Women's job search propensity and selection effect in European labour markets

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Abstract
The aim of this paper is to explore the main determinants of women's job search propensity and the mechanism underlying the selection effect into labour markets. The analysis compares the European countries which share the lowest female activity rates with the well-developed economies of North Europe characterized by the highest levels of female labour force participation. The potential selection bias due to the overlap in some unobserved characteristics is addressed via a bivariate probit model. Significant selection effects in women's job search process of opposite signs are found for the Greek and for the Polish and the Norwegian labour markets.

Keywords: job search propensity, gender gap, selection effect, bivariate probit model

1. Introduction

Gender equality is certainly a key factor in contributing to the social progress and economic growth of a country and its influential role is most directly illustrated in the female labour force participation. The increase in women's educational attainment, the changing in their social attitudes and preferences, the improved labour market opportunities due to the tertiarization of the economy, the desire of keeping higher standards of living and the need of economic independence in response to the rise of couple relationship instability (Blau et al., 2010; Castellano et al., 2012) are only a few of "push" factors of women's job search propensity. Indeed, specific economic traits of labour market functioning are of great importance as well (McConnell et al., 2010); for example, a high local unemployment and lower household incomes could produce the need to increase the economic resources for their members' sustenance, while a high degree of labour market rigidity could make difficult for women to reconcile their work with child and home care.

The importance of policies for balancing work and family life in order to revitalise the labour market performance through the female participation was perceived by European institutions since 1980s; nowadays these topics appear to be a priority on their agenda and many efforts are being made to narrow the gap between women and men. Indeed, although with cross-country variations, the average female employment rate at European level reached 59.1% in 2008, close to the Lisbon target (60% in

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2010), increasing by 7.1 percentage points over the decade 1998-2008 (OECD, 2008). Also, the average gender gap in employment rates fell to 13.7% in 2008 from 18.2% in 1998 and the increasing participation of women in the labour market accounts for a quarter of annual economic growth since 1995 (European Commission, 2010).

However, the progress is slow and, even though the women's participation in the paid labour force has been increasing throughout Europe, the female employment rate is still consistently lower than the male counterpart everywhere. As they say, men and women exhibit different patterns of labour supply (Keith and McWilliams, 1999) and different job-seeking behaviour (Kahn and Low, 1984); in general, women still appear to be less likely than men to be employed or to be looking actively for a job and gender gaps also concern pay, working hours and positions of responsibility.

These different dynamics in labour market participation between the genders – which inevitably reflect social, cultural and economic norms and incentives – and the potential differences in behaviours between working and non-working women require to deal with important methodological issues. In this light, the aim of the paper is twofold. First, it points to explore the mechanisms underlying the selection effect in women's job search process across some European countries at different stages of economic development and with different legislation frameworks in terms of social and employment policies. The analysis involves, on the one side, four countries with the lowest female labour force participation rates – two countries of Southern Europe (Greece and Italy) and two Eastern transition economies (Hungary and Poland) – and, on the other side, six well-developed economies of Northern Europe (Denmark, Finland, Iceland, the Netherlands, Norway and Sweden), traditionally characterized by the highest levels of female participation in the labour market. Second, after a close examination of national socio-economic background and market labour frameworks, the paper aims at exploring the main determinants of women's job search propensity and interpreting cross-country differentials in the behavior of women who are actively looking for a job in the light of the main peculiarities in the potential sample selection effect into occupation.

