Social Impact Assessment

Female Labour Force Participation

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DEASP VOTE
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This paper has been prepared by IGEES staff in the Department of Public Expenditure & Reform. The views presented in this paper do not represent the official views of the Department of Public Expenditure and Reform or the Minister for Public Expenditure and Reform.
Summary

- As at Q2 2018, the female participation rate stands at 55.7% while the male rate is 68.4%.
- Over the period 2000 to 2016, the female employment and participation rates have been consistently below the male rates. In more recent years, the gap between male and female participation rates has narrowed as the labour market has improved.
- Females with higher levels of educational attainment have higher participation and employment rates than those with lower levels of education.

Key Findings from Analysis

<table>
<thead>
<tr>
<th>Female Employment rates tend to be higher for those:</th>
<th>Female Employment rates tend to be lowest for those:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aged between 25-34 years</td>
<td>Aged 15-19 years and 60-64 years</td>
</tr>
<tr>
<td>With high education attainment levels</td>
<td>With lower levels of educational attainment</td>
</tr>
<tr>
<td>With no children or with one child</td>
<td>With three or more children</td>
</tr>
</tbody>
</table>

- Part-time employment is more frequent for females than males.
- CSO data shows that certain industries in Ireland have remained segregated with females dominating job sectors like Education, Health and Social Work with low male representation.
- Overall, Irish female labour force participation rates are lower than average European rates. There are greater differences between male and female participation rates in Ireland compared to the EU.
- However, young Irish women (25-29 years) are more likely to participate in the labour force and be employed than their European counterparts.

Given the large number of both structural and policy factors that influence female participation rates there is a need for further research in this area to identify these factors, their relative size and their impact on participation rates at present and going forward.

While the analysis in this paper cannot infer causality, it does identify some areas that should be investigated further. This would help inform future policy development.
1. Introduction

Labour force participation is a measure of the extent of an economy’s working-age population that is economically active (OECD, 2006). Labour supply plays an important role in determining Irish economic growth (Byrne & O’Brien, 2017). Across all EU countries female labour force participation lags behind that of males. Increasing female labour force participation is noted by the European Commission as important in meeting the Europe 2020 headline target of 75 percent of the working population employed (European Commission, 2018).

Female labour force participation rates vary by individual characteristics including education, age, and number of children. Participation and employment rates are influenced by a number of factors such as economic incentives, individual preferences and societal roles.

This paper forms part of the Social Impact Assessment (SIA) series. The Programme for Government commits to ‘developing the process of budget and policy proofing as a means of advancing equality, reducing poverty, and strengthening economic and social rights. The SIA Framework is a first step in this process’ (Lawless & Reilly, 2016). The SIA series aims to apply an evidence based methodology to assess the impact of public expenditure on household outcomes and households financial position. While papers to date have focused on specific measures and programmes of expenditure this paper takes a broader view. Labour force participation plays an important role in determining households financial position and outcomes, and is impacted by a wide variety of programmes and policy factors. This paper seeks to review historical and current trends in the female labour force participation rate in Ireland, the characteristics to individual cohorts and to identify areas of further analysis.

The objectives of this paper are to:

- Examine trends in female employment and labour force participation rates;
- Analyse female employment rates by individual characteristics including education level, age and number of child dependents;
- Compare Ireland’s performance to other jurisdictions;
- Identify further analysis which could be undertaken in this space to better understand the factors influencing participation and the scale of the various dynamics at play.
2. Trend Analysis: Female Employment and Participation rates in Ireland

*Overall Trend in Labour Force Participation*

The labour force participation rate is a measure of the extent of an economy’s working-age population that is economically active. The labour force participation rate is defined as the ratio of the labour force to the working age population. (OECD, 2001)

The female participation rate is consistently below that of the male rate over the period 2000 to 2018. The gap between male and female participation has narrowed, facilitated by a smaller fall in participation for females compared to males over the 2008 to 2018 period.

Male participation rates fell by 6.5 percentage points from 2000-2018 Q2, and female participation rates increased by 5.5 percentage points over the same period. The gap between the two rates has narrowed each year over the period; tightening by a total of 10 percentage points.

