

THE CHANGING WORK-LIFE CONCILIATION IN THE CZECH TRANSITION: INSTITUTIONAL BACKGROUND

INSTITUCIONÁLNÍ ASPEKTY SLAĎOVÁNÍ RODINY A PRÁCE V KONTEXTU PŘECHODU NA TRŽNÍ HOSPODÁŘSTVÍ

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Abstract

Czech conciliation policies have gone through dramatic changes since 1989. The objective of this paper is to describe their evolutions and to outline their effects on female labour supply. Special attention is paid to political, socio-economic and cultural circumstances pre-existing to the 1989 transition to market economy. We show that the post-transitional policies differ from the former interventionist and paternalist orientation, and result in a sharp decrease in public childcare supply and one of the widest parenthood-related employment gaps in Europe. The European Union integration process then represents a second major shock, as it puts emphasis on female labour market participation and on public child care services as tools for increasing mothers' labour supply. Recent family policy reforms confirm a shift towards mothers' labour supply support; yet childcare supply remains a second-tier issue.

JEL Code: J13, J16, J18, P30

Key words: Central Eastern European Transition, Female Labour Supply, Parental Leave and Benefits, Policy Evaluation

Abstrakt

Politika sladování rodiny a práce prošla od roku 1989 významnými změnami. Cílem tohoto příspěvku je popsat její vývoj a naznačit její dopady na pracovní uplatnění žen. Zvláštní pozornost je věnována politickým, socioekonomickým a kulturním souvislostem před přechodem k tržní ekonomice po roce 1989. Popisujeme změny, kterými tato politika prošla po přechodu k tržní ekonomice od předchozí intervenční a paternalistické orientace, a důsledky vedoucí k prudkému snížení počtu zařízení předškolní péče a nejvýraznějšímu poklesu zaměstnanosti osob pečujících o dítě v Evropě. Proces evropské integrace, který klade důraz na uplatnění žen na pracovním trhu a na zajištění předškolní péče jako prostředku účasti žen - matek na trhu práce, představuje další významný vliv v této oblasti. Současná rodinná politika zaznamenává posun k větší podpoře uplatnění žen - matek na trhu práce, ale zajištění potřebné předškolní péče zůstává stále druhořadým tématem.

Klíčové slová: tranzitivne krajiny Strednej Európy, ponuka ženskej práce, rodičovská dovolenka a dávky, hodnotenie politík

INTRODUCTION

The Czech Republic has recently gone through two major institutional changes, the 1989 transition to market economy and the 2004 European Union accession. Both of these political and economic transformations are likely to have had a substantial impact on households' work-family conciliation behaviours.

In the "work-family balance" research field, three perspectives are developed in the literature, either separately or jointly. As the term suggests, work-family balance behaviours include a "family" part, i.e. households behaviours in terms of fertility choices and child care related choices, and the "work" part, composed of households' labour market related behaviours (labour supply) with regards to the macroeconomic situation of the labour market (labour demand). Last but not least, the third aspect which shapes the work-life arrangements are the conciliation policies, i.e. the legal corpus of mainly social policies, family policies and employment policies which provide the institutional structure inside of which households choose their work-family balance strategies. The mutual links between the three aspects of conciliation have been raised by the different branches of social sciences. In the Czech Republic, it has mostly been addressed from the angle of institutional childcare supply and its decline during transition (Haskova, 2007 ; Kocourkova, 2002; Kucharova et al, 2009), together with the steep fertility decline (Sobotka, 2008, Rychtarikova, 2004). As to the social and family policy analysis, the negative impact of transitional policies on standards of living of families with children is highlighted (Potucek, 2001 ; Saxonberg and Sirovatka, 2009 ; Vecernik, 2001), with a recent gender mainstreaming perspective (Haskova and Uhde, 2011). In economics, the theoretical and empirical link between employment and fertility has been largely discussed in the Western countries (Browning, 1992), but has received less attention in the Central Eastern European (CEE) region. The impact of family policy on households' conciliation strategies, i.e. on employment and fertility choices, is subject to econometric evaluations (Lalive and Zweimuller, 2009 ; Piketty, 2005) but only few empirical studies have been conducted in the post-transitional CEE countries (Balint and Kollo, 2008).

In this paper, we focus on conciliation policies and parents' labour supply patterns. The objective is to describe the succession of Czech conciliation policies in the last decades, along with their intended and real effects on parents' labour market participation. The Czech Republic went through a transition to market economy in 1989, followed by the European Union accession in 2004, both of which affected social and family policy making. What are the changing orientations of conciliation policies and how have they shaped¹ the conciliation behaviours of Czech households since the transition? In order to answer this question, special attention must be paid to larger political, socio-economic and cultural circumstances pre-existing to the transition. Indeed, a certain path dependency in family behaviours and political institutions of the former regime, marked by a centralization of the political power and a centrally planned economy, must be taken into account in order to understand properly the work-life balance behaviours and policy makers' decisions after 1989. Therefore, this study of the institutional background of work-life balance behaviours serves as a preliminary step to an empirical evaluation of post-transitional conciliation policies.