2. Socio-economic background of European countries

In Europe, despite the generalized increasing share of women in paid work occurred in recent times, which shrunk the gender gap in labour market participation, cross-country differences are still quite large. Indeed, in 2007, the female activity rates ranged from the lowest values of Southern – i.e., Italy (50.7) and Greece (54.9) – and Eastern European countries – i.e., Hungary (55.1) and Poland (56.5) – to the highest incidence for the well-developed economies of North Europe – i.e., Iceland (82.7), Sweden (76.8) and Denmark (76.4) – against a EU-27 average of 63.2 per cent. In general, over the five-year period (2003-2008), the female employment increased at a rate (4.2) that was consistently higher than for men (2.5). As a result, the employment rate gap between the genders narrowed at European level, but significant differences still exist across the EU; in 2007, this gap varied from less than 5% for Finland and Sweden to more than 25% for Greece and women were more likely to have a disadvantaged position almost everywhere because their labour participation were still

largely typified by a high share of precarious contracts, involuntary part-time and a persistent gender pay gap estimated at 17.6% on average. Unfortunately, indeed, the interest towards women's participation in the labour market is not even now a priority for each national government and collective bargaining.

These cross-country differences in the patterns of female labour force and their changes over time arise from a complex interaction among institutional, cultural and socio-economic dynamics (Jaumotte, 2003). In particular, the regulations of national labour markets in terms of hiring and firing structure, their degree of flexibility, the more or less restrictive policies for balancing work and family life – which involve different activities related to paid work and unpaid caring as well as to social life, personal development and civic participation – may also strongly affect the women's work choices and propensities.

Countries with the lowest female participation rates strongly differ each other in terms of labour market flexibility, economic development, women's participation in higher education programs and policies for connecting work and family life. In particular, in Italy and Greece, where the decline of marriages and the increase of births outside marriage undermined the male breadwinner model, the transition from care force to workforce has still weak social supports for childcare. Indeed, although a number of interesting family-friendly schemes were introduced, measures to support women in balancing work and family responsibilities and in combining work flexibility with a series of rights and guarantees are not really effective. In Greece, the labour flexibility is now at low levels if compared to the EU-average and the need for new working time arrangement is often perceived, while in Italy a greater attention has been paying to reconciliation issues. Nevertheless, attempts to increase flexibility (i.e., part-time, atypical works, job-sharing, innovative working time arrangements, telework, supplementary services) have not still reached the desired effects in terms of female labour force participation and quality of their work. Perhaps, the high levels of income inequalities and public debts distract Governments of these countries from adequate gender equality policies which are officially in force but not very actively pursued.

Just like Greece, also Poland and Hungary show the highest levels of poverty and unemployment and the lowest rates of female part-time (tab. 1). In these two countries, the female participation in the labour market and gender pay gaps – which appeared on the surface like the Nordic countries during the socialist-type regime, whose policies strongly encouraged women to work – worsened for the period of transition and the work-life balance was not the main target for their Governments. However, since 2005, Hungarian and Polish Governments, in cooperation with some non-governmental organizations, have been promoting the idea of the "family-friendly" workplace in order to favour the reconciliation of work and family life and some rules are now adopted on equal treatment and gender discrimination.

Significant differences arise even across the Northern countries where the labour flexibility and good conciliation policies represent already a reality and where the balance of work and family life remains at the top of the agenda in government policies and in collective bargaining at sectorial, national and company level. For example, in Finland, part-time is not widespread even though employees can use working time banks to satisfy flexibility needs; in the Netherlands, more opportunities are given to individuals to put together a package of conditions of employment best suited to their personal needs. Indeed, the Netherlands and Norway highlight, besides

the highest per-capita GDP, the best rates of females working part-time. Norwegian and Icelandic labour markets also show the lowest unemployment levels, but Norwegian women frequently suffer low incomes earned when the number of children increases (EFILWC, 2006). Finally, in Sweden, the high level of competition between companies stimulated the provision of additional payments for parents who want to stay at home to look after their children.

