Why France has high fertility:  
The impact of policies supporting parents  

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Abstract:  
Among reasons that may explain the relatively high level of fertility in France in comparison with other European countries, family policies and policies supporting parenthood are viewed both by experts and by policy makers as influencing fertility decisions. This paper first examines the relationship between female employment and fertility, stressing the impact of children on women’s participation into the labor force. Then, it explores how French policies supporting work-life balance for working parents are organized and implemented. Finally, research results concerning the impact of policies on fertility decisions in Europe are discussed. We argue that a single policy measure cannot in itself impact fertility decisions, but instead a whole set of measures can create a family-friendly environment that allows parents to have the number of children they desire.  

1. Introduction  
In comparison with other European countries, France displays a relatively high level of fertility, though still below the replacement level of the population. Indeed, with a total fertility rate (TFR) approaching two children per woman, France now displays the highest fertility rate among the European Union (EU) member states, along with Ireland. The TFR has being rising slowly but constantly for now almost twenty years while most EU member states have displayed a decline in fertility. Concomitantly, mothers’ labor force participation is one of the highest in Europe. Because of these performances, France is often quoted as an example of the effectiveness of work-life balance policies, along with Nordic countries.  

(1) In search of explanation to the French fertility performance  
Two factors are generally pushed forward to explain the low fertility level in western countries: the income level of the breadwinner and the opportunity costs of children, e.g. indirect costs of children with regard to mothers’ participation in the labor force. According to Esping-Andersen (2002a), women’s fertility decisions are less and less dependant on the income capacity of the male breadwinner, but rather on their own income and employment security. It is in fact the uncertainty of the future that may hinder the foundation (or the extension) of a family. Employment precariousness and difficulties to enter into the labor market may explain the postponement of the age of maternity. However, in France this postponement does not lead to a low fertility rate. Recent research tends to show that the key factor of fertility lies in the possibility for women to both work and care, and not to be obliged to choose one or other alternative (Esping-Andersen and Palier, 2008). Unlike Mediterranean countries and Germany where young generations of women have increase their participation in the labor market to the detriment of giving birth to children, women in France (and also in Nordic countries) have increased their employment participation while continuing to have children.  

When it comes to the opportunity costs of children to explain the low fertility, it is often
argued that that the less qualified and less educated women (and also the non-employed) have more children than other highly educated women. This correlation between high fertility and low level of education is no longer observed in Scandinavian countries, and in particular Sweden where less educated women have fewer children than highly educated women. This is not the case in France where less educated women tend to have more children than others despite their particular concern with precarious employment and bad working conditions.

More generally, the negative relationship between fertility and women’s participation into the labor force is no longer relevant in contemporary societies since countries with the highest fertility rate are also countries where women and especially mothers have the highest activity rates (Ahn and Mira, 2001). In fact, the relationship between fertility and women’s participation in the labor market reversed more than twenty years ago: Now, fertility rates are higher in countries where women are being made able to stay in employment after childbirth. Like Nordic countries, France testifies that maternity and a career may be compatible on the condition that parents, e.g. mothers, receive support for balancing work and family life.

(2) A limited impact of children on mothers’ labor force participation

In most countries, women used to retire from the labor market when they become mothers. Some of them were returning in paid work after raising their children. Nowadays, large discrepancies can be observed across European countries with regard to the impact of maternity on women’s employment. The impact of children on mothers’ activity rates is very low in Sweden whatever the number of children, whereas in France, the impact is low on the first and second child but notably higher on the third child (Table 1). Nevertheless, two out of three married or partnered mothers with at least three children were participating in the labor force in 2007.

Table 1 – Activity rates of men and women 25-49 by family situation and number of dependant children (children below 18 living with their parents)

<table>
<thead>
<tr>
<th>Family patterns</th>
<th>25-49 years (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Activity rate</td>
</tr>
<tr>
<td>Men (total)</td>
<td>96.0</td>
</tr>
<tr>
<td>Women (total)</td>
<td>85.6</td>
</tr>
<tr>
<td>Women with children</td>
<td>83.6</td>
</tr>
<tr>
<td>Married or partnered women with no children</td>
<td>89.1</td>
</tr>
<tr>
<td>Women (married or partnered) with children:</td>
<td></td>
</tr>
<tr>
<td>- total</td>
<td>82.7</td>
</tr>
<tr>
<td>- 1 child</td>
<td>89.1</td>
</tr>
<tr>
<td>- 2 children</td>
<td>84.8</td>
</tr>
<tr>
<td>- 3 or more children</td>
<td>66.2</td>
</tr>
<tr>
<td>Lone mothers:</td>
<td></td>
</tr>
<tr>
<td>- total</td>
<td>88.5</td>
</tr>
<tr>
<td>- 1 child</td>
<td>92.3</td>
</tr>
<tr>
<td>- 2 children</td>
<td>88.9</td>
</tr>
<tr>
<td>- 3 or more children</td>
<td>72.6</td>
</tr>
</tbody>
</table>

Note: * proportion of employed working part-time  
** not employed = people who are unemployed or not in the labor force (students and pensioners not included)  
Field: Households (15-64 Years)  

Between 25 and 49 years old, 85.6% of women were participating in the labor force in 2007. This proportion was even higher for married or partnered women with one child and also for lone mothers with one or two children. Lone mothers have the highest labor force participation rates, exceeding 92% for mothers with one child. However, although participation in the labor force is higher for lone mothers than for married or partnered mothers, their employment rate is lower because of their higher vulnerability to unemployment, in particular for
the lesser qualified mothers. Being the only breadwinner for the family, lone mothers need a job, but the constraints of everyday life may limit their choice vis-à-vis the jobs that are available. Also, when they are employed, they are more often working full time than are married or partnered mothers; only 26.8% of the lone mothers work part-time instead of 35% of partnered mothers.