*Figure 1: Irish Labour Force Participation Rates by Sex (2000-2018Q2) (aged 15 years and over)*

As a result of increased levels of participation, inactivity rates (defined as persons economically inactive and not in the labour force ie. not employed or unemployed and actively seeking employment) for females have fallen with a considerable reduction in the number of females classified as “engaged in home duties” (CSO, 2017).

*Female Employment Rate Trend*

Female employment rates have also been consistently below male employment rates over the period 2000-2018. The gap between the two rates fell considerably between 2009 and 2011, however, this reduction is partially due to the greater impact of the economic downturn on male employment levels.
The female employment rate increased by 6.5 percentage points from 2000 to 2018. In contrast the male employment rate fell by circa 6 percentage points over the same period. Both rates saw a fall in 2008, with the male employment rate falling by approximately 14 percentage points from 2007 to 2013 and the female employment rate falling by approximately 6 percentage point over the same period.

These developments resulted in the gap between the male and female employment rates reducing during the crisis period (2008-2011) but have started to diverge again from 2012. This may be due to the concentration of male employment in sectors such as construction, which were disproportionately affected by the economic downturn. Conefrey et al. (2014) note a large increase in male unemployment over the period 2008 to 2012 due to a falloff in construction activity; however males have made considerable gains in employment in recent years. (Conefrey, Lawless, & Linehan, 2014)

**Figure 2: Trends in Irish Employment Rates by Sex (2000-2018Q2) (aged 15-64 years)**

![Employment Rates Graph](image)

**Source:** CSO LFS *Quarterly figures annualised by average*
3. Profile: Female Employment and Participation rates in Ireland

Female employment and participation rates vary significantly by individual characteristic including educational attainment, age, and number of children in the household.

i) Age Cohorts

Female employment rates are below male rates across all age categories and peak at an earlier age.

Employment rates for both genders follow an inverted U-shape pattern with lower levels for younger and older aged females. The female employment rate peaked at 76% in the 25-34 year age category while the male rate peaked 11.2 percentage points higher at 87.5% in the 35-44 age category. The gap between male and female employment rates is smallest for the youngest working age cohorts (15-19 and 20-24) with the gap widening to approx. 17 percentage points in the 55-59 and 60-64 age cohorts.

Figure 3: Male and female employment rates by different age cohorts, 2018 Q2

Source: CSO LFS

Trends in female employment rates over the period 2000-2018 varied significantly among different age cohorts. Female employment rates for the youngest cohorts (15-19 years and 20-24 years) declined substantially from 2009 onwards and only began to recover in 2016. This may reflect greater sensitivity of youth employment to the business cycle\footnote{Youth unemployment tends to be cyclical due to being more sensitive to business cycle oscillations. Further discussion is beyond the scope of this paper.}. Male employment rates fell by a greater magnitude, which may be due to the dominance of male employment in the construction sector. The 55-59 years and 60-64 years age categories experienced increases in employment levels despite the economic downturn with employment rates increasing for these cohorts by approx. 25 percentage points over the period 2000 Q1 to 2018 Q2. This
likely reflects increases in educational attainment, positive cohort effects\(^2\) and the changing role of women. The Dutch Central Planning Bureau notes that “the increasing participation rates of the generations born after 1955 can be explained almost entirely by observed factors...indicat[ing] evolving social norms and an increasing orientation of women towards paid employment” (Central Planning Bureau, 2007).

ii) Educational Attainment

Female employment has consistently been highest for those with higher levels of education as demonstrated in Figure 4. Females with tertiary levels of education have fared the best with a lower fall in the employment rate during the crisis period. The female employment rate for those with the lowest level of education has decreased by the largest magnitude during the economic downturn. Female employment levels across all educational attainment levels saw an increase from 2000 to 2007. Thereafter, there was a fall in the employment rate for all education levels, which have started to return to pre-downturn levels as of 2017, with the exception being those with the lowest levels of education (less than primary, primary and lower secondary education). This cohort has fared the worst with a fall of approximately 11 percentage points from 2007 to 2017, over four times the reduction experienced by those with tertiary education for the same period (2.5 percentage points).

