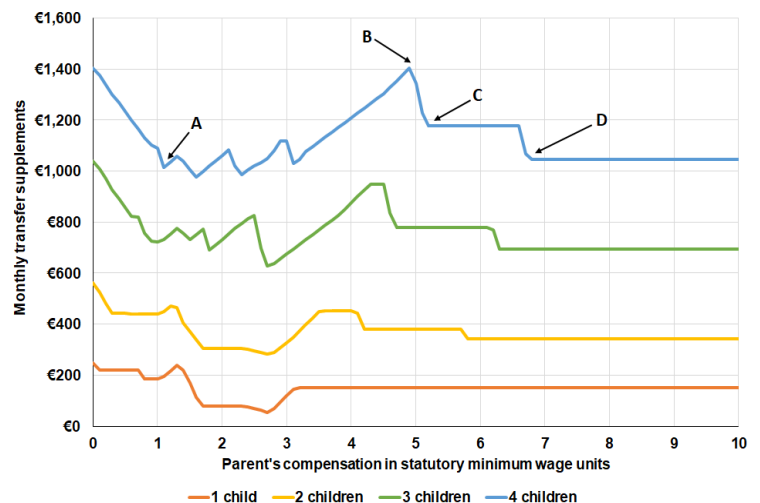


The Economic Issues Surrounding Redistribution to Families

Louise Delhaye, Per Yann Le Floc'h, Inès Marchais and Adrien Massebieau

- Since its introduction in the 1930s, family policy has been resolutely directed towards childbirth goals by horizontal redistribution from childless households to those with children. The first major change took place in the 1970s with the start of vertical redistribution from wealthy families to low-income ones. Family policy expenditure now encompasses a large number of objectives, including support for early childhood and gender equality.
- Family policy has adjusted itself to socio-demographic changes in recent decades, in particular the increase in women in the workforce and single-parent families.
- Today, family policy has three main goals: contributing to offsetting family expenses, helping vulnerable families and ensuring a work-life balance. To achieve its targets, the policy comprises tax schemes (essentially income splitting, the *quotient familial*), universal or means-tested monetary allowances, increased welfare benefits depending on the age or number of children, and the provision of public childcare services.
- The French welfare and tax system now focuses mainly on low-income families, single-parent families and large families for which the poverty rate is higher than for other families. Besides income levels and the number of children, the additional monetary benefits paid for having children depend on their age and birth order. Nevertheless, changes to welfare and tax transfers based on these criteria are not always commensurate with the increase in costs for families. In addition, the "layering" of schemes creates changes in the amount of means-tested benefits paid per child that are difficult to understand (see Chart).
- Childcare options conducive to a work-life balance are thought to have a stronger impact on fertility rates than the monetary benefits under family policy.

Additional disposable income owing to the presence of one or more children based on income levels



Source: DG Trésor calculations, based on legislation in force in early 2025. Couple of tenants with children aged between 6 and 10. The household receives housing benefit (zone 2: rent equal to the threshold level for housing benefit). The second parent is paid the statutory minimum wage (SMIC) for a full-time position. How to read this chart: A: phasing out of inclusion benefits, B: income splitting cap, C: changeover to the second family allowance bracket, D: changeover to the third family allowance bracket.

1. Overview of families and current family policy arrangements

The term "family policy" covers a series of schemes introduced at different times that mirror changes to the goals of this government policy. These arrangements (e.g. targeted or universal benefits, parental leave, benefits in kind for childcare, family-related pension rights) have indeed been tweaked to better address changes in families' needs: increase in women in the workforce, the number of divorces and civil partnerships, single-parent families, etc.

1.1 Family policy has adjusted itself to social and demographic change

From the outset, family policy was strongly influenced by childbirth goals. After being introduced in 1932, family allowances were, at the time, not subject to means testing but were only paid out to families of employees who had at least two children. Income splitting, which was unveiled in 1946 to bring the amount of income tax into line with each household's tax-paying capacity, provided, up until 1953, for a reduction of the number of tax units for married couples without children from two to one and a half.

There was an initial major change in the 1970s with the introduction of new means-tested schemes (allowance for orphans, back-to-school allowance) which supplemented the social protection system. Concurrently, the Act of 4 July 1975 enshrined the universal nature of family allowances by removing the criterion of carrying on a professional activity for entitlement to benefits.

At the same time, a number of socio-demographic shifts have had a direct impact on family structures.

Firstly, the way in which families are organised has gradually altered with the rise of both partners in couples working. Whereas women only accounted for a

third of the French workforce aged between 15 and 64 in the 1960s, they represent almost one half today; their participation rate has increased from 55% in 1975 to over 70% today.

