

Abstract: The Disparate Effects of Employment Uncertainty on Life

Course Outcomes

Job loss and unemployment have long-lasting consequences for an individual's working life trajectory, and for their household disruption, family formation, and mental health outcomes. However, not all individuals and families are similarly affected by adverse employment shocks, such as job loss or employment uncertainty, based on individual factors and the social and economic context. This thesis examines how these individual factors and the regional socio-economic context moderate these effects in isolation, and how they interact and create disparate effects. My thesis consists of four empirical investigations that employ SOEP data in Article 1, Norwegian administrative data in Articles 2 and 3, and LASI data in Article 4. These papers are organised under two separate themes of the thesis, with Articles 1, 2, and 3 examining the impact of job loss and employment uncertainty on family outcomes such as union dissolution and fertility. These articles also examine the mechanisms underlying the effects of employment uncertainty on family outcomes. Article 4 examines the association between adult children's unemployment and parental risk of depression and the moderation effects of social and economic factors.

Article 1 focuses on the impact of job loss on union dissolution in Germany. This article examines the heterogeneities in the effects by individual gender norms for men (based on men's contribution in household work and childcare within their partnership over time), and also depending on the gender norms in the region where they grew up (men residing in East vs West Germany in 1989). In particular, drawing on data from the German Socio-Economic Panel Study from 1986 to 2019 for individuals aged 20-65, who were married and cohabiting and were employed in the year before they experienced involuntary job loss. Using a difference-in-differences approach with propensity score matching, I examine the impact of involuntary job loss due to plant closures and involuntary dismissals on union dissolution risk.

The results show that experiencing involuntary job loss increases union dissolution risk within three years of the job loss compared to that for individuals not experiencing involuntary job loss. Individual-level gender norms of men have a protective effect on union dissolution risk for the liberal half of the men experiencing job loss. However, regional gender norms do not moderate the effect of involuntary job loss on union dissolution risk. Family life satisfaction and household income mediate the impact of male involuntary job loss on their union dissolution risk.

Article 2 focuses on the impact of job loss and employment uncertainty due to plant closure on first or second birth outcomes in the Norwegian context. It is unclear whether Norway's post-2009 fertility decline was partly driven by economic and employment uncertainty. This study examines how experiencing job loss and employment uncertainty following plant closures affects fertility in Norway using workplace closures as quasi-experimental shocks. Drawing on Norwegian register data from 1999-2014, I apply event history analysis to tempo effects (first and second birth outcomes within three years of closure). I also assess quantum effects on fertility outcomes by examining the total number of children by age 49.

I find that experiencing job loss due to plant closure has a gendered impact on fertility outcomes, as experiencing plant closure for men does not lead to any significant changes in the probability of first (second) birth for them, while there is a positive effect on female first (second) birth outcomes following the experience of plant closure. The Great Recession did not exacerbate the fertility response to plant closure, as the probability of birth remains the same for men and women before and after the Great Recession. I also find no significant differences in the number of children at age 49 for both men and women based on their exposure to plant closure in their life course. Therefore, I conclude that experiencing plant closure has neither a quantum nor a timing effect on men's fertility outcomes, whereas for women, it has a positive timing effect on their fertility outcomes within three years of experiencing plant closure, but no quantum effect on their fertility outcomes.

Article 3 also focuses on the impact of job loss and employment uncertainty due to plant closures in the Norwegian context by taking a couple's perspective. I focus on plant closures as an exogenous shock, controlling for income variability and exploring whether the effects differ by gender, parity, and economic downturn. I use Norwegian population and employer-employee registers from 2005 to 2017 and apply discrete-time event history models to estimate the likelihood of childbirth within three years of plant closure.

My findings indicate that experiencing plant closure reduces the likelihood of having a first child, particularly for women, while for men, the likelihood of having a second child declines. Employment uncertainty plays a substantial role in shaping decisions about the onset of parenthood for women and decisions about family expansion for men. Household income does not play a mediating role in explaining reduced fertility. However, it plays a moderating role, with the negative effects of job loss being more pronounced among lower-income couples. These findings underscore the complex relationship between employment uncertainty and

fertility, highlighting gender distinctions and mechanisms at play in how plant closure impacts childbearing.

Finally, **Article 4** examines the association between adult children's unemployment and parental risk of depression in India, and moderation by social and economic factors. Using data from the Longitudinal Ageing Study in India, I apply the Inverse Probability Weighting method based on logistic regression to balance the socio-economic and demographic characteristics in the treatment and control groups. I further examine the moderating effects of older adults' social capital and income inequalities on this relationship. I observe a positive association between the adult children's unemployment and their parents' risk of depression. Parents with high social participation did not experience an increased depression risk associated with their adult children's unemployment. Similarly, parents residing in low or medium income inequality states experience a weaker negative association between their adult children's unemployment and their own risk of depression. Governments may consider expanding youth skills programmes to tackle youth unemployment and provide more robust safety nets for those unable to find employment through unemployment benefits and employment guarantee schemes. Such programs could ease older adults' concerns as, in addition to worrying about their unemployed children's well-being, they often depend on their children to provide for their financial and healthcare needs.

This thesis illustrates that experiencing employment uncertainty due to job loss, unemployment, or workplace closure can lead to adverse family outcomes, including union dissolution and delayed childbearing. Thus, in addition to its economic effects, unemployment impacts the mental health of parents. Adverse health and family outcomes are further shaped by individual characteristics, regional and contextual factors, and their interactions. Labour market inequalities adversely affect the family and health outcomes of disadvantaged subgroups more than those of advantaged subgroups. The mechanisms behind these adverse family and health outcomes extend beyond economic effects, such as loss of individual or household income following job displacement, employment uncertainty and declining family life satisfaction. Given that the primary focus of this thesis is Norway and Germany, which are characterised by relatively stable labour markets and extensive welfare states, the implications suggest that in less favourable economic and welfare contexts, the negative effects of employment uncertainty on life course outcomes may be even more pronounced.