

VID Colloquium

Vienna Institute of Demography
Welthandelsplatz 2 / Level 2
Nathan Keyfitz Library
1020 Vienna

Jungho Kim

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Tuesday, 19 July 2016

2:00 - 3:00 pm

"Parental Leave and Women's Employment in Korea"

The paper examines the impact of the duration of parental leave on women's employment in Korea. It exploits the natural experiment of the extension of the effective parental leave from 12 months to 15 months. Since the effect is likely to vary depending on the opportunity cost, it focuses on the heterogeneous effects. The results are as follows. First, with the job-protected leave extended, female employees indeed took up the leave more often and for a longer period than before. In general, the impact on take-up is found to be smaller, but that on duration to be larger for high wage earners, which implies that there exists a fixed cost in switching between own and paid child care. Further, those in large firms tend to benefit more than those in small or medium-sized firms in terms of usage of leave. Second, the probability of returning to work did not change significantly after the extension, which suggests that the marginal extension of leave in the vicinity of one year does not lead to a negative consequence in terms of women's career. However, the effect on return to work is found to vary substantially depending on individual wage and firm size, which implies that the distributional effect should be considered in designing the parental leave policy.

About the presenter

Jungho Kim is currently an Associate Professor at Ajou University in Korea and a Research Fellow at the Institute for the Study of Labor (IZA) in Germany. Previously he stayed at VID as a Post-doctoral Research Fellow from 2004 to 2006 after receiving his PhD in Economics at Brown University. He has a broad interest in the relationship between population and development. He is currently working on the fertility transition in developing countries, the evaluation of family policies and health interventions, and the economic consequences of immigration and trade.