Secondly, the fertility rate has plummeted since 1950: the number of children per women fell from three in 1950 to around 1.6 in 2024. The average age for having the first child increased to 31 in 2022 compared with 27 in 1975.¹ The French birth rate has been declining since 2010, and even more so since 2015, which has contributed to the unprecedentedly low level of the natural population change.² The share of children living in large families³ also fell from 43% in 1982 to 33% in 2018.⁴

Lastly, the proportion of single-parent families has doubled since 1990 and stood at 24% of all families in 2020.⁵ The parents in these families (in which, the single parent is the mother in 84% of cases)⁶ are not only less qualified but also, due to their isolation, have more problems with achieving a work-life balance; they are especially vulnerable from an economic and social standpoint. Also, the single parent is unemployed in a third of these families. In 2021, 39% of children under 18 in single-parent families were living below the income poverty line, compared with 21% of children overall.⁷

To address these changes, early childhood has gradually become one of the imperatives for family policy. In the 1980s, the first financial support for day nurseries (*crèches*) and for families using childcare solutions, and paid parental leave, were introduced. Today, childcare support schemes account for almost a quarter of direct family policy expenditure (the "core scope" see Table 1).

(1) S. Papon and C. Beaumel (2021), "Demographic Report 2020: Due to the COVID-19 pandemic, life expectancy drops and the number of marriages falls", *Insee Première*, no. 1834.

(2) The natural population change is the difference between the number of births and deaths recorded over a given period.

(3) Insee uses a three-children threshold for large families, and defines a family as a household with at least one child under 18.

(4) HCFEA (2021), *Panorama des familles d'aujourd'hui, synthèse et propositions* (in French only).

(5) Insee (2018), Annual Census Survey 2018. HCFEA calculations.

(6) Insee (2023), France, Social Portrait.

(7) Insee (2024), Household Income and Wealth.

Table 1: Scope of family policy expenditure

Core scope (in €bn in 2022)	
Family benefits	20.6
<i>of which family allowances</i>	12.1
<i>of which early childhood benefit (PAJE)</i>	3.0
<i>of which family income supplement</i>	2.4
<i>of which family support allowance</i>	2.0
Study-related benefits	3.3
<i>of which back-to-school allowance</i>	2.1
<i>of which grants excluding higher education</i>	1.2
Childcare benefits	16.8
<i>of which early childhood benefit (PAJE child minder and home help)</i>	6.8
<i>of which shared benefit for child education (PreParE)</i>	0.8
<i>of which tax credit for the cost of childcare for children under six</i>	1.1
<i>of which home help tax credit (childcare in the home)</i>	0.5
<i>of which early childhood benefits</i>	7.7
Child welfare service (ASE)	9.4
<i>of which accommodation and childcare services</i>	9.2
<i>of which sundry ASE-related expenditure</i>	0.1
Income supplement	2.6
<i>of which family allowance for government employees and family allowance for military personnel</i>	2.0
<i>of which additional family benefits for government employees serving abroad</i>	0.7
Maternity benefits	4.5
<i>of which daily allowances</i>	3.4
<i>of which birth grants</i>	0.5
Benefits for disabled children*	8.2
<i>of which care, support and accommodation for disabled children</i>	6.9
<i>of which disabled child allowance</i>	1.2
Other social action benefits	1.9
Core scope total	67.3
Enlarged scope (in €bn in 2017)	
Income splitting applied to calculate income tax	12.8
Deferred benefits (family-related pension rights)*	20.7
<i>of which increased pension premiums for parents of three children</i>	9.2
<i>of which increased duration of insurance</i>	7.0
<i>of which old-age insurance for the parents in the household</i>	3.1
Benefits with a family dimension (supplements paid for having children)	5.8
<i>of which housing benefit (APL)</i>	4.1
<i>of which in-work benefit</i>	0.6
<i>of which social inclusion benefit (RSA)</i>	0.5
Management expenses	2.9
Enlarged scope total	42.2

Source: Comptes de la protection sociale, DREES and Compte de l'enfance, DREES.

* The data relating to benefits for children's disabilities is for 2021. The most-recent data concerning the enlarged scope is for 2017 with the exception of the amounts of family-related pension rights for which the latest-available date is 2016.

1.2 Family policy encompasses a wide range of schemes geared towards achieving three main goals

Broadly speaking, family policy has three main goals:⁸

- Contributing to offsetting family expenses through horizontal redistribution between households with and without children. In this way, monetary transfers partly offset the additional cost of having children. Non-means-tested family benefits (e.g. family allowances, family support allowance, disabled child allowance), or factoring in children using income splitting to calculate income tax, contribute to achieving this goal.
- Helping vulnerable families through vertical redistribution, i.e. from wealthy households to more low-income ones to reduce, inter alia, child poverty.⁹ Means-tested family benefits (e.g. family income supplement, back-to-school allowance, birth grant) and family-based social security benefits (e.g. social inclusion benefit) contribute to achieving this goal.

- Ensuring a work-life balance: the development of and payment for childcare aimed at stopping parents (mainly mothers) from distancing themselves from the labour market following maternity or paternity leave. The supplement for free choice of childcare (CMG), the expansion and government funding of childcare by professionals (e.g. day nurseries, child minders) and specific tax arrangements (tax credits for childcare) contribute to achieving this goal.