Tab. 1 – Main statistics on the general economic framework of European countries

Country	Female Activity Rate	Total Unemployment Rate	Female Unemployment Rate	% At-Risk Poverty Rate	Per-capita GDP	% Female Part-time
Denmark	76.4	3.8	4.2	16.8	30.6	34.7
Finland	73.8	6.9	7.2	17.4	29.4	20.2
Greece	54.9	8.3	12.8	28.3	22.5	9.5
Hungary	55.1	7.4	7.7	29.4	15.4	5.5
Island	82.7	2.3	2.3	13.0	30.2	36.6
Italy	50.7	6.1	7.9	26.0	26.0	27.4
Netherlands	72.2	3.6	4.1	15.7	33.1	75.2
Norway	75.9	2.5	2.5	16.5	45.3	43.3
Poland	56.5	9.6	10.3	34.3	13.6	11.9
Sweden	76.8	6.1	6.5	13.9	31.2	39.8
EU-27	62.3	7.2	7.9	24.4	25.0	30.7

Briefly, the manifold dynamics which have been characterizing in these last decades the increasing patterns of female labour force participation in Europe make too simplistic the contrast between the Southern and Eastern European countries, on the one side, and the well-developed economies of North Europe, on the other one. Undoubtedly, more serious difficulties to find a job, especially for women, persist in the Southern and Eastern European countries; however, despite the lowest unemployment rates and successful mix of conciliation policies in the Northern Europe, substantial cross-country differences may arise for women who are in search of a job. Indeed, a cluster analysis[1], performed at Nuts 1 level on the whole set of European countries, identifies more heterogeneous socio-economic scenarios.

Briefly, the Netherlands and Sweden, grouped with Germany and the United Kingdom, highlight the most favourable economic background, just surpassed by Norway, while Denmark, Iceland and Finland are clustered with part of South Europe, Austria, France and some Eastern countries. In particular, Finland shows the highest proportions of individuals at risk of poverty, just surpassed by Poland. Greece and Southern Italy share the highest female unemployment rates and, together with Poland, the lowest levels of per-capita GDP.

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[1] The segmentation of European countries was computed through a hierarchical clustering using the average between groups linkage and the squared Euclidean distance on the basis of the following indicators: 1) Female labour participation, 2) Female unemployment rates, 3) Risk-at-poverty rate and 4) Per-capita GDP.

3. Data source. A preliminary analysis of selection effect

The analysis draws upon the 2007 EU-SILC data (European Union – Survey on Income and Living Conditions), currently the main European reference source for comparable and multidimensional socio-economic statistics both at household and individual level; more specifically, our analysis is focused on all adult women aged 16-65.

Regardless of differences in female activity rates across countries, the different role and needs characterizing female and male workers reflect on the attitude that historically they demonstrated towards work. For example, Parsons (1991) and Keith and Williams (2002) highlight how women are less likely to search on the job than men, although they do not investigate the reasons for the difference between men and women. However, in the analysis of labour market dynamics, the usually-substantial extent of female non-participation might cause problems of sample selection because working women could be unrepresentative of the entire female population. In other words, women who do not work may differ in some important *unmeasured* ways (i.e., individual status, family-specific or socio-cultural background) from women who choose to belong to the active population and this may even lead to biased estimates of structural relevant parameters for working women behaviour (Killingsworth and Heckman, 1986; Maddala, 1983).

Indeed, in estimating the Mincerian wage equations by gender, many Authors (Albrecht et al., 2009; Mulligan and Rubinstein, 2008; Wooldridge, 2002) stressed the need to take into account the potential sample selection for females as working women may form a self-selected sub-sample which makes the estimations biased. Preliminarily, in order to solve this problem, we tested the two-stage Heckman procedure (Heckman, 1979). In the first stage, a reduced form of probit equation, whose aim is to compute the selectivity term (λ), was assessed on the whole sample of working and non-working women to obtain their propensity to work. In the second stage, the earnings equations with the inclusion of the correction term for selectivity, equal to the inverse of Mill's ratio, was estimated. In other words, wage equations were simultaneously tested on a set of control variables and on the selection term from the reduced form of probit model. For significant values of λ coefficients, sample bias is confirmed and corrected and consistent estimations of the earnings equations for females is obtained.