Figure 4: Female Employment Rate by Education levels (2000-2017) (aged 15-64 years)

![Graph showing female employment rates by education level from 2000 to 2017.](image)

Source: Eurostat

The employment gains from tertiary education (measured by the difference between the employment rate for tertiary education and upper secondary and post-secondary education) increased during the economic downturn.

\(^2\) A cohort effect is conceptualized as a period effect that is differentially experienced through age-specific exposure or susceptibility to that event or cause (i.e., interaction or effect modification).
downturn; peaking at 22 percentage points in 2011. Since then it has fallen back to 21 percentage points which is higher than the levels seen in the early 2000’s.

The employment gains from tertiary education are higher for females compared to males. In 2017 the employment gain from tertiary education for males was 13.4 percentage points compared to 21 percentage points for females. The gap between tertiary education and post-secondary non-tertiary education for males is lower than that for females. However, the education premium for males has increased over the 2008-2012 period, although it still remains below that of females, most likely due to effects of the economic downturn. This may reflect the large fall off in employment in the construction and related sectors over the period, decreasing the opportunity cost of participating in tertiary education. This premium began to decrease again from 2012 as the economy improved, and male employment improved.

iii) Number of Child Dependants

There has been an increase in the employment rate for females with children in recent years. Female employment is often discussed in the context of presence of children and caring responsibilities in the family unit. OECD data indicate that women still perform greater levels of unpaid work than men. In the case of Ireland, females do an average of 300 minutes of unpaid work per year compared to 130 minutes for men (OECD, 2017). Women with 1 child reported the highest employment rate at 70.2% in 2017. Over the period 2011 to 2017 the employment rate for women with or without children increased. A pattern of convergence can be identified in Figure 5 with higher levels of growth in employment rates for women with 2 or more children. Most interestingly the gap in employment rates between women with 1 or 2 children narrowed from 3.9 percentage points in 2011 to 1.5 percentage points in 2017.
The female employment rate is highest for women with no children or one child. As previously discussed, the female employment rate may be closely correlated with levels of educational attainment (Bercholz & Fitzgerald, 2016). Similarly, females with higher levels of education see a smaller reduction in employment levels as the number of children in a family increases; for example moving from one to two children results in a 2.3 percentage point reduction in the employment rate for tertiary educated women but a 3.9 percentage point reduction for women with upper secondary and post-secondary education.

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1 Children and child dependants include those aged between 0-17 years.
The employment rate for lone parents, both male and female, is lower than that for couples as at 2016.

The employment rate for families with children differs depending on the composition (Figure 7). For both genders, lone parents with children have lower employment rates. The gender employment gap for a couple with no children is approximately 10 percentage points and then widens as the number of children in the family increase.
iv) Type of Employment

Part-time employment is more frequent for females than males. Over the past 16 years part-time employment represented on average 29% of all female employment. This compares to 9% for males. As demonstrated in Figure 8, male part-time employment as a proportion of total employment increased from 4% in 2000 to 12% in 2012 and has fallen down to 9% in 2018 as part-time employment has begun to trend downwards as the labour market improves. Female part-time employment also increased during the economic downturn to reach 34% in 2011 and has since tapered back to pre-recession levels. The increases in those partaking in part-time unemployment began during the economic downturn (2009-2011) which may have been driven by lower labour market demand and cost cutting measures for employers.

Figure 8: Proportion of Part-Time Employment by gender, 2000 Q2-2018 Q2

Source: CSO database

Other jurisdictions also report higher levels of female part-time employment. Table 1 below compares the full-time equivalent employment rate for males and females in Ireland to the OECD Average. In 2016, Ireland’s employment rate is below the OECD average for both genders but the difference between the two genders is consistent.

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4 The full-time equivalent employment rate is calculated as the employment/population ratio for 15-64 years old, multiplied by the average usual hours worked per week per person in employment (both dependent and self-employment), and divided by 40.
Table 1: Full-time equivalent employment rate, 2016 (15-64 years age cohort)

<table>
<thead>
<tr>
<th></th>
<th>Ireland</th>
<th>OECD Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Female</td>
<td>47.1</td>
<td>52.3</td>
</tr>
<tr>
<td>Male</td>
<td>69.5</td>
<td>74.6</td>
</tr>
<tr>
<td><strong>Difference</strong></td>
<td><strong>22.4</strong></td>
<td><strong>22.3</strong></td>
</tr>
</tbody>
</table>

Source: OECD database

Women also tend to be overrepresented in certain sectors such as services and underrepresented in others such as industry, construction and agriculture. Table 2 sets out the percentage of female representation in each of the NACE economic sectors, using CSO data for Q2 2018. Red indicates a low level of female representation such as construction, agriculture and industry. Green indicates a high level of female representation in the sector such as Education and Human health and social work activities.

