

## Appendix: Variable definitions

### 1. Institutions

**Maximum job-protected leave available to mothers, regardless of income (weeks)** is the maximum number of weeks of employment-protected parental leave available to mothers, regardless of income support. This is the sum of weeks of maternity leave, parental leave and home care. In countries where the entitlement to parental leave lasts up until the point at which the child reaches a certain age (as is the case in Germany, for example, where one parent is entitled to leave until the child's third birthday), any weeks of maternity leave that can be taken after the birth are subtracted from the duration of the parental leave. Data on leave entitlements are from the OECD Family database. See OECD "Annex to PF2.5 Trends in leave entitlements around childbirth," for further details.

- **Maternity Leave (weeks):** Is the total number of weeks of maternity leave available to employed women, regardless of income support. These are defined as employment-protected leaves of absence for employed women at around the time of childbirth, or adoption (in some countries). In many cases maternity leaves provide an entitlement to a certain number of weeks of leave just before as well as immediately after the birth. Almost all OECD countries provide women with some form of leave around childbirth. However, in some countries there is no separate regulation for maternity leave with stipulations integrated into parental leave schemes. The approach taken by the OECD is to classify any weeks of parental leave reserved for the exclusive use of the mother around childbirth as maternity leave, even if the entitlement is technically part of the parental leave program.
- **Parental and home care leave:** Parental leaves usually follow maternity and in some cases paternity leave (see below), and provide employed parents with a prolonged employment-protected leave of absence in order to care for young children. Some countries also offer home care leaves (sometimes also called child care leaves or child raising leaves) following the expiry of parental leave. These home care leaves typically allow at least one parent to remain at home with employment-protection until the child is two and in some cases three years of age.

**Total paid leave available to mothers (weeks)** is the number of weeks for which a mother can receive payments from the benefit attached to or associated with parental leave, regardless of the period of employment protection. Any weeks of maternity leave that can be taken after the birth are subtracted from the duration of parental leave payments in countries where payments last up until the child reaches a certain age. When several payments options are available, the highest paid (often shortest) payment option is coded.

**Total paid leave available to fathers as % total paid leave available to both parents:** It is calculated as the total number of weeks of employment-protected leave reserved (or effectively reserved) for the exclusive use of the father that are paid divided by the sum of total paid leave available to mothers and total paid leave available for the exclusive use of fathers.

**Average payment rate** for mothers in Table 1-3 and A2 is obtained from the OECD Family database, PF2.1 Key characteristics of parental leave systems. It is computed as:

$$\frac{ml_{payRate} * ml_{weeks} + pl_{payrate} * pl_{weeks}}{ml_{weeks} * 1 + pl_{weeks} * 1}$$

where

- $ml_{payRate}$ : The "average payment rate" refers to the proportion of previous earnings replaced by the benefit over the length of the paid leave entitlement for a person earning 100% of average national (2014) earnings. If this covers more than one period of leave at two different payment rates then a weighted average is calculated based on the length of each period. In most countries benefits are calculated on the basis of gross earnings, with the "payment rates" shown reflecting the proportion of gross earnings replaced by the benefit. In Austria, Chile, Germany and Romania (parental leave only) benefits are calculated based on previous net (post income tax and social security contribution) earnings, while in France benefits are calculated based on post-social-security-contribution earnings. Payment rates for these countries reflect the proportion of the appropriate net earnings replaced by the benefit. Additionally, in some countries maternity and parental benefits may be subject to taxation and may count towards the income base for social security contributions. As a result, the amounts actual amounts received by the individual on leave may differ from those shown in the table.
- $ml_{weeks}$ : paid maternity leave length, in weeks.
- $pl_{payrate}$ : paid parental and home care leave available to mothers, average payment rate.
- $pl_{weeks}$ : paid parental and home care leave available to mothers length, in weeks.

**Times series data on mother's average payment rate** (Table 4 and 5) are from the Max-Planck-Institute "Comparative Maternity, Parental, and Childcare Leave and Benefits Database".

