Session III: Demographic and economic constraints to balancing work and family obligations

Demographic dynamics of family and work in Brazil

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My main argument

Brazil is an example of how work and family balance is a necessary condition in order to magnify and extend the first demographic dividend

- The population age structure is changing very fast
- Productivity gains have been low, and economic growth has depended heavily on the increase of labor force supply
- Fast growing economic participation of women (while male LFPRs are declining)
- But the Latin "Machismo Paradox" precludes larger economic and wellbeing gains

Trends of labor force growth: the demographic effect

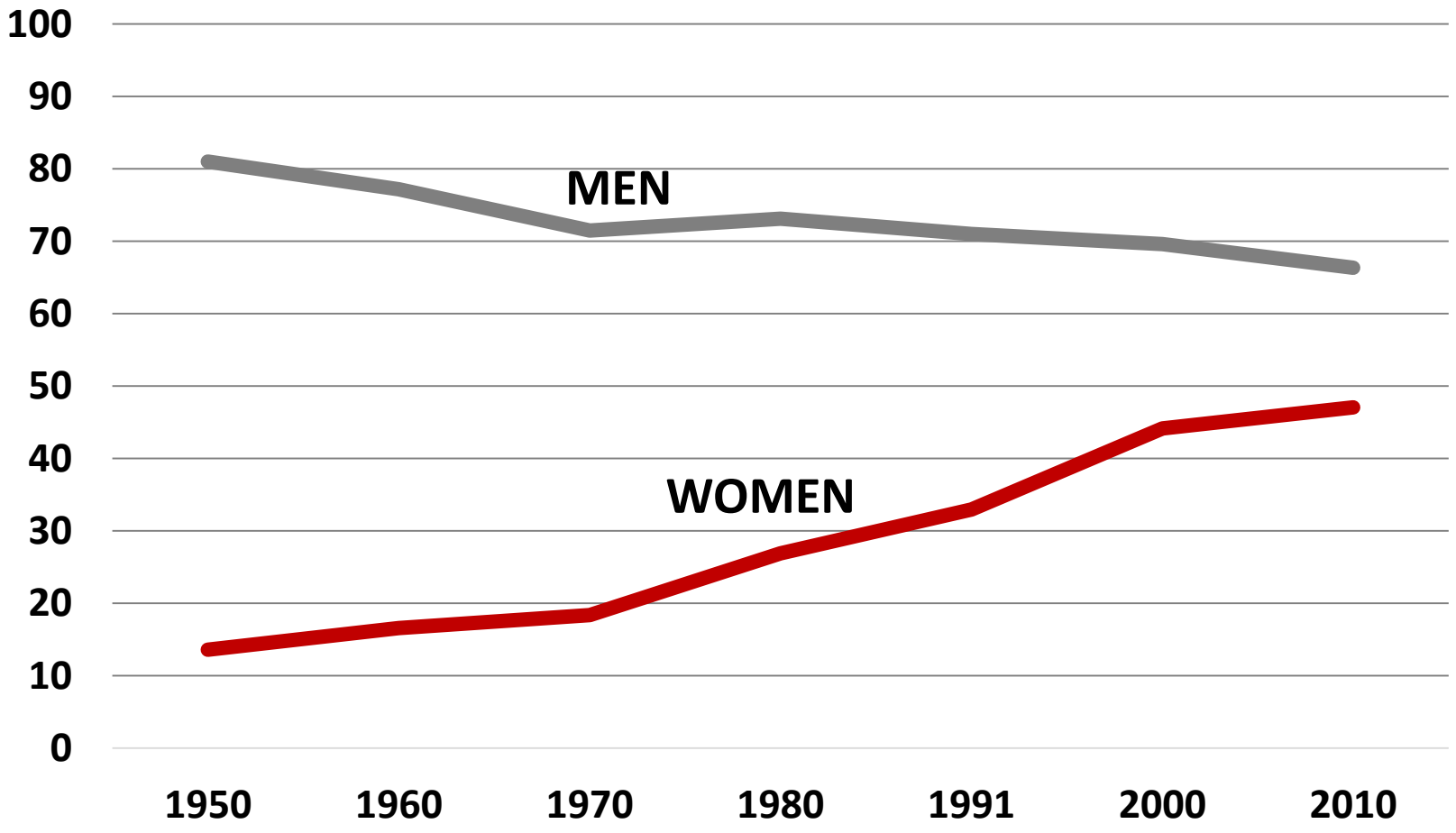
Average Annual Growth Rates (%)

Decades	Total Population	Working-age Population
1970/1980	2.41	3.10
1980/1990	2.03	2.53
1990/2000	1.54	2.30
2000/2010	1.17	1.62

