2004 and 2008.
Frequencies: 863.

Occupation of mothers before and after the first three births



Cumulative frequencies of entry into the labour market after childbirth according to birth order



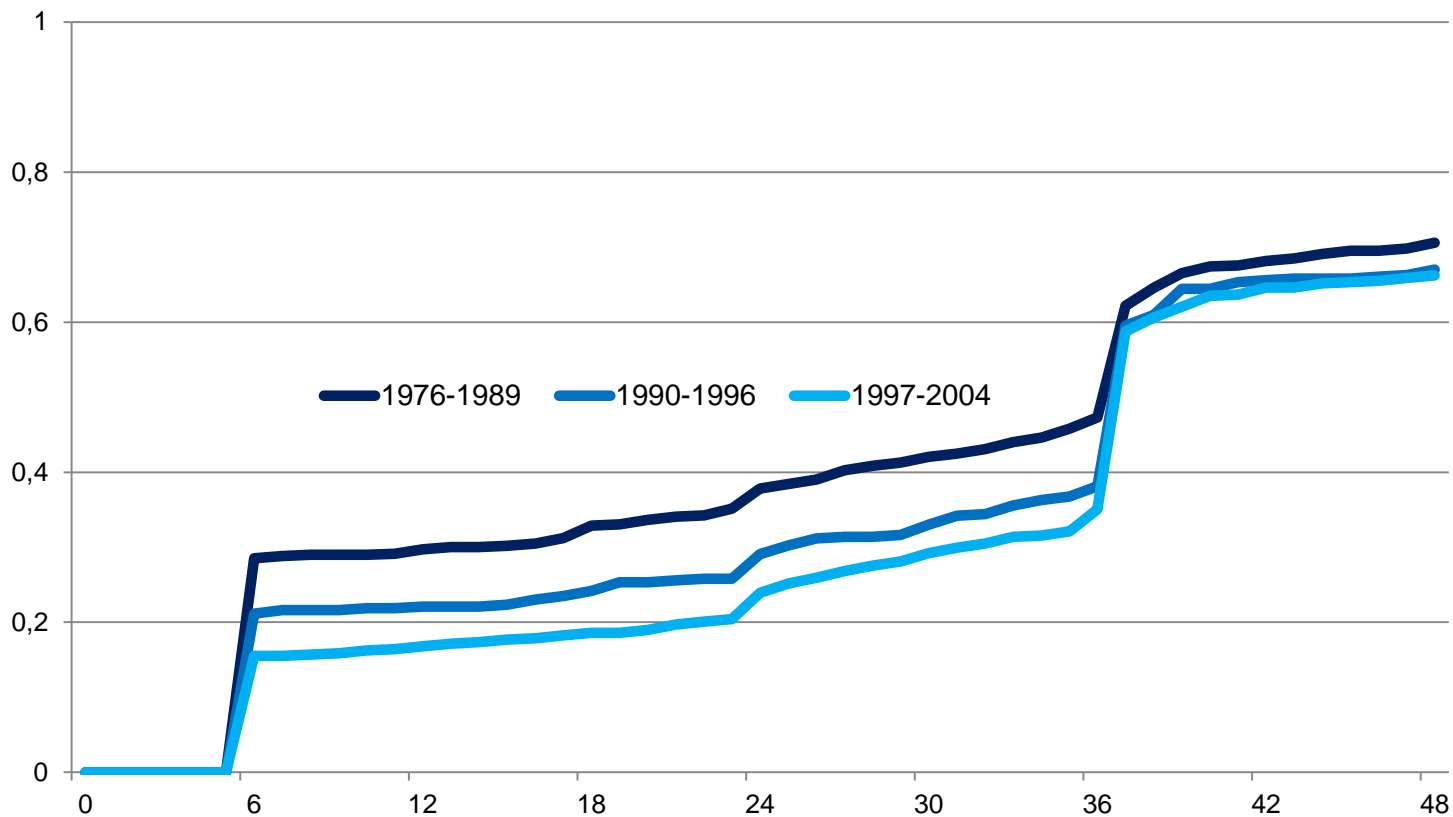
HDRI

Source: HDRI: GGS 1-2-3; 2001, 2004, 2008.

Women who had a first, a second or a third child between 1976 and 2004.

Frequencies: 1st birth: 1644, 2nd birth: 1068, 3rd birth: 306.