We assume that the work-life balance behaviours convey long-term cultural determinants composed of a mix of inherited communist policies and practices and at the same time a fierce rejection of some of these features of communist work-life balance arrangements. In order to

¹ The verb "shape" could be replaced by "interact", as the direction of causality between individuals and institutional factors cannot be easily stipulated and is conceived either way in different theoretical frameworks. This debate will be left aside in this paper, only the perspective where the global affects the individual is adopted.

highlight these institutional determinants of Czech households' conciliation behaviours, the paper is organized as follows. The first part is dedicated to work-family balance practices and policies in the former political regime. In the second part we study the evolution of the structural determinants of Czech work-life balance schemes since 1989, in both their aspects of continuity and rupture vis-à-vis the previous period. The post-1989 family policy is divided into 3 stages: the first years of the transition marked by major political and economic restructuring, a pre-EU accession period with pressures towards the consolidation of democracy and market economy, and the most recent developments since the EU accession in 2004.

1 WORK-FAMILY TENSIONS AND THEIR MANAGEMENT BEFORE 1989

Before addressing the evolution of the work-family balance schemes of Czech households over the last twenty years, we first have to focus on the period of centrally planned economy and centralized political power which began shortly after the World War 2. Productive forces were organized upon the USSR model and instructions, and so were the social policies. At that time, conciliation in the Czechoslovak Republic had similarities with other CEE countries, such as Poland and Hungary². In the Eastern Bloc, the centrally planned economy led to a specific management of the labour force, marked by a strong interventionism.

1.1 Centrally planned production

Compulsory employment did not apply to married women, but the social and family benefits were conditioned by employment, and the model of double income was preponderant among Czech households. Full female employment was also due to an extensive economic development in the 1950's, drawn by the heavy industry. This production was very costly in terms of labour force and the economic growth was based on an increasing use of the labour force (Kornai, 1992). The result of this cumbersome and ineffective productive system is a permanent labour force shortage and hence high female employment rates. The female full time employment spreads among the majority of women throughout the active age: in 1955 women count for 42% of the Czechoslovak labour force (Haskova, 2007).

Employment and especially female employment is also surrounded by rhetoric of emancipation by work, which makes part of the communist ideology. Massive female employment came along with a fertility decline³, which became alarming in the 1960's and initiated the development of a comprehensive pro-natalist family policy.

1.2 Fertility and Family policy

² After the revolution, the former Czechoslovakia composed of Czech Republic and Slovak Republic formed with Poland and Hungary what we call the "Visegrad Four". Their common past make them a coherent group for all kinds of studies in social sciences, for studies directly focused on work-family conciliation see Scharle (2007).

³ The fertility trend of the 1960's reflects also the widely spread and affordable birth control means.

The total fertility rate records a significant decline between 1950 and 1970 (from 2.8 to 1.9). It has fallen close to the replacement level since 1959 and below the replacement level since 1966.

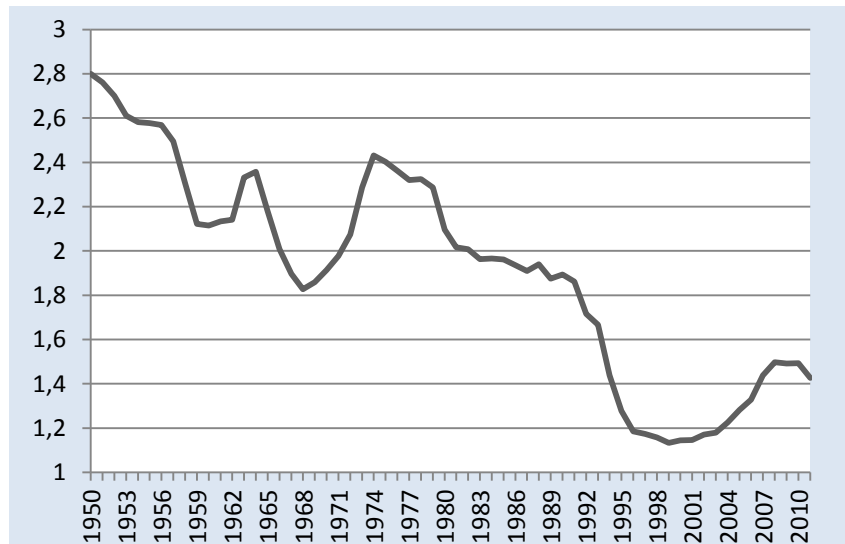


Figure 1 Total Fertility Rate 1950-2011
(CZSO, 2012)

Concerned by this decline, public authorities began to set up a thorough and progressively more and more generous family and social policy. Although this evolution concerned a large range of social policy instruments, our focus aims at measures which most directly concern the work-family balance, i.e. the ones relative to the most problematic period of childrearing in respect to parents' work-family combination opportunities, which comprises the child's age 0 to 6. The selected family policy instruments therefore cover this stage of parents' life cycle, mainly the maternity leave schemes and the organization of pre-school childcare. During the maternity leave, mothers benefit from job protection and in-cash support, mainly maternity benefits and additional maternity benefits (equivalent of today's parental benefits), distributed during a given number of weeks for the former and months for the latter. The financial support for families with young children also includes childbirth bonus and more generally child benefit and tax deductions. The issue of childcare concerns mainly an in-kind state support through the availability of institutional childcare for children aged from 0 to 2 years (nurseries) and from 3 to 5 years (kindergartens).