First Demographic Dividend = working-age population growth > population growth

$$\text{Active population} = \sum {}_{n}N_{x} \times {}_{n}LFPR_{x}$$

Trends of LFPRs (%), Brazil 1950 -2010



Trends of labor force growth: Demographic and Labor Market Factors

Average Annual Growth Rates (%)

Decades	Population	Working-age population	Total active population	Female active population	Male active population
1970/1980	2.41	3.10	3.63	6.56	2.72
1980/1990	2.03	2.53	3.03	4.72	2.32
1990/2000	1.54	2.30	2.82	4.89	1.65
2000/2010	1.17	1.62	1.92	2.80	1.30

1st Demographic Dividend= working-age population growth > population growth

Gender bonus = female active population growth > total active population growth

Trends of labor force growth: Projecting into the Future

Average Annual Growth Rates (%)

Decades	Population	Working-age population	Total active population	Female active population	Male active population
1980/1990	2.03	2.53	3.03	4.72	2.32
1990/2000	1.54	2.30	2.82	4.89	1.65
2000/2010	1.17	1.62	1.92	2.80	1.30
2012/2022	**0.75**	**0.97**	**1.53**	**2.08**	**1.09**
2022/2032	**0.45**	**0.28**	**0.62**	**1.04**	**0.26**
2032/2042	**0.16**	**-0.18**	**-0.11**	**0.24**	**-0.44**