These figures hide large discrepancies according to the age of children. Mothers with children below the age of three tend to have a lower participation rate in the labor force when they have at least two children. This behavior is linked to the childcare policy design as we will see further. Highly educated women participate more in the labor force than less educated women. With one child, 78% of less educated women participate in the labor force against more than 94% of those who are highly educated. With at least three children, the proportions are respectively 51% and 80% (Chardon and Daguet, 2008). This means that highly educated women have more facilities, or more interest, in reconciling work and family life.

Finally, the employment structure of households reveals the relatively high proportion of mothers in the labor force: more than 45% of couples with children under five years old are composed of two parents working full time, while slightly more than 16% are composed of one man working full time and a woman working part-time; 36% are composed of one breadwinner and a wife caring for children at home (the proportion of one-earner couples exceeds 50% in Italy, Spain, Ireland and Luxembourg, but is lower than 20% in Sweden and Denmark). So, the male breadwinner model of families is still present in France, mostly among less educated families, thus deepening the gap between high and low income families. Employment policies specifically focus on these non employed mothers in order to increase women’s employment rates as required by the European employment strategy. One component of the so-called “activation” policy is concerned with the implementation of childcare facilities and also with improving the work-life balance for working parents, especially by implementing paid leave for caring and also by regulating working time (Letablier, 2008). Another specific aspect of the French pattern of parental employment lies in the relatively limited impact of part-time work. Indeed, part-time work has not been promoted as a means of reconciling work and family life, or at least has not been a major component of the work-life balance policy, being viewed (especially by feminists and by most trade unions) as a very unequal way of reconciling work and family life, because part-time work does not provide full economic security to women and maintains the gendered domestic division of labor.

(3) Reconciling working and mothering
Fertility rates for women under 30 years old have decreased continuously over the last decades in France like in most Western European countries while fertility rates have increased steadily for women over 30 years old, indicating that many women delay becoming mothers (Prioux, 2007). The increase in fertility rates at higher ages has accelerated in France since the early 2000s while the decline at young ages slowed down more slowly: in 2008, the fertility rate for women of the 15-24 age group was around 0.32 child per woman, remaining relatively stable over the last decade like the fertility rate for the 25-29 cohort (0.13) whereas the fertility rate for the 30-34 age group (0.13) has notably increased during this period of time. A more limited increase was observed for women aged 35 years and more (Pla, 2009). The French fertility pattern indicates that the postponement of the age of maternity does not necessarily result in low fertility. If the context is family-friendly, fertility may not be affected by this postponement: In Denmark and Italy for instance where the age at first birth is the same the total fertility rate is notably lower in Italy where the norm in family size tend to be one child whereas the norm is higher in Denmark.

The postponement of the first birth which characterizes fertility profiles in all Western countries may be due to the lengthening of school attendance and also to women’s willingness to secure their employment situation before founding a family, especially in countries with a high incidence of divorce. However, the postponement of the age of maternity is more visible in countries where working and mothering is in conflict (Gustafson, 2001). As an illustration of this, it is in Spain among EU member states that the postponement is the latest: the mean age at maternity is 31 years compared to almost 30 years in 2008 in France (28.9 years ten years before). Finally, 21.5% of the children born in 2008 have a mother older than 35 years; they were 20% in this case three years before and 16.5% ten years before.

The incidence of changes in the timing of births on fertility trends seem to be lower in France than in most other countries: women
delay the moment of becoming a mother but the second child comes quickly after the first one. So, the “rebound” in fertility is mainly due to the increase of fertility rates at higher ages, thus illustrating the fact that generations who have postponed family formation are now “catching up” due to the delay of births. In addition, the number of desired children remains higher in France than in most other EU member states, especially Germany.

More over, few couples remain childless in France, revealing a fairly high social pressure on individuals to have children. No more than 10% of women remain childless in France compared to Germany, for instance, where the proportion is noticeably high (25%), especially among high educated women. Although this phenomenon does not impact the overall fertility rate in France, it raises the issue of support for work-life balance, especially for parents with long working hours or with work constraints. Finally, although the two-child family model is eroding in many European countries, especially in Central and Southern Europe, this norm is still strong in France where the ideal family size is 2 or more children. Whereas less than 40% of women give birth to two children in Italy, this proportion is above 50% in France as also in Sweden where the fertility rate is relatively high.

So, it may be assumed that the requisite conditions for keeping the level of fertility are now well identified. The conditions are linked firstly to the development of childcare facilities, to their availability, their costs and their quality. Secondly, they are linked to work-life balance measures, especially measures regulating working time and parental leaves. Thirdly, they are linked to the share of parental responsibilities and especially to the involvement of fathers in parenthood. A research study comparing French and German fertility decisions underlines the major role of family-friendly policies supporting parents, especially those parents with young children, thus facilitating the reconciliation between work and care for women (Fagnani, 2001). If childcare services are not made accessible at a reasonable cost for parents, prices may exclude low income families from the market, therefore leading mothers to leave their job. The positive contribution of childcare services to fertility decisions has been assessed by Kravdal (1996) in Denmark. It has also been assessed that childcare facilities contribute to mother’s employment and so much the more if childcare costs are low.

(3) The family policy: a major contribution to balancing work and life
It is generally assumed that the French Family policy contributes largely to both a high level of fertility and a high participation of mothers in the labor force. Family policy is in France one of the five pillars of the social security system along with unemployment insurance, ageing policy, health and handicapped policy. The current institutional framework for family policy relies on a governmental department and a Minister in charge of family affairs that ensures the autonomy of this policy field among other social policies. It also rely on a strong commitment of the NGOs, especially the pro-family organizations. And lastly, it relies on the protective role of the state (Commaille et al., 2002). The historical foundations of this current institutional framework influence the path for reforms.

