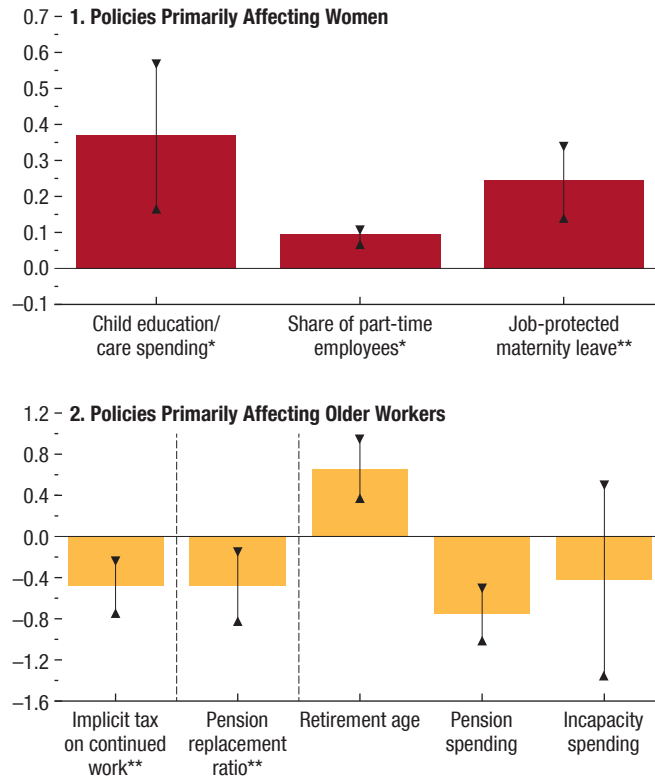


**Figure 2.12. Drivers of Participation Rates: Additional Policies**  
(Percentage points)

Family-friendly policies are associated with higher participation among women, while retirement incentives significantly affect the participation decisions of older workers.



Source: IMF staff calculations.

Note: The bars denote the estimated change in participation from an increase in the policy variable, while the vertical lines show 90 percent confidence intervals. See Annex 2.4 for variable definitions and specification details. \* indicates an increase in the variable by 0.1 unit. \*\* indicates an increase in the variable by 10 units. Public spending on childcare and education is measured as percent of GDP. Job-protected maternity leave is measured in weeks. Statutory retirement age is measured in years. Implicit tax on continued work is the change in the present value of the stream of future pension payments net of contributions to the system from working five more years, while the pension replacement ratio is the ratio of mean disposable income of those ages 65–74 to the mean disposable income of those ages 50–59. Spending on old-age pensions and incapacity are measured as percent of GDP and are purged of fluctuations due to cyclical and demographic factors. Dotted vertical lines in panel 2 denote results from different regressions.