1st Demographic Dividend= working-age population growth > population growth

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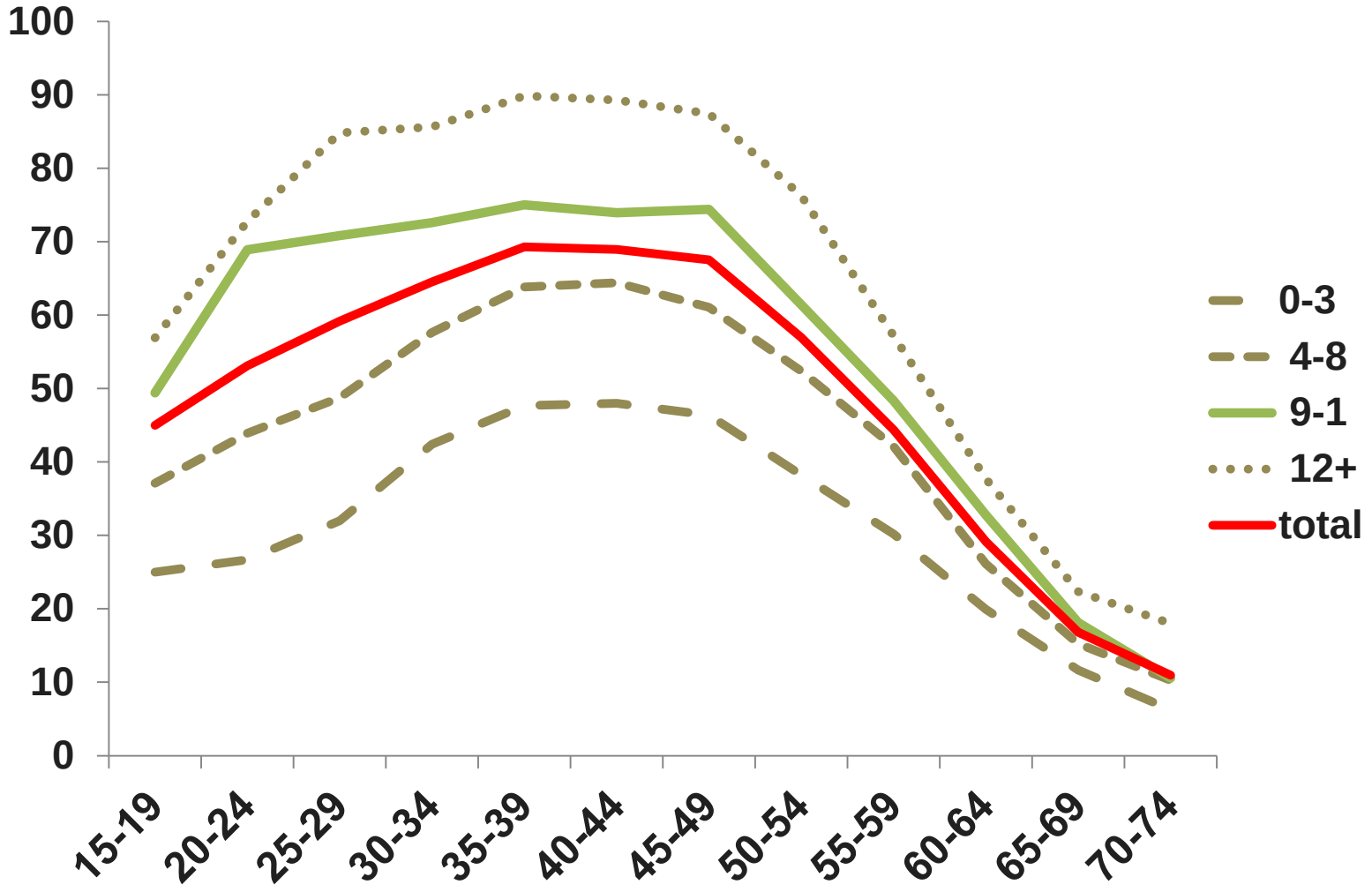
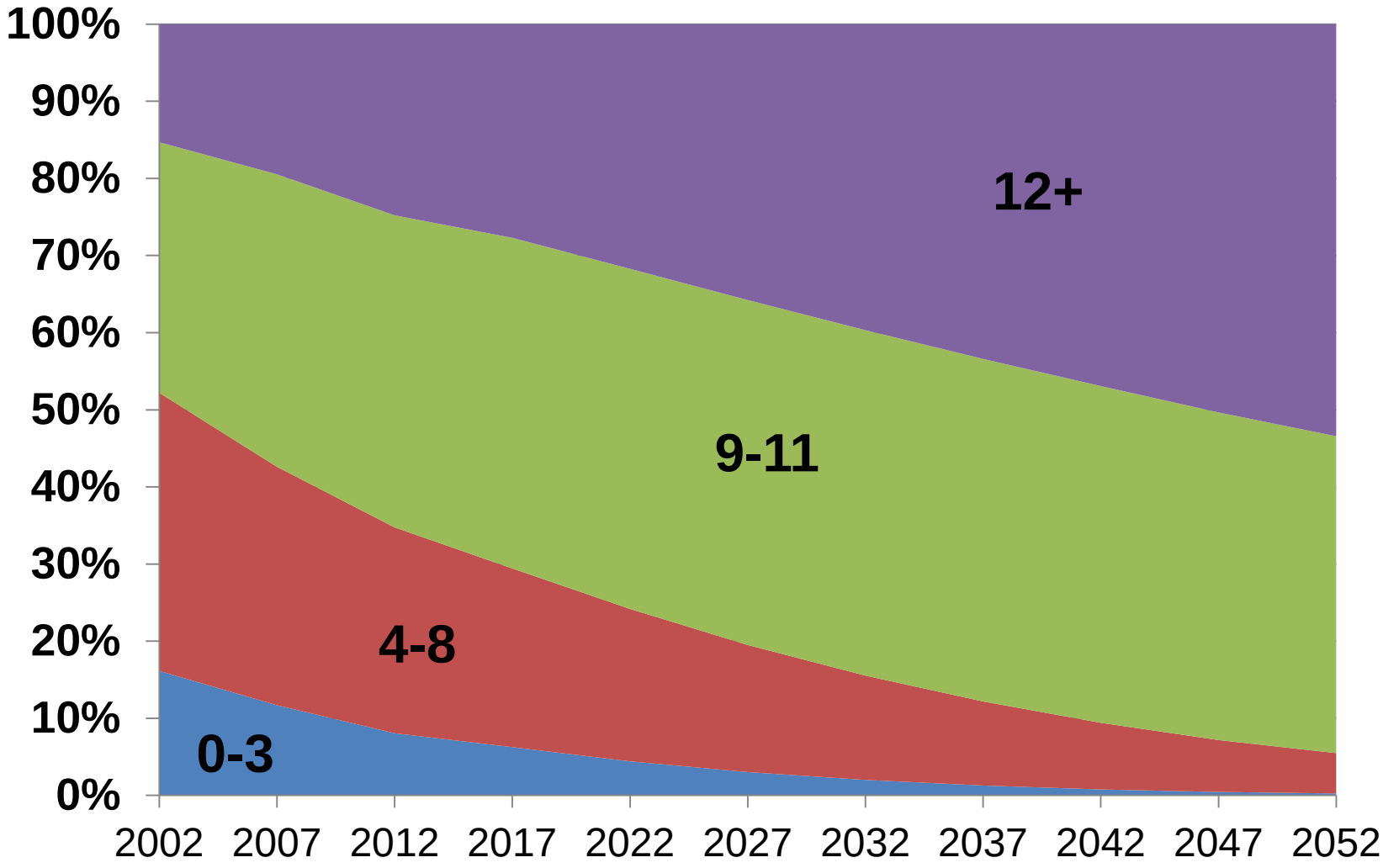
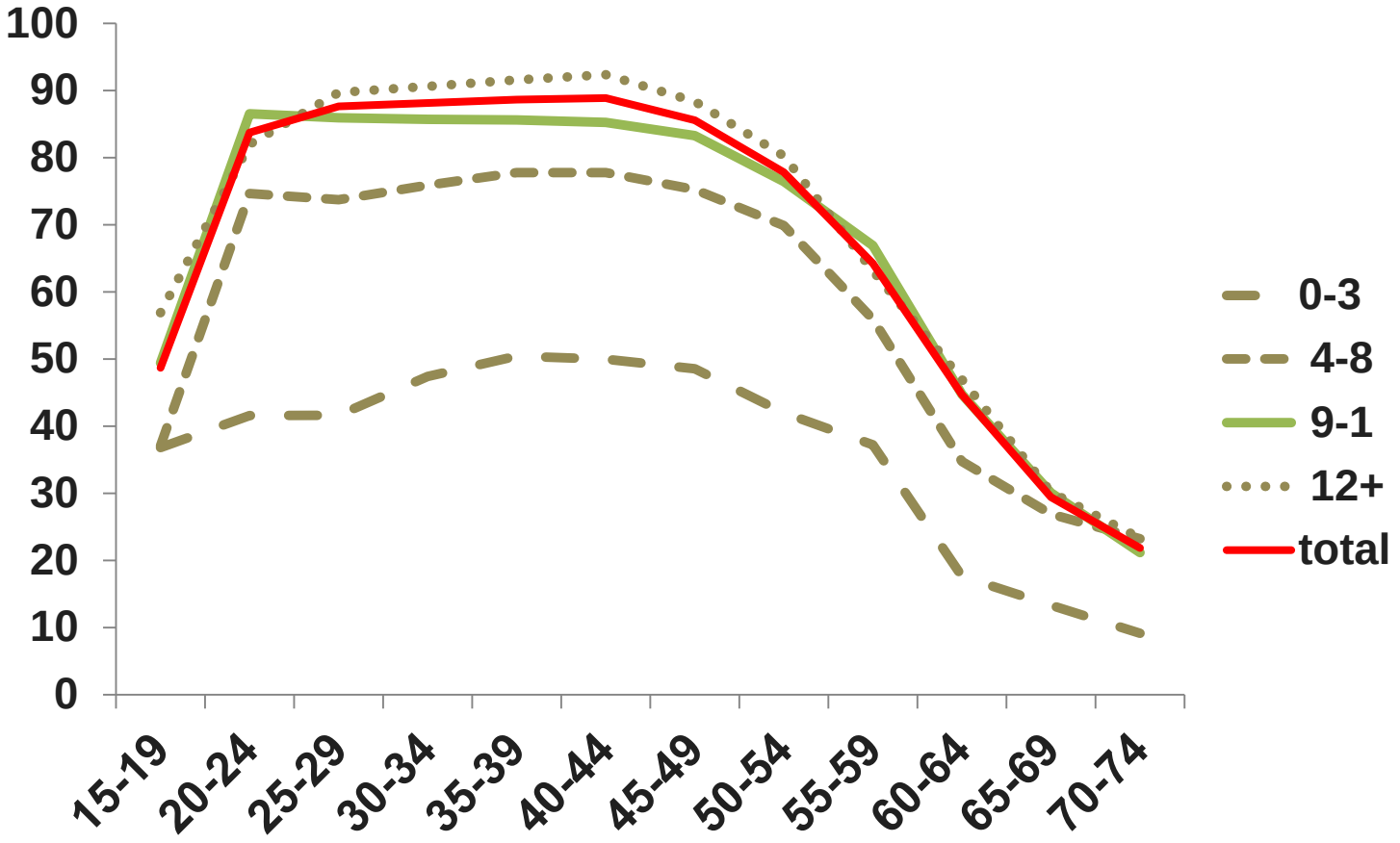
Female labor force participation rates (%) by age & education, Brazil 2012