As to the maternity leave, its duration is extended to 18 weeks in 1948, then to 22 weeks in 1964 and 26 weeks in 1968. The "additional maternity leave" is created in 1964, and maternity benefits are extended in 1969 so that mothers can stay at home during one year and receive benefits, if there is more than one young child in the household. This pro-birth social policy orientation implements new forms of direct and indirect support for families: marital credits with graduated interest rates depending on the number of children, similarly graduated tax rates, free school equipment, and reduction of other costs such as rental or transports (Haskova and Uhde, 2011). The cost of children was maintained artificially low, as the prices were set by the central authorities and so-called negative turnover tax was applied to staple foods and other goods and services considered as essential: they were actually state-subsidized. The already mentioned maternity benefits also follow a pro-natalist objective, as

they were only paid to parents with more than one pre-school aged child. Thus, concerns about fertility lead the family policy towards a pro-natalist and interventionist turn (Kocourkova, 2002), focused mainly on two aspects: lengthen the leave for mothers of more than one preschool age child, and widen the system of public day care facilities.

This second orientation is an important feature of the communist management of the work-family conflicts, aiming at the creation of a wide and financially affordable institutional child care network for potentially all the Czechoslovak children, so that mothers can fully participate to the state production effort. During the 1960's, the part of children attending kindergartens moves to 56% (compared to 26% in 1950), and the form of institutional childcare moves from part-time care to all-day service for the majority of children (Haskova and Uhde, 2011). As to nurseries, their number also increases substantially, with the same target of defamilization of care and liberation of female labour force, but to a lesser extent than kindergartens. Globally, between the 1950' and the 1980', the part of children attending nurseries moved from 3% to 18% and the part of children attending kindergartens moved from 26% to 81% (Haskova, 2007). After this acceleration of family policy measures in the 1960's, the fertility drop is indeed suspended, even reversed for a decade, but the objective of transfer of care from households to state is only partly completed. A major limit stems from the differentiation between the status of kindergartens and nurseries, marked by a positive attitude towards the former and general mistrust for the latter. Although kindergartens have been included, since 1948, to the Czechoslovak educational system managed by the Ministry of Education, nurseries remain under the responsibility of the Ministry of Health. Therefore they are not admitted as having an educational purpose, and their management, close to medical facilities, is abundantly publically criticized. This attitude of mistrust will remain unchanged during all the communist era. Therefore, the objective of institutional childcare for all is not fulfilled by the population which gives priority to home child care provided by mothers or grand-mothers for children under 3. For this reason among others, additional maternity leave is extended in the next decades, at first to 2 years in 1970 then to 3 years in 1987, still under the conditions of two young children in the household. As we will see, this trend will accelerate in the post-transitional conciliation policies.

The pre-transitional conciliation behaviours were ruled by a strong central political authority, which took a pro-natalist turn in the 1960's, established a large network of nurseries and kindergartens and extended the family policy expenditures through the paid maternity leave⁴. In fall 1989, the transition to market economy modified the institutional background of conciliation: new family policy orientations advocate more market-based solutions to the work-family conflict, while former conciliation practices and policies remain strongly rooted among the Czech households and decision-makers.

2 CONCILIATION IN TRANSITION

At the moment of the transition, the previously outlined long-term cultural determinants met western inspirations and pressures, and jointly shaped the changing work-family balance patterns. Among the countries of the Visegrad Four, the Czech transition displays specific features in terms of work-family balance, such as the steepest decline of childcare facilities and mothers' employment, which makes the evolution of Czech households conciliation behaviours a particularly intriguing issue. The change of the political regime came along with

⁴ For detailed expectable impact on fertility and female employment of the Czech family policy measures between 1948 and 2013, see the Appendix.

a transition to market economy, with two salient features. The first one, which will be dealt with in the first subsection, is the creation of a labour market, and more generally the development of markets as price setting entities. The second one is an ideological swift in the management of public expenditures. The evolution of family policies and their effects on conciliation will be addressed in the last subsection of this paper.

2.1 Economic background

After 1989, social policies adapt to a new economic system, which brings along the creation of a labour market with misbalances and unemployment, which were virtually inexistent until then. These uncertainties, among other changes, tend to modify the behaviour of households in terms of family formation and conciliation patterns.

2.1.1 Labour market

The emerging labour market, marked by privatizations and firms restructuring, entry of foreign capitals and competitiveness concerns, modifies progressively the structure of the labour force and introduces tensions and unemployment. Both female and male participation rates decrease gradually, and female participation moves from 52,3% in 1993, 50,6% in 2005 and below 50% from 2007 (CZSO, 2011). In the first years of the transition, the Czechoslovak Republic records a relatively limited rise of unemployment, compared to other countries in the region: according to the Labour Force Survey it does not exceed 5% until 1997. But in the second part of the 1990's the trend accelerates and in 1999 unemployment rate reaches 8,7%: women record 10,3% and men 7,3% (CZSO 2011). The female unemployment rate is higher than male unemployment, indeed the labour market pressures are dealt with by withdrawing certain categories of workers from the labour market, such as mothers with young children. These measures, conceived as a way to relieve unemployment, are recommended to local authorities by the World Bank (Visek, 2006). Mothers' return-to-work patterns are also shaped by a massive decline of the standards of living which followed the transition. The prices of the majority of goods and services are from now on set free⁵, but the progression of nominal wages remains under severe control in order to avoid inflationary spiral: along with the general reduction of family social benefits, the result is a temporary but steep decline in real income (Atkinson and Micklewright, 1992), and hence a strong incentive for households to maintain the double income. Therefore, the combination of a high female employment throughout the active age and a strong tendency to lengthen the period of inactivity through the parental leave (combined with a delayed entry to the labour market due to higher education) produces a contrasted evolution of participation rates by age.

