

Is being half-time mother help to work? The role of shared custody on women's labour force participation after divorce.

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Living arrangements of children from divorced or separated parents have changed dramatically over last decades. A growing share of separated parents adopted more equal arrangements such as shared custody in many countries. Shared custody involves that children move between their two parents' households on a regular basis (after the parental relationship breakdowns). It then implies a division of the time that children spend in each home more equal than primary custody, even though so not necessary equal to "fifty-fifty". It generally also involves balanced parental responsibilities between mothers and fathers.

If separated women are still more likely than men to have sole physical custody of children, the proportion of parents who opt for shared custody increased substantially in many countries (Cancian et al. 2014). Some European countries such as Sweden or Belgium have today reached one third of shared custody⁴. For Netherlands (22%), Norway (20%) and France (19%), this rate states around one out of five divorces (Spijker Solsona 2015). This upward trend to more joint custody might be linked to changing norms of parenting toward a more equal sharing associated with a wish of fathers to be more involved towards their children both before but also after divorce. This father's involvement has also largely been encouraged by recent laws and court decisions. New laws promoting "coparentality" have emerged encouraging parents to share more equally their parental responsibilities and time with children after their separation.

Up to now, most of the research on the consequences of shared custody focus on the consequences for children in terms on educational attainment, behavior, health and well-being, and to a lesser extent on the consequences for parents. Some recent papers analyze the repartnering chances for parents (Ivanova et al. 2013) or parent's well-being. But very few research, to our knowledge, look at the labour market consequences of shared custody for the parents, and more specifically for the mothers.

However, caring for children on a part-time basis in case of shared custody is less time consuming than having coresident children on a full-time or almost full-time basis when mothers have the sole primary custody. It increases the time available for other activities: work and possibly also leisure. Balancing work and family might be easier if you are able to work more intensively one out of two weeks, or if you can continue or return to work on a full-time basis.

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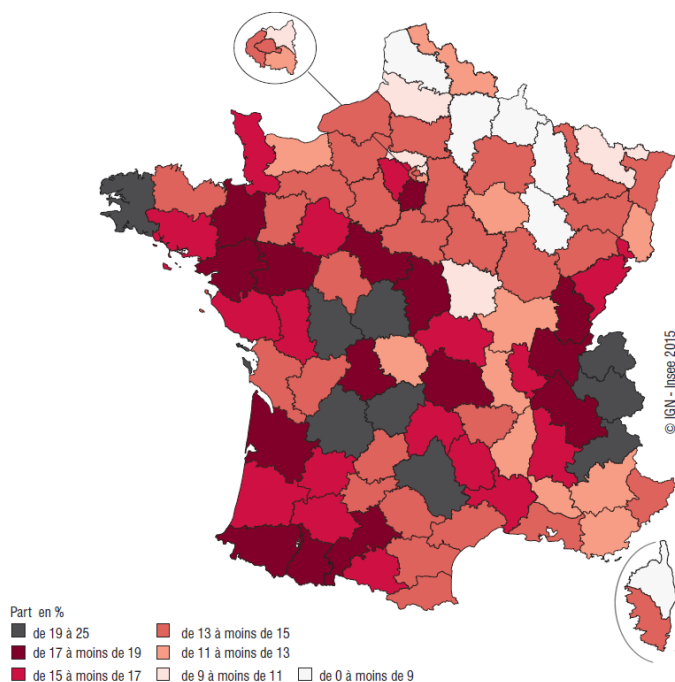
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⁴ Shared custody rate reaches 35% in 2012/13 in Sweden (Statistics Sweden 2014), and 33% for teenagers in Belgium (Soderman et al. 2013).

This article aims to examine to what extent shared custody arrangements can affect labour force participation of recently divorced mothers. The main problem is that the type of post-divorce child arrangements is not random, and couple who choose this type of arrangements might be highly selected and, for instance, have preferences for work. Finding a way to treat this selection issue is a challenge. However, previous work (Bonnet et al 2015) also shown that share custody does not only depend on couples characteristics but also on residential location. In France, the share of child custody, ranges from 5 to 25% according to the place of residence (see figure 1). These differences go largely beyond the population structure explanations and might come from a court local effect. Taking opportunity of these huge territorial discrepancies (not linked to individual characteristics), we are able to correct for the endogeneity of choosing a shared custody and estimated a true effect of child arrangements on extensive and intensive margins of women's participation after divorce.