Fighting gender inequality is gradually being added to these goals, especially with the introduction of measures, such as extended paternity leave, to foster more equal sharing of parental duties by couples.

In order to achieve these goals, French family policy has a large number of schemes that can be classified in two main categories. The first covers the expenditure that represents direct family policy channels (€67bn) whilst the second includes expenditure in the family policy's "extended" scope, meaning family policy mechanisms that pass through the channels of the welfare and tax system (€42bn) (see Table 1).

2. The economic impact of welfare and tax transfers to families

2.1 The welfare and tax system carries out a substantial monetary redistribution from households without children to families

The monetary redistribution carried out by the welfare and tax system¹⁰ is favourable for families, especially large and single-parent ones. The notion of an equivalence scale is used to compare the circumstances of different-sized households by accounting for savings made owing to the sharing of

resources (see Box 1). The result is that, before taxes and social security benefits, compared to a household without dependent children, families with one or two dependent children have respectively and on average a standard of living that is 6% and 12% lower, and 46% lower for a family with three dependent children or more. After redistribution, the gaps in standards of living are reduced to 3% and 7% for families with one and two children and to 29% for families with three children or more.

(8) See *Rapports d'Évaluation des Politiques de Sécurité Sociale* (REPSS), appended to the Social Security Accounts Approval Bill (PLACSS) (in French only).

(9) In 2021, the child poverty rate stood at 20.6% compared with 14.5% for the population as a whole.

(10) The scope in this case covers direct taxes (income tax) and all monetary transfers (minimum social security benefits, family benefits, in-work benefit, housing benefit). This means that the analysis does not extend to family-related pension benefits, exemptions from social security contributions for childcare and benefits in kind. In addition, it does not factor in social security contributions and charges.

Box 1: Equivalence scales

To compare the income of different-sized households, equivalence scales can allocate a number of consumer units (CUs) to each individual in the household. These CUs constitute an individual's consumption in relation to the consumption of the first individual comprising the household and are contingent on the structure of the household's consumption. As standard practice, the equivalence scale used by Insee to calculate standards of living allocates 1 CU to the first adult in the household, 0.5 CUs for the other people aged over 14 and 0.3 CUs to those under 14. For instance, a household with two adults (1.5 CUs), a child aged 16 (0.5 CUs) and a child aged 10 (0.3 CUs) has 2.3 CUs. The social security benefit scales and the tax units for calculating income tax also take account of the size of households on the basis of their own equivalence scales that differ from each other.

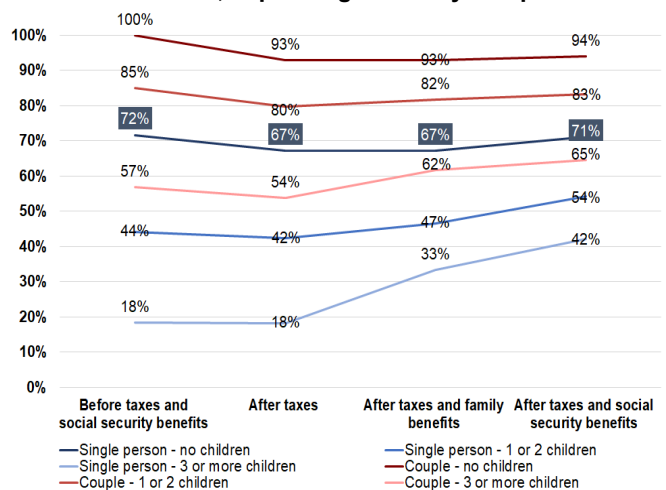
The welfare and tax system cuts inequality by carrying out dual horizontal and vertical redistribution. In the analysis below, the position prior to redistribution and its scope is assessed using a representative sample of households.¹¹ Some benefits paid or received in kind to offset the cost of childcare for very young children, and some benefits and grants from local authorities, such as reduced school canteen prices, are excluded.

The welfare and tax system is of significant benefit for families: 68% of households with children are net beneficiaries of the system¹² compared with 30% of childless households. This redistribution is channelled, in particular, towards large families, 91% of which are net beneficiaries of the welfare and tax system and receive an average of more than €4,500 in net transfers per year. Single-parent families are also largely net beneficiaries of the system (88%) and receive an average of more than €4,900 in net transfers per year.

Consequently, the average standard of living of family categories with children, with the exception of couples with one or two children, is improving thanks to the welfare and tax system whilst that of childless couples and single people is falling slightly (see Chart 1). Large families have the most significant improvement in their standard of living due to taxes and social security

benefits, in particular family benefits. Single-parent families also receive substantial support partly in the form of family benefits but, more importantly, in housing benefit and minimum social security benefits for which they are granted increased allowances.

Chart 1: Households' standard of living before and after redistribution, depending on family composition



Source: Saphir 2023, DG Trésor calculations.