⁵ There are however price ceilings for rents, energy, public transports and staple food.

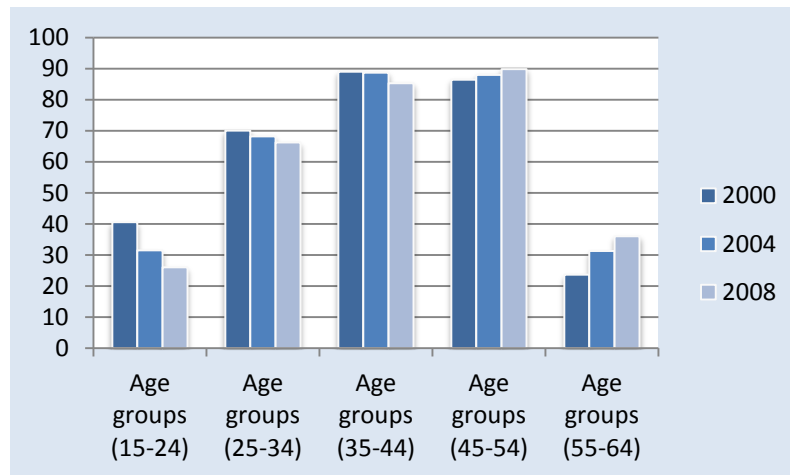


Figure 2 Female labour force participation by age group
(GGP Contextual Data Collection⁶)

In terms of employment rates, a similar distribution produces an "M-shaped" curve.

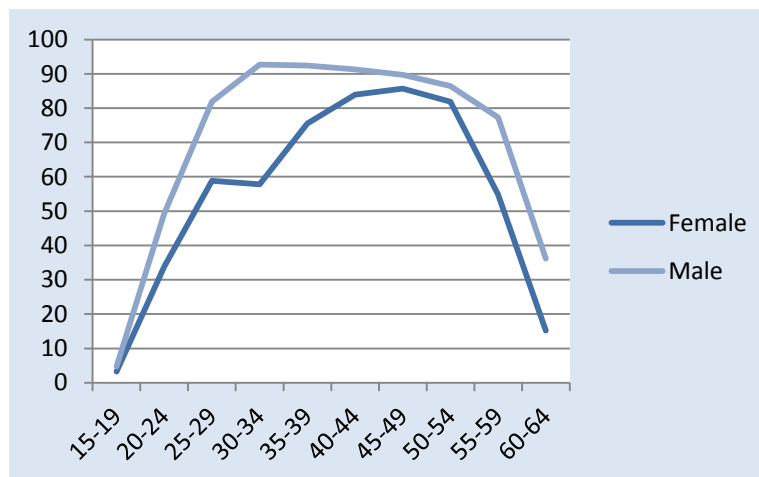


Figure 3 Employment rate by age group and sex in 2010
(CZSO)

This curve forms an asymmetric "M", with low employment levels for women between 25 and 30, and also a significant increase, compared to other European countries, for women between 40 and 55. For the accuracy of the international comparison, another employment feature inherited from the previous productive force organization should be noted, which is a significant predominance of full time contracts. Therefore, employed women work almost exclusively full time, before and after the maternity, with a very long discontinuity in the middle of the life cycle. The following chart of employment impact of parenthood in different European countries represents graphically this specific work-life arrangement of Czech households since the transition.

⁶ Available at <http://www.ggp-i.org/contextual-database.html>

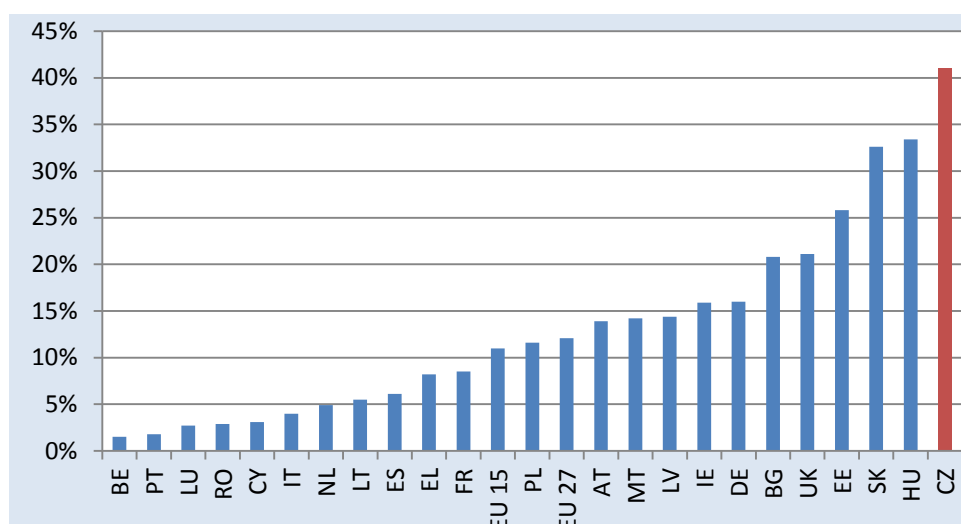


Figure 4 Employment gap - women with children under the age of 6

(EU Labour Force Survey, in European Commission Indicators for monitoring the Employment Guidelines, 2010)