Projected female pop 15+ by education



Female labor force participation rates (%) by age & education, Brazil 2052



Growth of the female workforce participation will come mostly from educational composition changes (EDUCATION BONUS!!!)

Trends of labor force growth: Projecting into the Future

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Active population growth extended the 1st dividend thanks to women but it will end soon

Trends of labor force growth: Women's roles are decisive

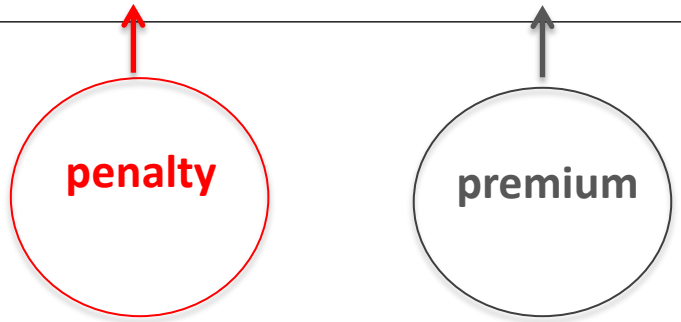
- Increasing economic participation of women has been crucial to economic growth
- But while women share financial responsibilities with men at home, they still do most of the housework
- Therefore, it is much harder for women to get into the job market, keep working over the life cycle and get high quality jobs with the comparable wages

DIMENSION	METHOD	SAMPLE
Participation in the labor market	Logistic regression	women and men aged 25 to 49; head or spouse of the head of the family.