Indeed, by contrast with most other EU member states, France has an explicit interventionist family policy which is an autonomous field of the social security system. The main objectives of the family policy included supporting families, protecting family values and improving family life. Family policy has its own budget and institutions in charge of implementing the family policy. The National Family Allowance Fund (Caisse Nationale d’Allocations Familiales - CNAF) pilot the family policy that is implemented by the 123 local Family Allowance Funds in charge of delivering the family allowances (child benefits and other family related allowances) and also social assistance to families or individuals in need of support (Damon, 2006). The sources of financing are twofold: companies and the State (social contributions and taxes). Although their participation in the family policy budget has been decreasing over the last fifteen years, companies still participate largely in the financing of the family policy, contributing to almost two thirds of the budget, the rest being supported by the state. The decrease in companies ‘contribution to the family policy budget results from the broadening of the family policy perimeter due to the growing importance of the social dimension of family policies eg social assistance benefits aimed at supporting social inclusion for the precarious and poor families. So, the family policy is becoming more and more a social policy.

However, public spending on support to parenthood is one of the highest in the EU. With 3.7% of the GDP devoted to family support
France are member of family unions which are at the centre of the families’ social citizenship. The UNAF that assemble various pro-family streams was institutionalized in 1946 as the official partner of the state in the making of the family policy. These NGOs remain powerful and influential in driving the family policy process and notably in defining the objectives of the similar consensus is observed in Nordic countries and also in Germany where an “alliance for the Family” has been created recently in order to stir up a large set of social actors for this “cause”. Like Germany and to a less extend the Netherlands and the UK, part of public spending on families takes the form of tax breaks, the rest being in cash and in kind benefits (Graph 1). Public spending on families is almost twice the average spending in OECD countries (Letablier et al., 2008). Public spending in kind (childcare and education services) amounts to 1.2% of the GDP, ranking France just after Nordic countries that display the highest rates in Europe. The French score is better for early education (pre-school) than for childcare services since a number of parents (i.e. mothers) take up the home-care allowance for caring for their young children.

Graph 1: Public spending on families in some OECD countries

![Graph 1](image)

Source: OECD 2003, SOCS data base (in Letablier et al., 2008)

Notes:
- Public support accounted here only concerns public support that is exclusively for families (e.g. child payments and allowances, parental leave benefits and childcare support). Spending recorded in other social policy areas as health and housing support). Spending recorded in other social policy areas as health and housing support also assists families, but not exclusively, and is not included here.
- OECD-24 excludes Greece, Hungary, Luxembourg, Poland, Switzerland and Turkey where Tax spending data are not available.
family policy. The historical foundations of these NGOs were embedded into a pro-fertility lobby on one side and a pro-family lobby on the other side. In the early twentieth century, fertility issues were already on the agenda. They have been included effectively into the family policy after the Second World War, and are still a concern underlying policy objective. This form of unified representation of families is a masterpiece of the family policy corporatist frame. Since there is no counterforce from the feminist side, the liberty of choice assumption behind work-family balance orientation has been strongly influenced by the pro-family ideology.

Major shifts in the objectives and profile of family policy have occurred over the last three decades pushing work-life balance issues on the forefront in response to the growing participation of women into the labor force. In fact, work-life balance issues have been explicitly set up in governmental programs since the 1970s onwards. The family policy was then snared in a tension between pro-family/maternalist ideology and the emancipation project of feminism, the latter being supported by economic arguments in favor of a high female employment rate. This tension about family policy objectives and goals resulted in contradictory measures, the ones supporting working mothers and the others supporting maternal care, however giving the “choice” to remain in paid work or to care for children at home, both being supported by the family policy.

The cognitive frame of the French family policy also rely in the protective role of the state, especially in relation to women’s maternity rights in the workplace since employers were reluctant to recognize mothers’ caring rights unless they are forced by law or by collective agreements to come up with maternal implications. The legal frame of the work-life balance policy has developed over the last decades, including progressively various measures supporting parenthood and protecting working mothers. Gradually, reconciliation of work and family life has become high on the policy agenda and is now a major policy goal.

Whereas there is a consensus among the population on the shift in family policy objectives, the debate focus on the policy tools aimed at supporting work and family reconciliation. The right wing parties tend to promote family benefits in cash whereas left wing parties show a preference for in kind benefits. More over, left wing parties are more supportive to public collective childcare services and early education services than to parental leave and parental care. Another controversial issue concerns the parental leave that is considered, in particular by the feminists, as being too long and badly compensated. A long parental leave makes it difficult for mothers to come back to work, and has consequences on women’s careers. A low compensation prevents men from taking it up or from sharing part of it. So, the French profile of the parental leave has negative implications on gender equality. It may reinforce the relatively low concern of fathers with the sharing of parental responsibilities. Indeed, despite their participation into paid work, women continue to assume a large amount of the parenting burden.

Children are also a concern of work-life policies that are also influenced by republican ideas about children education and well-being, and beyond about their social inclusion. Long before Esping-Andersen formulated the idea for the European Union on the necessity for welfare states to invest in children in order to insure for the future of the Western societies (Esping-Andersen, 2002b), the issue was raised and formulated in France one century ago, then encouraging the state to develop education and early socialization for children at a sustainable cost for parents since state support should also contribute to social equity between social groups.

Although the focus has been on the family side of the work-family balance policy, there are at least three other policy areas also concerned by:

- The employment policy that was enrolled in work-family balance issues in the 1980s, namely through the “emplois de proximité” policy aimed at developing jobs in caring activities or in social services in order firstly to limit the increase in unemployment and secondly to fulfill the needs of families for more care providers. Child minders were one of the major targets of this policy. Their number has been increasing notably over the last two decades and they are currently a masterpiece in the French childcare policy, emblematic of the liberty of choice policy orientation.

- The working time policy that was mainly aimed at sharing work also had work-life balance objectives. This policy ended in 2002 with the return of the right into power and its new program “Work more to earn more!” aimed at encouraging employees to work overtime and longer hours to the detriment of their work and family life. By reducing the legal working time, the French government attempted to limit the long working hours, and therefore re-balancing work and life, for men and women;
The gender equality policy which is largely promoted by the European Commission was first implemented by measures targeting fathers (the creation of a paternity leave in 2000) and secondly by measures aimed at preventing discrimination against women on the workplace due to their maternity obligations (notably the right to return to the same job after parental leave or the right to work part-time).

