Parenthood and the Gender Gap in Commuting

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Abstract

Childbirth raises the opportunity cost of commuting and makes it difficult for both parents to work far away from home. Using detailed Norwegian employer-employee matched register data, we show that the commuting behavior of men and women diverges immediately after childbirth and that those differences persist for at least a decade. This divergence in commuting behavior exposes mothers to more concentrated and suburban labor markets with fewer job opportunities and lower establishment quality. These findings uncover a key mechanism underlying the child penalty documented in prior work and have important implications for the design of policies seeking to address the remaining gender wage gap.

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1 Introduction

The gender pay gap has narrowed substantially over the past decades, yet notable disparities in labor market outcomes remain. The causes of these persistent gender disparities continue to be actively debated within economics (see Blau and Kahn, 2017).

The literature suggests that the remaining gender gap may stem from differences in psychological traits such as the willingness to compete or bargain for wages (Azmat, Calsamiglia and Iriberri, 2016; Niederle and Vesterlund, 2007; Tungodden and Willén, 2023), differences in the willingness to trade off higher wages for other types of work amenities (Goldin and Katz, 2016; Mas and Pallais, 2017), preferences for the family-friendliness of establishments (Hotz, Johansson and Karimi, 2017), and commuting distance (Le Barbanchon, Rathelot and Roulet, 2019; Petrongolo and Ronchi, 2020). Another mechanism that has been identified is the career cost of parenthood (Adda, Dustmann and Stevens, 2017; Bertrand, Goldin and Katz, 2010; Cortés and Pan, 2023). Specifically, recent work shows that childbirth leads to significant long-term declines in earnings for mothers but not fathers (Angelov, Johansson and Lindahl, 2016; Lundborg, Plug and Rasmussen, 2017; Kuziemko et al., 2018; Kleven, Landais and Søgaard, 2019) even after accounting for the potential endogenous timing of childbirth (Bensnes, Huitfeldt and Leuven, 2020). While some of the child penalty is caused by mothers switching to more family-friendly employers, it may also stem from gender differences in preferences and opportunity costs of commuting following childbirth.

This paper studies the impact of parenthood on commuting behavior. The rationale underlying our analysis is that parenthood increases the opportunity cost of commuting, making it harder for both parents to work far from home. Since reduced willingness to commute narrows an individual's job search area, this can significantly impact their labor market outcomes. A smaller search area restricts job opportunities, increases the risk of job mismatch, and exerts downward pressure on wages due to exposure to concentrated labor markets and firm monopsony power (Dodini et al., 2020). As there are significant gender differences in the willingness to commute—in particular for mothers of young children (Le Barbanchon, Rathelot and Roulet, 2019; Petrongolo and Ronchi, 2020; Borghorst, Mulalic and van Ommeren, 2021)—this may have a considerably larger impact on mothers relative to fathers. The implication of an increased gender difference in commuting following childbirth is that mothers become systematically exposed to worse labor market conditions than fathers. This could represent a core mechanism behind the motherhood penalty.

We follow prior literature and adopt an event study design around the birth of the first child (e.g., Kleven, Landais and Søgaard, 2019). We exploit rich Norwegian register

data to identify all first-time parents between 1990 and 2000. We track parents from four years before to ten years after the birth of their first child. Utilizing Microsoft's BING Distance Matrix API to measure driving distance between home and work, we examine changes in commuting distance and commuting likelihood for both mothers and fathers around the birth of their first child.

Examining the relationship between childbirth and parental commuting behavior in Norway is particularly interesting. First, while the country is seen as one of the most gender-equal in the world, with men and women having nearly identical labor market participation rates and most women returning to the workforce after childbirth, a significant and persistent gender wage gap remains (Ahrsjö, Karadakic and Rasmussen, 2023). For example, women's median annual earnings are only 75 percent of men's, women are much more likely to work part-time and in the public sector, and they face a substantial child penalty when becoming mothers (Bütikofer, Jensen and Salvanes, 2018; Riise, Willage and Willen, 2020). Additionally, the gender gap in commuting in Norway is similar to the OECD average, with little convergence between men's and women's commuting behavior over the past decade. Second, similar to most OECD countries, Norway has also seen a sharp increase in average commuting distances, potentially intensifying the labor market effects of gender differences in commuting. From 1992 to 2014, the average daily commute increased from 13.7 km to 19.1 km for men and 8 km to 12.5 km for women (Hjorthol, Engebretsen and Uteng, 2014). Over a third of workers commute across municipal borders, with 70 percent traveling by car. Most commuters are male and employed in the private sector (see Statens vegvesen, 2019; Stangeby, 1987). Finally, Norway's rich employer-employee matched data allows us to link commuting distances, labor market concentration, and establishment characteristics to birth records dating back to the early 1980s. Combined with detailed individual-level data on employment, earnings, occupation, and family composition, this helps overcome data limitations that have constrained prior research.

Our analysis yields four key insights. First, we confirm previous findings of significant and persistent motherhood penalties in earnings and hourly wages. Second, we observe a similar pattern in commuting behavior: men's and women's commuting trends align before the birth of their first child, but they diverge afterward and remain separate for at least ten years. Third, we show that this divergence in commuting distance exposes mothers to more concentrated labor markets with fewer job opportunities and lower-quality, albeit more family-friendly, employers. This provides strong evidence of the mechanisms through which the motherhood commuting effect influences earnings and long-term labor market outcomes. Finally, we find that the size of the earnings penalty is strongly correlated with the commuting effect, suggesting that changes in

mothers' commuting behavior at childbirth are closely tied to the motherhood earnings penalty documented in previous research.

This paper contributes to the extensive literature on gender differences in labor market outcomes by bridging two key strands of research. First, we augment the growing evidence on child penalties for mothers by identifying a new mechanism—commuting—through which these penalties may operate (e.g., Angelov, Johansson and Lindahl, 2016; Kleven, Landais and Søgaard, 2019; Kuziemko et al., 2018). Second, we contribute to the burgeoning literature that links gender differences in willingness to commute with the gender wage gap (Le Barbanchon, Rathelot and Roulet, 2019; Petrongolo and Ronchi, 2020). In particular, we show that childbirth generates a substantial increase in the gender gap in commuting, exposing mothers to more concentrated labor markets with fewer job opportunities and lower establishment quality. These findings have significant implications for the design of maternal protection and family policies, highlighting the strong link between transportation infrastructure and labor market outcomes.

2 Empirical Method and Data

2.1 Empirical Method

We follow the existing literature and adopt a quasi-experimental event study approach centered around the birth of the first child and estimate the following model separately for mothers and fathers (Kleven, Landais and Søgaard, 2019; Bütikofer, Jensen and Salvanes, 2018; Kuziemko et al., 2018):

$$y_{ist}^g = \alpha^g + \sum_{t=-4}^{-2} \delta_t^g D_{it} + \sum_{t=0}^{10} \delta_t^g D_{it} + \sum_k \beta_k^g A_{ist}^g + \lambda_s^g + \varepsilon_{ist}^g \;\; \forall\, g \in [m, f], \tag{1}$$

where y_{ist}^g is an outcome for individual i in calendar year s and relative time t. Relative time is relative to the child's birth; children are born when $t = 0$. The variable D_{it} is a relative time dummy, taking the value of 1 if the individual was observed in relative time t. The δ_t^g coefficients identify both relative pre-treatment trends and time-varying treatment effects of parenthood. We omit δ_{-1}^g such that all estimates are relative to the year before childbirth. The variable A_{ist}^g is a set of age dummies, allowing us to control for underlying life-cycle trends non-parametrically. Equation 1 also includes calendar year fixed effects λ_s^g, allowing us to account for any systematic shocks across years due to factors such as business cycle fluctuations and infrastructure improvements.

We compute the specific relative time t effect by re-scaling the relative time estimate

in year t with predicted values of the counterfactual outcome (not entering parenthood) at the same relative time. Provided that unobserved variables influencing labor market outcomes evolve smoothly over time, these estimates can be interpreted as the effect of parenthood on the outcome relative to the year before parenthood (Kleven, Landais and Søgaard, 2019).

2.2 Norwegian Register Data

Our primary data consists of matched employer-employee registers covering all Norwegian residents from 1986 to 2010. These data provide detailed information on each individual's employer, allowing us to identify workplace and residence locations. A unique personal identifier enables us to merge this data with other administrative registers, including the education, family, earnings, and social security registers. The longitudinal nature of the data enables us to track individuals over time, offering valuable insights into labor market behaviors.

Labor earnings are defined as annual pre-tax income, including wages, self-employment income, and some taxable transfers (sick leave and parental benefits). Contracted hours are classified into three categories (0–19, 20–29, and 30+ hours per week). Using these, we estimate hourly earnings by dividing labor income by the median value in each category, assuming full-time employment at 37.5 hours per week for those working 30+ hours. The matched data further provide establishment identifiers and industry affiliations, which we use to construct measures of labor market concentration, outside options, and establishment quality. Education is defined as the highest level attained one year before parenthood.

We focus on individuals who became first-time parents between 1990 and 2000, utilizing a balanced panel of parents who lived in Norway for four years before and ten years after their first child's birth. Our sample is restricted to individuals with strong labor market attachment prior to parenthood, defined as continuous employment during the four years before childbirth. This restriction is necessary for analyzing commuting responses to childbirth, as it allows us to observe an employer's location and construct commuting outcomes.[1] This results in a total sample of 87,659 first-time mothers and 110,595 first-time fathers. Summary statistics are presented in Table A1.

We focus on two commuting measures: (i) the probability of commuting and (ii) commuting distance. We adopt Statistics Norway's definition of commuting, classifying commuters as individuals whose workplaces are situated in municipalities different

[1]This restriction differs from prior literature (e.g., Kleven, Landais and Søgaard, 2019) and accounts for the slight differences in our employment and earnings results compared to previous findings.

from their municipalities of residence.[2] Since commuting distance is shown to be inversely related to job satisfaction (Chatterjee et al., 2020), we use the distance between individuals' and firms' postcodes as a second commuting measure. Our data include 5,028 unique postcodes, each covering around 115 individuals, and allow us to assign distances for over 62 percent of observations. Some postcodes have been discontinued since 1980, and certain establishments lack postcodes; in these cases, we use distances from municipality center coordinates (see Figure A6). Since this measure cannot identify within-municipality commuting, we only consider commuting distance for across-municipality commuters.[3] While this measure covers suburban commuting into cities, it does not account for commuting within city boundaries. However, many workers reside in agglomerations around major cities, making this group significant for policy considerations.

Using longitude and latitude postcode data from Bolstad (2020), we use Microsoft's BING Distance Matrix API service to construct distance measures of each individual's commute. This measure is based on the distance between the center of the residence postcode and the workplace postcode. The driving distance we measure is based on current infrastructure and assumes that individuals commute by car, the predominant mode of transportation for employed individuals in the period (Statens vegvesen, 2019; Vågane, Brechan and Hjorthol, 2011; Stangeby, 1987).

We construct three measures of labor market concentration: the number of establishments, the number of jobs, and the Herfindahl-Hirschman Index of employment (HHI). Each measure captures slightly different dimensions of labor demand and helps us develop a comprehensive understanding of how changes in commuting distance impact an individual's labor market opportunities and outside options.

First, we calculate the number of establishments within a year-area-industry cell employing individuals with similar education levels.[4] For example, for a construction worker in Oslo in 1995 with a high school degree, we count the number of construction establishments hiring individuals with the same education level within their local labor market. We define the local labor market by drawing a circle with the distance between residence and workplace as the radius, including all municipalities within this circle.[5] Thus, an individual's commuting preference serves as a proxy for their local la-

[2] A few municipality mergers occurred during our analysis period. We harmonized municipalities to the 2019 structure, which includes 422 municipalities.

[3] Alternatively, we could limit the sample to firms with valid postcodes. We conduct robustness checks measuring the commuting distance across and within municipalities on a subsample of individuals, and our results are robust to these adjustments.

[4] Education is categorized into high school or less, more than high school (no BA), and at least a BA.

[5] A visual illustration of this data-driven approach is shown in Appendix Figure B1.

bor market. The geographic boundaries of the labor market will vary across individuals and over time based on the distance between their workplace and residence each year.

Second, we calculate the number of newly employed individuals, including job-to-job transitions, at the year-area-industry-education level. This measure complements the first and serves as a proxy for labor market opportunities available to workers in specific industries with particular educational backgrounds.

Finally, we construct a Herfindahl-Hirschman Index of employment (HHI) at the year-area-industry-education level. To do so, we first calculate year t, area a, industry j, and education e specific employment shares for each establishment f using 2-digit industry codes (Statistics Norway, 1983). The HHI is then derived as the sum of squared employment shares across all establishments within the specified cell:

$$HHI_{jaet} = \sum_{f=1}^{N} s_{fjaet}^2 \text{ where } s = \frac{emp_{fjaet}}{\sum_{f=1}^{N} emp_{fjaet}} \tag{2}$$

The HHI ranges from 0 to 1, with 1 indicating a monopsony. Thus, the HHI measures labor demand concentration for a given industry-education group across establishments in the local labor market. The average HHI in each municipality in 1995 was significantly lower in Norway's largest cities compared to more rural areas, with notable differences across industry-education cells.