Odds ratios of the participation in the labor market by gender, Brazil 2014

		Women	Men
Participation	having spouse/partner	0.44 ***	1.85 ***
	child in pre-school age	0.60 ***	1.25 ***
	child in pre-school age	0.80 ***	1.15 **

Guiginski & Wajnman, 2016



DIMENSION	MEASURES	METHOD	SAMPLE
Job Quality	Having a precarious job	Logistic regression	Subsample comprising only individuals who were working and who answered questions related to earnings and work hours
	Having part-time job (less than 40h/week)		
	Being employed versus self-employed		Subsample including only individuals classified as employees in the private sector or as self-employed workers

Odds ratios of the access to labor market by gender, Brazil 2014

		Women	Men
Precarious job	having spouse/partner	0.95	0.67***
	child in pre-school age	1.26 ***	1.15 ***
	child in pre-school age	1.09 **	0.95
Part time job	having spouse/partner	1.15 ***	0.74 ***
	child in pre-school age	1.16 ***	1.03
	child in pre-school age	1.09 **	0.98
Self employment	having spouse/partner	1.31 ***	0.87 ***
	child in pre-school age	1.25 ***	0.96
	child in pre-school age	1.13 ***	1.00

Guiginski & Wajnman, 2015

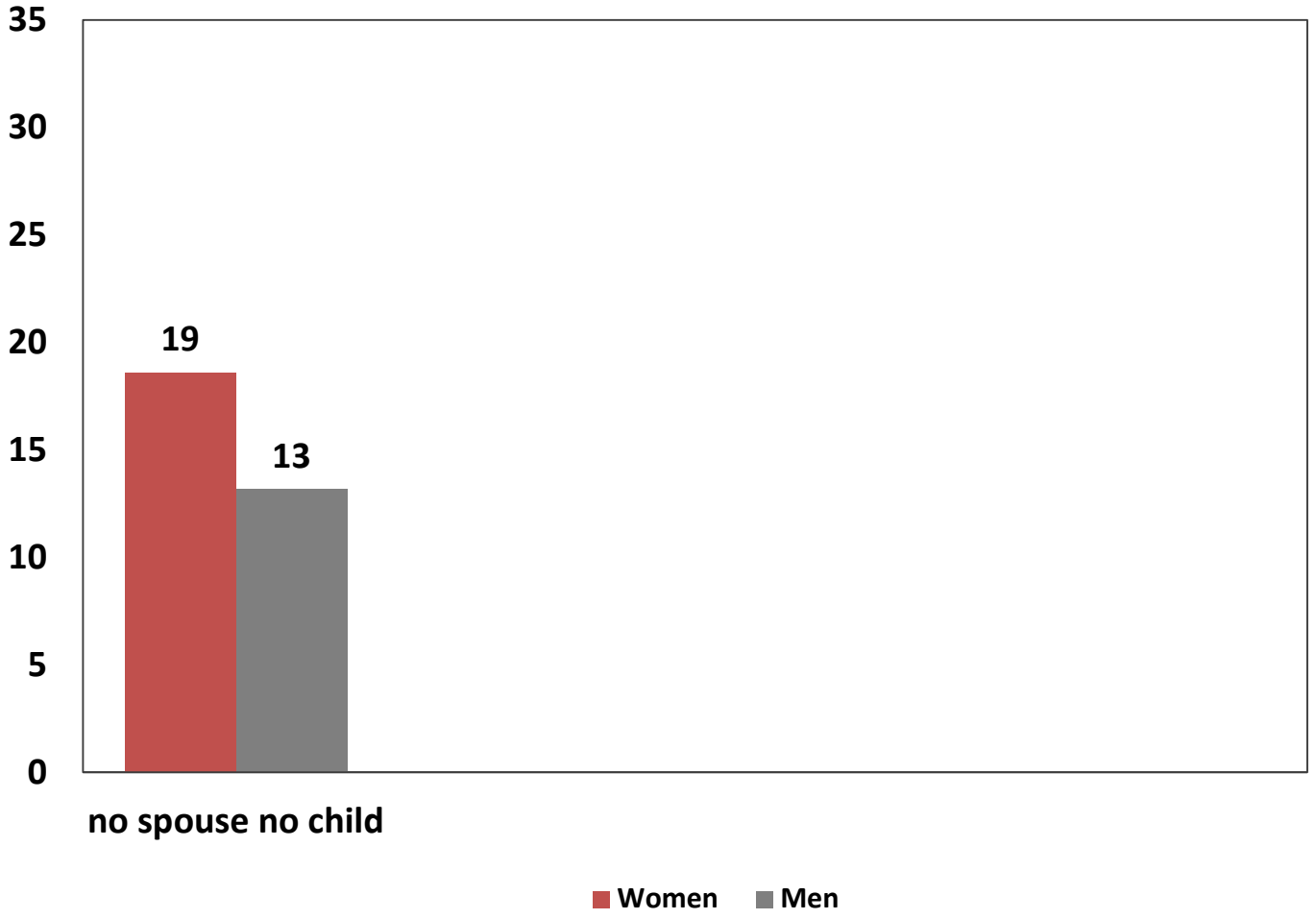
DIMENSION	MEASURE	METHOD	SAMPLE
Wages	Hourly wages	Heckman selection model	Individuals with valid answers for earnings and work hours