Empirical results of women's wage equations, estimated over 26 European countries through the Heckman procedure, showed lambda coefficients significant and negatively signed for each country (except for Norway). This suggests an inverse correlation between the error terms of selection probit and primary wage models. It means that unobserved factors, which make female labour force participation more likely, tend to be associated with lower potential returns (tab. 2).

Tab. 2 – Lambda coefficients over 26 European countries on the wage Mincerian equations

Country	λ Coefficient	Country	λ Coefficient
Belgium	-0.54024[***]	Luxembourg	-0.30978[***]
Czech Republic	-0.66854[***]	Hungary	-0.57680[***]
Denmark	-2.08190[***]	the Netherlands	-0.61911[***]
Germany	-0.22876[***]	Poland	-0.59788[***]
Estonia	-1.20022[***]	Portugal	-0.31405[***]

Ireland	-0.65874[***]	Slovenia	-0.53048[***]
Greece	-0.25662[***]	Slovakia	-1.62603[***]
Spain	-0.30628[***]	Finland	-1.05783[***]
France	-0.73739[***]	Sweden	-1.35408[***]
Italy	-0.16126[***]	the United Kingdom	-0.08448[**]
Cyprus	-0.39348[***]	Iceland	-0.76499[***]
Latvia	-0.96101[***]	Norway	0.09560

4. A methodological overview: A bivariate probit model

The evidence from the two-stage Heckman procedure stimulated our interest to explore the main determinants of women's job search propensity as well as the mechanism underlying the selection effect across the European countries with opposite levels of female participation in the labour market. Since the job search is conditional upon participation and employment, the current levels of female labour force participation may strongly affect who is actively looking for a job; thus, the potential overlap in unobserved characteristics influencing both the women's propensity to work and to look actively for a job is addressed via a bivariate probit model (Green, 1997). In other words, the analysis of job search propensity through a univariate probit model could be potentially biased because the decision to engage in job search is just observed when a woman is not employed.

With the aim to evaluate the influence of personal and family characteristics on the probability that a woman who does not work is actively searching for a job, a first probit model estimates the probability that a woman is not occupied:

$$ y_i^* = X_i^F \gamma + v_i^F \qquad \text{with} \qquad v_i^F \sim N\left(0, \sigma_v^2\right) \tag{1} $$

where the latent variable y_i^* drives the observed outcome of non-working ($y_i = 1$) through the following measurement equation:

$$ y_i = 1 \quad if \quad y_i^* > 0 \qquad \text{and} \qquad y_i = 0 \quad if \quad y_i^* \leq 0 \tag{2} $$

Focusing on the subset of women who do not work, the probability of being actively searching a job is given by:

$$ S_i^* = X_i^F \gamma + W_i^F \delta + \varepsilon_i^F \quad \text{with} \qquad \varepsilon_i^F \sim N\left(0, \sigma_\varepsilon^2\right) \tag{3} $$

including a set of additional covariates (W) concerning the equivalized household income and size, the individual health status and the geographical area of residence.

In this way, the potential for unobserved heterogeneity that could produce a correlation between the error terms of the two probit models is considered. Therefore, not only the true effects of searching a job, but also the effect on professional condition of having these unobservable characteristics are captured (Fleming and Kler, 2011). If the error terms v_i and ε_i, jointly distributed as bivariate normal with zero

means and unit variances, are significantly positive correlated ($\rho > 0$), unobserved factors increase both the probability of being an unemployed female and looking for a job; for significantly negative ρ, the reverse is true, while not significant ρ shows the absence of selection effect and the equivalence of using the bivariate or two separate probit models.

5. Main results

By justifying the bivariate probit model in the effort to limit the risk of selection bias, it allows to estimate the probability of the event to be actively searching for a job upon the condition to be unemployed. Several explanatory variables are tested according to a stepwise procedure. A first set of covariates detects some socio-demographic characteristics at individual (i.e., marital status, educational attainment, age, health status) and household level (i.e., dependent children, household income and composition), while a second set includes location characteristics of each respondent (i.e., area of residence and urbanisation degree) in order to explore the role of territorial perspective in the women's job search propensity.

