

La (non) partecipazione femminile al mercato del lavoro (Female labour market (non-) participation in Europe: trends and “determinants”)

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With Female labour market (non-) participation in Europe: trends and “determinants”, (1992-2010)¹, we aim to provide an analysis of female labour market participation and of its main shaping factors across 15 national European labour markets, focusing the time span between 1992 and 2010. The empirical strategy followed for this analysis is pretty similar to that one implemented for the above mentioned articles, with the creation of pseudo panel data derived from European Labour Force Survey (EU-LFS) cross sectionals, to be used to carry out comparative and longitudinal research. Two source of variance, as in multilevel research, are used to estimate random effect (preferred here over causal approaches) in order to highlight country differences and determinants of declining trend of inactivity. As mentioned, the observational window of this analysis cover the period between 1992-2010, while 15 European countries are considered, namely Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Norway, Netherland, Portugal, Spain, Sweden, UK. Women included in the analyses are aged 25-65 aggregated in 2200 pseudo-individuals; those out of the risk set, retired individuals are instead excluded by the sample. Apart from descriptive goal, the rational of the work is to disentangle, cohort effects (and broadly speaking, cultural effects), period effects, role of education (both at micro and aggregate level) and the impacts of LM assets, institutions and policies aimed to facilitate women participation. From a merely descriptive standpoint, the work confirms a common reduction in inactivity rates and suggests a progressive convergence over time between national contexts. Even if highlighting certain stability in terms of country differences and in terms of country ranking according to activity rates, the analysis nonetheless indicates the crucial role played by educational expansion in accounting for the contraction of inactivity in European LMs. Indeed, inactivity differences result indeed much more pronounced at a national level comparing individuals with different educational endowments than looking at country differences within educational groups, at least focusing on tertiary educated women. With regard to the role of institutional factors fostering women employment, we test whether and to what extent inactivity rates respond to national differences or time variations in: first, LM settings (such as numerical flexibility in a given context); second: opportunities of work-family reconciliation (mirrored by part time position availability); third: family-oriented policies aimed to modify opportunity costs of labour market participation. Therefore, national employment protection legislations, part time shares and amount of expenditure devoted to family transfers or services are therefore taken into account in the multivariate analyses.

Moving to multivariate results, we indicate that row cohort differences in inactivity rates can be largely accounted by educational levels of (potential) workforce, thus leaving small room to purely cultural explanations. Moreover, different levels of education over time and across countries confirm to be partly responsible for inactivity divergences among different national contexts. With regard instead to the influence of institutional factors possible associated with women’s participation in the LM, multivariate results suggest that the positive association between female participation and national part time positions availability, while the political option of fostering women participation by implementing LM deregulation policies finds weaker empirical support. Finally, the empirical evidence confirms that



public expenditure devoted to family-oriented policies can represent an additional tool in order to integrate women in the LM, even if it cannot be considered a cost effective measure.

More broadly speaking, it has to be recognized that national differences remain often significant net of cohort, education, period and institutional factors, thus suggesting the resilience of country specific effect. Change of specification and adoption of more stringent estimation methods (fixed effect estimations) confirm however the overall pattern of results, especially for the potential positive effect of part time schemes and family oriented policies on LM participation of low educated women with modest propensity to participate in the LM.