This range of work-life balance policies are expected to impact on the fertility rate by supporting the women’s participation in the labor force. The impact of policy on fertility is no more expected from direct forms of support aimed at reducing the direct costs of children, but rather from work-life balance policies aimed at reducing the conflict between working and Mothering. So, although the demographic objective is no more as explicit as previously, the goal is still behind family policy.

3. Policies supporting work-life balance for parents

Work-life balance policies include a wide range of instruments in line with the “free-choice” orientation. Policy instruments include various forms of support to childcare, parental leave and working arrangements for parents, and incentives to companies to develop family-friendly facilities.

(1) From support to direct costs of children to support to childcare facilities

From the beginning, support to families was conceptualized as an incentive for families to have (more) children in order to limit the risk of population decline (Le Bras, 1991). Pro-family movements used to be very supportive for family policy orientations towards an extensive support to families and, in particular, to large families. Until the 1970s, fertility was encouraged through support to direct costs of children, especially by providing child benefits to families. The French child benefit package is still framed by this objective: child benefits are provided only from the second child and their amount rises with the number of children, so children are not treated equally but rather according to their birth order. These conditions of eligibility were aimed at supporting and encouraging large families. Horizontal redistribution between families with children and families without children was given prominence over vertical redistribution between rich and poor families.

During the seventies, successive governments attempted to initiate new policy incentives for families to have a third child in response to the decline in fertility. At that time, women’s participation in the labor force was rising vigorously, and the women’s movements as well as most trade unions were claiming for a development of childcare services and other forms of support to working mothers (Revillard, 2007). A right to parental leave was introduced in the Labor Code in 1977. However, entitlement was strictly delimited, especially with respect to mothers’ working experience and number of children.

The changing employment patterns of families were gradually integrated into the family policy objectives. From the early 1980s increasing support was put on work-life balance issues, especially on childcare services and benefits, thereby changing the approach of policy incentives toward fertility decisions. The issue was no longer strictly limited to the support of the direct costs of children but was extended to the indirect costs, namely to the consequences of women’s participation in the labor force. Family policy was then more and more oriented towards working parents, devoting a growing share of expenditures to support the development of childcare facilities, either by parents at home, by child minders, or in collective services. Childcare benefits have been restructured several times over the last two decades; the last major reform occurred in 2004 when all the allowances and benefits were restructured into a childcare package called the “childcare benefit package” (Prestation d’accueil du jeune enfant – PAJE) that replaces five previous allowances, including now four allowances that give parents the choice of working or caring on one hand and the choice of the childcare option on the other hand:
- a new born allowance (means tested)
- a basic childcare allowance (means tested) aimed at compensating costs of rearing children that may be complemented either:
- by a parental-care allowance for the parent who takes up a career break (totally or partially) to care for his/her child until he/she is three years of age,
- or by a childcare allowance aimed at compensating part of childcare costs by a childminder or a nanny ii (Letablier, 2008).

Since the 1990s onwards, family policy has become more and more articulated to the European employment strategy that defined objectives in terms of employment rates to be achieved by 2010, notably for women, and also in terms of childcare supply and gender equality. Specific features of the French policy contribute
to define a French model of work-life balance policy based on parents’ liberty of choice.

(2) Early education: a singular French institution

Early education is widely developed in France for children aged three to six. It is a major issue of the work-family balance French policy, but it is not officially a childcare policy since it is under the roof of the Department of Education. Pre-schools ("écoles maternelles") were created in the nineteen century but they have rapidly developed since the 1980s, now covering the whole territory. Although 27% of children from two to five attended pre-school in 1946, almost all children from three to six attend pre-school nowadays (97% in 2005) of whom 70% are full time. Around 25% of children aged two to three years were also enrolled in early education in 2005 (mostly part-time) as compared to 37% in 2002. The diminution is mainly due to the limited supply of room since the very early enrolment in pre-schools depends on the supply of places resulting in broad disparities across regions: The enrollment rate is generally higher in rural areas than in large cities. Pre-school is free of charge for parents who only have to contribute to lunch and after-school care that are provided by the municipalities. Half of children from two to six take up lunch at the school place where a hot meal is provided (Blanpain, 2006). After school, two out of three children are cared for by their parents (one or two when parents both work full time), others are cared for by a childminder or in collective childcare at the school place (until 6:30, but mainly in large cities). Classes are organized according to the age of children (young, medium and older children) thus providing adequate care and education to each level. The quality of early education is ensured by the qualifications of teachers and the usage of pedagogical methods. There is a high consensus on early socialization of children in France and the level of satisfaction of parents with pre-school is high, both with regard to costs and quality.

(3) Childcare for children below three years old

Children below three who are not attending pre-school may be cared for in collective childcare services, or by a certified childminder, a nanny or by family members. Whatever the choice, parents are eligible for support from the family policy fund, either in the form of allowances, tax deductions or reductions in social contributions. Collective services ("crèches") also receive subsidies from the family policy fund.

Collective childcare services

The number of children in collective childcare services has been constantly increasing over the last two decades, however less rapidly than individual childcare. Collective childcare services include regular–permanent services and occasional services, providing various forms of childcare adapted to parents’ needs. The “crèches” are dedicated to permanent childcare for children from 4 months (end of the maternity leave) to the age of 3 (age at which they can be enrolled in pre-school). The quality is based on the use of pedagogic methods of education and development, similar to pre-schools. Collective childcare services include “crèches de quartier” (in the district), “crèches de personnel” (at the work-place) and “crèches parentales” (managed by parents). The municipal childcare services are generally managed by municipalities, sometimes by associations or ONG, whereas other crèches are managed either by employers, employee representatives or by parents. In addition to this permanent childcare service, 2500 “halte–garderies” (occasional childcare, day care centers) receive children for few hours during the day, especially for parents working part-time or with irregular working hours. They are also managed either by municipalities or by ONG. In order to achieve its childcare development program, the present government tries to enroll companies to invest in childcare services. Since 2004, incentives (subsidies and tax deductions) are proposed to companies that develop childcare services for their employees, either on the workplace or in partnership between the local family policy fund and local authorities.