In the majority of European countries, employment rate of women with children is lower than employment rate of women without children or with children older than 6. In the Czech Republic, however, this negative effect of motherhood on employment is noticeably more pronounced than in all the other countries, and it reflects the gap between relatively high employment rate of women outside the reproductive age group and markedly low employment and participation rates of Czech mothers. This employment gap highlights the shift from a model of joint parenthood and labour, towards an incompatibility of having young children and working simultaneously. These growing work-family tensions are solved by successive stages of activity and inactivity which in fact bring certain categories of women to a decision between two separate paths, career or motherhood. As a result, there is an expanding gap between employment of mothers with very young children and the overall female employment. In 2007, both parents full-time employment occurred for 76,2% (49,9% for the EU average) of Czech couples with children between 6 and 14, while this rate falls to 42,7% for parents of children between 3 and 5, and even 11,7% for parents of children between 0 and 2 (respectively 44% and 35% for the EU average) (OECD, 2012).

2.1.2 Fertility as a transition cost

Therefore, Czech women experience increasingly the work-family conflict, in the context of economic uncertainty related to the transition, and choose to postpone or even reject childbearing. Indeed, the 1990's record an alarming fertility trend, with an unprecedented drop in fertility rate. This drop in the 1990's records the growing percentage of the childless population, compared to the pre-transition situation, but also the rapid increase in the mean age of women at birth (postponed childbearing). The Czech Generations and Gender Survey suggests that the phenomenon of postponed or unrealized childbearing intentions is symptomatic of the transformation (Stastna, 2009). The Czech Republic, as the rest of the Central Europe, has one of the largest change in the timing of family formation of the OECD countries, mostly because the mean age at family formation and first birth was particularly low before the transition, compared to Western countries. In 1989, the mean age of women and men getting married for the first time was respectively 21,8 and 24,6 years (OECD, 2012), with the mean age of women at first birth being 22,4. In 2008, childbearing is less connected to marriage and postponed, in such a way that the mean age at first birth reaches

27,5 (Stastna, 2009)⁷. Among the reasons for this change in family formation timing and fertility rate, we should therefore mention changing norms and recently gained opportunities to study and travel abroad, but also the cost of living and mainly the cost of children. Compared to the pre-transition period, the cost of children increased substantially after the revolution, since subsidies on essential goods and services, advantageous loans, and other former direct and indirect family supports disappear. Therefore, there are more uncertainty to start a family, and the danger of unemployment and higher costs of living for households with children lead to a more careful planning of the family formation (Sobotka T. et alii, 2008).

This growing incompatibility of parental tasks and labour market attachment for Czech women yields more particularly in the issue of the lack of available child care services. The supply of child care services followed the fertility trends in the first years of the transition, and therefore the Czech Republic recorded a steep decline of nurseries, the steepest among all the surrounding countries. This evolution is abundantly exploited by local researchers as the major institutional obstacle for reconciling family and work (Haskova, 2007 ; Kocourkova, 2002 ; Kucharova et al, 2009, Scharle, 2007). Since the transition, the management of public child care facilities has been ruled, besides fertility trends, by new orientations of the post-transitional social policy, marked by expenditure cuts and more liberal and residual approach of family policy. Therefore, the remainder of this paper is dedicated to the actions of the new welfare state, and it is structured chronologically, following the successive stages of conciliation policies.

2.2 Family policy

This section will illustrate the declared effort to bring new orientations to public policy and reduce social expenditures, describe the actual changes in conciliation policies and assess their effects on work-family balance. The main conciliation policy instruments taken into account remain the parental leave schemes and related benefits, and the child care supply.

2.2.1 Conciliation policies in the early transition

The first transitional years feature a radical political shift from the communist policy and practices, via a pro-reform climate of public policy and social policy in particular. The changes to come after 1990 convey an "ideologically induced animosity towards the institutions and policies of the welfare state" (Potucek, 2001, p.102). In the field of family policy, this shift applies to the rejection of former pro-natalist objectives, replaced by political rhetoric of free choice. Fertility is regarded as a matter of individual preferences which should be held out of public authority's reach. The individual responsibility is promoted as counterpart to the former state paternalism (Vecernik, 1993), and the institution of public childcare loses to a large extent the public attention and financing. The division between nurseries and kindergartens remains topical, as the evolution of these two types of facilities follows different patterns. The supply of kindergartens decreases in accordance to the fertility trend (the fertility rate decreases substantially every year in the 1990's), but the number of nurseries records an unprecedented decline, which gets far ahead the declining demand: from 1 700 nurseries before the transition, we pass to 1 043 in 1990, 486 in 1991, and 381 in 1992 (Kucharova and Svobodova, 2006). In mid-1990's, the number does not exceed 200. A large part of the closed nurseries were former corporate nurseries of the state companies: their

⁷ Despite the change, the mean age at first childbirth remains today below the OECD average: 27,2 years in the Czech Republic, 27,8 years in the OECD average.

recent restructuring put emphasis on the productive function at the expense of formerly predominant social and political functions.