Table 2: Female representation by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>2018 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing (A)</td>
<td></td>
</tr>
<tr>
<td>Industry and Construction (B to F)</td>
<td></td>
</tr>
<tr>
<td>Industry (B to E)</td>
<td></td>
</tr>
<tr>
<td>Construction (F)</td>
<td></td>
</tr>
<tr>
<td>Services (G to U)</td>
<td></td>
</tr>
<tr>
<td>Wholesale and retail trade, repair of motor vehicles and motorcycles (G)</td>
<td>48</td>
</tr>
<tr>
<td>Transportation and storage (H)</td>
<td></td>
</tr>
<tr>
<td>Accommodation and food service activities (I)</td>
<td>54</td>
</tr>
<tr>
<td>Information and communication (J)</td>
<td></td>
</tr>
<tr>
<td>Financial, insurance and real estate activities (K,L)</td>
<td>48</td>
</tr>
<tr>
<td>Professional, scientific and technical activities (M)</td>
<td>44</td>
</tr>
<tr>
<td>Administrative and support service activities (N)</td>
<td>44</td>
</tr>
<tr>
<td>Public administration and defence, compulsory social security (O)</td>
<td>51</td>
</tr>
<tr>
<td>Education (P)</td>
<td></td>
</tr>
<tr>
<td>Human health and social work activities (Q)</td>
<td>80</td>
</tr>
<tr>
<td>Other NACE activities (R to U)</td>
<td></td>
</tr>
<tr>
<td><strong>All NACE economic sectors</strong></td>
<td><strong>46</strong></td>
</tr>
</tbody>
</table>

Source: Labour Force Survey, CSO

Over the period 2000 to 2018 there has been an increase of 4 percentage points in female representation across the different sectors reflecting the overall trend in employment discussed at the beginning of Section 2. Within individual sectors, female representation increased significantly in Public Administration and Education. Conversely female representation fell in Financial, Insurance and Real Estate activities and Administrative and support service activities. Female representation continues to be lowest in the Construction and Agriculture and Forestry sectors.
Key findings

- The gender gap for employment and participation rates in Ireland have narrowed considerably since 2000. Behind these trends there is considerable variation in employment levels dependent on individual characteristics; however, they still remain below that of their male counterparts.

- The gap between male and female participation and employment narrowed considerably during the recent economic downturn. One explanation may be the concentration of male employment in the construction sector.

- Female employment rates vary greatly depending on age with a smaller gender employment gap for younger cohorts. The gap widens with age.

- Higher education levels are consistent with higher participation and employment rates for both males and females. The employment gains from education (defined as the increase in employment rate due to higher levels of education), particularly for tertiary education, is higher for women.

- The data demonstrates that employment rates tend to be lower for women with children. While the employment rate of for females with children has been increasing in recent years, there is still a fall in employment rates for female with more than one child. This effect persists across all education levels, but is least prevalent at the tertiary education level.

- A higher proportion of females work on a part-time basis than males. While part-time employment has increased in both cohorts over the recessionary period, it has begun to trend downwards in recent years as the labour market has improved.

- Female employment differs considerably from male employment both in terms of concentration in certain job sectors such as health, education and social work.
4. International Comparison of Female Employment

Female Labour Force Participation rates\(^5\)

Female participation rates are consistently lower than male participation rates across Europe but the difference is greater in Ireland\(^6\). In 2016 Irish participation rates were lower than the EU-16, however, this difference was more significant for women than men (at 4.7% and 1.8% respectively).