Significant selection effects of opposite signs are found for Greece, on the one side, and Norway and Poland, on the other one (tab. 3). The selection effect in women's job search process is insignificant for all the other countries and this could derive from a lack of a link between the mechanisms of job search and the status of unemployed. Probably, in the Northern countries, where the female labour force participation is the highest one and the female unemployment is low, the actively searching for a job is mainly linked to a form of frictional unemployment, just resulting from a labour market turnover. Conversely, in the other countries, where the female unemployment is higher, the attendant persistence of the male breadwinner model, especially in some specific social classes, could act in opposite directions, inducing women with a poorer background to look for low qualified jobs, while women with higher human capital characteristics could reveal a less attitude to search a job. Therefore, the significance of lambda coefficients for the Heckman correction in the women's wage equations (tab. 2) could denote a sample selection which exclusively involves women that do not participate at all to labour force.

In Greece, the harsher scenario and the more difficulties to find a job drive both the propensity of being unemployed and negatively the propensity of actively seeking employment; probably, this is due to the lack of real opportunities which could discourage Greek women in job searching, regardless their high propensity to work. In Norway and Poland, the unmeasured factors associated to a lower propensity to search a job act in the opposite direction. Indeed for these two countries, so as for Denmark and the Netherlands, the women's job search propensity is not significantly linked to financial household problems; as they say, a lower total family income does not necessarily imply more pressure on the unemployed women to be more active in job search. However, for Polish, Icelandic and Scandinavian women, to be married does not decrease the propensity to be actively looking for a job in contrast to Southern countries. Briefly, for the Northern countries, one of the most important finds is that neither marriage nor the presence of dependent children never discourage women to

be active in the labour market; in Denmark, living in a larger household with more dependent children even seems to put more pressure to search a job.

As the human capital theory suggests (Becker, 1964; Mincer, 1958; Schultz, 1961) and consistent with other empirical studies (Smirnova, 2003; Smith, 2003; Eriksson et al., 2002), our results emphasize the crucial role of education and age in determining both the propensity to work and the propensity to search a job. Indeed, a higher education level significantly increases the job search propensity everywhere, except for Iceland and the Netherlands; job search is expected to pay more educated females off more than less educated ones, while younger women are usually more active in search. Certainly, this latter is a negative effect which leads older women to decrease their search effort because of discouragement.

Norway – the only country for which no selection effect exists in the labour market but exclusively in the job search process – shows the best performance on the whole. Moreover, in the selection equation, the inverse relationship between the *ratio* variable (i.e., number of earners on total household components) and the probability of not working shows a higher female propensity to work in families where more members are already occupied (tab. 3). Nevertheless, beyond Italian, Greek and Hungarian women, even for the Finnish and Swedish ones, working still appears to be linked to financial household problems. As they say, even in countries with more favourable labour market conditions, in terms of functioning and conciliation policies, some social and economic problems are still unsurpassed.

Tab. 3 – Bivariate probit estimates of non-working and actively searching for a job (*to be continued*)

