

***Productivity takes 'Leave'?***  
***The effect of maternity and paternity leave policy on  
our lives and the economy***

Wednesday 11th July 2018, 16.00 - 17.30  
(followed by a networking reception)

University of Warwick Brussels Office  
Avenue d'Auderghem 22-28, 22-28 Oudergemseleaan  
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Motherhood and professional advancements often conflict, with many sectors demonstrating gender disparities in senior ranks. One explanation for this inequality is the unequal caregiving responsibilities borne by women, particularly early in their children's lives.

Professor Vera Troeger (Professor of Quantitative Political Economy) from the University of Warwick and the Centre for Competitive Advantage in the Global Economy (CAGE), together with a select panel of experts will look at the implications for individuals, families, society and the economy of maternity and paternity policies.

Our panel consists of:

- Ms Greet Vermeylen, Policy Officer, Gender and Equality Unit, DG Justice, European Commission
- Ms Paola Panzeri, Policy and Advocacy Manager, COFACE -Families Europe
- Ms Cinzia Sechi, Senior Advisor, European Trade Union Confederation

The discussion will be moderated by Mr Richard Tuffs, Senior Adviser, European Regions Research Innovat Network (ERRIN).



## The effect of maternity and paternity leave policy on our lives and the economy - Key Findings

### What determines the generosity of contractual maternity pay?

Generosity depends on an implicit bargaining process between employees and management depending on bargaining power of employees, costs and incentives for universities/ companies:

- size in terms of staff (+): firm size, along with enterprise type, is regarded as the second most likely predictor of family-friendly provisions (Yasbek 2004) - economies of scale and resource availability
- previous share of female professors (+)
- previous share of female academics at child bearing age (+): family-friendly policies may be the result of a higher percentage of women in key executive positions (Pitt-Catsoupes et al. 2004), cost of losing research intense female academics.
- research intensity (+): screening/ cost during/ of recruitment, investment in productivity of female academics -> incentive to keep highly productive female talent
- student-staff ratio (-): a higher ratio makes each academic member more indispensable for the university, a lower student-to-staff ratio means that universities have more academic "reserves"
- peer groups: Russell and Golden Triangle groups – better and more homogeneous provisions, post 1992 universities – lower and more heterogeneous provisions does not depend on:
  - wealth of the institution
  - overall share of female academics
  - staff costs
  - male professors (placebo)
  - female administrators at child bearing age – skill specificity
  - senior female administrators – skill specificity

### How do predictions compare to actual generosity?

Given research intensity, student-to-staff ratio, share of female professors and female academics at child bearing age, income etc.:

- under-performers: University of Nottingham (18 predicted vs. 8 offered), LSE (21 weeks

predicted, vs. 18 weeks offered), Warwick University (20 vs. 16), Liverpool (12 vs. 8), Glasgow (25 vs. 16) and UCL (23 vs. 18).

- over-performers: Southampton (18 predicted, 26 offered), London Business School (14 predicted, 18 offered), and Oxford (22 predicted, 26 offered).
- exact-performers: Cambridge (18), Aberdeen (18), Lancaster (18), Leeds (16), Strathclyde (16), Northampton (6), Winchester (6), Cumbria (6), and the London University of Arts (4).

These findings do not suggest any normative conclusions, but show empirically that these institutions either over-provide or underprovide maternity benefits given their measurable characteristics.

### Does Generosity have an Effect on Career Paths?

Generosity of OMP increases the share of female full professors and the share of female academics in the highest salary bracket - this holds especially true at research intense universities

Institutional nurseries also have a positive effect on share of female professors and women earning higher salaries (these trends are similar across disciplines, esp. for sciences and social sciences, less so for the humanities).

None of these factors affect the number of male full professors (Placebo test), or senior administrators. Less research intense universities employ more women on fixed term contracts if they offer more generous maternity benefits

### CAVEATS of Aggregate Level Analysis:

Ecological Fallacy problem: aggregate results might not reflect individual level behaviour.

OMPs matched with individual level data on 10000 female academics in the UK: survey data:

- child rearing histories
- career path (speed, rank, salary)
- job satisfaction
- environment

matched with objective data on productivity:

- publications
- outlets

Data balanced w/r to: Number of children, institution, discipline, rank, salary, age

Our preliminary analysis suggests that more generous maternity benefits are associated with:

- higher productivity: conditional on research intensity 2 additional weeks of fully paid maternity leave increase productivity by about 10% over 5 years
- faster career progression: 3 additional weeks = 1 year less from associate to full professor, and
- (higher salaries)

### Why is this important?

The UK ranks low in comparison to other European countries in terms of maternity benefits and public spending on parental leave, current public policy is externalizing costs for maternity to companies/ parents and costs for early childhood education/ child care to parents.