As to the parental leave scheme, in accordance to the shift from the pro-natalist perspective, the additional maternity leave becomes parental leave in 1990 and it is extended to 3 years for all children, with no other condition than the age. This generous evolution of parental leave schemes might appear paradoxical in the context of transition towards less interventionist and less universalist approach of the social policy, but here the underlying continuity of family policy institutions exerts a greater pressure than the declared liberal attitude; not to mention the opportunity to appease labour market pressures and promote social peace. Similarly, childbirth bonus and child benefit are maintained and remain universalist until 1995.

As the political and economic transformation progresses, this inherited family policy is shaped by a more liberal approach with targeted allowances and budget restrictions. At the same time, this evolution takes place amid a persisting background of childcare refamilization, which withdraws mothers from employment and penalizes their further career in the increasingly insecure labour market.

2.2.2 Social Support in the late 1990's

In the 1990's, the decline in nurseries continues, in accordance to the new parental leave extension which assures parental benefits payment until the child turns 3. Besides, this evolution fits the fertility trend: in 1999, the Czech fertility rate reaches "the lowest-low" (Sobotka, 2001), at the level of 1.13. The family policy follows the liberal orientation and does not implement pro-natalist measures in the area of institutional childcare supply, although the lack of available childcare becomes an even more burning issue due to the pension reforms. Indeed, the retirement age is repeatedly extended, in a way which compromises previously widely used childcare provided by grand-mothers⁸. Therefore, in the 1990's, mothers' withdrawal from employment during 3 years becomes a norm (Haskova, 2007), as the children are supposed to attain kindergarten only once they turn 3. However, kindergartens also record a decline, and they do not reach the demand: in 1995, there is a national shortage of almost 10 000 places. (Kucharova and Svobodova, 2006).

Compared to the first transitional years, the labour market misbalances grow substantially in the late 1990's and unemployment becomes a major economic and social concern. In this context of growing costs of the transition, several reforms tend to reduce labour market tensions by encouraging certain groups of workers to withdraw from labour market. Therefore, when the social support system is restructured in 1995⁹, the parental leave scheme is revised and the payment of parental benefits is extended to 4 years instead of 3. However, this extension is not accompanied by an extension of the job protected parental leave (i.e. the time during which the employer is bound to accept the worker on the previous position, at most 3 years). Thus, in practice, receiving allowances during 4 years is synonymous of losing the previous job, and getting directly unemployed at the end of the parental leave. The postponement of mothers' return to employment is consistent with the priority of public policy to fight unemployment and promote social peace (Saxonberg and Sirovatka, 2009), despite the negative effects on mothers' labour market positions at the end of the leave. The project of longer parental leave, carried by the Christian Democrat Union, is also a conservative pro-family response to the communist conciliation policies which advocated defamilization of childcare. Indeed, in the 1990's, the majority discourse promotes long leave

⁸ For instance, the female retirement age was extended in 1996 from 53-57 years to 57-61 years (the exact age is a function of the number of children) (Potucek, 2001).

⁹ 117/1995 Coll.

and full-time child care provided by mothers. It should be noted that fathers are also allowed to apply for parental benefits, at first without the job security aspect of the leave, then, from 2001, in the exact same conditions as mothers. However, the impact of this legal changes seems to be negligible, as the rate of fathers on parental leave does not exceed 1,1% in the 2000's, compared to 0,8% in the 1990's. So the conciliation policy measures are rather conservative to this regard, as they aim to ensure traditional family responsibilities rather than to promote quick return-to-work patterns and gender equality.

Besides this conservative and universalist parental leave scheme, the family policy keeps replacing the comprehensive state paternalist orientation by a residual approach where the focus is aimed at low-income families (Vecernik, 2001), in a way which gets close to the social policy objective of preventing poverty. For instance, child benefit becomes means-tested in 1996: at first the income ceiling is generous, but progressively the benefit becomes targeted at low income families and makes part of a safety net structure. Nevertheless it cannot be thought of as an ideologically consistent liberal family policy, since there are no pressures on women to engage individual responsibility by finding a private childcare facility and returning quickly on the labour market: on the contrary, we note that the generous and long parental leave is maintained and even reinforced. This outline of the evolution of conciliation policies in the decade following the transition highlights the mix of traditional communist conciliation setups with the rejection of the past and the arrival of western inspiration. However, the influence of western market economies becomes more visible in a later stage of the transition, at the moment of joining the European Union.

2.2.3 European Social Integration since 2004

During the EU integration process, the public discourse about conciliation policies acquires a new perspective, practically absent until then, that is gender equality and equal opportunities in the labour market. Therefore, the Czech decision-makers receive recommendations from the European commission which asserts that "a key challenge concerns the severe difficulties that women with children face when re-integrating into the labour market after maternity leave" (EC 2012, p.4). This recommendation concerns an insufficient supply of institutional day care services, as well as the mismatch between their opening hours and most of the parents' full-time working hours. Yet since the transition the legislative trend has given priority to more generous conditions of parental leave and thus a longer withdrawal from labour, with less emphasis on providing child care services for children under 3. While the EU expresses in 2002 the Barcelona targets, aiming to provide by 2010 public childcare supply for 90% of children between 3 and 6 and for 33% for children between 0 and 3, the Czech representatives are fiercely opposed to these objectives and assert that if the Central European region has already belonged to the EU in 2002, these objectives would not have passed.¹⁰ Compared to already mentioned 1700 nurseries at the end of the 1980's and 200 in the mid-1990's, there are 49 day care centres for children under 3 in 2007 (Kucharova, 2009). The decline pursues until 2012, when the financial charge of public nurseries is officially withdrawn from the authority of the Ministry of Health. As no other department has claimed the charge of this sector, the legal status of state nurseries has been abandoned and the remainder of the nurseries either finds alternative source of financing or closes down. Therefore, since 2013, a liberal childcare policy is implemented which stresses private initiatives and promotes market-based childcare supply instead of public supply. This reform makes part of the ongoing liberalization of social welfare (Potucek, 2001). Instead of the