Individual or family childcare

Over the last two decades, individual or parental childcare increased more quickly than collective childcare, being encouraged by various benefits. Whereas in 2005, 257,000 children were cared for in a collective childcare service, 700,000 parents were recipients of a childcare allowance and 600,000 of the home care allowance (Office National de la Petite Enfance, 2006). Nearly half of families receiving childcare subsidies used it for caring for their children, while another 40% received the childcare allowance to pay for a childminder or a nanny to care for their children. About 12% received several allowances for their several children.

Childcare by a childminder is the most
widespread childcare for children under six. The number of childminders is estimated at 270,000, caring for about 700,000 children. This form of care has developed rapidly since the 1970-80s. The 1977 law transformed the old informal nanny into a formal occupation called childminder. Since then, childminders have to be registered to be able to care for children at their home. The introduction of the childminder allowance (AFEAMA) in 1991, the implementation of the childcare benefit -PAJE- in 2004 including a “childcare allowance” have been incentives to the development of this form of care. In 2005, a scheme of “professionalization” of this occupation was introduced in order to raise the quality of child minders care. The scheme includes collective agreements on social rights of both employers (the parents) and childminders (labor contract and pay rules on one side; caring environment on the other side). Then, the law of 27 June 2005 reformed the childminders’ working status by increasing the training obligations, redefining modalities of control, making the labor contract compulsory and introducing a principle of hour-based payment instead of day-based payment. A qualitative survey carried out in 2006 showed that the educational profile of childminders is low, most of them having had a mother’s career. Most of them explain that they do like their job firstly because they love caring for children and secondly because the job enables them to care also for their children at home (David-Alberola, 2008).

(4) Finally, who cares for young children in France?
In comparison with other countries, enrolment in childcare collective services is rather limited for children under three whereas participation of older kids in early education is high in France. Actually, 70% of children below three years are cared for mainly by their parents (in fact their mother) whereas 13% are cared for by a childminder and 9% in a collective childcare service. With two parents working full time, 33% of children are cared for by a registered childminder, 28% by one of the parents and 20% in a collective childcare structure. Informal care by a grandparent or a relative concern only 9% of children whereas 9% are cared for by a nanny or a baby sitter at home or in a day-care centre. Flexible working hours, especially shift working, explain why children with two full-time working parents may be cared for by one parent (Office National de la Petite Enfance, 2006).

<table>
<thead>
<tr>
<th>Childcare and early education costs</th>
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<tbody>
<tr>
<td><strong>For early education:</strong></td>
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<tr>
<td>- The costs of one child in public or private pre-school was 4676 € in 2005 according to the evaluation of the Department of Education.</td>
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<tr>
<td>- The state contributed for 2452 €, 99% of which were dedicated to pay teachers and educational staff</td>
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<tr>
<td>- Local authorities, mainly municipalities, contributed 1973 €, 57% of which were devoted to pay the care staff who assist teachers in pre-school.</td>
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<tr>
<td>Families contribute 251 € covering school fees in private schools (very low in France) and lunch facilities offered to children who stay all day at school.</td>
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<thead>
<tr>
<th><strong>For childcare services:</strong></th>
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<tr>
<td>The family branch of the social security system is the main financial provider for work-family balance policy. The other contributors are the local authorities, the tax system and the families. The costs for families vary along with the type of childcare. For medium income families, care by a childminder is less costly than other facilities, whereas for low income families, the collective childcare service is less costly. The financial support from the family policy concerns all families but is higher for low and medium income families than for those with a high income who benefit from substantial tax relief, especially those who employ a person at home to care for children. Among all childcare facilities, childminders are the less costly for the state.</td>
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<tr>
<td>However, whatever the income of the families, the state contribution to work-family balance policy is higher for collective childcare services than for any other childcare facility.</td>
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</tbody>
</table>
Although childcare benefits and subsidies to collective structures are the same all over France, geographical disparities are observed with regard to childcare facilities. Collective childcare is more common in large cities and in the Paris region whereas individual and family childcare is more widespread in rural areas, especially in the west of France where, as a counterpoint, pre-school attendance at two years is the highest in France (more than one child in two in the Brittany region).

Children who attend pre-school may also benefit from childminders’ services for out of school hours with a childcare allowance: 35% of children attending pre-school are cared for by a childminder after school hours or during holidays.

(5) Other work-family balance policies: Working time and Parental leave arrangements

Parental leave and working time are two major pieces of the work-life policy facilitating reconciliation between work and family life by giving working parents time to care.

Parental leave

Parental leave is an individual entitlement for working parents. This social right was incorporated into the labor code in the 1970s onwards to allow parents of a young child to take a career break until the child reaches the age of three. As a social right, the parental leave is unpaid; however, the family allowance fund pays an allowance to parents who care for their child by themselves until the age of three. The home care allowance paid to all families who meet the eligibility conditions whether or not they are on parental leave (most of them are) is not a replacement wage as in Nordic countries and now in Germany, but rather a family policy benefit. It is a flat-rate allowance paid to families below an income threshold that is relatively high since nearly 90% of families are currently eligible. The allowance is only paid for six months to parents with only one child whereas families with at least two children may receive the allowance until the last child is three. A higher allowance is proposed to parents of large families (more than three children). Certain flexibility in use was introduced by the reform of the childcare benefit package in 2004. All employees are eligible for parental leave if they have been in the labor force for at least one year with the same employer before the birth of the child. However, taking up parental leave is not well known since employers are not required to provide information about the take-up. Data only concern the recipients of the parental leave allowance (APE) and from 2004 of the parental care allowance (or home-care allowance CLCA).