We measure establishment quality through two well-established approaches. The first is establishment size, commonly associated with quality, particularly for early-career individuals (Oreopoulos, Von Wachter and Heisz, 2012; Arellano-Bover, 2024). The second is average hourly earnings of employees; controlling for individual fixed effects, higher wages indicate greater productivity and profitability (Abowd, Kramarz and Margolis, 1999). Together, these measures provide insights into mechanisms contributing to the motherhood penalty in earnings. Additionally, we assess firm family-friendliness by examining the share of women with children under 16 within an individual's establishment (Hotz, Johansson and Karimi, 2017).

Each establishment quality measure is constructed using a leave-one-out approach to ensure they are unaffected by the specific individual observed, allowing abstraction from quality changes influenced by individual characteristics.

In the year preceding childbirth, the median establishment size was 57 employees for men and 69 for women.[6] Average hourly earnings at establishments were 216 NOK for men and 213 NOK for women.[7] A detailed overview is in Appendix B.2.

[6]This reflects the median size of establishments where individuals were employed, not the unique establishment size distribution, which is smaller at 8 and 10 employees for men and women, respectively.

[7]Figure B2 provides the distribution of establishment quality measures for our main commuter sample

2.3 Survey Data

In addition to the administrative data, we run a large-scale survey on a representative sample of Norwegians between the ages of 25 and 50 to capture how men and women trade off commuting for different types of job amenities.[8] This survey asks respondents to make hypothetical choices between two identical jobs with different levels of specific job amenities. While the complete survey examines various job amenities, such as flexible work schedules, telecommuting, and career development, we restrict attention to the commuting time and salary trade-off comparison in this paper.

The question asks the respondents to choose between a job that has the same pay as their current job and has a commuting time of 20 minutes and a job that pays X times more but has a commuting time of 40 minutes. Here, X represents a monetary amount calculated as a random percent, in ten-percent bins, of the salary that the respondent currently earns (self-reported in the survey). The overall objective underlying this survey question is to understand better how willing workers are to trade off commuting for salary gains across the earnings distribution. The commuting time of 20 and 40 minutes is based on the average commuting time in our registry data sample, which is 22 minutes for women and 39 minutes for men.

3 Results

We first present findings on the parenthood gap in employment and earnings. We then examine the commuting gap and supporting survey results. Finally, we explore how changes in commuting behavior affect labor market concentration and establishment characteristics and relate these to the motherhood earnings penalty.

3.1 Employment and Earnings Responses to Parenthood

Figure 1 shows event studies for the effect of childbirth on the extensive and intensive margin of labor supply.

Similar to the findings in other OECD countries, Panel 1a shows an immediate and discontinuous drop in the extensive margin of labor supply for women following childbirth. For men, there is only a modest decline. Although the immediate post-childbirth gender gap in employment (20 percentage points) shrinks over time, it remains economically meaningful even ten years after childbirth (5 percentage points).

by sex and time relative to parenthood.

[8] Summary statistics are presented in Table AA2.

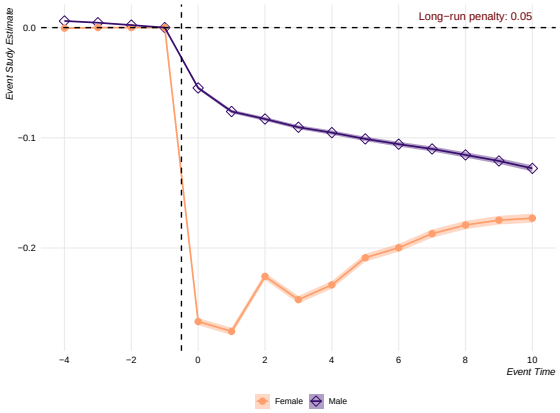
Moreover, Panel 1b reveals an immediate and discontinuous drop in the intensive margin of labor supply (hours worked) for women following childbirth, while there is very little change for men. Women reduce their hours by over 30% relative to their pre-parenthood labor supply. This emerging gap in hours persists for at least ten years, showing only minor signs of convergence.

Figure 1 also presents event study plots for annual earnings (Panel 1c), confirming results from existing literature: men's and women's earnings trend similarly before childbirth but diverge sharply afterward. Specifically, women experience a sudden drop in earnings at parenthood, while men do not. This gap persists for ten years, resulting in a long-run penalty of approximately 28%.[9] Compared to non-Scandinavian countries, Norwegian women experience a slightly smaller penalty than women in the US and the UK, and a much smaller penalty than women in Australia and Germany (Kleven et al., 2019). This difference is usually attributed to differences in gender norms and housework expectations.

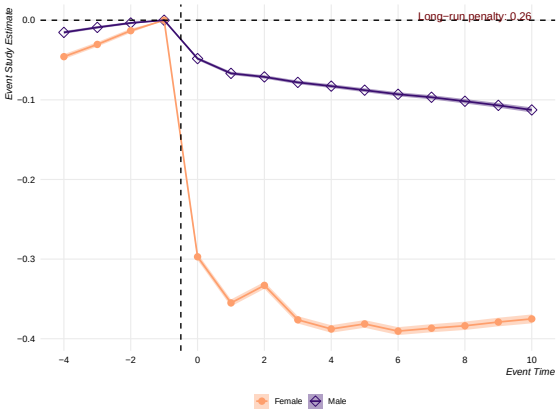
Panel 1d shows a similar trend for hourly earnings, though the long-term gender gap is smaller (about six percentage points).[10] This suggests that the drop in female earnings after childbirth is not solely due to fewer hours worked or labor market exit but also reflects lower earnings, even when hours are held constant. This aligns with previous research, highlighting that both extensive and intensive margin effects contribute to the child penalty in earnings, especially in Scandinavian countries with high female labor force participation (Kleven et al., 2019; Bütikofer, Jensen and Salvanes, 2018).

[9] This aligns closely with findings by Andresen and Nix (2022) who find a long-run penalty of approximately 24% for Norway.

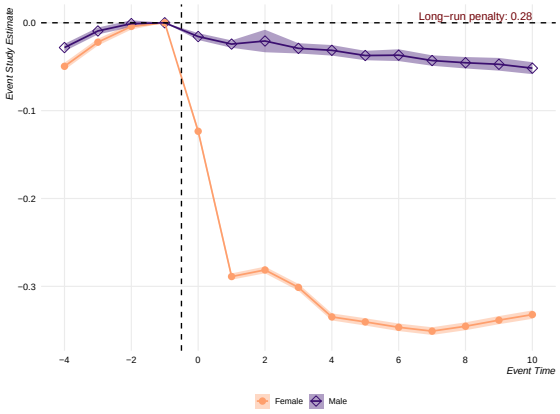
[10] The penalty is similar if we restrict the sample to individuals who are employed throughout the sample period (Figure A3).



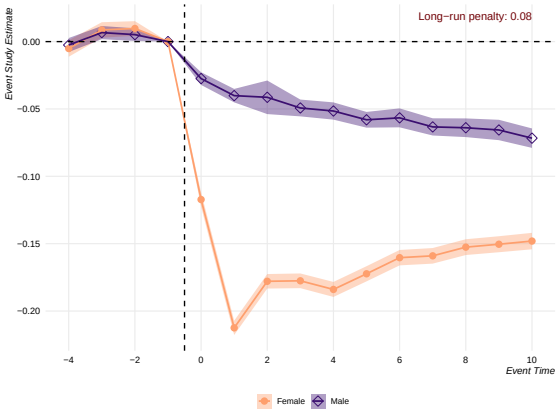
(a) Extensive Margin



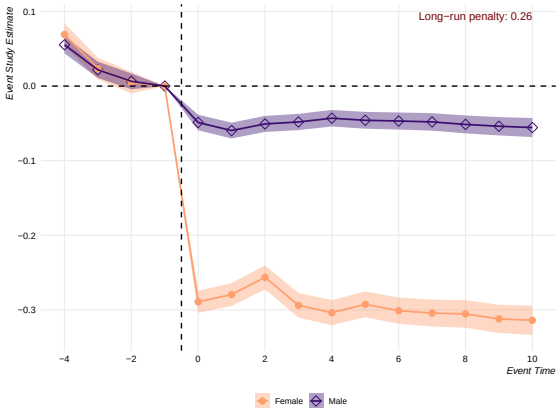
(b) Intensive Margin



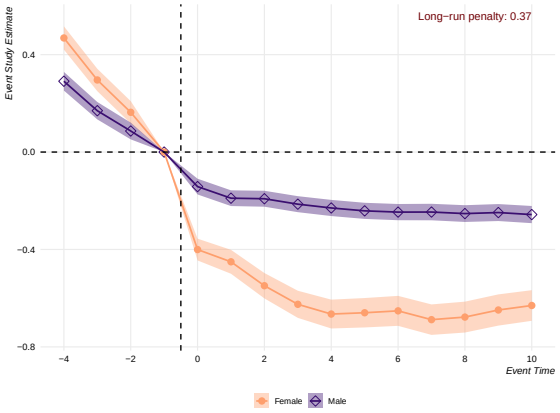
(c) Earnings



(d) Hourly Earnings



(e) $\mathbb{P}$(Commuting)



(f) Commuting Distance

Figure 1: Labor Supply, Earnings and Commuting Relative to Parenthood

Note: The figure shows estimated event time coefficients from Equation 1, expressed as a fraction of predicted outcomes, excluding event dummies for each year relative to the birth of the first child. Coefficients are estimated separately for men and women, with shaded areas representing 95% confidence intervals (robust standard errors). The sample includes individuals who became first-time parents between 1990 and 2010 and were continuously employed before childbirth. Long-run penalties, shown in the top-right of each panel, represent the male-female difference at $t = 10$. Intensive margin employment is categorized into 0, 10, 25, and 37.5 hours per week.

3.2 Commuting Behavior in Response to Parenthood

One potential explanation for the motherhood penalty is differential changes in job amenity preferences, such as commuting, between men and women following childbirth. To disentangle the commuting effect of childbirth, Figure 1 shows event study results for the probability of commuting (Panel 1e) and commuting distance (Panel 1f).

The probability of commuting (Panel 1e) trends similarly for men and women before childbirth but diverges sharply afterward. Female commuting experiences a significant drop of approximately 30 percentage points at parenthood, while men see a minimal decline of around five percentage points. These gender differences persist throughout our ten-year post-childbirth period. While the commuting effect is partly explained by the extensive margin labor supply effect shown in Figure 1, long-run gender gaps in commuting also exist for individuals employed throughout the entire period (Table A3). Thus, the commuting effect is not solely a mechanical consequence of changes in extensive margin employment.

Panel 1f estimates the gender-specific parenthood effect on commuting distance. Women reduce their commuting distance before childbirth at a slightly higher rate than men, indicating different pre-trends. This difference is particularly evident in the year leading up to childbirth, which often aligns with conception and pregnancy. However, during the year of child birth, commuting distance drops significantly for both genders, with mothers experiencing a much more substantial decline than fathers. This gap remains throughout the ten-year post-childbirth period and cannot solely be attributed to minor pre-trend differences.

Based on the pre-birth average commuting distance, we estimate a commuting time reduction of about 10 km for men and 19 km for women. Regular speed limits in urban areas and agglomerations would imply about 12— and 22-minute reductions for men and women. While the commuting distance effect partly reflects changes in labor supply, similar patterns are observed among employed individuals throughout the analysis period. Comparing the long-run distance penalties in Figures 1 and A3, the drop in commuting for always-employed mothers is one-third of the size of the total effect, implying a sizable commuting effect *not* driven by changes in labor supply. It is also important to remember that always-employed mothers represent a select sample of career-oriented women, meaning that this likely represents a lower bound.[11]

To understand the commuting dynamics—whether mothers are moving to jobs closer to home or relocating closer to their jobs—, we study individuals who were commuting

[11]We also verify that the commuting distance effects are not sensitive to top coding by dropping or replacing vast commuting distances in various ways. This ensures that our findings are not influenced by a small number of outliers (Appendix Figure A7).

before their first child and stopped commuting within two years of the birth.[12] Among still-employed mothers who were commuting before their first child and stopped commuting within two years after childbirth, 45 percent changed their residence municipality, while 60 percent changed their workplace municipality. In comparison, 45 percent of fathers changed their residence municipality, and 50 percent changed their workplace municipality. The changes in commuting behavior in Figure 1 are primarily driven by individuals shifting their workplaces closer to their residences.

In addition to the evidence in Figure 1, our survey results suggest a change in the way women and men trade off commuting against earnings after becoming parents. Utilizing the survey data presented in Section 2, we run the following regression to examine differences in willingness to commute:

$$y_i = \alpha + \beta_1 \text{Female}_i + \beta_2 \cdot (\gamma_i \times \text{Male}_i) + \beta_3 \cdot (\gamma_i \times \text{Female}_i) + \tau X_i + \varepsilon_i \tag{3}$$

where y_i is a dummy variable equal to one if individual i selected a salary increase of γ percent in exchange for a doubling in commuting time.[13] *Male* and *Female* are dummy variables equal to one if a person is male and female, respectively. The variable γ_i is the continuous threshold variable, randomized across individuals. Equation 3 also includes a vector of control variables: residence county, baseline commuting time, level of education, and the monthly salary of an individual.[14]

The results from estimating Equation 3 are presented in Table 1. First, women are significantly less likely than men to accept an increased commute for higher monetary compensation. Second, both genders are less likely to choose increased commute time for a higher monetary payoff when children are present. Childless men (women) are approximately 13 (17) percentage points more likely to accept a doubling of commuting time compared to those with children. The reduction in the likelihood of opting for a longer commute for higher compensation is statistically and economically significant, with a greater impact on women than men. Third, the interaction of gender dummies with the threshold variables shows no significant differences in responsiveness to commuting changes based on monetary compensation between men and women. That is, men and women do not differ in their responsiveness to commuting changes as a function of the monetary compensation they receive. Still, their willingness to commute differs, conditional on their income.

