The Fertility Dividend of Family-Friendly Employment Gøsta Esping-Andersen and Luca Giangregorio

Abstract

Although there is a large literature identifying how economic uncertainty influences births, surprisingly few studies have explored the extent to which fertility is positively related to employment in public sector jobs or, more generally, in family-friendly sectors. Utilizing the German Socio-Economic Panel, our paper first estimates the comparative wage penalties of maternity in the private sector compared to health, education and welfare sectors. Our wage estimations are differentiated by type of occupational profile. As a second step, we explore which human capital profiles are associated with more or less fertility in either type of employment. Selection into educational and occupational choices is clearly related to women's motherhood preferences. It is therefore imperative that our models take this into account.