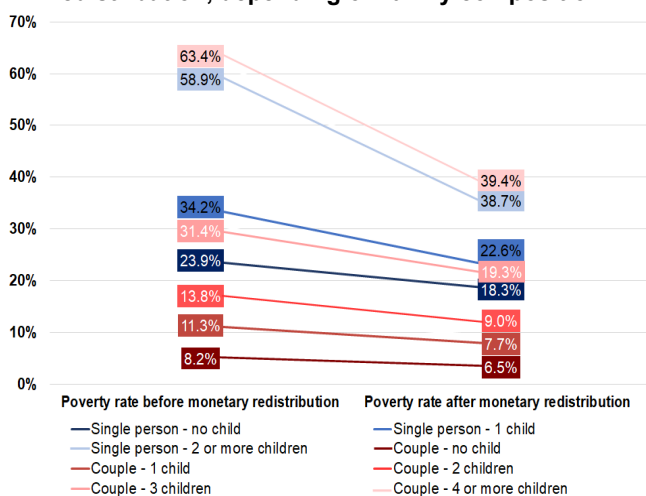
How to read this chart: The average standard of living for people within the same family configuration is measured relative to a benchmark of 100 that is the median reference standard of living for childless couples (€36,320 per consumer unit after social security contributions and charges but before taxes and social security benefits).

(11) For an overview of the microsimulation model used, see V. Amoureux, I. Benoteau and A. Naouas (2018), " [Le modèle de microsimulation Saphir](#)", *Working Documents*, no. 2018/6 (in French only).

(12) Households for which the income increases (or falls) by at least €10 per month due to social security benefits and taxes are deemed to be net beneficiaries (or contributors) of/to the welfare and tax system.

Lastly, family policy provides special support to the lowest-income families and this has enabled the child poverty rate to be lowered. According to 2021 figures, redistribution via the French welfare and tax system greatly reduced family poverty from 31.4% to 19.3% for couples with three children and from 13.8% to 9.0% for couples with two children.¹³ The poverty rate for single-parent families fell even more sharply from 34.2% to 22.6% for those with one child and from 58.9% to 38.7% for those with two children or more (see Chart 2).

Chart 2: Household poverty rate before and after redistribution, depending on family composition



Source: *Minima sociaux et prestations sociales, DREES, 2024 edition (in French only)*.

Scope: Mainland France, people belonging to a household living in ordinary housing for which the reported income is positive or zero and in which the reference person is not a student. Children are defined as single children in the household with no age limit.

How to read this chart: Before redistribution, the poverty rate for single people calculated on their initial income was 23.9% in 2021 in mainland France. After factoring in overall redistribution, their poverty rate calculated on disposable income was 18.3% in 2021, i.e. a drop in absolute terms of 5.6 percentage points and a reduction in relative terms of 23% compared to its initial level.

2.2 Child-related monetary transfers vary according to income, the household's composition, the birth order and age of the child

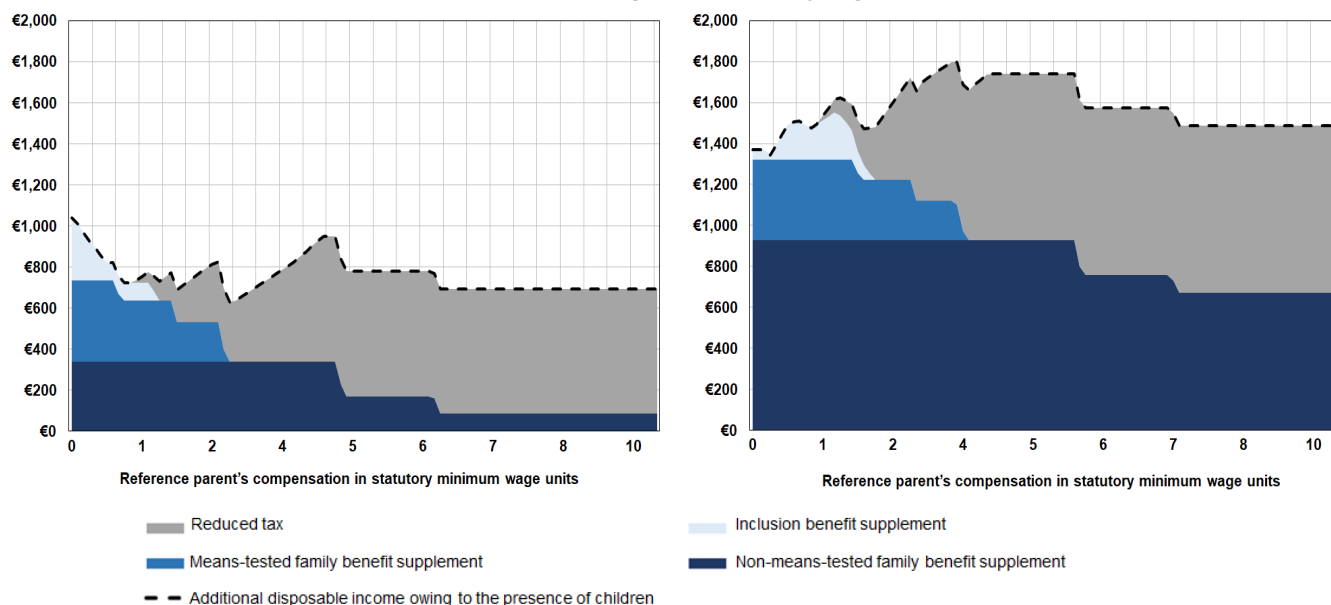
Having children bestows additional benefits on families which decreases as income rises. Nevertheless, these additional benefits increase for taxable families who are entitled to income splitting. Above a certain income threshold, the income splitting cap¹⁴ and reaching the third and final family allowance bracket cause the amount of support to level off (see Chart 3).