¹⁰ Said by Petr Necas, the minister of Labour and Social Affairs in 2009, at the occasion of Czech EU presidency. See the speech at <http://www.vlada.cz/cz/media-centrum/aktualne/barcelonske-cile---projev-ministra-p--necase-53292/>

former direct way of structuring and financing the child day care system, the government plans to exert an indirect legal frame by facilitating the creation of corporate kindergartens and so-called "children groups". The bill drafted in April 2012 which approves the transition from public to private child care structures was followed, in August 2012, by a bill called the Children groups act (currently still in the legislative process), which aims at supporting the creation of private structures with considerably less costs for the public finances than public nurseries and kindergartens. Moreover, the creation of corporate kindergartens as further substitutes to public facilities is encouraged. These structures should be from now on authorized to receive children under the legal age applicable for public kindergartens (i.e. 2 year old), and therefore also contribute to replace the role of former public nurseries. Currently, the European Social Fund (ESF) offers tenders for firms and associations willing to create private day care facilities. The funds distributed by the EFS will cover the initial costs of such project, yet after a limited period the subvention ends and only the public support via tax allowance remains.

As to the financial support during parental leave, in the 2000's a series of amendments¹¹ has loosened the conditions of access to parental benefits, towards a higher labour market participation of the recipients. Since the EU accession, two major reforms occurred and modified substantially the social support to families with preschool aged children. At first, a significant increase of benefits (to almost a double of the previous amount) was implemented in 2007, which is mostly interpreted as a strategic move before elections, since costly and inconsistent with the EU high female employment objective. With this increase, the postponement of mothers' return to the labour market from 3 to 4 years at the expense of their job security becomes an attractive choice for more and more recipients. However, the outcome of this postponement for the mothers' further careers is questionable given that already in 2006, 52% of mothers who took benefits until the end of the 4 years duration became directly unemployed afterwards (Kucharova and Svobodova, 2006). The second reform is part of the 2008 of Czech public finance reform, induced by the Bill on the Stabilization of Public Budget (261/2007 Coll.). It led to major changes in the system of direct and indirect in-cash support to families, mainly composed of child benefit and parental benefit (maternity benefit remains a social insurance allowance). It reinforces the residual social policy approach by lowering again the income ceiling for child benefit recipients, and by setting a fix amount of the benefit, i.e. independent from the evolution of the cost of living. This benefit is subject to erosion (Saxonberg and Sirovatka, 2009), as it has not been re-evaluated since. The amount of child benefit increases with the age of the child, and therefore it has a limited impact on the budget of households with children aged 0 to 6. With this most recent change, the role of the child benefit for family/work balance becomes even less significant: in 2013, the amount of the child benefit, 500 Kc, is to be compared with 3800-11500 Kc of the parental benefit.

As to the parental leave duration, the reform of 2008 brought a key change by establishing a "multispeed" parental benefit system, which leaves to mothers the choice of receiving benefits during 2, 3 or 4 years. At first, financial incentives are established through higher monthly amount of benefits for mothers who chose shorter forms of parental leave, but in the current form of the parental leave setup (since 2012) the same total amount of benefits is distributed independently of the duration of the payment. The choice is free, with one exception: women who were not employed before the leave (students, unemployed, inactive) are excluded from the choice of duration and can only receive parental benefits over the longest period, 4 years. Thus, mothers who are more likely to meet unemployment stay away from the labour market

¹¹ In 2001, 2004, 2006 and 2012, loosening the authorized maximum worked hours and income for the recipient and the maximum number of hours spent in childcare for the recipient's child.

for the greatest amount of time, which threatens their further labour market attachment. As to mothers who were perceiving salary before the maternal leave, parental benefits are calculated as a function of their salary (or of the salary of their partner)¹² - if they do not reach the sum corresponding to the shorter payment of benefits, they are not allowed to take the shorter version and must also opt for the longer parental leave. Thus, in fact, the choice to receive high benefits over a short period and return quickly to employment is offered to women living in households with a certain level of income, while others remain in the former pattern. In sum, the less the breadwinners earn, the less the social security system encourages mothers to return into the labour market, producing a cumulative disparities in career development, wages and pensions. This equation and its negative impact on the income of a household is likely to impact especially the category of low earning households and single mothers.

