Reconciliation of Work and Family Life in OECD countries

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Babies and Bosses:
Finding a better balance of work and family commitments is a key policy challenge as it influences
- Parental labour market outcomes,
- Family outcomes, and
- The shape of future societies.
OECD work on family-friendly policies

- *Babies and Bosses* addresses the wide range of factors that affect parental work and care choices, including childcare and tax/benefit policies and workplace practices.
- The reviews cover 13 countries in 4 volumes: Australia, Austria, Canada, Denmark, Finland, Japan, Ireland the Netherlands, New Zealand, Portugal, Sweden, Switzerland and the United Kingdom.
- An ‘overview’ issue, with key indicators for all OECD countries, is scheduled to appear in early 2006.
- Establish an on-line database on Family policies and Family outcomes.

Women are increasingly in paid work, but trends in birth rates vary across countries

- Full-time EPR
- Part-time EPR
- TFR (right axis)

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… and mothers often increase labour supply when the youngest child enters school

Maternal employment rates, 2002

![Maternal employment rates graph](image)

Except for Nordic countries and France, national family policies do not focus on childcare support

Public social expenditure on family support as a percentage of GDP, 2001

![Public social expenditure graph](image)

Public support as child allowances, parental leave benefits and childcare support: spending for Australia, New Zealand and the UK includes income support for (sole) parents, while other countries typically record similar payments as ‘social assistance’. Spending on health and housing support also assists families, but not exclusively, and is not included here.
Work-life balance policies vary as countries emphasize different policy objectives

- Fertility
- Increasing female employment to sustain economic growth and pension systems
- Tackling child poverty and promoting child development
- Gender equity

Promoting female employment can alleviate future labour supply concerns

Total labour force from 1980 to 2000, and projections from 2005 to 2030, in thousands

*Constant rates*: assumes constant labour force participation rates for men and women from 2000 to 2030. *Gender equity in participation rates*: assumes that female participation rates reach current male participation rates in each country by 2030.
Female employment is key to reducing the poverty risk…

- Available estimates for Canada and Switzerland show high rates of return on childcare investment
- Half of the costs of HeadStart are recouped before children leave primary school, and in the long-run the programme pays for itself
- Not all employers perceive a strong ‘business case’ for a more family-friendly workplace

Investment in family-friendly policies pays off through increased labour supply and child development…

Poverty thresholds at 50% of median income for the entire population

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Women rather than men reduce labour supply for care reasons

Incidence of weekly hours of work among prime-age (20-54) workers, 2002, percentages

Sweden

Japan

From a household income perspective it is understandable that mothers are the main carers

- Gender wage gaps remain substantial: on average 12% at median income across the OECD
- Also in Nordic countries, women frequently have difficulty getting through the glass ceiling
- Women are more likely to have an employment contract with relatively little protection
- Considerable gender segregation in employment
- …Workplace practices need to become more family-friendly
Future policy development…

Invest in children through building a continuum of work and care supports for families, but there is no single model that fits all countries. Key elements:

- Ensure that young children are cared for all the time
- Remove barriers to employment for parents
- Ensure that workplace practices are family friendly, and that pay is related to performance.
- Avoid investment in human capital going to waste and promote gender equity
- Target public support first at low-income families as return on investment is potentially very high

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More information

http://www.oecd.org/els/social/familyfriendly

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