The "layering" of welfare and tax system schemes generates additional disposable income owing to the presence of a child that is unstable and non-linear compared to family compensation, and this makes the system more difficult to understand. As matters stand, supplementary benefits fluctuate both up and down in an uncoordinated manner depending on the household's income, the age and number of children, and the parents' marital status. Concurrently, the amount of child-related benefits paid to the lowest-income families is ultimately the same as the tax break acquired by wealthier families thanks to income splitting for all family configurations. In other words, taking account of the entire welfare and tax system, the additional disposable income owing to having children scarcely varies with household income (see Chart 3).

(13) *Minima sociaux et prestations sociales, DREES, 2023 Edition (in French only)*.

(14) In 2024, the tax break was capped at €1,759 per child for the first and second child(ren) and at €3,518 per child as from the third.

Chart 3: Breakdown of additional disposable income owing to the presence of three children for a couple (left-hand side) and a single-parent family (right-hand side)



Source: DG Trésor calculations, based on legislation in force in early 2025.

Note: The children are aged six, eight and nine. The household receives housing benefit (zone 2; rent equal to the threshold level for housing benefit). For the couple, the reference parent's compensation is shown on the Chart's X-axis and the second parent is paid the statutory minimum wage (SMIC) for a full-time position. The single-parent family receives the maximum amount of the family support allowance as it is assumed that it does not receive maintenance payments.

How to read this chart: The welfare and tax transfers paid to a tenant household comprising two partners who are paid the statutory minimum wage are increased by around €724 in the presence of three children aged between six and nine, compared to a childless couple. The additional transfers are broken down into a social security benefit supplement of around €88, a means-tested family benefit supplement of around €297, and a non-means-tested family benefit supplement of around €339.

The welfare and tax system is more beneficial for large families with three children or more: the additional support tied in with the presence of a third child is higher than the additional support related to the presence of the first and second child (see Chart on cover page). This leads to special treatment for these families as regards family benefits (higher housing benefit and entitlement to the family income supplement) and income tax (an additional tax unit as from the third child compared to half a unit for each of the first two children).

This additional support is also higher for single parents owing to calculation methods that are more favourable overall than for parents in a couple. For instance, taking account of the family support allowance, that is paid to a single person with one or more dependent children for whom the other parent does not pay maintenance,¹⁵ led to an increase in the amount of government support paid to single parents of almost €200 per dependent child in 2024.

In addition, the family benefits system adjusts to changes to the cost of having a child depending on their age: the additional support connected with the presence of a child, which is initially high for children under three (to offset the cost of childcare), declines when the child starts school but increases once again as they get older. This applies less to the lowest-income families because inclusion benefits offset part of the drop in age-related family benefits (see Charts 4 and 5). The child's age is reflected in the amount of support through:

- payment of specific benefits: (i) the early childhood benefit (PAJE) is means tested and allocated to certain households that have a dependent child under three,¹⁶ and (ii) the means-tested back-to-school allowance allocated to each household with a dependent child aged between 6 and 18, the amount of which increases with age.
- increased family allowances for children aged 14 and over¹⁷ (in 2024, an additional €74.26 for amounts at

(15) Or a maintenance payment of less than the amount of the family support allowance, set at €195.86 per dependent child as of 1 April 2024.

(16) Excluding the supplement for free choice of childcare which can be paid until the child reaches the age of six.

(17) To people having at least two dependent children under 20.