[12] Note that a non-negligible share of individuals who stopped commuting after childbirth is no longer employed. Two years after childbirth, this share is 28 percent among women and 16 percent among men.

[13] In Figure A2 we provide results for the share of men and women choosing a salary increase of γ percent in exchange for a doubling in commuting time for each of the different γ threshold values. The graph indicates a general gender difference but no significant difference in the trend of the fitted lines.

[14] All control variables are balanced across the randomized threshold γ.

Table 1: Survey Results: Commuting Preferences

Model:	All (1)	No Children (2)	With Children (3)	Child (Age $\leq$ 6) (4)	Child (Age > 6) (5)
Constant	0.385***	0.451***	0.325***	0.261*	0.326***
	(0.038)	(0.059)	(0.050)	(0.145)	(0.055)
Female	-0.103***	-0.076**	-0.122***	-0.160**	-0.108***
	(0.022)	(0.033)	(0.029)	(0.063)	(0.033)
Threshold $\times$ Male	0.007***	0.006***	0.007***	0.008***	0.007***
	(0.0004)	(0.0006)	(0.0005)	(0.001)	(0.0006)
Threshold $\times$ Female	0.008***	0.007***	0.008***	0.011***	0.008***
	(0.0003)	(0.0005)	(0.0005)	(0.001)	(0.0005)
Fit statistics					
Observations	10,008	4,210	5,798	1,188	4,610
R^2	0.104	0.092	0.118	0.170	0.113
Adjusted R^2	0.102	0.088	0.115	0.155	0.109

Note: The table presents results from estimating Equation 3 for different sample specifications. The full sample consists of 10,008 representative Norwegians in the age range 25 to 50 who where individually surveyed about their labor market preferences and conditions during late June 2021. Column one includes the full sample, column two only individuals without children, column three those with at least one child, column four only individuals with children below age seven and column five includes individuals with children above age six. Significance thresholds: ***: 0.01, **: 0.05, *: 0.1.

The patterns in Figure 1 and Table 1 might reflect actual or constrained choices. Although we cannot perfectly distinguish between these two mechanisms, we find suggestive evidence that constraints play an important role. First, Columns (4) and (5) in Table 1 show that parents with young children have a higher willingness to pay for shorter commuting times than parents with older children. Given that parents with younger and older children have similar commuting preferences but parents with younger children are more constrained, this suggests that constraints are an important factor. Second, we compare families with grandparents who live close by to families with grandparents who live far away (Figure A4). Long-run gender differences in commuting and labor market outcomes are significantly larger for families with grandparents who live far away. Assuming that grandparents might reduce constraints, these findings suggest that constraints are partly responsible for our effects.

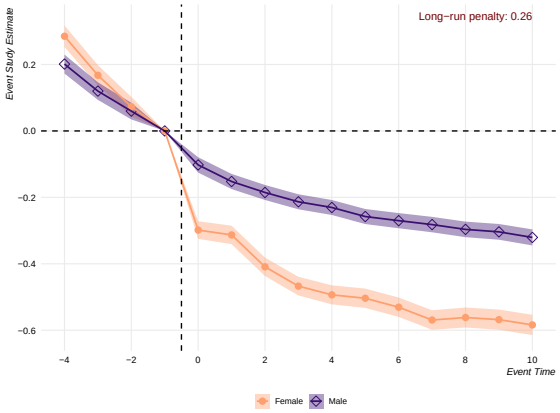
Overall, our results suggest that women are restricting their local labor markets to a much smaller geographic area after childbirth relative to men. This may mechanically result in females facing a more concentrated market with fewer job options, reducing the probability of finding high-paying jobs, high-quality firm matches, and moving up the career ladder. To examine this in detail, Figure 2 provides estimates for the three concentration measures discussed in Section 2: the number of establishments, the number of jobs, and the HHI.

In Panel 2a, we examine the effect of parenthood on the number of establishments. Similar to the commuting distance effect, the number of establishments evolves similarly for men and women prior to parenthood and then drops abruptly for both. The drop is significantly larger for women. This means that the outside options available to mothers decline more than for fathers following parenthood. For example, five years post-childbirth, mothers have experienced a 50% reduction in the number of potential establishments where they can work, while the reduction is 25% for fathers. These reductions correspond to 250 fewer potential establishments for the average women and 108 fewer establishments for the average men relative to the year prior to parenthood.

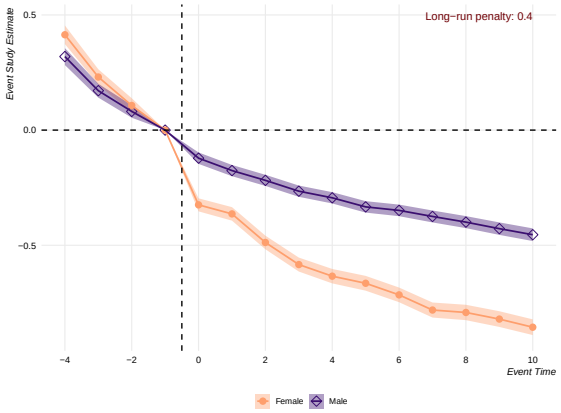
In Panel 2b, we examine the effect of parenthood on the number of job positions that were filled within the individual's industry-education-area cell. There is an abrupt and immediate reduction in the number of positions within the local labor market for women and a much smaller drop for men. This result mirrors the gender-specific effect on the number of establishments shown in Panel 2a. Five years after childbirth, women have experienced a significantly larger reduction in potential positions filled in their education-industry-area cell. There is no indication that the gender-specific effects converge over time.

Event study results for the HHI are shown in Panel 2c. Labor market concentration evolves similarly for men and women before childbirth, and we observe a substantial divergence in the gender-specific HHIs after birth. Hence, women are exposed to much more concentrated labor markets than men. Ten years after childbirth, women are exposed to a labor market concentration 18 percentage points greater than men. This effect is comparable to moving from the median to the 40th percentile of labor market concentration in our main sample. Dodini et al. (2020) estimate that a 10 percentage point decline in the HHI generates a negative wage effect of 9,298 NOK. In our case, this corresponds to a concentration penalty of 16,736 NOK in annual earnings for women or a 5% reduction relative to the pre-parenthood mean.[15]

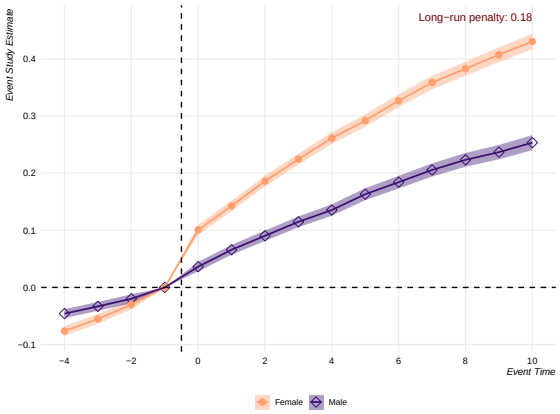
[15]Note that we allow industry to vary over time for these measures. Appendix Figure A12 documents that keeping the industry code fixed at the value two years before childbirth (t=-2) results in a slightly larger long-term penalty. Hence, industry changes post-birth are not driving the effects we measure above.



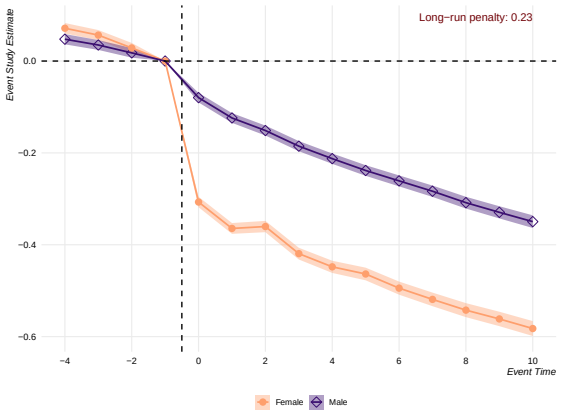
(a) Number of Establishments



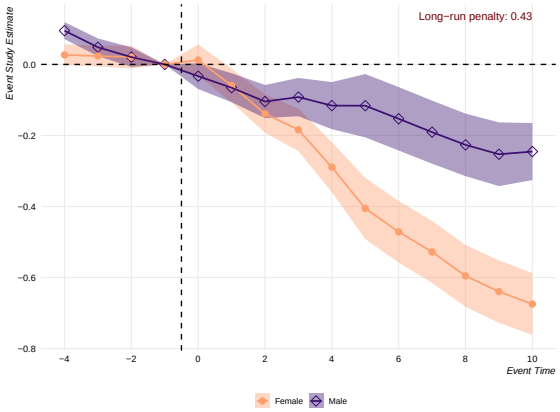
(b) Number of Positions



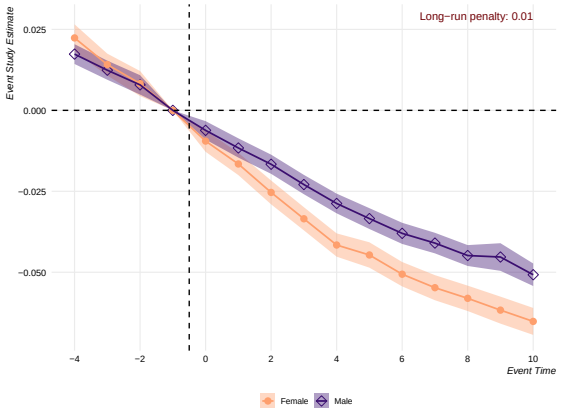
(c) Herfindahl-Hirschman Index



(d) $\mathbb{P}$(Urban Workplace)



(e) Establishment Size



(f) Average Hourly Earnings

Figure 2: Labor Market Conditions Relative to Parenthood

Note: The figure shows the estimated coefficients of the event time dummies as a fraction of the predicted outcome, when omitting the contribution from event dummies in each year relative to the birth of the first child. Coefficients are estimated separately for men and women, and the regressions include industry-fixed effects. The shaded areas indicate the 95% confidence band using robust standard errors. The samples include men and women who became first-time parents between 1990 and 2010, whom we observe four years prior and ten years after childbirth, and who were continuously employed in the years prior to childbirth. Municipalities defined as urban are the following (ordered by size): Oslo, Bergen, Trondheim, Stavanger, Fredrikstad, Drammen, Kristiansand, Tromsø, Bodø, and Hamar.

A significant portion of the decline in labor market concentration is due to women's reduced likelihood of working in urban municipalities (see Panel 2d), which offer more jobs, more establishments, and a lower labor market concentration (Dodini et al., 2020). These results indicate that parenthood alters mothers' commuting behavior and negatively impacts their labor market opportunities, suggesting an additional pathway for the child penalty.

3.3 Parenthood, Establishment Quality, and Family Amenities

Changes in commuting may also affect the quality of job opportunities for mothers and fathers through two primary channels. First, the overall reduction in the number of jobs and establishments could result in fewer high-quality matches. Second, increasing labor market concentration could enhance employers' bargaining power over employees, potentially leading to decreased workplace quality. The effects discussed in this subsection should be interpreted as the total aggregate impact of these two channels.

Panel 2e of Figure 2 shows that the establishment size declines in response to parenthood for both genders. Women experience a larger drop, generating a long-term establishment size gap of 43 percentage points. This is important because larger firms have been shown to offer better on-the-job training (Lynch and Black, 1998), apprenticeship training in larger firms have been shown to protect workers from unemployment later in life (Müller and Neubäumer, 2018), and increased firm size is associated with higher lifetime earnings (Arellano-Bover, 2024). Therefore, the parenthood-induced gender gap in establishment size may be an important pathway through which the child penalty operates.

Second, we consider the average hourly earnings at the establishment—a function of firm profitability, productivity, worker value-added, and rent-sharing propensity (Abowd, Kramarz and Margolis, 1999).

Panel 2f demonstrates no significant differential trend in the average hourly earnings at the establishment prior to parenthood. Following parenthood, both men and women experience a drop, which is considerably larger for women, generating a long-run gap of 1%. Taking the mother's pre-parenthood average hourly establishment earnings as a base, the long-run gap in the establishment's average hourly earnings corresponds to a salary reduction of around 13 NOK per hour or approximately 25,000 NOK annually for a full-time worker.

These results demonstrate that the quality of the establishments that men and women work at declines sharply at the onset of parenthood. However, these declines are more prominent for women, and this pattern is robust to focusing only on always-employed

individuals. Thus, not only do the gender-specific parenthood effects on commuting result in a reduction in outside options and increased exposure to concentrated markets, but they also widen the gender gaps in terms of the quality of the employers.