The average payment rate is computed as:

$$\frac{ml\_wks * ml\_pay + pl\_wks * pl\_pay + cc\_wks * cc\_pay}{ml\_wks * 1 + pl\_wks * 1 + cc\_wks * 1}$$

where:

- $ml\_wks$ : total number of weeks of maternity leave
- $ml\_pay$ : cash benefits paid during maternity leave (%female wages in manufacturing)
- $pk\_wks$ : total number of weeks of parental leave
- $pl\_pay$ : cash benefits paid during parental leave (% of female wages in manufacturing)
- $cc\_wks$ : total number of weeks of childcare leave
- $cc\_pay$ : cash benefits paid during childcare leave (% of female wages in manufacturing)

See <http://www.demogr.mpg.de/cgi-bin/databases/FamPolDB/index.plx>.

**Childhood Education and Care (%GDP)** is a type of program belonging to the OECD Social Expenditure dataset. It measures the family early childhood education and care measured in percentage of gross domestic product. ECEC has two types of expenditures: Benefits in kind and Cash benefits. Public expenditure on childcare and early educational services is all public financial support (in cash, in-kind or through the tax system, see PF3.4) for families with children participating in formal daycare services (e.g. crèches, day care centres and family day care for children under 3) and pre-school institutions (including kindergartens and day-care centres which usually provide an educational content as well as traditional care for children aged from 3 to 5, inclusive). Public spending on childcare support per child relates to the expenditure on childcare divided by the number of children in that country aged under three, while public spending on pre-school care and education per child is calculated by dividing public spending on educational institutions by the number of children enrolled in those programmes.

## **2. Outcomes**

**Employment to population** ratio by gender is from the OECD Labor database. The employment rate refers to the number of people employed divided by the relevant population. The employed are defined as those who work for pay or profit for at least one hour a week, or who have a job but are temporarily not at work due to illness, leave or industrial action. Data are for men and women aged 25-54 and are available for the period 1970-2014.

[http://stats.oecd.org/Index.aspx?DataSetCode=LFS\\_SEXAGE\\_I\\_R](http://stats.oecd.org/Index.aspx?DataSetCode=LFS_SEXAGE_I_R)

**Employment to population by gender and educational attainment** is obtained from the OECD Employment database. This indicator shows the employment/population ratios by education, grouped in three categories: below upper secondary, upper secondary non-tertiary, or tertiary. The employment rate is computed as a percentage of the population aged 25-64. The employed are defined as those in this age group who work for pay or profit for at least one hour a week, or who have a job but are temporarily not at work due to illness, leave or industrial action. Source: OECD (2016), Employment by education level (indicator). DOI: 10.1787/26f676c7-en (Accessed on 16 June 2016)

**Gender wage gap** is from the OECD Employment database. The OECD statistic is calculated as the gender difference between median earnings of men and women divided by median male earnings. For most countries these are gross earnings of full-time wage and salary workers, though the definition may slightly vary from country to country (see OECD, 2016, Gender wage gap (indicator). doi: 10.1787/7cee77aa-en. Accessed on 16 June 2016). Data are for full-time employees for the period 1970 to 2013. In our analysis we use a transformation of the OECD statistics. That is, the male-female log wage differential.

**Gender wage gap by education** is from the OECD Education database. It is available as the average annual earnings of women as a percentage of men's earnings, by level of educational attainment (below upper secondary, upper secondary non-tertiary, or tertiary) for workers aged 25 to 64. The data are available for the period 1997 to 2013. Note that this data does not refer to full-time, full-year workers. Source: OECD (2012), Table A8.3a. Differences in earnings between women and men (2010 or latest available year) in Education at a Glance 2012, OECD Publishing, Paris.

DOI: <http://dx.doi.org/10.1787/eag-2012-table78-en>

**TFR (Total Fertility Rate)** is obtained from the OECD Demography database. The total fertility rate in a specific year is defined as the total number of children that would be born to each woman if she were to live to the end of her childbearing years and give birth to children in alignment with the prevailing age-specific fertility rates. It is calculated by totaling the age-specific fertility rates as defined over five-year intervals. This indicator is measured in children per woman. Source: OECD (2016), Fertility rates (indicator). DOI: 10.1787/8272fb01-en (Accessed on 16 June 2016).