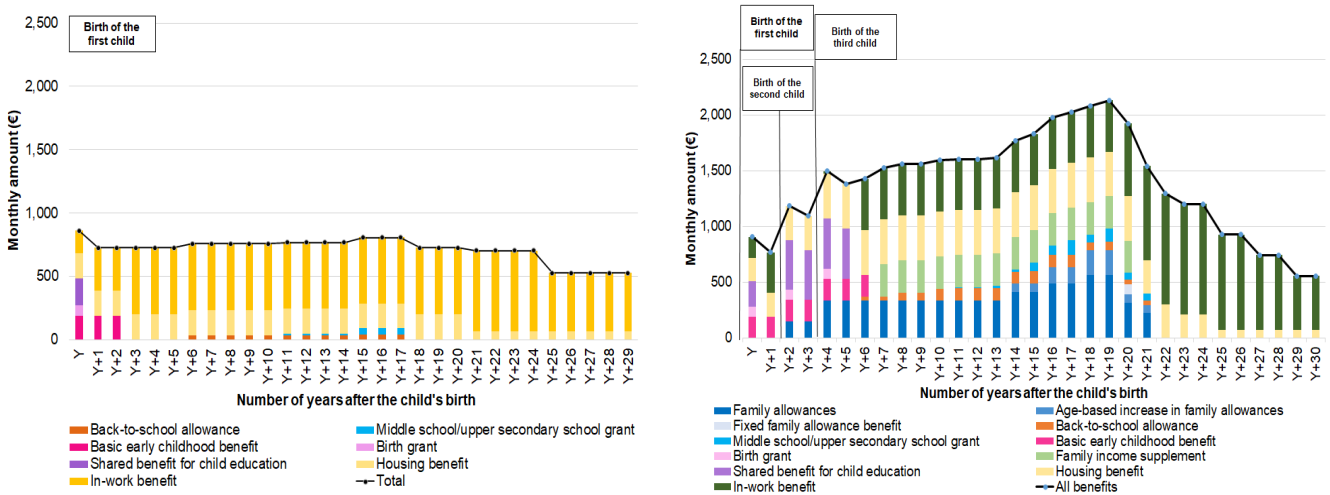
the full rate, an additional €37.13 and €18.57 for amounts at half rate and quarter rate on the family allowance scale).

- tax reductions and credits: (i) the reduction for school fees, the amount of which varies according to the academic level (€61 per child in middle school, €153 per child in upper secondary school, €183 per child in higher education), and (ii) tax credits for childcare (e.g. tax credit for the cost of childcare outside the home (CI-GEHD), for children under six, which is

equivalent to 50% of the amounts paid up to the limit of the caps).

Lastly, the amount of benefits paid is contingent on the child's birth order. In particular, the additional amount paid with regard to the third child is sometimes more than twice as much as that paid for the second due to family allowances being more favourable for large families and the awarding of an additional half unit for calculating income tax (see Chart on the cover page).

Chart 4: Monthly benefits received by a family with one working parent earning the statutory minimum wage with one child (left-hand side) and three children (right-hand side), according to their age

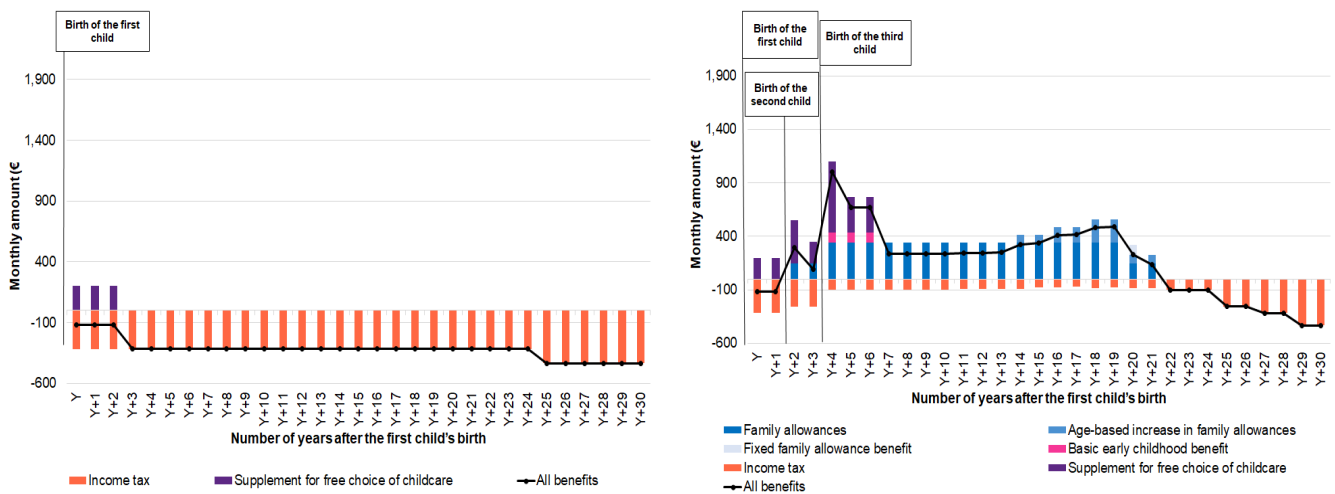


Source: *Pâris, Legislation as at 1 January 2025.*

How to read this chart: The household comprises one employee earning the statutory minimum wage for a full-time position and their non-working partner, who are tenants in zone 2.

After the birth of the second child, the couple are entitled to the shared benefit for child education (PreParE) for two years meaning that they do not receive the in-work benefit during this period. In Y+20, the in-work benefit exactly offsets the ending of payment of family allowances but not that of grants, the age-based increase in family allowances and the back-to-school allowance. When each child reaches the age of 21, there is a reduction in housing benefit which is almost entirely offset by an increase in the in-work benefit. When each child reaches the age of 25, the amount of the in-work benefit is reduced as this can no longer be declared within the meaning of the in-work benefit (reduction of the equivalence scale).