It is particularly important to quantify the professional outcomes of separated women. The extensive literature on the economic consequences of divorce emphasizes the gendered economic consequences of union dissolution, showing generally a worsening of women's living standards after separation, whereas those of men remain stable or increase. As a consequence, separated women are more likely to be poor. The poverty rate one year after divorce reaches 25% among the 25-55 years old ones who did not repartner. One of the main determinant of poverty is the marital specialization behavior that conducted women to reduce or interrupt their professional activity during marital life (Bonnet et al 2015). Additionally, some authors pointed out the difficulties to return on the labour market for separated women with young children or/and several children because of family-work schedule conflicts. To what extent can child care arrangements post-divorce affect the labour force participation after divorce? To what extent might shared custody help mothers to maintain their activity or return to the labour market by relaxing family constraints?

Figure 1: shared custody arrangements rates by French departement



Data

Using the French exhaustive administrative income-tax database, recently available, we select all 2009 divorcees and partners who break a Pacs (civil partnership) for another reason than marriage or death. We restrict our sample to the couples who do not have formed union nor in 2008 neither in 2009, in order to have couples who lived together at least one year long. After having excluded tax returns with missing data, we obtain a sample composed of 126,300 couples who were married (in 2008) and of 9,800 couples linked by a Pacs (in 2008), for which we recover at least one of the former partner the year following the separation. We also compute weight to take into account a potential differential attrition bias.

The huge size of the data induces a substantial number of parents having chosen shared custody contrary to most of previous studies using usual surveys. Furthermore, the dataset gives information about the (tax deductible) paid amount for child and spouse alimony. Finally, relatively to usual survey data in which income are self-reported and might be subject to imprecise responses, incomes in tax-income dataset are already filled by the administrative instance and then are definitively more reliable.

We recover some public transfers such as lone parent allowance. The family composition (number, age of household children, child(ren) custody arrangements) is also known.

Method

We first describe the labour market outcomes of recently divorced women. Building a control group by propensity score matching within still married couples, we compare divorced women to their married counterparts to estimate a pure effect of divorce. Using an instrumental variable approach, with the proportion of shared custody in the different regions of France as an instrument, we estimate the effect of shared custody on the labour market participation of mothers.

First results

In our sample, in 75% of divorces involving children under 18, the custody is given mainly to the mother, in 10% of cases to the father and in the remaining 15% of cases the shared custody is reported.

First results (table 1) describe labour market changes occurring around divorce for women, both entering and drop-out (or unemployment) for women. Concerning return to work, childless women are participating more to the labour market after divorce than one-child mother, whereas for mothers of three children, divorce causes a weaker participation. The drop-out behavior is not related to the family structure. We observe a decrease after divorce of same magnitude for almost all mothers except those of one-child for which the decrease is attenuated. This participation is related to the sharing of resources before divorce. For instance, when the man was the main provider (bringing more than 80% of the household resources during marriage), women (often out of labor force) are more likely to return to work. The female post-divorce labour market behavior is also related to previous household economic situation. We observe that women who belonged to households in the lower quintile are more likely to come back than women in upper quintiles.

First estimations of the impact of custody type show a positive association between labour force participation and shared custody. However, we did not yet controlled for selection that might mitigate these results.

Table 1 Labour market participation: Women

	Increase in participation		Decrease in participation		Change in labor and UI income	
	Divorcees	Divorcees with ctrl group	Divorcees	Divorcees with ctrl group	Divorcees	Divorcees with ctrl group
Number of children						
0	4**	7,4***	-0,9***	1,3***	4,4***	2,2(ns)
1	Ref.	Ref.	Ref.	Ref.	Ref.	Ref.
2	7,6***	0,4(ns)	0(ns)	1,1***	3***	-2,3**
3 or more	0,4(ns)	-4,8**	1,7***	1,2**	2,1(ns)	-2,6(ns)
Income sharing before divorce						
< 20%			-3,7***	-0,3(ns)	-20,4***	-7,8***
20-40%			-3,2***	0,9**	-17,8***	-9,2***
40-60%			-1,8***	1,1***	-14***	-7,3***
60-80%			Ref.	Ref.	Ref.	Ref.
>80%			5,3***	-5,1***	105,8***	54,9***
Quintile of declared income before divorce						
1st	-12,6***	-7,2***	9,8***	-0,9(ns)	23,4***	7,3***
2nd	0,2(ns)	-2,8(ns)	3,1***	-0,5(ns)	4,8***	2,3(ns)
3rd	Ref.	Ref.	Ref.	Ref.	Ref.	Ref.
4th	1,2(ns)	-1,4(ns)	-0,7***	0,6**	-2,1***	-1,6(ns)
5th	-5,2**	4,8(ns)	-1,4***	0,8***	-9,3***	-2,3*
Cons.	57,4***	33,4***	2,7***	-2,8***	17,4***	11,9***

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