Nevertheless, the overall reduction in establishment quality measures above might be due to preferences for shorter commutes and a higher demand for family-friendly employers; both meant to accommodate the increased demand for household work that comes with childbirth (see Hotz, Johansson and Karimi, 2017). We use the share of women with children below 16 years in an individual's plant as a measure of workplace family friendliness, and we document in Appendix Figure A9 that the long-term parenthood-induced gap is significant; women are much more likely to remain or move to family-friendly firms relative to men. However, since we observe strong suggestive evidence of constraints playing an important role in the post-parenthood employment choices of mothers (Section 3.2), we believe that the estimated effect most likely implies a welfare reduction for these women.

Table 2: Child Penalty by Quintile of Commute (Distance) Penalty

	Bottom Quintile of Commute Penalty	**Top Quintile of Commute Penalty**	**Difference**
	(1)	**(2)**	**(3)**
Earnings Penalty	0.220	0.267	0.047
Hours Worked Penalty	0.138	0.169	0.031
Herfindahl Hirschman Index Penalty	0.302	0.399	0.097
Number of Establishments Penalty	0.004	0.138	0.133

Notes: The table presents the child penalty measured as the average difference in event-study estimates obtained from Equation 1 between men and women in the post-period minus the average difference between estimates of men and women in the pre-period, which directly follows Kleven (2022). The definition of the child penalty can be written as follows: Child Penalty $= \mathbb{E}[P_t^m - P_t^f | t \geq 0] - \mathbb{E}[P_t^m - P_t^f | t < 0]$. Column (1) presents results for the child penalty for individuals with a distance penalty in the bottom quintile of their respective sex. Column (2) presents analogous child penalties for the top quintile. Column (3) presents the difference.

A limitation of our study is that we only observe commutes across municipalities. Hence, our results are based on commuting in agglomerations around cities and rural areas. Appendix Figure A8 presents the main results separately for individuals who lived in cities and individuals who only lived in agglomerations around cities and rural areas (pre-birth). While the post-birth decrease in earnings of women is similar for both groups, travel distance decreases much less, and the change in the HHI index is much

larger for women in the cities.[16] These results suggest that commuters inside and outside city borders face a child penalty in commuting and earnings.

3.4 Commuting Gap and Earnings Penalty

How much of the child penalty can be attributed to the changing labor market conditions induced by the commuting effect found in this paper? Even though we cannot directly link the commuting impact to the earnings penalty, we provide suggestive evidence of their connection.

First, we examine whether the earnings penalty is more prominent for individuals who experience a larger commuting effect. We divide individuals into (gender-specific) quintiles of the parenthood commuting penalty and re-estimate our main results for individuals in the top and the bottom quintiles (Table 2). Individuals who experienced the smallest commuting effect also experienced fewer adverse job opportunity effects, smaller adverse establishment quality effects, a smaller change in labor market concentration, and a significantly smaller child earnings penalty.

Second, we show that women who commuted before the birth of their first child have a larger earnings drop post-birth than women who did not commute before (Appendix Figure A10). While commuting is an endogenous stratification variable and the results should be interpreted cautiously, they provide additional evidence of the link between commuting and earnings.

Third, we stratify our sample by pre-birth labor market opportunities and commuting behavior. We measure job market opportunities using the number of establishments within an individual's revealed commuting distance for each individual in the pre-period. This allows us to compare individuals with similar numbers of potential employers in the pre-period. We analyze earnings penalties for non-commuters and commuters in the top and bottom deciles of pre-parenthood job opportunities. Among individuals with low job market opportunities, the non-commuters have a significantly higher earnings penalty. In contrast, for individuals with high job market opportunities, there is almost no difference in the respective earnings penalties (Appendix Figure A11). This means that people who commute to obtain the same level of job opportunities as non-commuters have a larger earnings penalty. Overall, these results provide suggestive evidence that changes in commuting behavior at childbirth are closely linked to the motherhood earnings penalty.

[16] Travel distances in cities and rural areas do not translate 1:1 into travel time, as traffic is much slower in cities. Hence, differences in the travel time penalty for women in and outside cities might be smaller than Appendix Figure A8 suggests.

4 Conclusion

We advance the motherhood penalty literature by investigating whether parenthood generates gender differences in commuting behavior and if this can explain why the motherhood penalty exists. Leveraging administrative data and using a quasi-experimental event study approach, we document that the large wage drops mothers face after childbirth coincide with a sharp decline in commuting probability.

First, we document large reductions in earnings for women relative to men after childbirth. Second, we show a sharp drop in female commuting probability at the onset of parenthood; no such drop is observed among men. Third, we show that the commuting gap leads mothers to face a more concentrated labor market with fewer job options, and to experience a sharp decline in establishment quality. We link our findings to the motherhood earnings penalty by examining earnings penalties as a function of the commuting effect, analyzing post-birth earnings drops for commuting and non-commuting women, and stratifying our sample by pre-birth labor market opportunities and commuting behavior.

Our study highlights the need to address commuting behavior to mitigate the motherhood penalty. Policymakers might explore flexible work arrangements, improve public transportation, and provide affordable childcare to support mothers in accessing better job opportunities and navigating commuting challenges.

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Appendix

A Additional Figures and Tables

Table A1: Summary Statistics: Main Sample

	Mean	SD	Min	Median	Max
Panel A: Women (N = 87,659)					
Annual Earnings (1,000 NOK)	311.73	113.45	0.92	300.72	4798.23
Hourly Earnings	189.50	99.99	0.54	165.19	2454.02
Hours Worked	34.11	8.15	10.00	37.50	37.50
Employment	1.00	0.00	1.00	1.00	1.00
Public Sector Employment	0.41	0.49	0.00	0.00	1.00
Age	27.92	4.16	19	27.00	48
Years of Education	12.31	2.55	0	12.00	20
Commuting	0.34	0.47	0.00	0.00	1.00
Distance (km)	28.65	128.16	0.00	0.00	2412.09
HHI	0.15	0.15	0.00	0.11	1.00
Full Time Share	0.71	0.25	0.00	0.77	1.00
Average Earnings at Plant	213.75	71.99	2.09	206.93	4987.22
Residence Urban	0.40	0.49	0.00	0.00	1.00
Workplace Urban	0.49	0.50	0.00	0.00	1.00
Panel B: Men (N =110,595)					
Annual Earnings (1,000 NOK)	396.40	193.84	0.16	367.66	26044.81
Hourly Earnings	218.41	125.00	0.08	193.25	13320.45
Hours Worked	36.07	5.71	10.00	37.50	37.50
Employment	1.00	0.00	1.00	1.00	1.00
Public Sector Employment	0.16	0.37	0.00	0.00	1.00
Age	29.71	4.71	19	29.00	64
Years of Education	11.93	2.77	0	12.00	20
Commuting	0.40	0.49	0.00	0.00	1.00
Distance (km)	40.53	155.08	0.00	0.00	2494.71
HHI	0.17	0.17	0.00	0.11	1.00
Full Time Share	0.86	0.20	0.00	0.94	1.00
Average Earnings at Plant	216.23	72.73	1.02	204.99	6393.20
Residence Urban	0.35	0.48	0.00	0.00	1.00
Workplace Urban	0.42	0.49	0.00	0.00	1.00

Note: The table presents summary statistics for first-time parents, women (Panel A) and men (Panel B), in the year prior to their first child. The sample includes all men and women who became first-time parents between 1990 and 2000, whom we observe four years prior to and ten years after childbirth, and who are employed at least seven out of 15 years.

Table A2: Summary Statistics: Survey

	Mean	SD	Min	Median	Max
Male	0.42	0.49	0	0.00	1
Any Child	0.58	0.49	0	1.00	1
Cohabiting	0.67	0.47	0	1.00	1
Primary School	0.03	0.16	0	0.00	1
High-School	0.18	0.38	0	0.00	1
Vocational School	0.16	0.37	0	0.00	1
Bachelor	0.29	0.46	0	0.00	1
Master	0.33	0.47	0	0.00	1
Other	0.01	0.10	0	0.00	1
Threshold	3.50	1.71	1	3.00	6
Age	38.27	7.64	25	39.00	60
Monthly Salary	32.71	14.58	3.00	30.00	150.00
Commuting Time	23.28	29.51	1.00	15.00	180.00

Note: The table presents summary statistics for the full sample of surveyed individuals ($N = 10,008$). Monthly salaries are reported in 1,000 NOK. The variables presented are a subset and only variables used in the analysis for this article.

Table A3: Child Penalty Overview

	Main	**Main** $t \leq 5$	**Always Employed**
Average Hourly Earnings	0.01	0.01	0.01
Commuting Distance	0.48	0.45	0.28
Earnings	0.26	0.24	0.22
Establishment Size	0.19	0.07	0.11
Herfindahl-Hirschman Index	-0.14	-0.12	-0.07
Hourly Earnings	0.11	0.13	0.08
Hours Worked	0.27	0.27	0.10
Number of Establishments	0.28	0.26	0.12
P(Commute)	0.25	0.24	0.09
P(Workplace Urban)	0.24	0.24	0.08

Note: The table presents the overall child penalty for different outcome variables and sample specifications by following the procedure presented in Equation **??**. The second column uses our main sample, the third column also uses the main sample but only for relative time periods $t \leq 5$ and the last column is computed on estimates from the always employed sample.

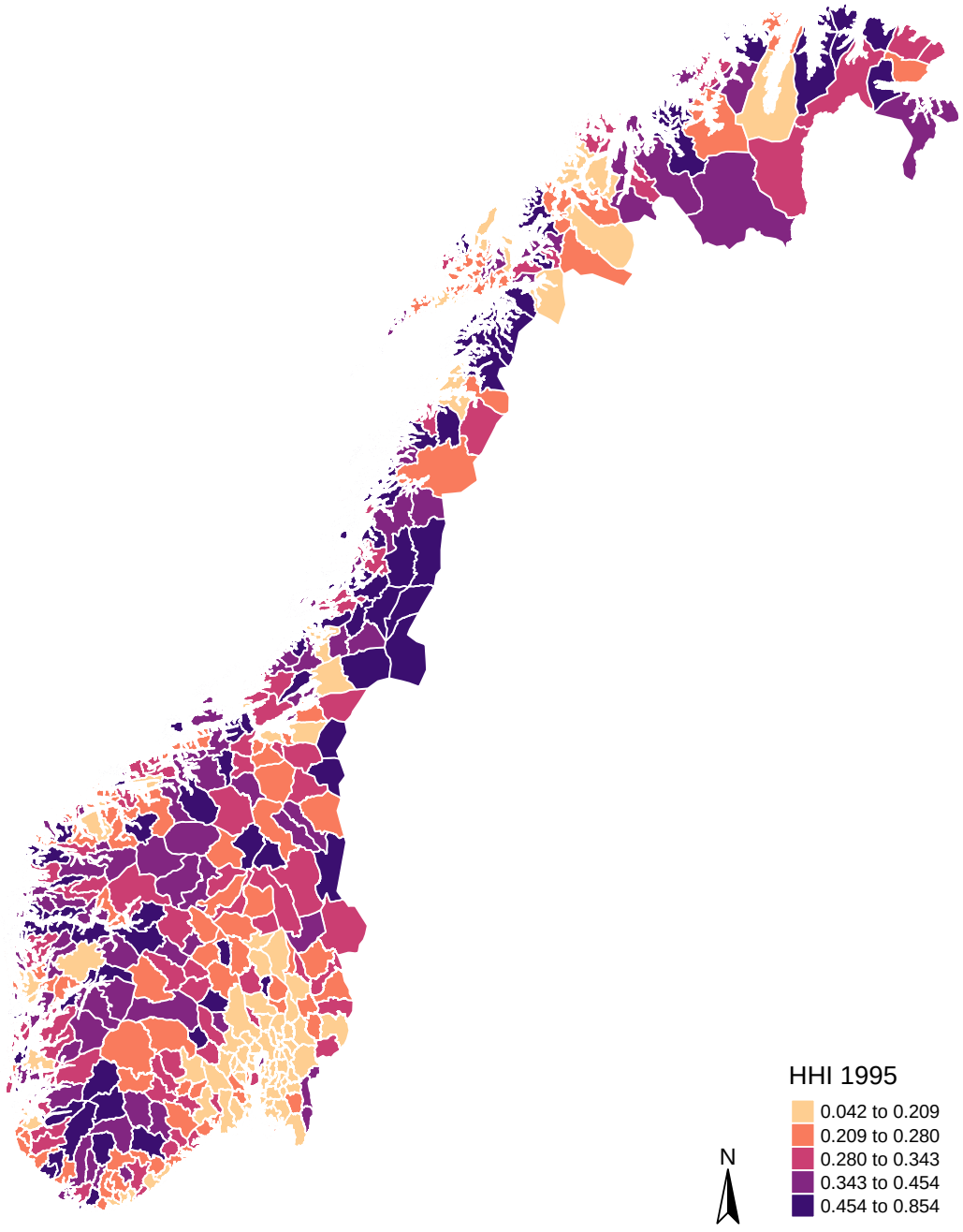


Figure A1: Herfindahl-Hirschman Index in 1995

Note: Average Herfindahl-Hirschman Index in 1995 in each municipality. The HHI is calculated based on the main commuter sample using the actual commuting distance of individuals to define the local labor market (see Figure B1). It includes all individuals who became first-time parents between 1990 and 2010 who were employed at least eight out of 15 years in the 15 years around childbirth.