Nevertheless, the multi-speed parental leave reform places the labour supply of mothers back amid the Czech public policy concerns. The 2008 reform also demonstrates growing focus on income tax credits instead of direct in-cash support (such as child benefit) and therefore confirms the shift towards return-to-work incentives. Its effects on work-family balance remain to be analysed, mostly because the extent of the changes of mothers' conciliation behaviour is likely to be limited by the persistent lack of available childcare for children under the compulsory school age. Thévenon (2013) puts forward the conclusion that on the international level, the childcare supply plays a decisive role among institutional factors of mothers' employment. In the logic of institutional complementarity, we can therefore expect that shorter leave will prove to be an insufficient measure if not accompanied by a larger network of child care facilities, especially for children under 3.

CONCLUSION

This paper sets the historical perspective as a *sine qua non* for understanding today's Czech work-life balance framework. The current form of family policy with joint universalist, conservative and liberal features appears unintelligible without highlighting the successive political layering and other institutional change before and after the transition. Over the last 60 years, the evolution of family policy with respect to female labour supply followed three major stages. Before 1989, family policy can be described as comprehensive, strongly interventionist, paternalist and childcare-defamilizing, focused on the development of an extensive web of public nurseries and kindergartens. After 1989, the political change led to a broad rejection of former practices, and in the field of family policy this took the form of a salient refamilization. Significantly longer paid parental leaves went along with a sharp decline in public childcare, resulting in a widely accepted norm of mothers' withdrawal from the labour market until the child turns 4. Long parental leave can be thought of as a solution to the work-family conflict for mothers of children between 0 and 4 as it puts aside the necessity to combine employment and family responsibilities; yet in the long run it penalizes mothers compared to women without children in the field of employment, career progression, wages and pensions. The most recent stage is marked by the EU accession, as the European Commission strongly recommends larger childcare supply and higher female labour market participation (with the first goal conceived in fact as a condition for the second). Although the pressures meet a considerable resistance, the family policy embraces the shift, and the

¹² The monthly benefits are settled between a minimum and a maximum value, giving a total sum of 220 000 Czech Crowns, equal for every parent. The duration is chosen by the parent, but submitted to the condition that the monthly amount cannot exceed 70% of the former salary of one of the parents (not necessarily the one who takes the parental leave). Thus, parents who both earn less than 220 000/ 24 * 10/7 (for whom the monthly benefit for a 2 year long payment is superior to 70% of their monthly wage) must chose a longer form of payment.

parental leave scheme is reviewed and shortened: although the effects on female employment need to be assessed. The local decision-makers remain opposed to public intervention in childcare and proceed to competence transfer from State to private actors: therefore the current defamilizing trend differs from the previous by encouraging private supply of childcare instead of providing public supply. However, if the family policy institutions that formerly ensured work-family balance are losing public budgetary support, they have not been replaced by private initiatives yet. Therefore the labour market outcomes of this post-transitional institutional background, at least until the 2008 multi-speed parental benefit reform, come down to longer periods of inactivity and increasing discontinuity of female careers. This leads Czech economists to call Czech women “the untapped potential” (Kaliskova and Munich, 2012) of the productive system.

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Appendix: Czech Family Policy 1948 - 2013

FAMILY POLICY INSTRUMENT	EXPECTABLE IMPACT ON FERTILITY AND FEMALE PARTICIPATION	
	Fertility	Participation
Maternity Leave and Benefits		
1948 Duration moves from 12 to 18 weeks	+	- SR + MR *
1964 22 weeks	+	- SR + MR
1968 26 weeks	+	- SR + MR
1987 28 weeks and 37 weeks if 2 dependent children or single mother	+	- SR + MR
Additional Maternity / Parental Leave		
1964 Creation of 1 year Additional Maternity	+	- SR + MR
1970 2 years	+	-
1989 3 years	+	-
2001 Additional Maternity leave becomes Parental Leave, accessible to fathers in the same conditions		+
Additional Maternity / Parental Benefit		
1970 Creation of the AM benefit, 1 year if 2 dependent children or single mother	+	
1971 2 years (same conditions)	+	
1987 3 years if child born after December 1987 (same conditions)	+	
1990 AM benefit becomes Parental benefit, 3 years for all children (7 for handicapped)		-
1995 Extension of the parental benefit: 4 years	+	-
1998 No more limitation of worked hours for recipients	+	+
2001 The limitation of income for recipients moves from vital minimum to 50% above it		+
2004 No more limitation of income for recipients		+
2006 Less strict limitation of hours spent in childcare facility for recipients' child		+
2007 Significant increase of the parental benefit	+	-
2008 Creation of a Multi-Speed Parental benefit: 2, 3 or 4 years	+	+
2012 No more limitation of hours spent in childcare facility for recipients' child	+	+
Child benefit		
1959 Means-tested Family benefit becomes Child benefit	+	
1968 Universal Child benefit	+	
1995 Again Means-tested Child benefit		
2008 No more vital minimum indexation		
Other family policy instruments		
1957 Abortion legalization (abortion commities)	-	+
1970's Various measures: Lower retirement age for mothers, Housing allocations, advantageous loans, tax deductions, subsidization of childcare and related expenses (meals, textbooks)	+	
1995 Modification of the legal status of nurseries, steep decline	-	-
2012 Revocation of the public nursery status by the Ministry of Health	-	-
2013 Children Group Act: tax benefits for alternative childcare facilities	+	+

* In the short run, the extension of the leaves automatically decreases mothers' participation, but in the medium run the aspect of job security rather increases participation after the leave.

Légende

	Post-transitional policies: 1989 - 1999
	EU harmonization (preparations and EU accession): from 2000 onwards