Cumulative frequencies of entry into the labour market after the 1st childbirth according to the year of birth



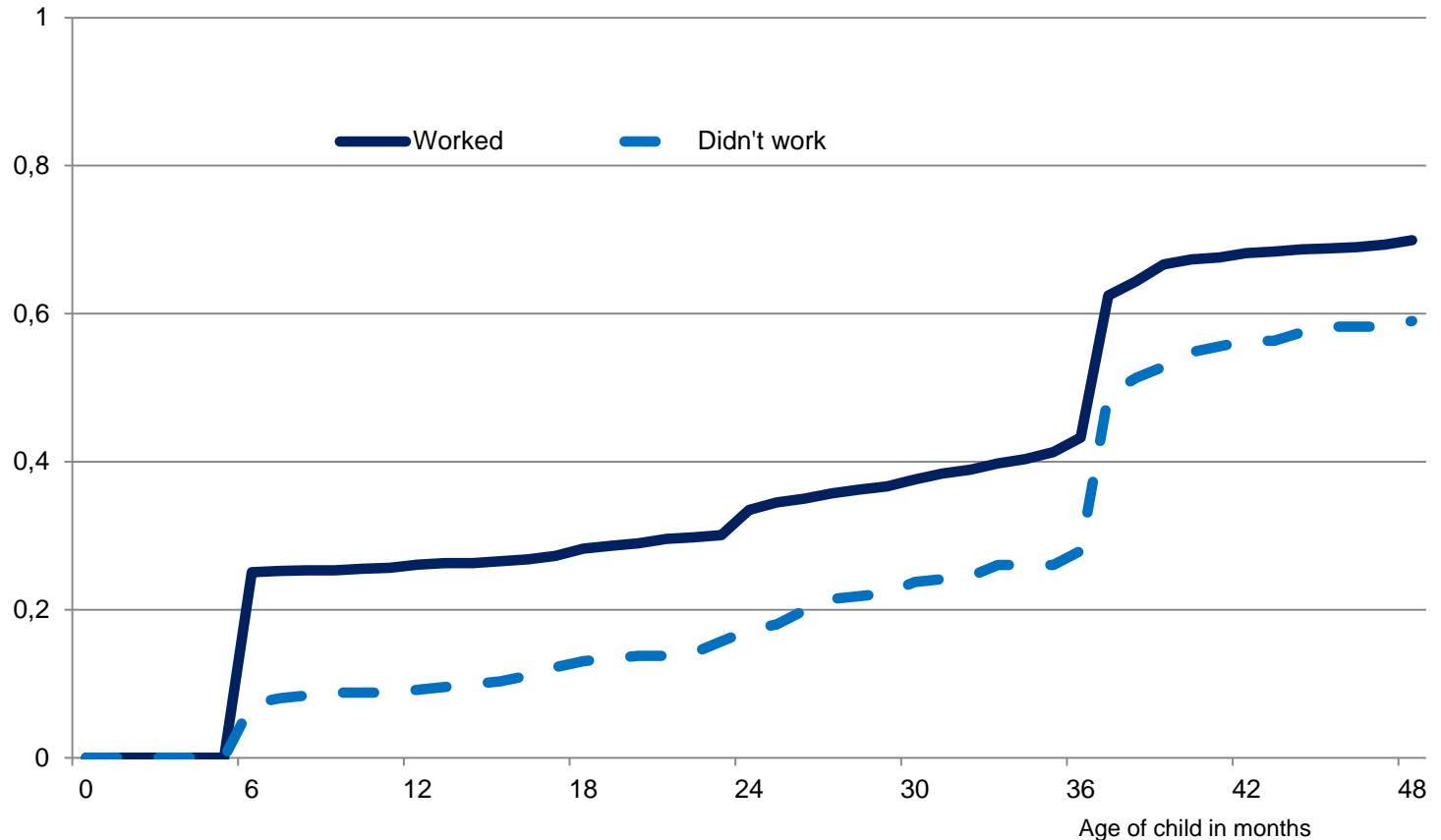
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