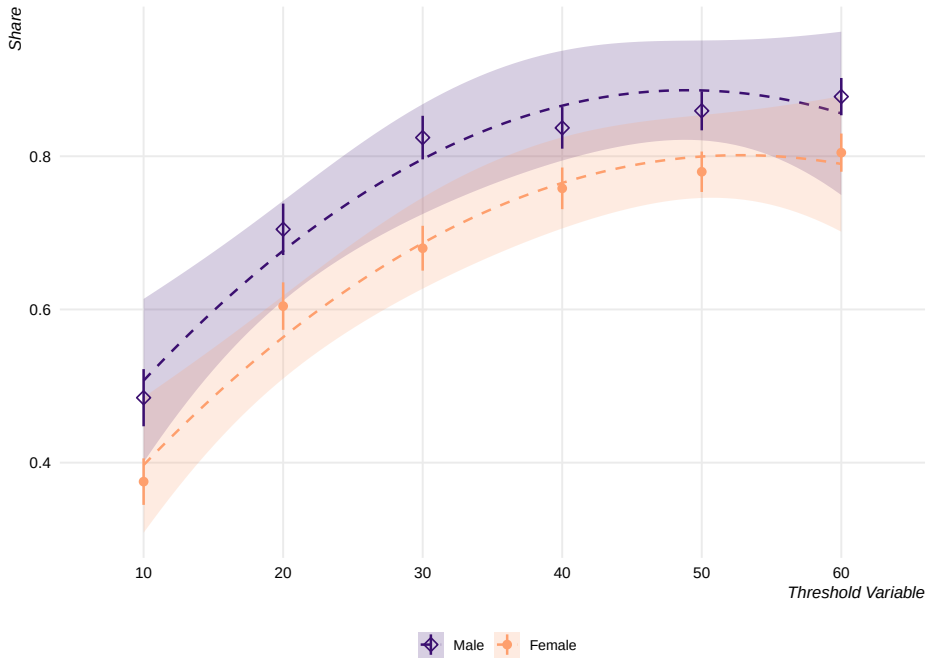


Figure A2: Survey Results: Willingness to Commute

Note: The figure separately shows the share of men (purple diamond shapes) and women (orange point shapes) choosing to select position two in a question referring to the trade-off between a salary increase and doubling of the commuting distance. The shares were obtained by regressing a dummy variable equal to one if a person chooses to position two on the full set of threshold dummies $\gamma \in [10, 20, 30, 40, 50, 60]$ separately for men and women. The 95 % confidence intervals are based on robust standards. Fitted lines are regression lines of second-order polynomials through the shares estimates.

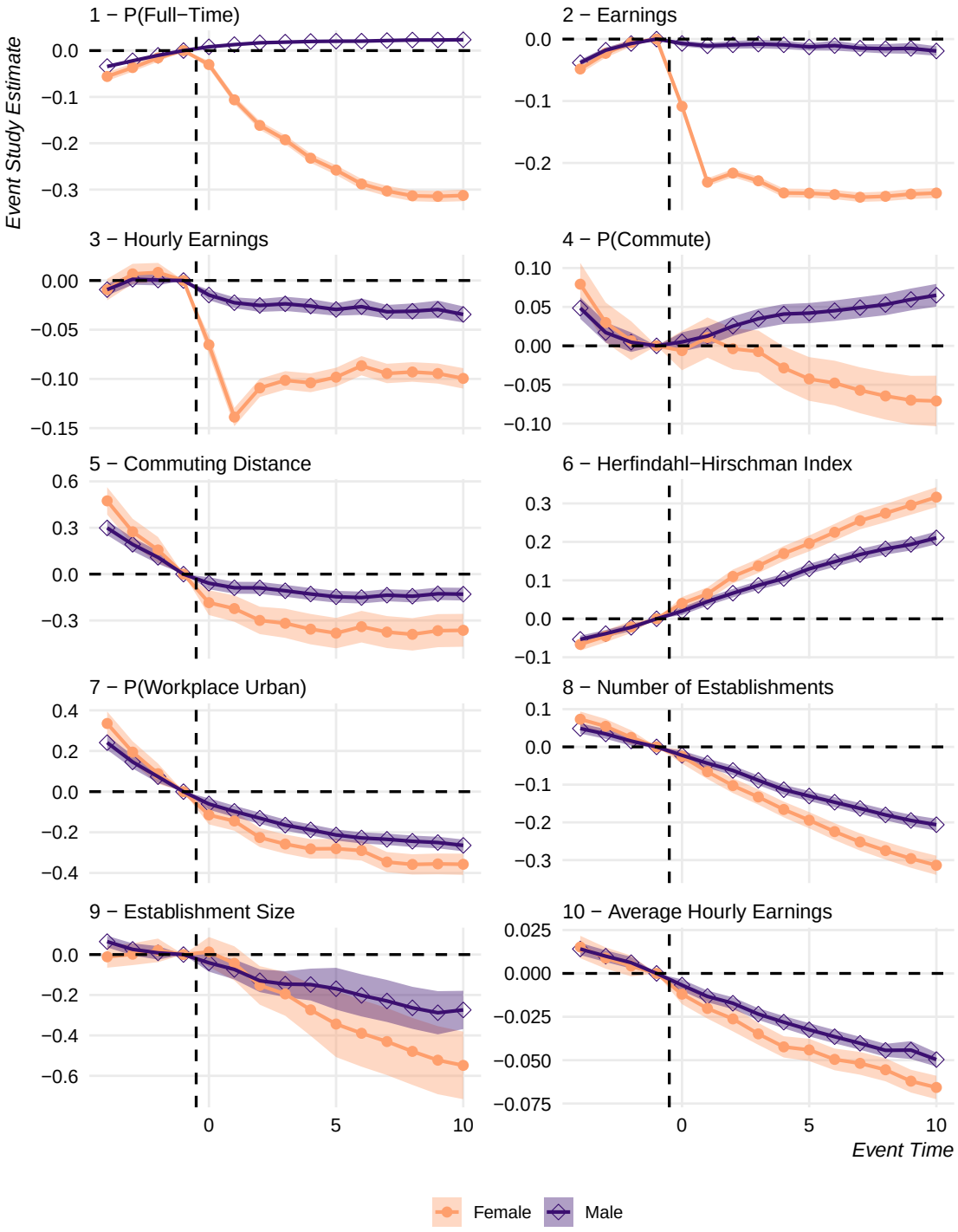
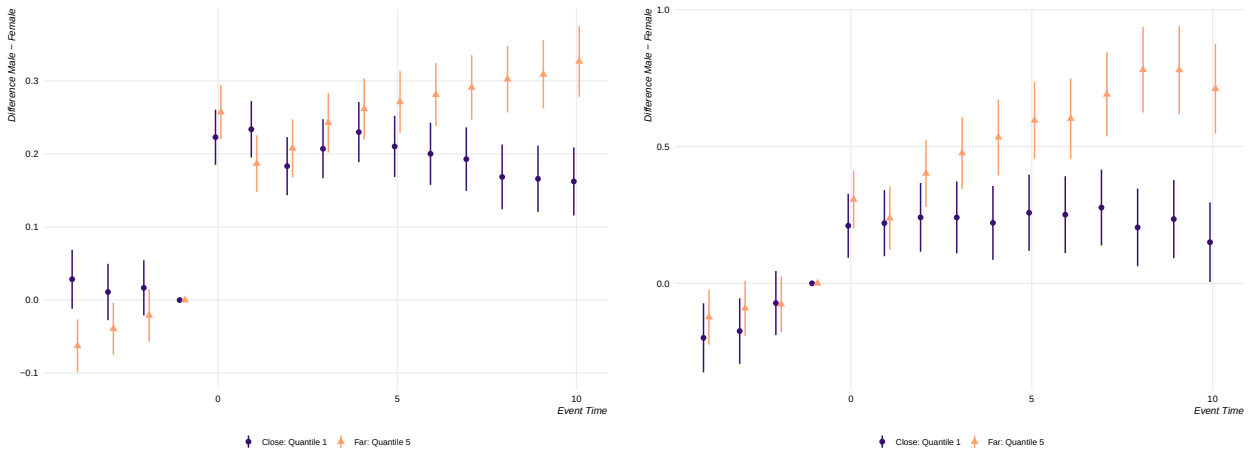


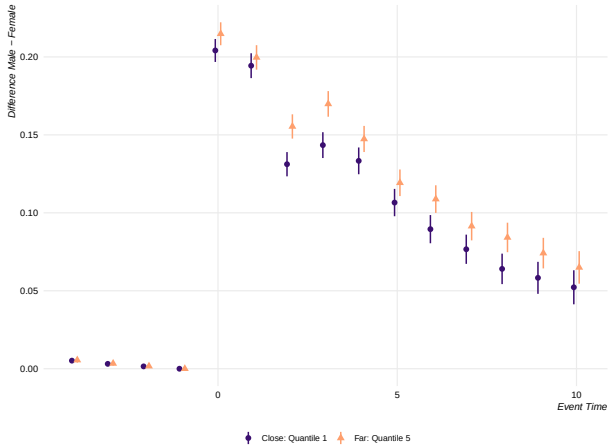
Figure A3: Always Employed Sample

Note: The figure shows the estimated coefficients from Equation 1, as a fraction of the predicted outcome, when omitting the contribution from event dummies in each year relative to the birth of the first child. The figure presents results for a sample of first-time mothers ($N = 26,109$) and first-time fathers ($N = 74,037$) employed throughout the 15 years surrounding childbirth. Each panel presents results for a different outcome separately for men and women.

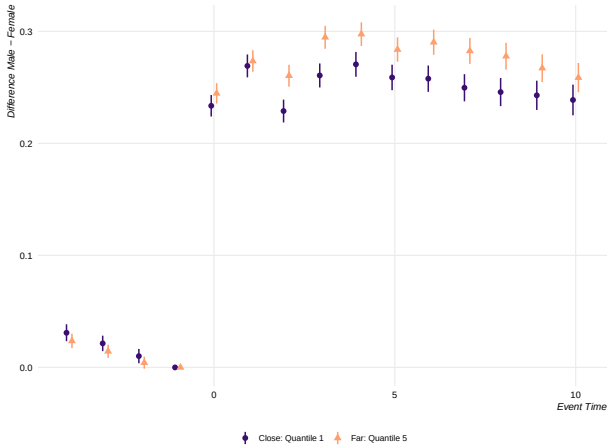


(a) $\mathbb{P}$(Commuting)

(b) Commuting Distance



(c) Extensive Margin



(d) Intensive Margin

Figure A4: Commuting and Labor Market Outcomes by Distance to Grandparents

Note: The figure depicts differences in the estimated event-time coefficients (from Equation 1) between men and women. Each panel displays the differences for individuals in two groups: those in the bottom quintile of distance to grandparents (Close: Quintile 1) and those whose grandparents live furthest away (Far: Quintile 5) before the onset of parenthood. Coefficients are estimated separately for men and women, with 95% confidence intervals shown as error bars (using robust standard errors).

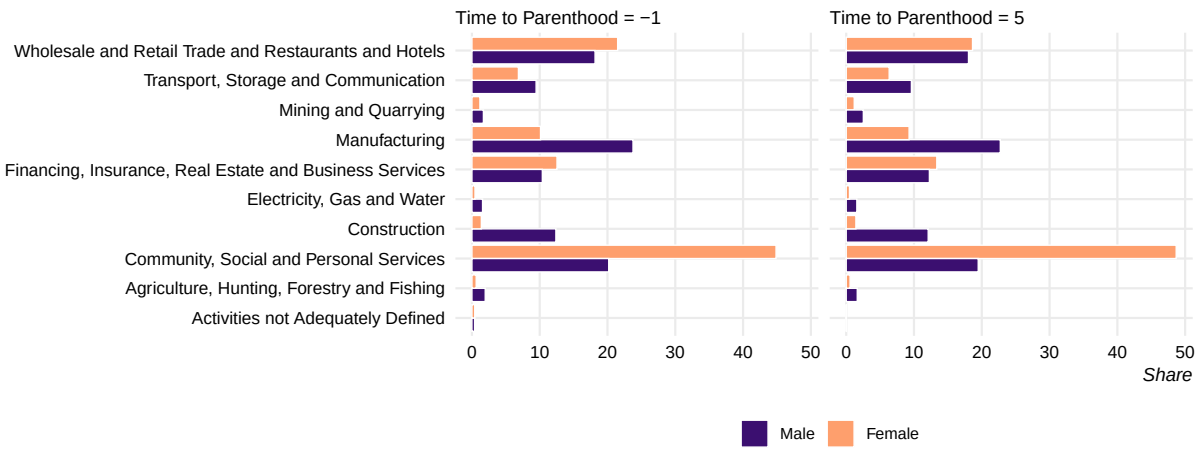


Figure A5: Industry Affiliations by Sex and Time Relative to Parenthood

Note: The figure shows the share of men and women working in different industries defined as one-digit codes following the Norwegian adoption of ISIC codes (Statistics Norway, 1983). The left panel shows the industry shares for individuals in our main commuter sample for the year prior to childbirth ($t = -1$), while the right panel shows the same for the period five years post-childbirth ($t = 5$).

