

Does a Mother's Early Return to Work After Childbirth Improve Her Future Employment Status?: A Quasi-experiment Using Japanese Data¹

28 December 2015

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¹ The authors would like to gratefully acknowledge the financial assistance provided by the Japan Society for the Promotion of Science (JSPS) Grant in Aid for Scientific Research (B) No. 23330094 for a project "Life Events and Economic Behaviour: A Perspective of Family Inter-dependence" (Project Leader: Midori Wakabayashi). Data used in this paper comes from the Japanese Ministry of Health, Labour and Welfare's Longitudinal Survey of Newborns in the 21st Century (21 seiki shussho ji judan chosa) and the Live Birth Form of Vital Statistics (Jinko dotai chosa shusseihyo). The fourth author wishes to acknowledge the financial assistance provided the Tohoku Kaihatsu Memorial Foundation and the Nomura Foundation.

Abstract

The purpose of this paper is to examine empirically whether or not a mother's early return to work after maternity leave and parental leave leads to a higher working status. This paper attempts to find out if a mother returns to work within 1 year after childbirth, then she is more likely to stay employed and is more likely to work as a full-time worker than to work as a part-time worker. We estimate 2SLS and bivariate probit models using July births as an instrument. Our IV approach is unique in that we shed the light on the relationship between the timing of birth (birth month) and the timing of the mother's return to work. Our empirical evidence finds that an early return to work has a positive causal effect on the likelihood of a mother being in fulltime employment in the long-term. However, the positive causal effect of an early return to work on being employed including part-time, self-employed or family worker, and pieceworker at home is not observed.