

ABSTRACT

Female labor force participation is very important for national development, because it can increase productivity and reduce income inequality. This study aims to analyze the effect of fertility on the labor force participation of married women in Indonesia. The data used in this study came from the 2014 Indonesian Family Life Survey (IFLS). The number of observations was 1,721 households, and we used the Ordinary Least Square (OLS) method and the Instrumental Variable (IV) method to overcome endogeneity. This study shows that the addition of fertility or the number of children has a negative and significant effect, namely in the OLS method, the number of children or fertility will reduce the labor force participation of married women or reduce working hours by 8 hours/week, while in the IV method if the addition of children or fertility will reduce the labor force participation of married women or reduce the working hours of married women by 25 hours/week. The decrease in the labor force participation of married women occurs because they have to divide their time to work and take care of children.

Keywords: Participation, Labor Force, Married Women, Fertility, Indonesian Family Life Survey (IFLS), Working Hours