Heckman model for the log of hourly wage by gender, Brazil 2014

		Women		Men	
	having spouse/partner	- 0.32	***	0.21	***
Log of hourly wage	child in pre-school age	- 0.28	***	0.06	**
	child in pre-school age	- 0.09	***	0.03	

Guiginski & Wajnman, 2015

Weekly housework hours by gender and family roles. Brazil, 2014



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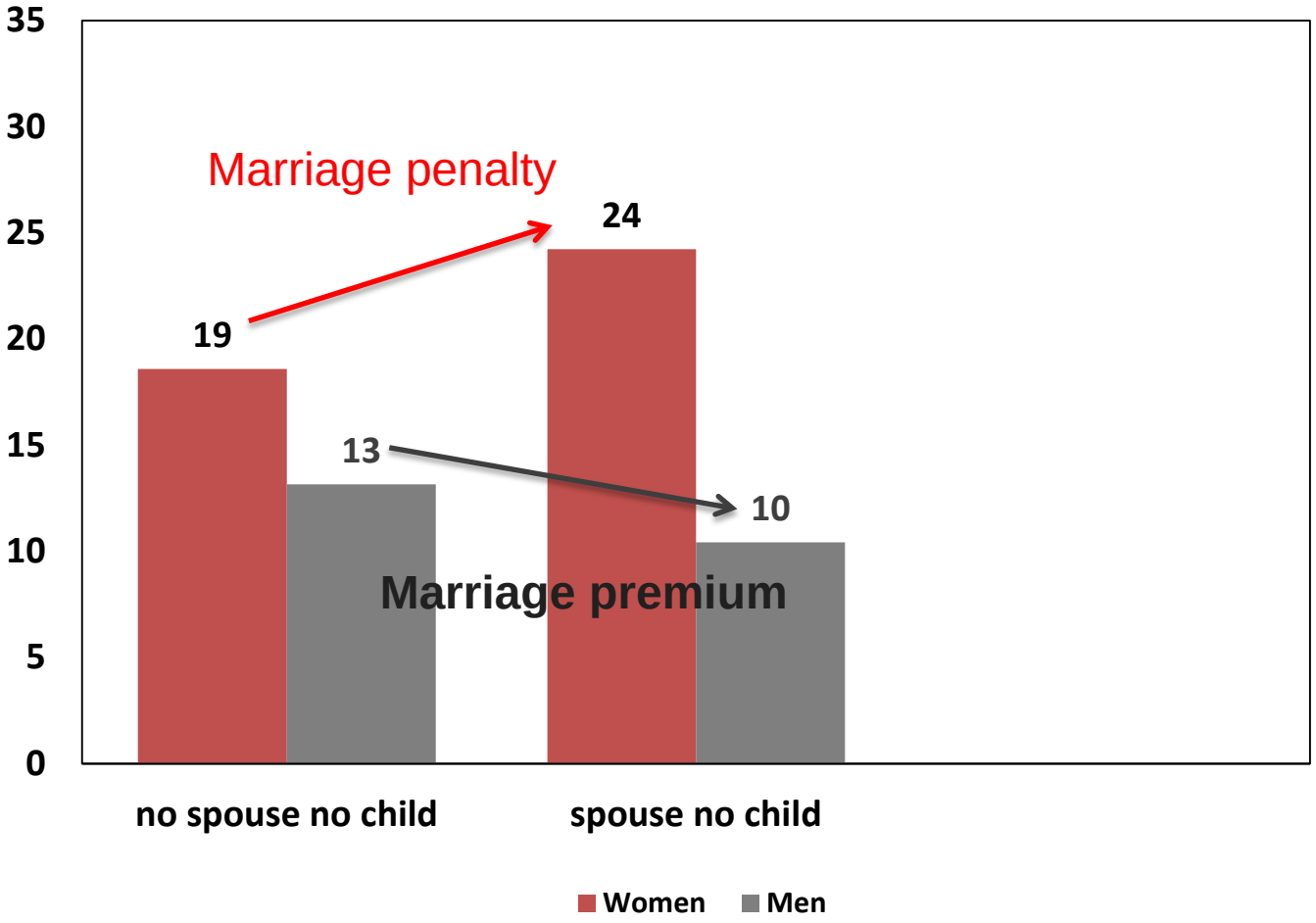