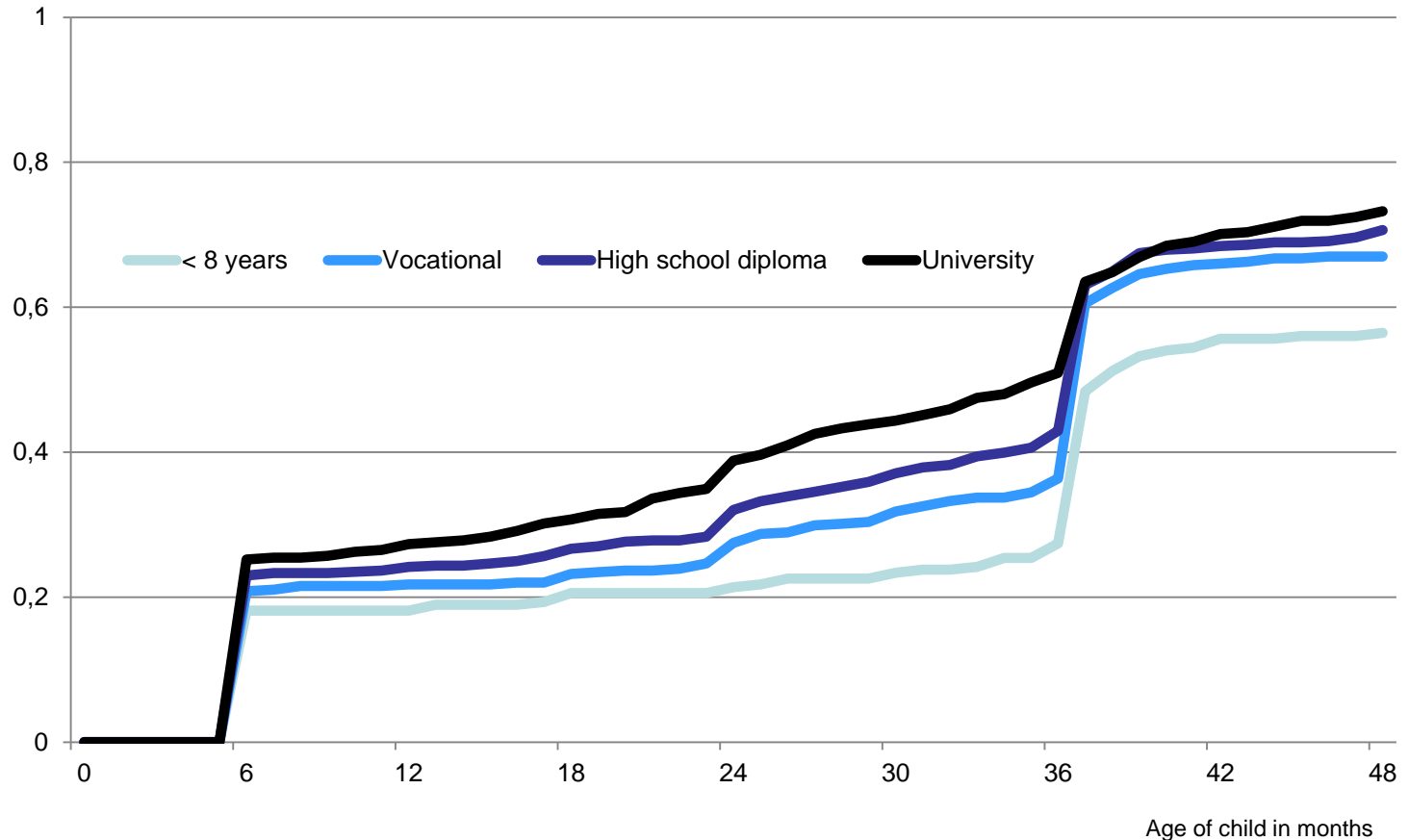
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Cumulative frequencies of entry into the labour market after the 1st childbirth according to occupation before the birth