Variables	Italy	Greece	Hungary	Poland	Denmark
Actively searching for a job					
Intercept	-1.2127***	-1.7942***	-1.4347***	-1.3072***	-1.2372**
Equivalised household income	-2.2E-5***	-2.5E-5***	- 0.0002***	-4.19E-5	-1.28E-2
Marital status (1 if *married*)	-0.3349***	-0.5128***	0.2277**	0.0395	-0.3558***
Education attainment (ref.: *low*)					
Medium (ISCED97: 3;4)	0.2387***	0.4134***	0.2798***	0.5373***	0.2179
High (ISCED97: 5)	0.6332***	1.1202***	0.6385***	-0.2661***	0.8373***
Children (1 if *with children*)	-0.3355***	-0.6085***	- 0.2834**	-0.4220***	0.4373**
Age class (ref.: 16-24 years)					
Younger [25-40 years]	0.3672***	0.4762***	-0.3924*	0.4272***	0.2456
Older [41-65 years]	-0.4022***	-0.0109	0.9193***	-0.2661***	0.2211
Health (1 if *chronic*)	- 0.0598	- 0.0731	0.7179***	-0.3056***	- 0.1257
Ratio[+]	0.2999	1.8186***	1.0821**	0.4861*	0.2326
Equivalised household size	0.1588***	0.2206***	0.1319**	0.0952**	- 0.2529
Urbanisat. degree (1 if *densely*)	- 0.0576	- 0.0773	0.0446	0.0786	- 0.0975
Geographical area (NUTS1)[++]					
Area 1	0.2062*	0.2018	- 0.2331**	- 0.0181	–
Area 2	0.1085	0.0279	- 0.1726**	-0.2322***	–
Area 3	0.1532*	0.0658	–	- 0.0186	–
Area 4	- 0.0891	–	–	- 0.0837	–
Area 5	–	–	–	0.0569	–
Not working					
Intercept	3.5105***	3.5638***	3.8445***	3.2892***	3.1707***
Age (*years*)	- 0.0092**	-0.0115***	- 0.0140**	- 0.0016	-0.0079***
Marital status (1 if *married*)	0.0962**	0.0677	-0.2143***	-0.3350***	-0.1118*
Children (1 if *with children*)	0.5082***	0.4875***	0.4473***	0.2833***	0.3422***

Urbanisat- degree (1 if *densely*)	0.1256***	0.1002**	0.0352	0.0871***	- 0.1007
Educational attainment (ref: *low*)					
Medium (ISCED97: 3;4)	-0.4432***	-0.4274***	-0.5901***	-0.8561***	-0.6393***
High (ISCED97: 5)	-0.9438***	-0.9553***	-0.9686***	-1.4804***	-0.7967***
Ratio [+]	-4.4691***	-4.3516***	-4.3045***	-3.5013***	-3.9472***
Wald chi^2	429.33	317.55	188.26	313.94	47.03
Correlation (ρ)	- 0.2390	0.6858**	0.1859	- 0.3482**	- 0.0441

Tab. 3 (*continued*) – Bivariate probit estimates of non-working and actively searching for a job

Variables	Finland	Iceland	The Netherlands	Norway	Sweden
Actively searching for a job					
Intercept	-0.8346***	- 0.5184	-2.0794***	-1.8449***	-1.2503**
Equivalised household income	-2.57E-5***	-3.75E-6*	- 4.10E-6	- 1.15E-6	-1.68E-5**
Marital status (1 if *married*)	-0.0652	0.1311	-0.4441***	-0.1532	0.1046
Education attainment (ref: *low*)	0.5071***	0.0141	0.0136	0.4657***	0.6558***
Medium (ISCED97: 3;4)	0.5283***	0.4270	0.4057	0.8198***	0.6286**
High (ISCED97: 5)					
Children (1 if *with children*)	-0.0299	-0.0951	0.1181	-0.0225	- 0.1686
Age class (ref.: 16-24 years)					
Younger [25-40 years]	0.3064**	- 0.3924*	0.6690***	0.1206	0.1711
Older [41-65 years]	0.1400	-0.9272**	0.3518*	0.3206**	- 0.0741
Health (1 if *chronic*)	- 0.4590***	0.1630	0.1801	- 0.0373	- 0.3252**
Ratio [+]	0.0346	- 0.1690	1.1182	2.7657***	1.7085*
Equivalised household size	- 0.1508	- 0.1811	- 0.0823	- 0.1912	- 0.1771*
Urbanisat. degree (1 if *densely*)	- 0.1131	- 0.0859	–	- 0.0156	- 0.0972
Not working					
Intercept	4.6366***	3.9635***	2.1514***	3.1005***	5.3980***
Age (*years*)	-0.0221***	-0.0346***	1.97E-5	-0.1292***	-0.0206***
Marital status (1 if *married*)	-0.0324	0.0089	0.0523	0.0103	- 0.0978
Children (1 if *with children*)	0.6646***	0.0706	0.4295***	0.1562***	0.2613***
Urbanisat. Degree (1 if *densely*)	-0.1723***	0.0028	–	-0.0338	0.0480
Educational attainm. (ref.*low*)					
Medium (ISCED97: 3;4)	-0.7345***	-0.3815***	-0.6040***	-0.6282***	-1.1402***
High (ISCED97: 5)	-0.8696***	-0.8463***	-0.9731***	0.9539***	-1.3522***
Ratio [+]	-5.3240***	-3.6586***	-3.2250***	-3.5753***	-5.6301***
Wald chi^2	87.44	24.27	45.04	179.70	81.67
Correlation (ρ)	0.0585	0.1136	- 0.1972	- 0.9343*	- 0.4644