Chart 5: Monthly benefits received and tax paid by a family with two working parents earning four times the statutory minimum wage, with one child (left-hand side) and three children (right-hand side), according to their age



Source: *Pâris, Legislation as at 1 January 2025.*

How to read this chart: The household comprises one employee earning twice the statutory minimum wage for a full-time position and their partner with the same profile, who are tenants in zone 2. The couple chooses not to apply for the shared benefit for child education (PreParE). After they reach the age of 18, the child no longer lives at home but still belongs to their parents' tax household.

Box 2: Family benefits in Europe: state of play in the EU27 in 2022^a

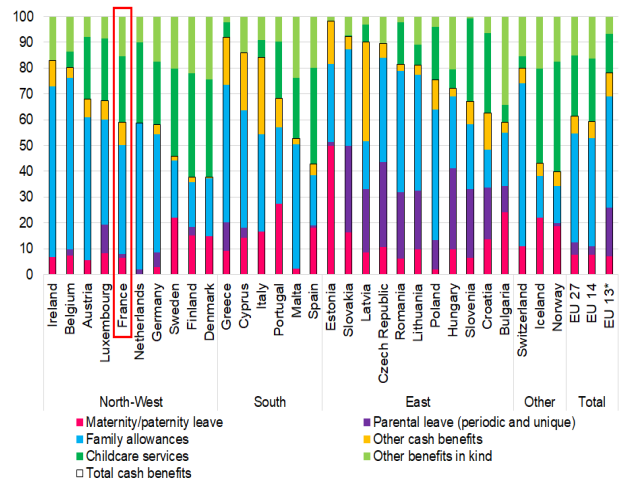
In 2022, expenditure for the benefit of families accounted for 2.2% of GDP in France, which was within the average for European Union Member States (2.3%). The countries of Northwestern Europe spend the most on average, in particular Germany and Luxembourg which earmark more than 3% of their GDP. In relation to the number of children, family policy expenditure in France is €3,670 in purchasing power parity (PPP) per child,^b far behind expenditure of €8,820 in PPP per child in Germany where the number of children per adult is lower.

This gap can be attributed, *inter alia*, to tax measures and family-related pension rights not being factored in when calculating expenditure in PPP. As a result, expenditure on families would have been double (4.7% of GDP in 2017 according to the DREES)^c if account had been taken of all social security and tax expenditure in France.^d

On average in Europe, 61% of overall benefit expenditure relates to cash benefits (see Chart 6). Amongst the latter, family benefits account for 42% of total expenditure, compared to 8% for maternity-paternity leave and 5% for parental leave. Benefits in kind constitute the remaining 39% and are primarily made up of childcare services (23% of all benefits). France is almost in line with this European average with 62% for cash benefits (51% for family benefits, 6% for maternity-paternity leave and 5% for parental leave) and 38% for benefits in kind (of which 24% is devoted to childcare services through day nurseries and other childcare solutions).

The structure of family benefits varies between geographical areas. Countries in Northern Europe pay out more benefits in kind mainly earmarked for childcare services whilst Eastern European countries allocate a larger proportion of their expenditure than the European average for maternity, paternity and parental leave.

Chart 6: Structure of family benefits in 2021 (in % of total benefits)



Source: Eurostat, ESSPROS.

Note: The other cash benefits are periodic and unique benefits such as the birth grant; the other benefits in kind are accommodation, home help and other benefits. 2022 data is not available.

* EU Member States that joined the Union in and after 2004.

- DREES (2023), "La protection sociale en France et en Europe en 2022 – édition 2023" (in French only). Results from the social protection accounts.
- Purchasing power parity expresses the relationship between the quantity of monetary units required in different countries to acquire the same "basket" of goods and services.
- DREES (2020), *Compte de l'enfance* (in French only).
- DREES (2023), *op. cit.*

Nevertheless, changes in welfare and tax transfers according to the number of children do not seem to be always consistent with the rise in costs for families. In particular, the increase in these transfers and related support granted for the third child appears to be higher than the increased cost for families. However, in relation to the goal of supporting low-income families, the much lower standard of living of households with three children could justify this increased support for the most vulnerable through monetary transfers (i.e. the family income supplement). As the arrival of a third

child is also associated with more parents leaving the labour market, and therefore losing income in addition to incurring rising costs, the increase in welfare and tax transfers could represent a secondary solution to compensate for the lack of childcare solutions.