Cumulative frequencies of entry into the labour market after the 1st childbirth according to mothers' education



HDRI

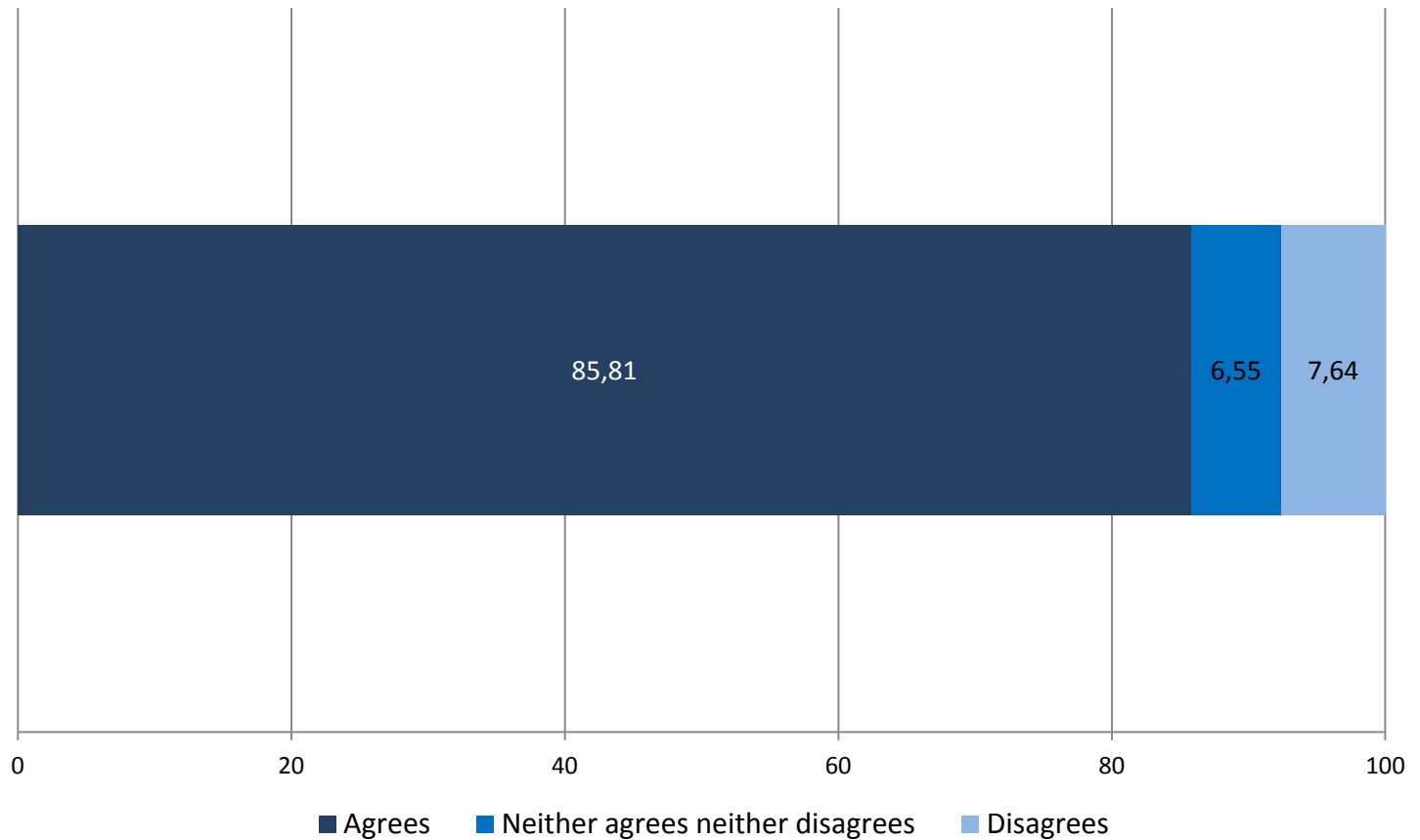
Source: HDRI: GGS 1-2-3; 2001, 2004, 2008.

Women who had a first, a second or a third child between 1976 and 2004.

Frequencies: 1st birth: 1644.

AND WHAT ABOUT SOCIAL NORMS?

„Children below 3 are likely to suffer if the mother has a job”



HDRI

Source: HDRI: GGS 1-2-3; 2001, 2004, 2008.

Sample and frequencies are the same as already shown.

Probability of entering into the labour market after a birth (Cox regression, hazard ratios)

		1st birth		2nd birth		3rd birth	
Occupation before birth	Non-working	1	Ref.	1	Ref.	1	Ref.
	Working	1,36	***	2,18	***	1,64	**
"Children below 3 are likely to suffer if the mother has a job"	Agree	1	Ref.	1	Ref.	1	Ref.
	Neither	1,51	***	1,23	n.s	1,49	n.s
	Disagree	1,38	***	1,14	n.s	1,62	*
Year of birth	1975-1989	1	Ref.	1	Ref.	1	Ref.
	1990-1995	0,89	n.s	0,90	n.s	0,63	**
	1996-2004	0,87	*	0,87	n.s	0,79	n.s
Frequency (events)		1644 (1121)		1198 (984)		362 (202)	



Family policy reform of 2014

- Several objectives, several measures
- Aim: promote the employment of women with young children
- After the first birthday of the child parent can take up / return to work without any limitation on the number of hours worked while continuing to receive GYES or GYED
- Completed by previous legislation which requires employers in the public and in the private sector to provide part-time employment for parents of children under three years if requested

The system is promoting „stay-at-home” mothers the less and less (but this possibility persists)



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Effect of these policy changes?

	Employed and receiving GYED or GYES in 2014	
	Employed and receiving GYED	Employed more than 30 hours / week and receiving GYES
	18 460	10 657
Total	29 117	

- 10% of women on leave took up work
- Most of them while receiving the more generous GYED
- Effect on fertility: will be seen on the long run, if there will be any



Conclusions

- Visible effect of parental leave policy on career interruptions
- Importance of social norms – working mothers -> childcare
- New policy measures in Hungary since 1st January 2014:
increase the choice of mothers and contribute to conciliation
- Extension: from January 2016 it will be possible to work after the end of maternity leave (6 months)



Thank you for your attention!

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HDRI