Exploring the rationale behind leave policies in Europe, Karen Wall (Wall, 2007) found six leave policy models, France being in the “parental choice oriented policy model” that emerged during the 1980s in the context of animated policy debates supported by some political parties and social actors centered on mothers’ choice of working for pay or staying home to care for children. The cash benefit for parental care, APE, was in fact very similar to the “cash for care” in Norway or the “Home care allowance” in Finland, with the same idea of providing parents with an option of long, low-paid parental leave. However, prior to the introduction of this allowance was already a well-paid maternity leave of several months (16 weeks in France) as well as early childcare and education services which had expanded regularly during the previous decade. In this context, the long parental leave system was endorsed as an extra option for families rather than as the main or preferred form of caring for very young children (Wall, 2007:30). Given its specific pathway with regard to early childcare and education services, an early return to work strategy is made possible for mothers. However, emphasis put on parental choice rather than on gender equality was a highly controversial issue in the 1980s and 1990s, the government being accused of giving the way to the pro-family lobby rather than to the feminist lobby. Indeed, gender equality was mainly a workplace topic since the policy focus was on equal pay and equal access to occupations (Lanquetin et al., 1999). The introduction of paid paternity leave in the early 2000s and the possibility for fathers to share parental leave are still viewed as insufficient measures with respect to gender equality, whose model is the Swedish “one year leave gender equality oriented model.”

However, one of the outcomes of the emphasis on “choice” is in the gap in women’s labor force participation between lesser and more qualified women. In 1994, the extension of eligibility to parents with two children resulted in a decrease in mothers’ participation in the labor force: about 100,000 working mothers with two children took advantage of the measure between 1994 and 1997. Indeed, the take up is higher for low and medium qualified mothers than for highly educated mothers who are reluctant to
interrupt their careers. Mothers are also more likely to take up parental leave when their working conditions have deteriorated, i.e. in low paid and low qualified jobs with atypical hours of work like in the catering and hotels sector, for instance (Méda et al., 2003). Nevertheless the home care allowance remains highly controversial for two reasons. First, the duration is too long (three years) thus making it difficult for certain employees to resume work, especially for those with low qualifications. Secondly, the low rate of allowance associated with parental leave discourages fathers to share part of it. Despite the recent measures attempting to limit the impact of the parental leave on work career by maintaining the links with the firm and giving rights to training for employees on parental leave, the measure remains highly gender-based (Méda and Périvier, 2006). However, when questioned about their attitude towards taking up parental leave, an increasing number of men answer they may do it (Bauer, 2008). Most fathers who show this positive attitude are less committed to work than others who appear to be more reluctant; they also often live with a partner who is better paid than themselves, and more often than other fathers, they share parental and household tasks. Their contribution to the household income is also lower than their wife’s contribution.

In addition to parental leave, other leave arrangements exist for parents facing particular problems with their children or with dependant relatives. In 2001, a specific paid parental leave was introduced for parents who leave paid work to care for a child with a long illness or handicap (“congé et allocation de présence parentale-APP”). The take up of this leave and allowance is rather high since parents declare preferring to care themselves for their ill child; 87% of the recipients of whom 95% are mothers, declare to be satisfied or very satisfied with this measure (Damon and Kesteman, 2004).

Working time and working hours arrangements
Long working hours are hardly compatible with a good family life, as also are irregular and off-shift working hours which are difficult to combine with childcare services schedules. Both working time and working schedules are major issues for policies in France where the regulation of working time is fixed by law and implemented by collective agreements either at the branch or at the company level. Although the legal working week was reduced from 39 to 35 hours in 2000 for all employees, the effective working week is a little higher, but long working hours are not so much widespread as in the UK for instance, except for managers and professionals. According to the European Labour Force survey, 67% of employed women (25-54) work on average at least 35 hours per week. Apart from former socialist EU new member states where more than 90% of adult women work 35 hours or more, France stands as one of the European countries with the highest rate of women in the age of mothering enrolled in full time work (Table 2). One reason is the relatively low incidence of part-time work which is less common in France than in the Netherlands, Germany or the UK. Another reason is that working full time does not imply very long working hours. Moreover, part-time work is not mainly used by mothers to reconcile work and family life but rather as a transition in and out of the labor market (Anxo and Erhel, 2008; Anxo et al., 2007).

Table 2: Men and women (25-54) working hours in some European countries, 2005

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>Germany</th>
<th>The NL</th>
<th>Sweden</th>
<th>The UK</th>
<th>EU 25</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Women &lt; 15 hours</strong></td>
<td>3.8</td>
<td>14.4</td>
<td>15.4</td>
<td>3.0</td>
<td>8.2</td>
<td>6.4</td>
</tr>
<tr>
<td>15-29</td>
<td>18.2</td>
<td>26.2</td>
<td>42.6</td>
<td>12.1</td>
<td>27.7</td>
<td>20.8</td>
</tr>
<tr>
<td>30-34</td>
<td>10.9</td>
<td>8.8</td>
<td>15.5</td>
<td>19.7</td>
<td>8.9</td>
<td>8.5</td>
</tr>
<tr>
<td>35+</td>
<td>67.0</td>
<td>50.5</td>
<td>26.5</td>
<td>65.2</td>
<td>55.1</td>
<td>64.2</td>
</tr>
<tr>
<td><strong>Men &lt; 15 hours</strong></td>
<td>0.6</td>
<td>2.0</td>
<td>1.5</td>
<td>1.5</td>
<td>0.7</td>
<td>0.9</td>
</tr>
<tr>
<td>15-29</td>
<td>3.6</td>
<td>3.3</td>
<td>4.7</td>
<td>4.2</td>
<td>3.7</td>
<td>3.2</td>
</tr>
<tr>
<td>30-34</td>
<td>2.8</td>
<td>2.0</td>
<td>6.7</td>
<td>3.4</td>
<td>2.2</td>
<td>2.2</td>
</tr>
<tr>
<td>35+</td>
<td>93.1</td>
<td>92.6</td>
<td>87.1</td>
<td>90.8</td>
<td>93.4</td>
<td>93.7</td>
</tr>
</tbody>
</table>

*Source: Eurostat, Labour Force Survey, 2005
With regard to flexible working time arrangements, France displays a medium place in Europe with a low rate of individual agreements on flexible hours and a relatively high rate on flexible arrangements. However, flexible arrangements are not all in response to a demand from employees, but rather are often imposed by the employer according to the needs of services or work organization. In addition, there is little attention to the family structure (Table 3).