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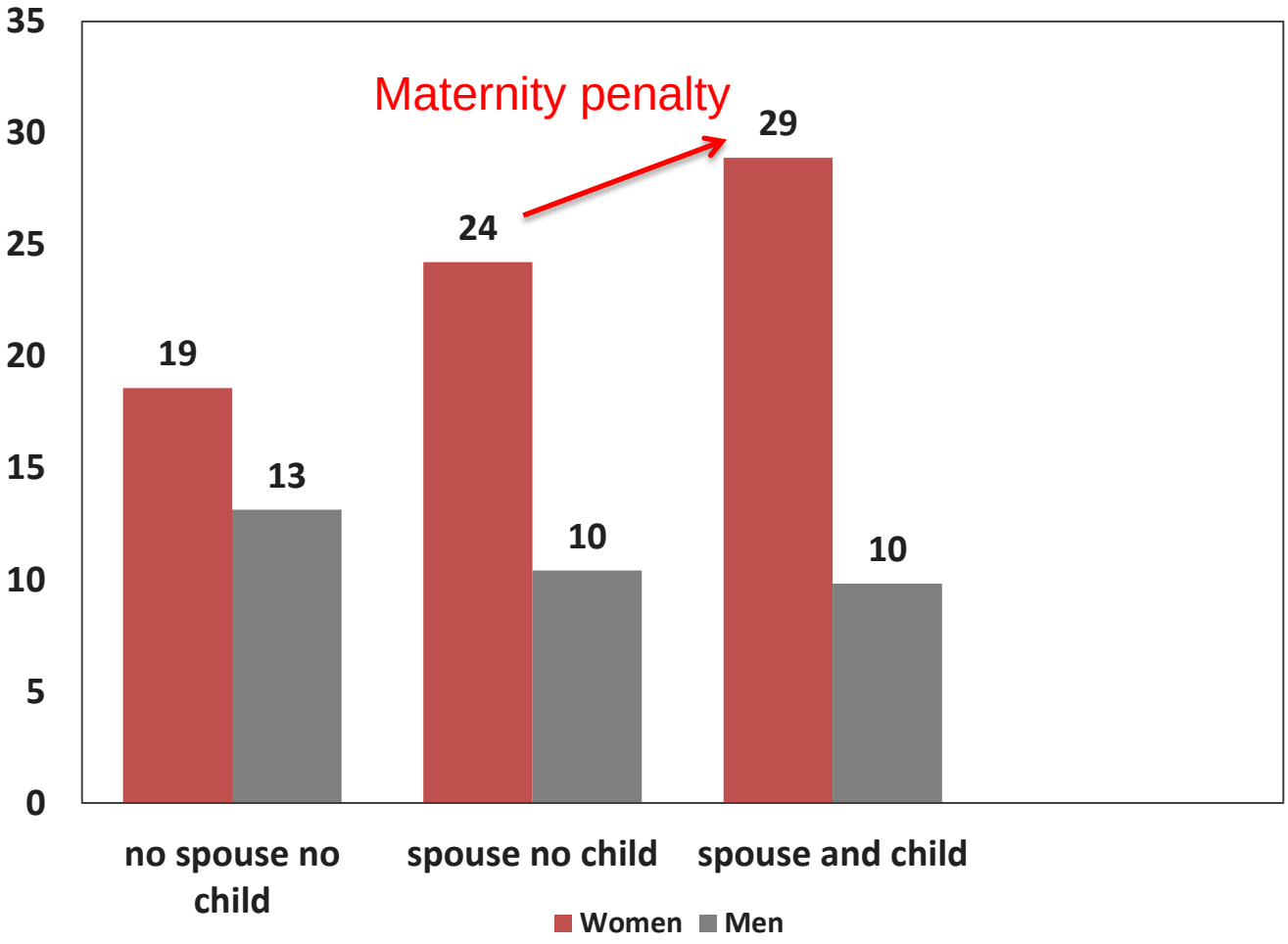