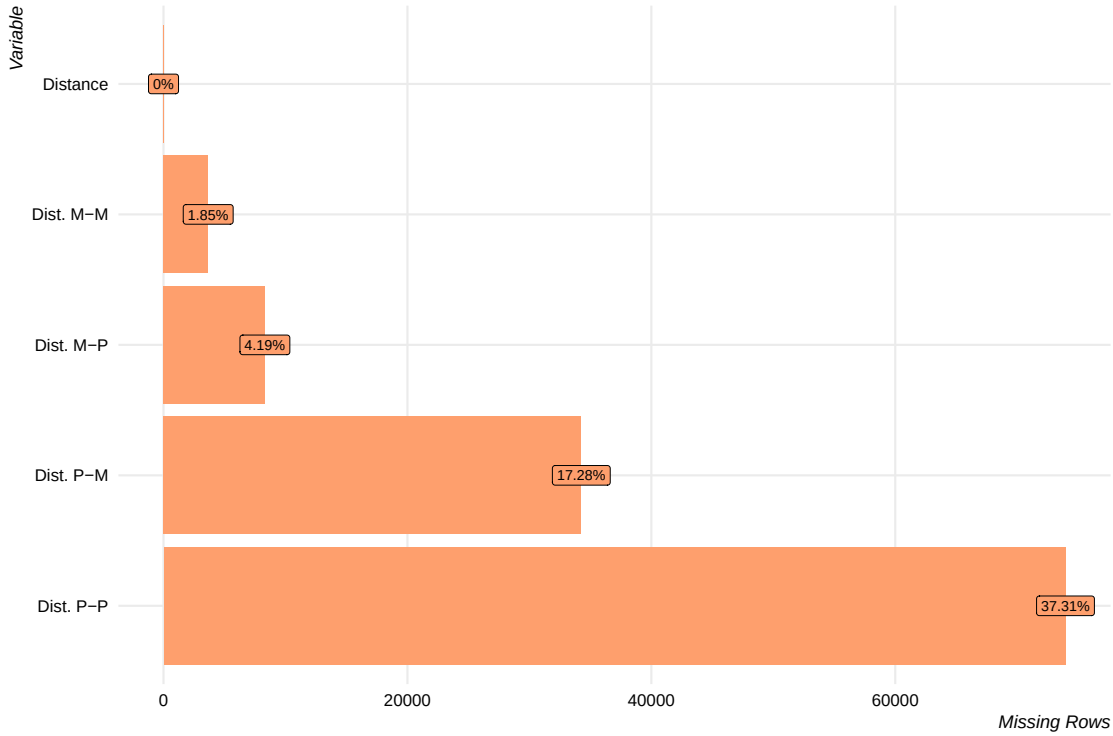
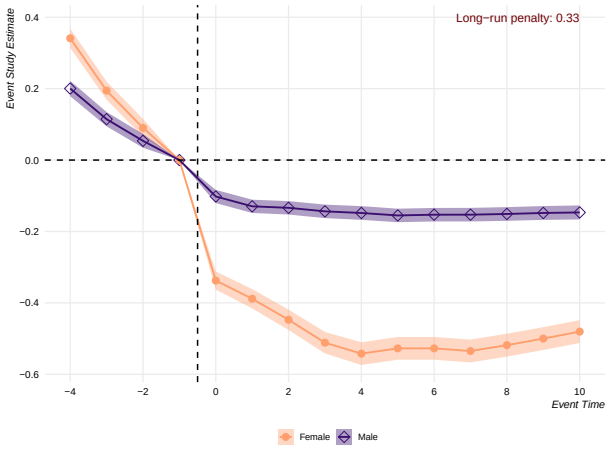
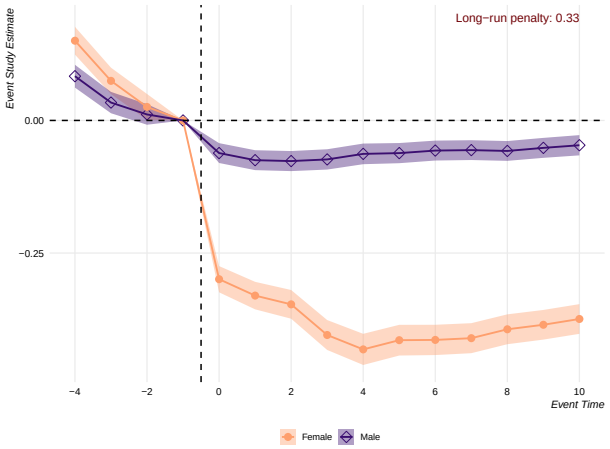


Figure A6: Distance Assignment

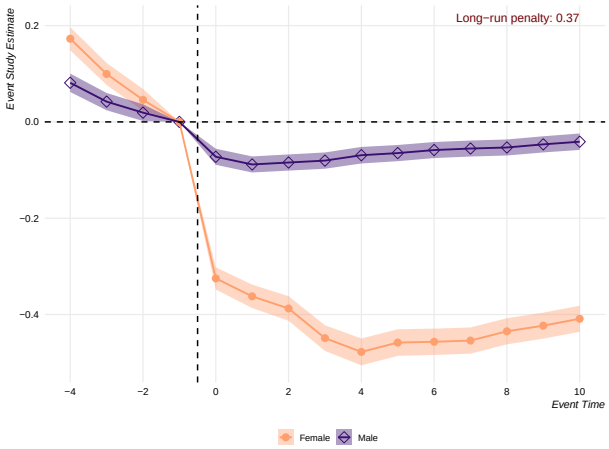
Note: The figure shows the share of missing distance values for different combination of postcodes and municipalities in the period prior to childbirth ($t = -1$). Dist. M-M indicates the share of missing values for distances constructed where workplace and resident municipality are available. Dist. M-P indicates workplace municipality to residence postcode, Dist. P-M indicates workplace postcode and residence municipality and Dist. P-P indicates postcode to postcode distances.



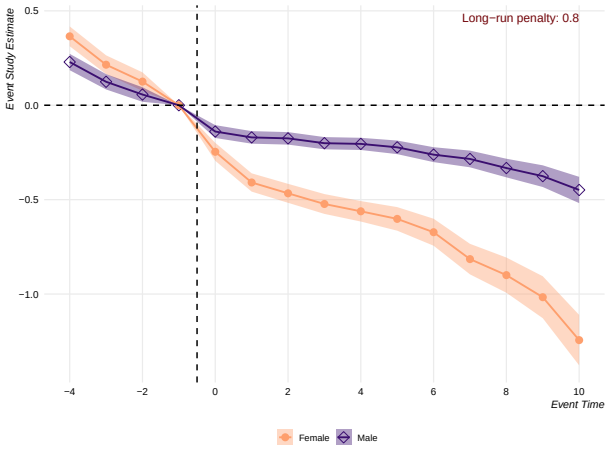
(a) Large Distances Top Coded



(b) Large Distances Dropped



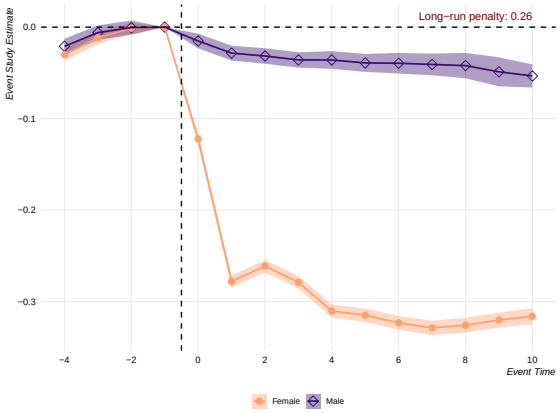
(c) Large Distances Replaced



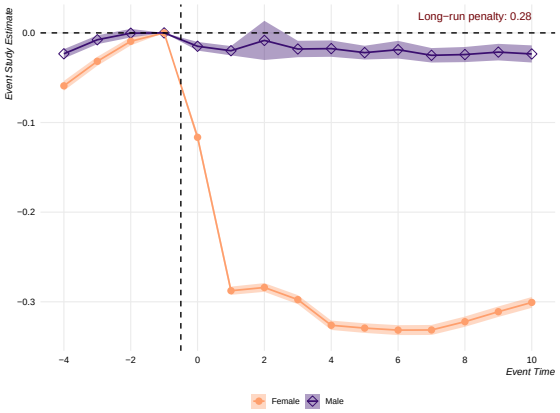
(d) Postcode to Postcode Distance

Figure A7: Sensitivity of Distance Results to Alternative Distance Measures

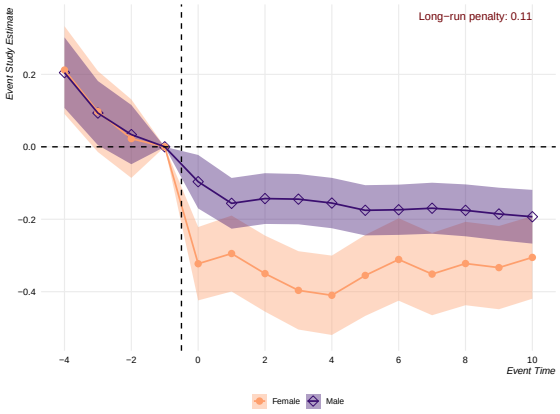
Note: The figure shows the estimated coefficients of the event time dummies as a fraction of the predicted outcome, when omitting the contribution from event dummies in each year relative to the birth of the first child. Coefficients are estimated separately for men and women for our main sample specification. The shaded areas indicate the 95% confidence band using robust standard errors. Panel (a) shows results when top coding all distances above 200 km to 200 km, panel (b) shows results when dropping distances above 200 km, panel (c) provides results where we replace distances above 200 km with the average gender and time-to-treatment specific distance and panel (d) shows results for the distance measure based on distances where we measure postcode to postcode commuting distances.



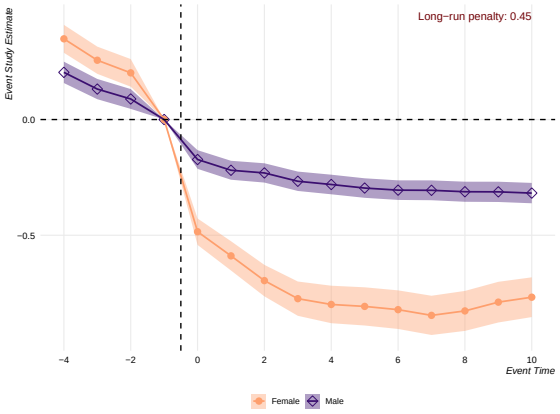
(a) Earnings - Urban



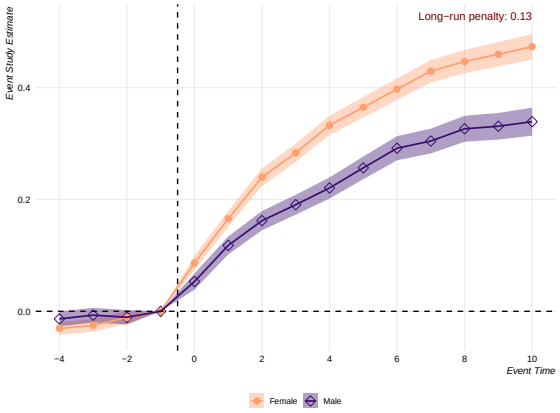
(b) Earnings - Rural



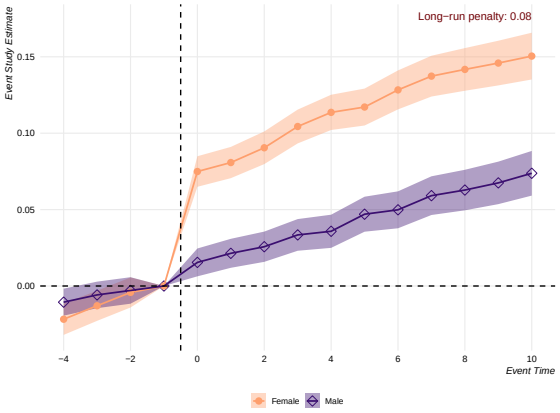
(c) Commuting Distance - Urban



(d) Commuting Distance - Rural



(e) HHI - Urban



(f) HHI - Rural

Figure A8: Urban and Rural Differences in Parenthood Effects

Note: The figure shows estimated event time coefficients from Equation 1, expressed as a fraction of predicted outcomes, excluding event dummies for each year relative to the birth of the first child. Coefficients are estimated separately for men and women, with shaded areas representing 95% confidence intervals (robust standard errors). The urban sample includes individuals who lived continuously in an urban municipality in the years prior to childbirth (N=58,804). In contrast, the urban sample is restricted to individuals who continuously lived in areas outside of urban municipalities prior to parenthood (N=112,296). Long-run penalties, shown in the top-right of each panel, represent the male-female difference at $t = 10$.