Table 3: Labour Force Participation Rate (15-64 years), 2016

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU – 16</td>
<td>79.5</td>
<td>68.8</td>
<td>-10.7</td>
</tr>
<tr>
<td>Ireland</td>
<td>77.7</td>
<td>64.1</td>
<td>-13.6</td>
</tr>
<tr>
<td>Difference</td>
<td>-1.8</td>
<td>-4.7</td>
<td></td>
</tr>
</tbody>
</table>

Source: OECD LFS, 2016

Participation rates vary by age cohort;

- Participation rates are lower for Irish women than in the EU-16 except in the age range 25-29 years.
- There is a particularly large difference between participation rates of Irish women aged 40-59 years compared to the EU-16 average.

Table 4: Female Labour Force Participation Rate by age cohort, 2016

<table>
<thead>
<tr>
<th>Age</th>
<th>15-24</th>
<th>25-29</th>
<th>30-34</th>
<th>35-39</th>
<th>40-44</th>
<th>45-49</th>
<th>50-54</th>
<th>55-59</th>
<th>60-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EU-16</td>
<td>42.9</td>
<td>78.7</td>
<td>79.3</td>
<td>80.6</td>
<td>81.9</td>
<td>81.5</td>
<td>77.5</td>
<td>68.2</td>
<td>39.9</td>
</tr>
<tr>
<td>Ireland</td>
<td>38.8</td>
<td>79.2</td>
<td>76.7</td>
<td>75.2</td>
<td>73.9</td>
<td>69.8</td>
<td>66.7</td>
<td>61</td>
<td>39.5</td>
</tr>
<tr>
<td>Difference</td>
<td>-4.1</td>
<td>1.2</td>
<td>-2.6</td>
<td>-5.4</td>
<td>-8</td>
<td>-11.7</td>
<td>-10.8</td>
<td>-7.2</td>
<td>-0.4</td>
</tr>
</tbody>
</table>

Source: OECD LFS, 2016

Female Employment Rate

In 2016, Ireland’s employment rates for females and males were below the EU-15 average. Furthermore, the difference between male and female employment rates are larger in Ireland. Both Ireland and other European countries have seen increases in the female employment rate over the past few decades. This may be due to i) increases in the educational attainment of women and ii) changing societal norms and gender roles. However, a considerable gap between genders persists despite these advances.

\(^5\) Labour Force Participation Rate is defined as number of persons who are employed and unemployed but looking for a job divided by the total working-age population.

\(^6\) Latest available data to compare Ireland to EU for participation rates and employment rates with characteristics is 2016.
Table 5: Employment rate comparison 2016, 15-64 years

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU – 15</td>
<td>72.0%</td>
<td>62.1%</td>
<td>-9.9%</td>
</tr>
<tr>
<td>Ireland</td>
<td>70.2%</td>
<td>59.5%</td>
<td>-10.7%</td>
</tr>
<tr>
<td>Difference</td>
<td>-1.8%</td>
<td>-2.6%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Eurostat (2016 figures)

There is significant variation in employment rates among age cohorts across Europe.

- Female employment is higher than EU-15 average in Ireland for 25-29 year olds and 30-34 year olds, however, this trend reverses for 35-39 year old cohort.

Table 6: Employment rate comparison 2016, by age cohort

<table>
<thead>
<tr>
<th>GEO/Age</th>
<th>15-24 years</th>
<th>25-29 years</th>
<th>30-34 years</th>
<th>35-39 years</th>
<th>40-44 years</th>
<th>45-49 years</th>
<th>50-54 years</th>
<th>55-59 years</th>
<th>60-64 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>EU-15</td>
<td>34.4</td>
<td>68.4</td>
<td>70.9</td>
<td>73.1</td>
<td>74.8</td>
<td>75.2</td>
<td>72.2</td>
<td>63.7</td>
<td>37.4</td>
</tr>
<tr>
<td>Ireland</td>
<td>31.8</td>
<td>71.6</td>
<td>72</td>
<td>71.1</td>
<td>68.8</td>
<td>64.8</td>
<td>65.2</td>
<td>58.1</td>
<td>38.5</td>
</tr>
<tr>
<td>Difference</td>
<td>-2.6</td>
<td>3.2</td>
<td>1.1</td>
<td>-2</td>
<td>-6</td>
<td>-10.4</td>
<td>-7</td>
<td>-5.6</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Source: Eurostat (2016 figures)

Ireland’s female employment is the same as the EU-15 average for those with no children. The employment rate for Irish females with children is below the EU-15 average and the gap to the EU-15 average widens with the movement from 1 to 2 children. The employment rate for both genders increases with the first child (Table 7). With two children the female employment rate falls in Ireland but remains stable across the EU-15. The male employment rate increases in both Ireland and the EU as the number of children increases to two. The addition of three or more children results in a decline in the employment rate for both sexes but the magnitude is more significant for females.