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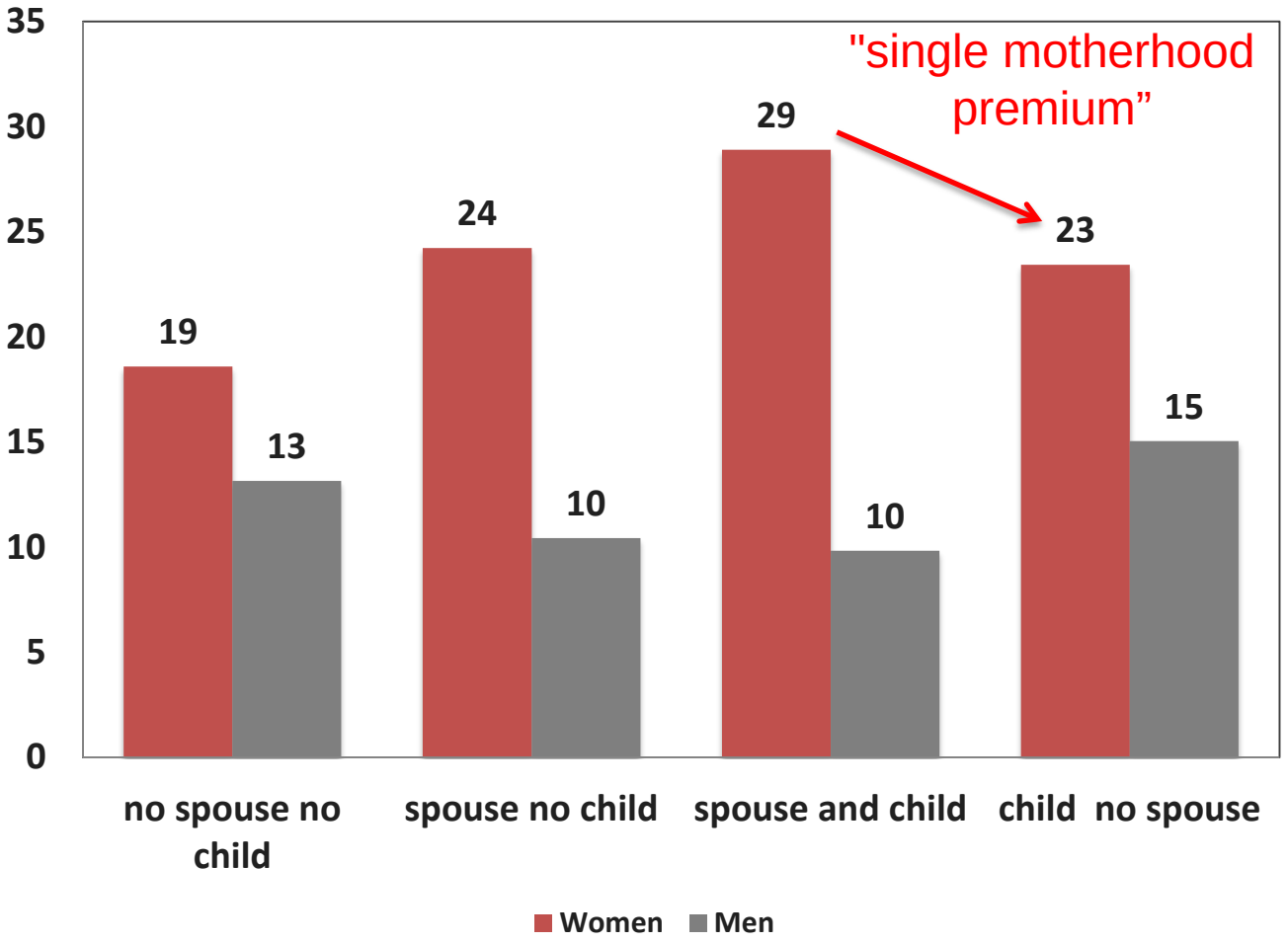

Gender roles and the incomplete revolution

- **First stage:**
  - the afflux of women into the labor market destabilizes traditional *breadwinner/homemaker* family arrangements
  - increasing divorce and cohabitation rates
  - reducing fertility
- **Second stage:**
  - men and women begin to develop more equal partnerships in which men become more responsible for the domestic work

- **Brazil is stuck in the first stage**! The main obstacle of female access to the labor market lies within the domestic sphere where the labor division has barely improved

- There is an additional penalty for women in Brazil: time and resources invested in the "Erotic Capital" (Hakim, 2011)

Discussion

- Most of the gender revolution in Brazil is taking place in the labor market (easier to intervene) through job opportunities created for women
- The increase in female labor force participation has been historically driving changes in family relations. Not the opposite!
- But it is not enough. Job conditions are still worse for women and we need policy measures (e.g. shared parental leave, public child care, pre-school and elderly care, as well as flexible working hours) to facilitate better career and family balance
- To manage the consequences of the demographic transition, including economic growth in the future, the gender revolution needs to go beyond the labor market