**There is room for improvement, potentially allowing to:**

- keep female talent in the labor market and thus potentially close part of the huge productivity gap the UK has with other developed economies
- allow easier career progression to top positions and
- help close the salary gap, esp. at the top

### Speaker's biography

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#### Vera Troeger

**Vera Troeger** is professor of Quantitative Political Economy in the department of economics at Warwick University and CI of the Centre for Competitive Advantage in the Global Economy (CAGE). Between 2007 and 2011 she was Director of the Essex Summer School in Social Science Data Analysis. She previously held positions at the University of Essex, the Max Planck Institute of Economics and the University of Exeter.

Vera is the founding editor-in-chief of the flagship journal of the European Political Science Association – Political Science Research and Methods, and served as associate editor for one of the most highly ranked journals in political science – Political Analysis and serves on the editorial boards of the American Political Science Review, European Journal of Political Research and the Journal of European Public Policy.

Her research interests lie at the intersection between international and comparative political economy, labour economics, as well as applied quantitative data analysis and political methodology. In particular she studies the impact of parental leave policies on productivity, career development, and the gender pay gap as well as economic policy diffusion and spill-overs of monetary and tax policy.



In addition, she contributes to the field of quantitative political methodology, especially pooled cross-section time series analysis, the trade-off between bias and efficiency in finite sample econometrics and endogeneity issues.

She published papers on external effects of currency unions, monetary policy autonomy, international tax competition, time invariant and rarely changing variables in pooled data analysis, budgetary party politics, war and stock market reactions in the American Journal of Political Science, the European Journal for Political Research, the British Journal of Political Science, International Studies Quarterly, the Journal of Conflict Resolution, European Union Politics and Political Analysis

### Panellists' biographies

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#### Greet Vermeulen



**Greet Vermeulen** is a policy officer in the gender unit in the European Commission where she works mainly on the work-life balance initiative.

Previously she worked in the working life unit in Eurofound, where she was responsible for the cluster on sustainable work for women and men over the life course and was part of the European Working Conditions Survey team.

Prior to that, she worked in the European Commission and for the Belgian Presidency on social protection issues.

## Cinzia Sechi



**Cinzia Sechi** is a Senior policy advisor for the European Trade Union Confederation (ETUC). She mainly deals with gender equality and migration issues and coordinates related ETUC activities in these fields. She has been involved in several

negotiations with EU-level employers, including EU Social Dialogue work programmes, framework agreements and joint projects. In the context of gender equality, she is responsible for producing, disseminating and monitoring policy documents and surveys among ETUC members on issues related to trade unions' strategies on gender equality (such as: women in trade unions, gender mainstreaming, gender pay gap, reconciliation of work, family and private life, etc.).

She represents the ETUC in various high-level and ad-hoc EU groups (ie EIGE, EC Advisory Committee on gender equality, etc.) as to promote gender equality in trade unions and in the labour market, including ETUC Project "REBALANCE Trade unions' and social partners' actions to improve reconciliation of work, family and private life for women and men". She holds a Bachelor's Degree in Political Sciences and a Master's Degree in European Employment Relations.

## Paola Panzeri

**Paola Panzeri** is Policy Advocacy Manager for COFACE – Families Europe, a European NGO gathering 59 NGOs in 23 European countries. Paola joined COFACE – Families Europe in 2011 and she is in charge of policy and advocacy in the areas of gender equality, employment and



reconciliation of work, family and private life. She sits in the Advisory Board of two research projects on Work-Life Balance (University of Kent) and Female Breadwinners Families (University of Southampton).

Before joining COFACE – Families Europe, Paola worked on child protection and non-discrimination projects in Kenya, Bosnia and Herzegovina, France and Italy. Paola holds a Master's degree in European Studies and Law from the Institute of High European Studies (IHEE) of Strasbourg, France.

## Moderator's biography

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### Richard Tuffs



**Richard Tuffs** is currently a Senior Adviser in ERRIN – he had been the network's director for 7 years. ERRIN is a regional network that promotes the regional dimension of the European research and innovation agenda, European project development and

management and raising the profile of the network and its members. Richard has been working in the regional dimension of EU policy in territorial cohesion and research for many years and worked for the Kent and the West Midlands offices in Brussels before joining ERRIN.

He has been involved in numerous EU projects such as science communication, Future Internet, Smart Specialisation, and eco-innovation. He is a member of the Smart Specialisation Mirror Group established by the European Commission and was the rapporteur for the European Commission expert group on the Capital of Innovation prize launched in 2013. He is often invited to moderate and present at conferences on European research and innovation topics.