

Effects of Childcare Availability on Fertility and Maternal Labor Supply

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This paper develops a dynamic collective model to analyze the household's decision making on having a child and maternal labor supply. We introduce a dynamics of the bargaining power and "*Fertility rule*." The model implies that the childcare policy has an effect only when female bargaining power is higher than a threshold. Using Japanese census, we obtain the estimation results consistent with the implication of the model. This paper suggests that the inconsistent results of previous researches regarding the childcare availability are driven by the inadequate consideration of the bargaining power.