Table 3: Flexible working time arrangements for men and women (25-49) by household structure, 2004

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>Germany</th>
<th>The NL</th>
<th>Sweden</th>
<th>The UK</th>
<th>EU 25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lone parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fix or staggered working hours</td>
<td>75.0</td>
<td>53.7</td>
<td>83.4</td>
<td>-</td>
<td>74.6</td>
<td>73.5</td>
</tr>
<tr>
<td>Individual agreement on start and end of working hours</td>
<td>3.7</td>
<td>38.9</td>
<td>5.4</td>
<td>11.5</td>
<td>13.4</td>
<td></td>
</tr>
<tr>
<td>Flexible working-time arrangements</td>
<td>21.3</td>
<td>5.9</td>
<td>4.5</td>
<td>12.4</td>
<td>11.6</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>1.5</td>
<td>6.7</td>
<td>1.6</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>Couples with children</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fix or staggered working hours</td>
<td>73.9</td>
<td>55.2</td>
<td>80.7</td>
<td>71.1</td>
<td>76.4</td>
<td></td>
</tr>
<tr>
<td>Individual agreement on start and end of working hours</td>
<td>4.7</td>
<td>35.0</td>
<td>5.2</td>
<td>12.9</td>
<td>10.5</td>
<td></td>
</tr>
<tr>
<td>Flexible working time arrangements</td>
<td>21.4</td>
<td>7.3</td>
<td>5.7</td>
<td>14.4</td>
<td>11.1</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>2.4</td>
<td>8.4</td>
<td>1.5</td>
<td>2.1</td>
<td></td>
</tr>
</tbody>
</table>


(6) Additional forms of support to work-life balance
Also relevant for working parents balancing work and life balance are the tax deductions that contribute to reduce the costs of children and of childcare, and also the various forms of support developed by companies.

Tax breaks for families
Tax breaks are an important component of the family policy benefits package in France, accounting for 34% of all benefits (including housing benefits and social assistance benefits paid to families by the Family Allowance Fund). Most tax breaks are linked to the “quotient familial” system that takes account of the number of children living in the household. In addition, childcare expenses account for 3% of all tax breaks for family reasons, but this form of support primarily benefits higher income families since low-income families are not paying any income tax.

Companies’ family-friendly policies
Although the role of the state is prominent in implementing work-family balance measures, the role of companies should not be underestimated. Firstly, companies contribute to the financing of the family policy in France through the employer’s social contributions to the funding of the social security system. Secondly, companies have to implement legal rules, i.e. laws and collective agreements. Thirdly, companies have their own strategies towards work-life balance, providing cash or in kind support to their employees for childcare facilities or for leisure activities. Not only have companies recently been encouraged by the state to invest into childcare facilities for their employees (by tax relief), but they also have been required to implement work-family balance measures in order to improve gender equality at the work place. Companies have to be more family-friendly, not only because it may be good for their economic performance but also because they have to be socially responsible. At European level, family-friendly measures have been integrated into the Laeken indicators of job quality. Labels or other forms of certification are the tools used to reach this objective (Klammer and Letablier, 2007). A survey carried out by the French Demographic Research Institute in 2005 provides useful data and information on the role of enterprises in supporting work-family balance, showing the broad range of forms of support and the unequal generosity of companies depending on size and economic sector (Eydoux et al., 2008; Lefèvre et al., 2008).
4. Assessing the impact of policies on fertility decisions

Several reasons have been put forward to explain the fertility decline: the economic context and the employment insecurity may result in a reduction of family size if parents do not receive support to reduce the costs of children; changes in the norms concerning family life and family formation may also impact fertility decisions in particular because the risk of marital separation is rising everywhere; changes in attitudes towards children and the value attributed to education and well-being may explain why in some contexts the ideal family size is becoming smaller over time. In addition, women's preferences may be for working in order to ensure their economic security instead of mothering in countries where policies supporting parenthood and work-life balance are limited and where men are not ready to share parental responsibilities. All these reasons have been researched and assessed but no clear explanation has come out. By contrast, the main reason for the relatively good performance of France with respect to fertility may be the support provided to parents to reduce the costs of children and to facilitate the reconciliation of work and family life, so that mothers can work and care.

(1) The role of institutions and policies in shaping fertility

How policies contribute to explain cross-country differences in fertility remains an open question. One reason lies in the methodological difficulties encountered in assessing the policy impacts on fertility behavior. Empirical investigations have, however, overcome such difficulties and have identified policy effects in specific circumstances.

Several researchers have emphasized the variety of policies supporting families and working parents across OECD and European countries (Gornick et al., 1997; Gauthier, 2007; De Hénau et al., 2006; OECD, 2002-2007; Thévenon, 2008). These analyses stress the differences in the degree of support and in policy instruments such as cash benefits, childcare services, entitlements to child-related leaves and working time flexibility. They also emphasize the differences in which part-time work, working hours' flexibility or other supports provided by employers contribute to balance work and family life. Macro-level comparisons then show that both higher fertility and female employment rates are simultaneously found in countries where the institutional support to working parents is comparatively extensive (OECD, 2002-2007). Patterns of support differ, however, from one country to another. Relatively high, continuous support for working parents during childhood is found in France and Nordic countries where high fertility rates go hand by hand with relatively high female full-time employment rates. An extended flexibility in working hours is also often provided by employers in these countries contrasting with countries where the balance between work and family life is more often achieved through part-time work of women. Other clusters of countries in Europe receive less support from the state, and both female employment and fertility rates set at lower levels. Consequently, macro-level observation exhibits a rather clear positive correlation between policy support and both fertility and female employment rates. However, all policy instruments do not have similar impacts on fertility and on mothers’ patterns of participation in the labor force.