According to the economic literature, the social security benefit scales do not sufficiently factor in the impact of a child on the budgets of single-parent families or of single parents who do not provide accommodation for the child.¹⁸ The estimated equivalence scales show

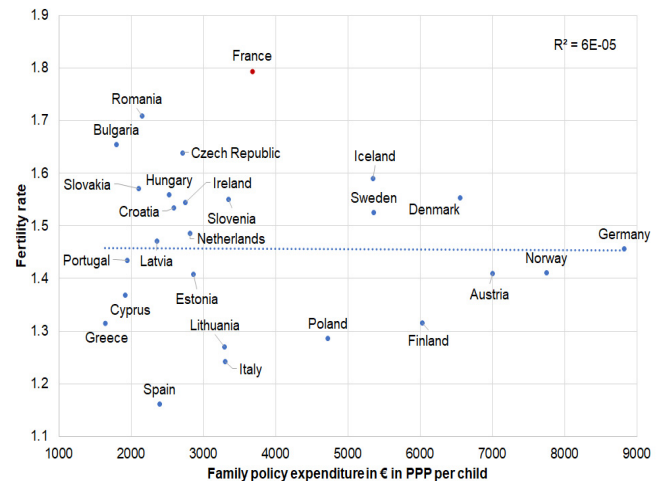
(18) H. Martin and H. Périer (2018), "Les échelles d'équivalence à l'épreuve des nouvelles configurations familiales (estimations à partir de l'enquête Budget de famille 2011)" (in French only).

that, for a single person, the presence of a child creates higher costs than for a partner in a couple: a household comprising a single person with a child aged under 19 is estimated to have 16% more consumption costs than a childless couple. For instance, the couple can generate economies of scale by occupying the same bedroom whilst the presence of a child may require an extra room for the household's accommodation. This extra burden accounts, inter alia, for the granting of an additional half tax unit and the increase in the social inclusion benefit as well as the in-work benefit when the parent is a single parent. Despite this, the implicit equivalence scales for social security benefits and from Insee may still overestimate the standard of living of single-parent families.¹⁹ For single parents who do not provide accommodation for the child, the additional cost related to the child is not taken into account in the current tax units system and in the social security benefit scales. Following a divorce, parents who share custody of a child can share the additional half tax unit, which is not the case when only one parent has custody with visitation and accommodation rights for the other, even though these arrangements involve increased expenses due to the non-custodial parent regularly taking care of the child.²⁰

2.3 The schemes that foster work-life balance are thought to have a stronger positive impact on fertility than monetary family benefits

France is one of the European countries with the highest total fertility rate.²¹ Nevertheless, this rate had fallen sharply in 2024 to 1.62 children per woman, its lowest level since the end of the First World War. The variations in birth rates between European countries are however unrelated to family policy expenditure with regard to the number of children (see Chart 7).

Chart 7: Government family policy expenditure per child and fertility rate in 2022



Source: OECD and Eurostat.

Consequently, French family policy only provides a very partial explanation for the country's relatively high fertility rate compared to the rest of Europe.²²

According to the economic literature, the schemes striving to foster a work-life balance would appear to represent explanatory determinants that carry more weight in the decision to have a child²³ than monetary family benefits. These schemes, that cover entitlement to parental leave, welfare benefits and childcare solutions and services, allow for career breaks to be limited by offering childcare options. For instance, the rollout of paid parental leave for around a year and a huge range of childcare solutions in the Nordic Countries caused the fertility rate to remain stable at around two children per woman between 1970 and 2010. However, a review of the literature flags up methodological issues that complicate the analysis of the causal effect of family policies on fertility.²⁴

(19) DREES (2023), *Comment mieux prendre en compte la diversité des familles dans les échelles d'équivalence ?* (in French only).

(20) The relative cost of a child for a parent with visitation and accommodation rights compared with a child living in the main home, taken as a benchmark, is around 45%. DREES (2023), *op. cit.*

(21) The total fertility rate is the total of fertility rates by age observed during a given year. It represents the number of children that a woman would have throughout her life if the fertility rates observed during the year under review at each age were to remain the same.

(22) O. Thévenon (2014), "Évaluer l'impact des politiques familiales sur la fécondité", *Informations sociales*, 2014/3 no. 183, pp. 50-62 (in French only).

(23) J. Bergsvik, A. Fauske and R.K. Hart (2021), "Can Policies Stall the Fertility Fall? A Systematic Review of the (Quasi-) Experimental Literature", *Population and Development Review*, 47: 913-964.

(24) Empirical work is often adversely affected by very poor external validity or, conversely, is difficult to make use of as the scope of observed measures is too broad.

In addition to affecting decisions to have one or several children, these schemes must also be consistent with other goals such as employment and gender equality. When parental leave lasts too long, one of the two parents may lastingly drop out of the labour market with an adverse effect on the workforce participation rate. In addition, parents' productivity is affected by reduced activity or the prolongation of the period of unemployment to look after a child. Moreover, leave for childcare (excluding maternity leave) is primarily taken by women in France (the shared benefit for child education (PreParE) is claimed by 95% of women and

5% of men). Shorter parental leave that is the same for both parents, together with better compensation, appears to foster more equal task-sharing within couples with more involvement of fathers and could encourage parents to return sooner to the labour market.

However, consolidating the formal childcare choices reconciles demographic and employment goals. Adequate childcare options enable parents to have a better work-life balance and therefore bolster women's participation in the workforce.

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