[+] (n° earners – 1)/(n° household members); * significant at 10%; ** 5%;*** at 1%

[++] NUTS1 codes: *Italy*: 1 North-West, 2 North-East, 3 Centre, 4 South (*ref*.: Isles); *Greece*: 1 Voreia, 2 Kentriki, 3 Attiki (*ref*.: Nisia Aigaiou, Kriti); *Hungary*: 1 Central, 2 Transdanubia (*ref*.: Greath Plain and North); *Poland*: 1 Centralny, 2 Poludniowy, 3 Wschodni, 4 Polnocno-Zachodni, 5 Poludniowo-Zachodni (*ref*.: Polnocny)

6. Concluding remarks

The growth of female labour force participation is a feasible channel for increasing per capita GDP and, in turn, for narrowing the gender gaps. This is of great importance, mainly in recent years characterized by a reduced economic growth even for the most developed European countries. The emphasis of EU institutions on policies devised to

support gender equality and innovative forms of work organization and legislation produced a further increase in the female labour force participation, driving national governments on the definition of various measures for reconciling work and family life.

However, substantial cross-national differences in the levels of female participation in the labour market still persist. In this light, in Europe, the well-known contraposition between the most developed Northern economies, on the one side, and the Southern and Eastern countries, on the other one, whose economic growth is obstructed by socio-economic problems, is too much simplistic and lacking of significance in explaining these differentials.

In this paper, an in-depth analysis of determinants of women's job search activity has been carried out with a particular focus on the influence of household composition trying to link the results to each national macroeconomic framework. Indeed, institutions surely play a crucial role in stimulating the women's participation in the labour market through initiatives increasing flexibility or different kinds of employment and labour tax policies, although the decision to be active in the labour market is also strongly affected by the previous choices in fertility and education.

The analysis of countries with opposite levels of female activity rates has shown a significant selection effect only for Greece, Poland and Norway. In particular, in Greece, the negative sign of selection effect could highlight a strong influence of financial problems and high levels of unemployment in female propensity of actively looking for a job; on the other side, Polish and Norwegian women seem to be driven in their decisions in finding a job by opposite factors. In the other countries, different dynamics, such as different levels of unemployment, part-time diffusion, persistence of the male breadwinner model, don't let emerge any predominant aspect.

Furthermore, while in the Northern countries having children does not significantly affect the propensity to search a job, probably thanks to a successful mix of conciliation policies, in the Southern and Eastern countries it could be a problem even now. Many common factors across countries are also identified, such are as the direct relationship between educational level and propensity to work.

Briefly, women's work propensity appears to be higher in countries where effective measures aimed to reconciling motherhood with professional life are in force, although the macroeconomic scenario and the strictness of labour market institutions may negatively affect their participation.

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