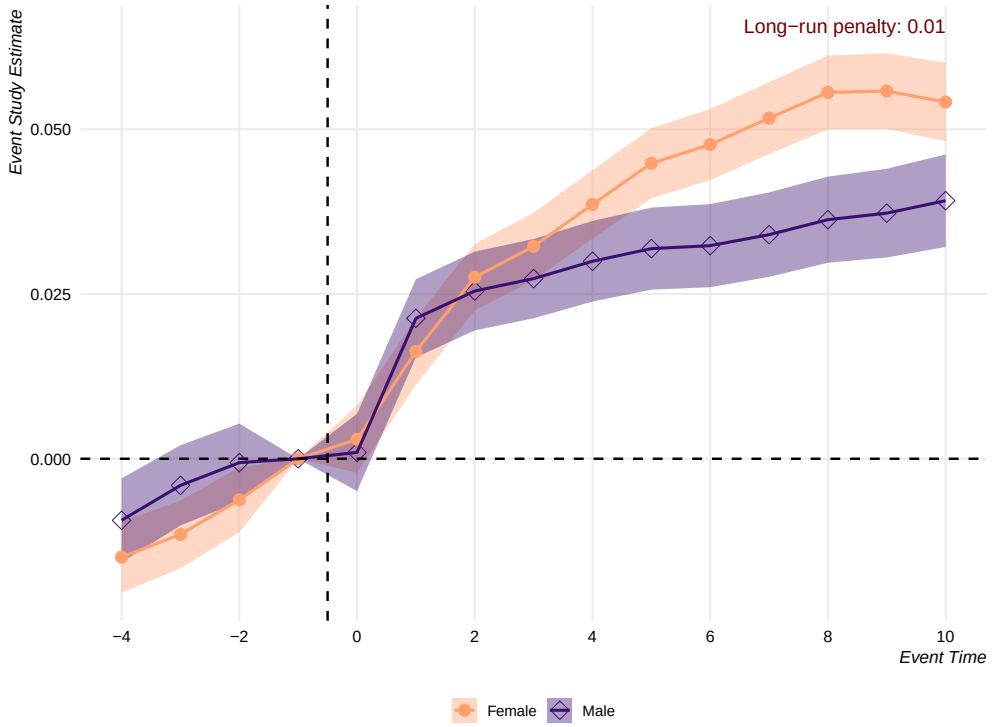
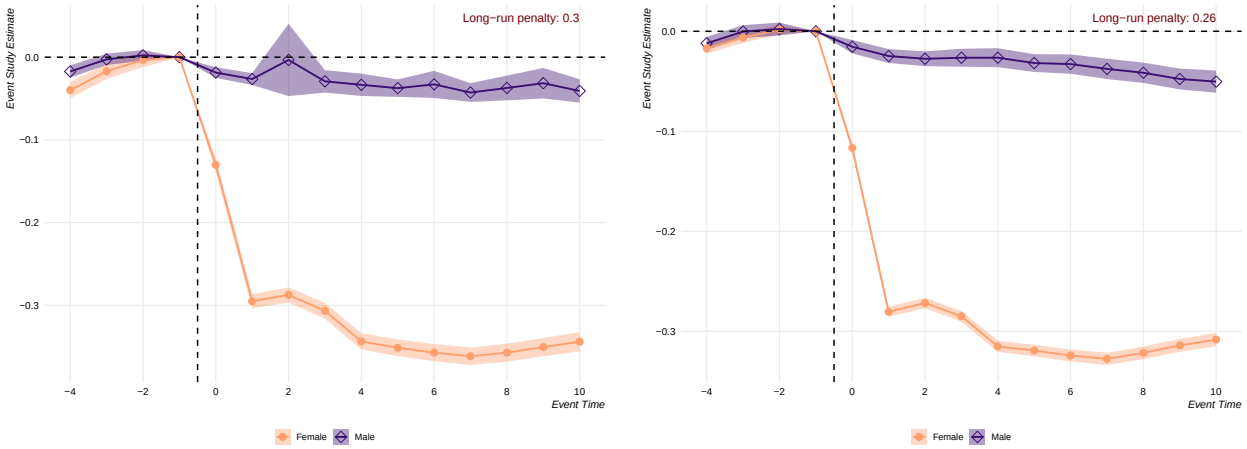


Figure A9: Parenthood Effect and the Share of Mothers with Young Children in Establishment

Note: The figure shows the estimated coefficients from Equation 1, as a fraction of the predicted outcome, when omitting the contribution from event dummies in each year relative to the birth of the first child. The figure presents results for the effect of parenthood on the share of mothers with children under the age of 16 within an individual's establishment.

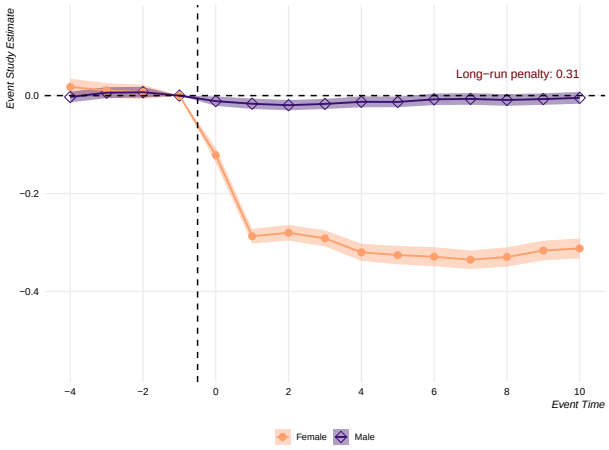


(a) Earnings - Commuters

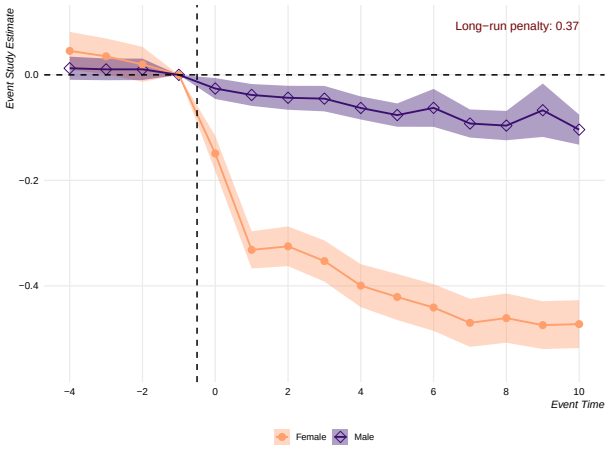
(b) Earnings - Non-Commuters

Figure A10: Earnings Penalty for Pre-Period Commuters and Non-Commuters

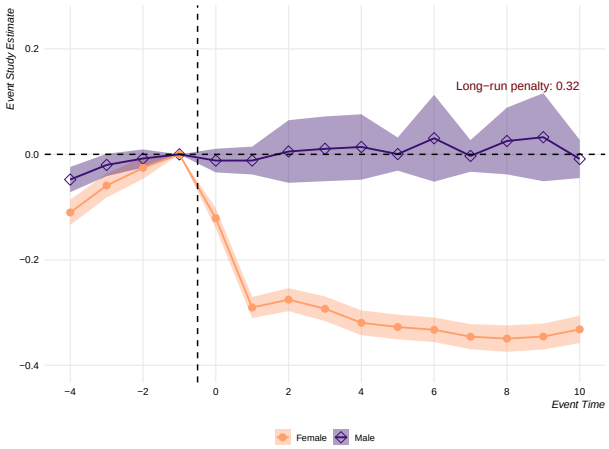
Note: The figure shows estimated event time coefficients from Equation 1, expressed as a fraction of predicted outcomes, excluding event dummies for each year relative to the birth of the first child. Coefficients are estimated separately for men and women, with shaded areas representing 95% confidence intervals (robust standard errors). The commuter sample includes individuals who commuted between municipalities in all four years prior to parenthood (N = 45,034), while the non-commuter sample is restricted to individuals who did not commute in any year prior to the birth of the first child (N = 91,838). Long-run penalties, shown in the top-right of each panel, represent the male-female difference at $t = 10$.



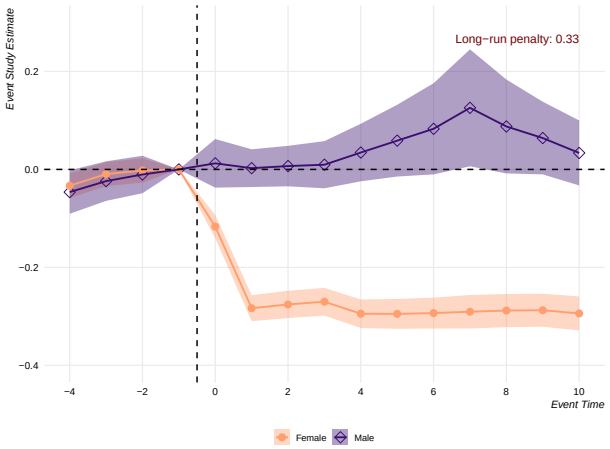
(a) Earnings - Commuters (Bottom Decile)



(b) Earnings - Non-Commuters (Bottom Decile)



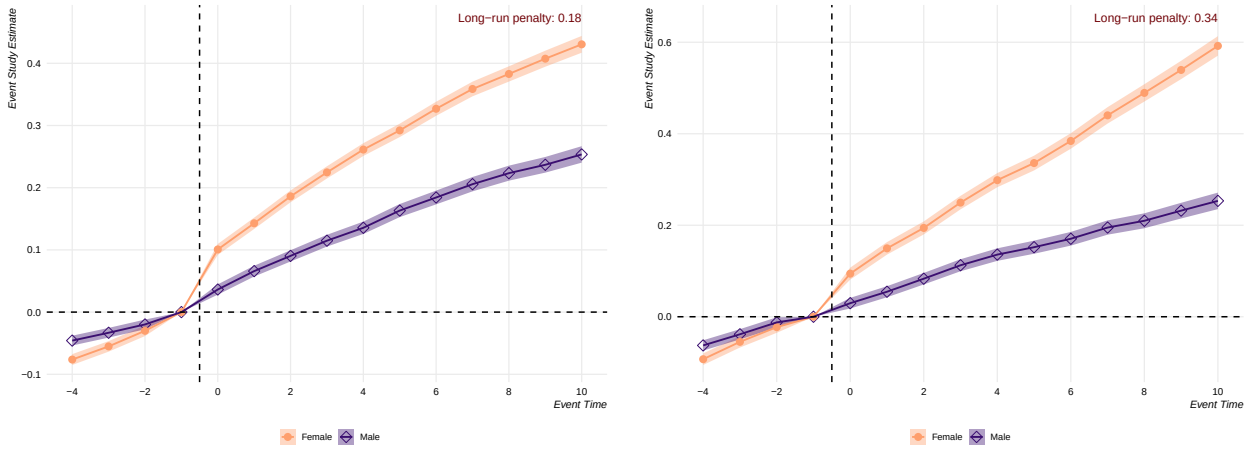
(c) Earnings - Commuters (Top Decile)



(d) Earnings - Non-Commuters (Top Decile)

Figure A11: Earnings Responses by Pre-Period Commuting and Job-Opportunities

Note: The figure shows estimated event time coefficients from Equation 1, expressed as a fraction of predicted outcomes, excluding event dummies for each year relative to the birth of the first child. Coefficients are estimated separately for men and women, with shaded areas representing 95% confidence intervals (robust standard errors). The commuter sample includes individuals who commuted between municipalities in all four years prior to parenthood, while the non-commuter sample is restricted to individuals who did not commute in any year prior to the birth of the first child. Individuals were further stratified by the decile of a number of potential job opportunities they had in the pre-parenthood period. Long-run penalties, shown in the top-right of each panel, represent the male-female difference at $t = 10$.



(a) HHI - Industry Varies

(b) HHI - Industry Fixed

Figure A12: Sensitivity of HHI Responses to Changes in Industry Affiliation

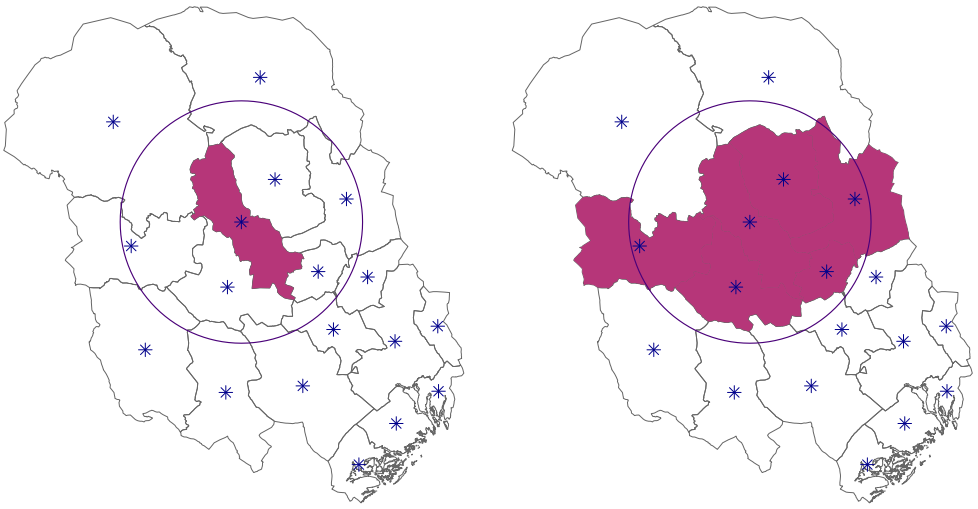
Note: The figure shows estimated event time coefficients from Equation 1, expressed as a fraction of predicted outcomes, excluding event dummies for each year relative to the birth of the first child. Coefficients are estimated separately for men and women, with shaded areas representing 95% confidence intervals (robust standard errors). The left panel shows the change in the HHI for men and women in response to parenthood when allowing industry codes to vary over time. The right panel shows HHI responses, when fixing the industry code of an individual at $t = -2$. Long-run penalties, shown in the top-right of each panel, represent the male-female difference at $t = 10$.

