Career Penalty of Motherhood in Spain

Lapuerta, Irene (<u>irene.lapuerta@unavarra.es</u>)
Domínguez, Marta (<u>marta.dominguezfolgueras@sciences-po.fr</u>)
González, M. José (<u>mjose.gonzalez@upf.edu</u>)

The aim of this paper is to describe the different impact of parenthood on mothers' labour market position in Spain. The main idea is that, despite the implicit protection granted by the laws on parental leaves in Spain, motherhood penalizes working women. Our study is carried out in an institutional context especially difficult for the conciliation of work and family, and the economic crisis also entails more insecurity and precariousness for workers.

In the first part of the paper we introduce briefly the academic debate on the influence of children in men's and women's labour market behaviour. In the second section, we analyze the most recent socio-demographic changes in Spain (an increase in female employment rates, a fall in fertility rates), and its links with family policies. In the third and last section, we describe the labour market position of mothers with young children, and discuss the effect of policies to reconcile family and work. The study is based on the Spanish Labour Force Survey and the Muestra Continua de Vidas Laborales (MCVL, waves 2005-2012).

Empirical analysis

The research is based on the "Muestra Continua de Vidas Laborales" (MCVL-2006; "Continuous Sample of Working Life Histories"). The MCVL consists of administrative register data, which includes information from three different sources: social security records, municipal registers and income tax registers. The empirical analysis consists of multinomial logistic regression model which estimates the individual's likelihood to experience job or income mobility (annual wage / monthly contribution base) after the arrival of the child (upward; downward or immobility).

Description of the dependent variables:

- 1. Annual Wage: the MCVL provides the annual gross wage between 2005 and 2012. However, it excludes people living in Navarre and the Basque Country; the two Spanish regions that have their own tax systems. Both are small region in terms of population (they have the 6% of the total Spanish population in 2012), but offer flat-rate benefits to encourage the use of full- and part-time parental leaves. It also excludes periods of self-employment. This means that we only can study wage penalties for those parents who are employees during all the period. Consequently, we cannot analyze those parents who take a full-or part-time parental leaves and return work as self-employed.
- 2. Monthly contribution base: it also provides the monthly contribution base to the Social Security System between 1980 and 2012. The contribution base reflects the monthly wage without overtime pay and is limited between a minimum and a maximum, which is set annually by law. In 2015 the minimum contribution base was 756.60 euros per month and the maximum 3,606 euros. As a result, this variable could not be good enough to explore wage penalties for parents in the upper positions of the wage distribution.
- 3. **Labour Mobility**: the MCVL includes a variable called "grupo de cotizacion", which is a proxy of occupational categories. This variable has 11 categories.

The control variables in the model are the socio-demographic characteristics of the mother (age, age squared, educational level, nationality); household characteristics (number of children, multiple birth, grandparents living at home); the job characteristics (type of contract, the sector of activity, seniority, the number of workers in the company or workplace, seniority in the labour market); and basic information about the institutional context (female unemployment rate and childcare services at the regional level).