Table 7: Employment rates by gender and number of Children, 2016, aged 15-64 years

<table>
<thead>
<tr>
<th>No. Children</th>
<th>0 children</th>
<th>1 child</th>
<th>2 children</th>
<th>3 or more children</th>
</tr>
</thead>
<tbody>
<tr>
<td>GEO/Sex</td>
<td>Males</td>
<td>Females</td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>EU-15</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>72.8</td>
<td>65.9</td>
<td>84.3</td>
<td>70.5</td>
<td>89.2</td>
</tr>
<tr>
<td>69.9</td>
<td>65.9</td>
<td>82.4</td>
<td>67.1</td>
<td>86.6</td>
</tr>
<tr>
<td>Difference</td>
<td>-2.9</td>
<td>0</td>
<td>-1.9</td>
<td>-3.4</td>
</tr>
</tbody>
</table>

Source: Eurostat (2016 figures)
Employment by Education & Age

There has been an increase in female participation in tertiary education in recent decades across OECD countries, with the proportion of females participating in tertiary education beginning to outstrip males during the 1990s. Participation in education can increase female labour force participation through three mechanisms (Valsblom & Schipper, 2004): i) higher education attainment correlate with higher wages increasing the opportunity costs of not working; ii) participation in education for women can stimulate the development of social norms towards employment; iii) and participation in education increases preferences towards employment and propensity to work.

Participating in tertiary education leads to a higher employment rate across all cohorts but the gain for females is greater. The gain in the female employment rate from education varies depending on age cohort (Table 8). In Ireland, the gain in the employment rate from Tertiary Education is higher than the gain in the EU-15 except for the 60-64 year old cohort. The gain is especially high for younger cohorts i.e. those aged 15-39 years.

Table 8: Female Employment Rates by Education & Age, 2016

<table>
<thead>
<tr>
<th>Age</th>
<th>15-24</th>
<th>25-29</th>
<th>30-34</th>
<th>35-39</th>
<th>40-44</th>
<th>45-49</th>
<th>50-54</th>
<th>55-59</th>
<th>60-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-15</td>
<td>60.7%</td>
<td>78.4%</td>
<td>82%</td>
<td>84.1%</td>
<td>86%</td>
<td>87%</td>
<td>85.7%</td>
<td>79.4%</td>
<td>52.9%</td>
</tr>
<tr>
<td>Ireland</td>
<td>71.7%</td>
<td>80.9%</td>
<td>82.1%</td>
<td>81.1%</td>
<td>79.8%</td>
<td>79.2%</td>
<td>80.8%</td>
<td>73.9%</td>
<td>52.3%</td>
</tr>
<tr>
<td>Difference</td>
<td>11%</td>
<td>2.5%</td>
<td>0.1%</td>
<td>-3%</td>
<td>-6.2%</td>
<td>-7.8%</td>
<td>-4.9%</td>
<td>-5.5%</td>
<td>-0.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gain in Employment Rate from Tertiary Education (%)</th>
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<tbody>
<tr>
<td>Ireland gain from Tertiary</td>
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<tr>
<td>EU-15 gain from Tertiary</td>
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</table>

Source: Eurostat, 2016

Other International Evidence and Recommendations

OECD analysis notes that in Ireland the gap between male and female employment rates widened over the period 2012-2016 (OECD, 2017).

- The gap between the employment rate for males and females in 2016, aged 15 to 64, was at 10.4 percentage points in 2016, an increase of 3.2 percentage points since 2012. Some of this widening may have been due to the dominance of male employment in the construction and related sectors and the substantial increases in male unemployment over the crisis period as noted by Conefrey et al. (Conefrey, Lawless, & Linehan, 2014). There may now be a reversal of this trend as construction employment has started to increase in recent years.
Both the OECD and the European Commission have made recommendations in relation to female participation rates:

- The OECD noted that “Female labour force participation is relatively low, especially for those in the 40-49 age cohort, and less-educated females are more likely to be outside the labour force than in other OECD countries” (OECD, 2018).