(2) Cash benefit and financial support: a controversial impact

In comparison with other policy instruments, cash benefits can be easily quantified and their impact on behavior be captured. According to Gauthier (2007) the impact of cash benefits on fertility seems to be weak, confirming the findings of Blanchet and Ekert-Jaffé (1994) who investigated the effect of family benefits on the Total Fertility Rate in 11 industrialized countries over the period 1970-1983. They constructed a family policy index that account the global generosity of financial support through cash benefits, tax relief, parental leave compensation, and found a rather weak impact of such a package. They calculated that the French family policy could lead to an extra 0.17 child per women as compared to some other developed countries like the UK.

Gauthier and Hatzius (1997) modeled the dynamic relationship between fertility rates and policies for 22 OECD countries over the period 1970-1990. They found that neither the duration nor the benefits provided by maternity appeared to be significantly related to fertility. By contrast, direct cash benefits had a positive and significant effect, although small. These authors also considered the differences in policy impact according to birth parity and found greater effect of benefits for the first child. One of their conclusions is that targeting benefits at the third child as it was done in France is unlikely to increase fertility. However, they also observed differences in the policy impact across countries.
Basically, the greater impact found in Scandinavian countries was interpreted as the effect of the co-variation of in-kind support in these countries. Thus the authors indirectly stress the importance of institutional complementarities although they could not be quantified.

By contrast, Laroque and Salanié (2008) found a larger impact of financial support to the cost of children on fertility behavior. They used an identification strategy of the “incentive effects” relying on the fact that a variation in wages induces variation in benefits and tax credits among “comparable” households. The two authors implement this approach by estimating a discrete choice model of female participation and fertility using individual data from the Labor Force Survey and a detailed picture of the French tax-benefit system. The findings suggest that financial incentives play a notable role in determining fertility decisions in France, both for the first and the third child. They evaluate that an unconditional child benefit with a direct cost of 0.3% of GDP might raise the TFR by about 0.3 point however reducing the female labor supply by about 0.5 point.

(3) Impact of work-related policies
The impact of working time policies on work-life balance has been stressed in several research studies, especially the policy measures that limit long working hours and promote flexible working arrangements at the demand of the employees. Although the direct impact on fertility decisions has not been assessed, it is likely that they contribute to fertility by facilitating mothers’ employment and the share of parental responsibilities. Comparing changes in cross-section data, Castles (2003) argues that the provision of child-care facilities for children aged 0-3, which is crucial to early labor force re-entry, may have been the main factor contributing to the reversal of the relationship between fertility rates and female labor market participation in OECD countries.

Del Boca et al. (2007) also modeled the role of childcare arrangement, parental leave, family allowances and labor market flexibility on women’s joint decision towards fertility and labor supply. Their findings indicate that part of the differences in female labor market participation and fertility rates in six European countries can be attributed to a policy supporting parenthood but with a different impact according to the educational level. The impact of childcare availability and optional leave on both fertility and labor force participation decisions is higher for lower educated families. Parameter significance on fertility is weak however. By contrast, labor market policies, such as part-time opportunities, have a larger impact on highly educated women. In all cases, the impact is more significant and larger on labor supply than on fertility.

All these micro-based studies suggest that policies impact on fertility behavior, even if policy only explains a limited part of cross-individuals heterogeneity. The extent to which such micro-based evidence can serve to account for the differences in fertility rates at the macro-level is however far from obvious.

5. Conclusion
Despite its complexity due to a broad set of policy instruments, the French policy supporting parenthood could be said to have created a family-friendly environment favorable to parenting and childrearing. The traditional family policy has progressively adapted to new conditions regarding women’s willingness to participate in the labor force to meet individual income security. Despite deep transformations in family life and family formation, the desire for children remains consistent, so policy objectives have been redesigned in order to allow individuals to have the number of children they intend to have. The rebound in fertility that can be observed in France may be attributed to state support for parenthood through a wide variety of measures and instruments that contribute to define a French model of work and life balance policies. However, despite a high consensus on family policy, some policy instruments remain controversial since they may discourage mothers from returning to employment or because they do not support gender equality.

Notes
i In 2005, 16% of children under 18 years old lived in a lone parent family, 18% with two unmarried parents, and 63% with two married parents.
ii The new born allowance amounted 863.79 € in 2008, for parents under the income threshold. The childcare basic allowance is also mean tested and paid to parents of a child below three amounting 172.77 € per child and per month. Parents who interrupt totally or partially their career to care for their child under three years old are entitled for a parental care allowance (Complément libre choix d’activité-CLCA) if they have been previously into the labour force for at least two years (employed or unemployed).
The amount of this allowance was 368.27 € in 2008 for recipients of the childcare basic allowance (low income families) and 536.03 € for parents not eligible for the basic allowance. Only parents who care themselves for their children are entitled to this home care allowance. Parents working and caring part-time are entitled for a partial allowance depending on the number of hours dedicated to work, whether they work less than a half full time (short part-time) or between 50% and 80% of the conventional working time in the firm (long part-time).

School begins at 8:30 and finishes at 4:30 PM on Mondays, Tuesdays, Thursday, Friday and Saturday morning.

There are about 20 children by class with a teacher and one or two assistant.

In 2006, there were 1900 municipal crèches, 210 companies’ crèches and 190 parental crèches.

In 2004, this one-year leave was paid around 823 euros for parents living in couple and 978 euros for lone parents who renounced to work.


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