*Key findings*

- Irish female labour force participation rates are lower than European rates, and there is a greater difference between male and female participation rates in Ireland.
- Young Irish women (25-29 years) are more likely to participate in the labour force and be in employment than their European counterparts.
- The employment rate for females declines significantly with two or more children. This is evident in the EU-15 but to a lesser extent.
- Participation in higher education leads to higher employment rates across all cohorts but the employment gain from higher educational attainment is greater for females.
- While the gap between female and male employment narrowed substantially since 2000, and during the early stage of the crisis, in recent years it has begun to increase again. This may in part be due to the increase in male employment and the recovery of the construction sector in recent years.
5. Future Analysis and Research

Areas for Future Analysis

The Action Plan for Jobs 2018 (Department of Business, Enterprise and Innovation, 2018) reflects the need to develop a better understanding of obstacles to labour market participation for females. There is ongoing departmental work headed by the Department of Business, Enterprise and Innovation which aims to feed into the development of national strategies with participation in the labour force being a key policy priority in the coming years. There are a large number of factors (both policy and structural) that influence female labour force participation rates. To better understand these factors further research and analysis is required. Some potential areas for further work could include:

- Identify the structural and policy factors that may be influencing participation rates and set out any associated policy levers. To differentiate between these factors and develop a more recent database of key metrics in these areas.

- Econometric analysis of the effects of the identified structural factors and policy factors on female labour force participation and the relative magnitude of these. This could help inform areas that would have the most impact on participation rates through policy development and reform.

- The development of monitoring mechanisms and data to demonstrate the impact of policy reforms on female labour force participation.
6. Conclusions

The previous sections of this paper outlined historical and current trends relating to female labour force participation using a variety of metrics. The key findings are set out below:

**A. Female participation and employment**

- Female participation and employment rates have increased over the period 2000 to 2018 but remain below the male equivalent rates;
- The gap between male and female participation and employment rates is likely to persist in the future, which is not unique to Ireland with similar patterns seen in other European countries;
- The impact of the recession on female labour market participation and employment was smaller than for the male cohort;
- During the recovery phase (post-2012), the gap between male and female employment rates shows signs of increasing again; and
- Ireland’s female participation rate is marginally above the OECD average at 64.1% in 2016, but remains over 10% below the top five OECD countries.

**B. Female labour force participation by age**

- There has been a substantial increase in employment for older cohorts from 45-64 years over the past fifteen years.
- The participation rate and employment rate for women aged 40-59 years is lower than their EU counterparts.
- The female employment rate for young women (15-24 years) still remains below pre-crisis levels, although gains have been made in recent years.
- The female participation rate for the age cohort 25-34 years remained relatively flat over the crisis and continues to remain stable.
- There is a structural problem for women aged 40-59 years across Europe, with the issue particularly acute in Ireland. However, the employment rate for this cohort has improved in recent years.

**C. Female labour force participation and educational attainment**

- Female employment rates show greater increases for tertiary education than male employment rates.
- Female participation in tertiary education has increased and there may be some ‘catch-up’ benefits associated in terms of the employment rate.
- Higher levels of education are consistent with higher employment and participation rates for females and males.
Those with the lowest levels of education have the lowest employment rates and were worst affected during the economic downturn.

The employment gains from tertiary education are greater for females than males.

**D. Female labour force participation and number of children**

- The female employment rate for those with children has increased substantially over the past ten years;
- An increase in children from one to two reduces the employment rate for women by over 3% across all education levels and increases further with two or more children.
- The employment rate for women with three or more children still remains below 60 percent. This is recognised across the OECD as a key area for improvement.
7. Bibliography


Quality assurance process

To ensure accuracy and methodological rigour, the author engaged in the following quality assurance process.

✓ Internal/Departmental
  ✓ Line management
  ✓ Other divisions/sections

External
  ✓ Peer Review (IGEES Network)