B Data and Definitions

B.1 Labor Market Opportunities and Concentration

To examine if the change in commuting behavior has an impact on the job opportunities of workers, we construct three measures of labor market concentration: the number of establishments, the number of jobs, and the Herfindahl-Hirschman Index (HHI). Each of these measures captures slightly different dimensions of labor demand and helps us develop a comprehensive understanding of how changes in commuting distance impact an individual's labor market opportunities and outside options.

The first measure we focus on is the number of establishments that employ workers of similar types. Specifically, we calculate the number of establishments within a year-area-industry cell where individuals with a similar level of education are used. Education is categorized into three groups: high school or less (less than 12 years of education), more than high school (but no Bachelor's degree, 12 to 14 years of education), and at least a Bachelor's degree (15 or more years of education). We include the education and industry dimensions since prior work has shown that industry alone is an imperfect measure for labor market concentration Dodini et al. (2020). A hypothetical example would be someone who lived in Oslo in 1995, works in construction, and has a high school degree. For this worker, we would count the number of establishments in the construction industry that employ individuals with a high school degree and are located in the worker's local labor market. To define an individual's local labor market, we draw a circle between the individual's place of residence and workplace, letting the distance between the workplace and the place of residence act as the circle's radius. All municipalities with centers that fall inside this circle are considered to belong to the individual's local labor market. A visual illustration of this data-driven local labor market assignment approach is provided in Figure B1. In other words, we use an individual's revealed commuting preference as a proxy for the individual's local labor market. The geographic boundaries of the labor market will, therefore, vary across individuals and time depending on the distance between the individual's workplace and place of residence in that year. Hence, this measure provides information on how much employer concentration the individual faces in her labor market. This provides a helpful proxy for the concentration of labor demand.



(a) Commuting Radius (b) Individual-Specific LLM

Figure B1: Illustration of Individual-Specific Local Labor Markets (LLM)

Note: The figure shows how local labor markets are constructed using the revealed commuting behavior of individuals. The radius around the highlighted area in Panel B1a indicates the observed commuting distance. All municipalities whose administrative municipality center (blue marked stars) falls within this radius are then counted towards the individual's local labor market in the particular year. This is indicated by the highlighted area in Panel B1b.

Second, we focus on the number of jobs. We calculate the number of newly employed individuals, including job-to-job transitions, at the year-area-industry-education level. This measure complements the above measure and is a proxy for the labor market opportunities available to workers in a specific industry with a particular educational degree. Finally, we construct an HHI at the year-area-industry-education level. We construct the HHI by first calculating year t, area a, industry j, and education e specific employment shares for each establishment f. We use 2-digit industry codes. These shares are then used to construct the HHI as the sum of squared employment shares across all establishments within a year-area-industry-education cell:

$$HHI_{jaet} = \sum_{f=1}^{N} s_{fjaet}^2 \text{ where } s = \frac{emp_{fjaet}}{\sum_{f=1}^{N} emp_{fjaet}} \tag{4}$$

The HHI ranges from 0 to 1, where 1 indicates a single monopsonistic establishment in the market. Hence, the HHI measures the concentration of labor demand for a given industry-education group across establishments in the local labor market. Figure A1 shows the average HHI in each municipality in 1995. The figure shows that concentration in the largest cities of Norway is much lower than that in more rural parts of the country. There are also differences across industry-education cells. Note that we allow industry

to vary over time for these measures. Appendix Figure A12 documents that keeping the industry code fixed at the value two years before childbirth (t=-2) results in a slightly larger long-term penalty. Hence, industry changes post-birth are not driving the effects we measure above.

B.2 Establishment Quality

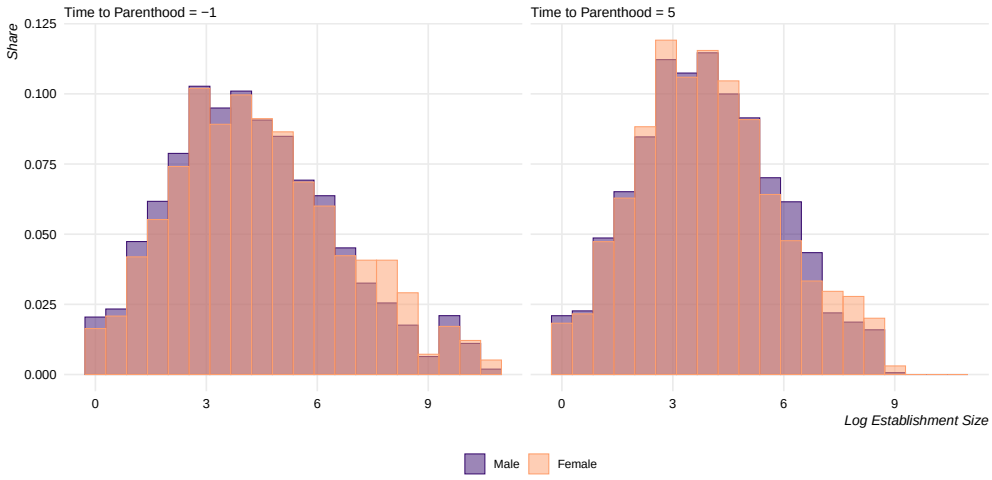
Besides changes in labor supply and skill mismatch, establishment quality is an additional pathway through which parenthood potentially alters earnings differently for men and women after they become parents for the first time. Women might switch to more family-friendly establishments, but these firms impede career progression and ultimately hinder climbing the career ladder (Hotz, Johansson and Karimi, 2017). We analyze how parenthood impacts the establishment's quality. Through a lower willingness to commute and an increased burden for childcare, women have a) fewer outside options and b) the options they might have are of lower quality, resulting in a disproportionate reduction of establishment quality for women after the onset of parenthood.

We present results using two different measures of establishment quality, which have been suggested in the previous literature (see, e.g. Dustmann et al., 2020). The first measure is establishment size. Establishment size has been used extensively to measure establishment quality, particularly for individuals in the early stages of their careers. Oreopoulos, Von Wachter and Heisz (2012) show that individuals starting their careers at larger employers suffer from fewer negative labor market consequences in comparison to those who start at smaller firms. Additionally, larger firms are associated with higher wages and better training resulting in improved opportunities for career and earnings progression (Arellano-Bover, 2024). The second measure used is the average hourly earnings of individuals at the establishment. Establishments paying higher wages, controlling for person fixed effects, have been shown to be more productive, more profitable, and more professional-labor intensive in the context of France (Abowd, Kramarz and Margolis, 1999).

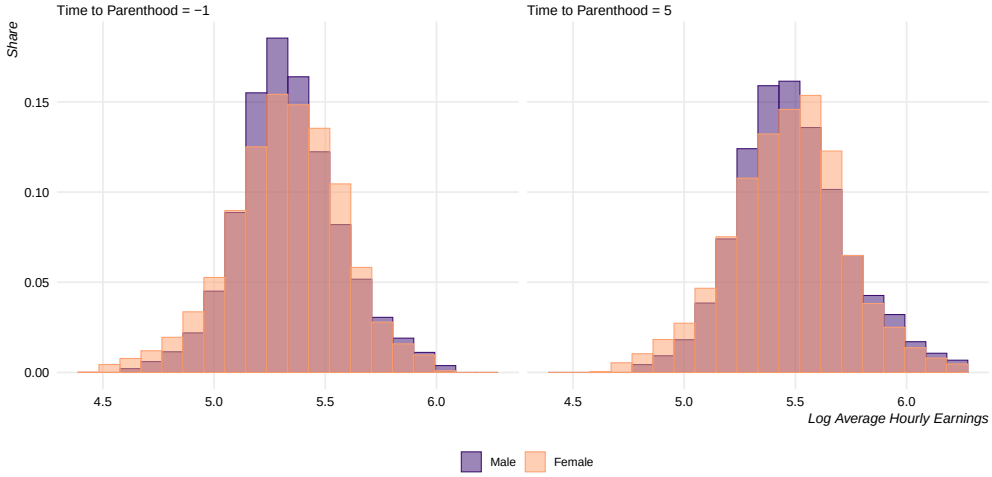
All establishment quality measures are constructed from the linked employer-employee data available between 1986 and 2010. We condition this sample on individuals with non-zero hourly earnings and who have non-missing establishment identifiers as well as reported hours worked.[17] The average hourly earnings are then constructed from annual earnings data divided by the number of weeks and hours of work. This is only an approximation of actual hourly earnings, but due to data limitations, it is the best

[17]Hours are reported only in three broad categories which we approximate with 10, 25, and 37.5 hours of work per week.

measure of hourly earnings we can provide consistently for the sample. Establishment size is simply defined as the number of employees at a given establishment.



(a) Establishment Size



(b) Log Average Hourly Earnings

Figure B2: Distribution of Establishment Quality Measures by Sex and Time to Parenthood

Note: The figure plots the distribution of two establishment quality measures in our main sample separately for men and women in the period $t = -1$ and $t = 5$. Each measure is plotted separately for the year $t = -1$ and $t = 5$ and by the sex of the parent. Panel a shows the natural logarithm of establishment size, and panel b, the logarithm of the average hourly wage in the company, winsorized to exclude the top one and bottom percentile of the average hourly wage distribution.

To construct the establishment quality measures, we follow a leave-out mean approach, which ensures that we construct average hourly earnings and establishment size net of the impact of the particular individual herself. This will take care of sensitivity for cases where the number of individuals within an establishment is small and allows us

to abstract from changes in establishment quality due to changes in labor market characteristics of the individual whose establishment quality we want to observe. In Figure B2, we present the distributions of establishment quality measures for our main sample separately by time relative to parenthood and sex. To conveniently plot the distributions, the establishment size variable and average hourly earnings within an establishment are transformed using the natural logarithm. We additionally winsorize the top and bottom percentiles of the distribution for the average hourly earnings mainly for ease of visualization.[18] The main difference in the distributions comes from differences between men and women, rather than differences due to the time relative to parenthood. Importantly, establishment measures are plotted for all individuals in the respective period $t = -1$ and $t = 5$, particularly for our measure of establishment size, which suggests a large average establishment size. When plotting the distribution of establishment size for unique establishments only, it becomes apparent that the median size is much smaller than suggested by Figure B2 Panel B2a. In Figure B3, we plot the distribution of the size of unique establishments for men and women for 1995.

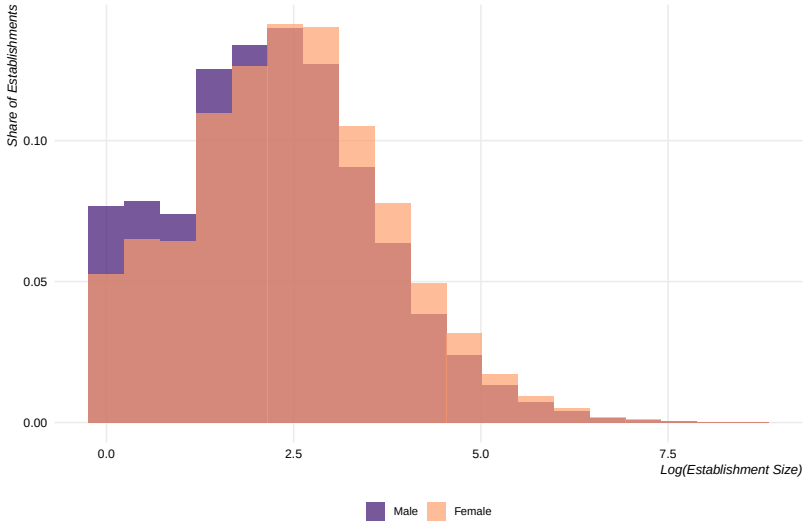


Figure B3: Distribution of Establishment Size for Unique Establishments in 1995

Note: The figure presents the distribution of the natural logarithm of establishments size of all unique establishments in our sample for the year 1995, separately for men and women.

In addition to workplace quality, we measure the workplace's family friendliness. We follow Hotz, Johansson and Karimi (2017) and Kleven, Landais and Søgaard (2019)

[18]The right tail of the hourly wage distribution is relatively long because we are constructing hourly earnings from annual earnings data. This income variable includes incomes from self-employment and governmental transfers. Particularly the first income source can be substantial and result in very large hourly earnings.

and proxy family friendliness by the share of women with children below 16 years in an individual's plant. The average share of female co-workers with children under the age of 16 in the year prior to childbirth is 36% for men and 37% for women. Five years post childbirth this number increases to 39% for men and 41% for women on average. We also plotted the distribution of the share of female co-workers with children under the age of 16 in Figure B4.

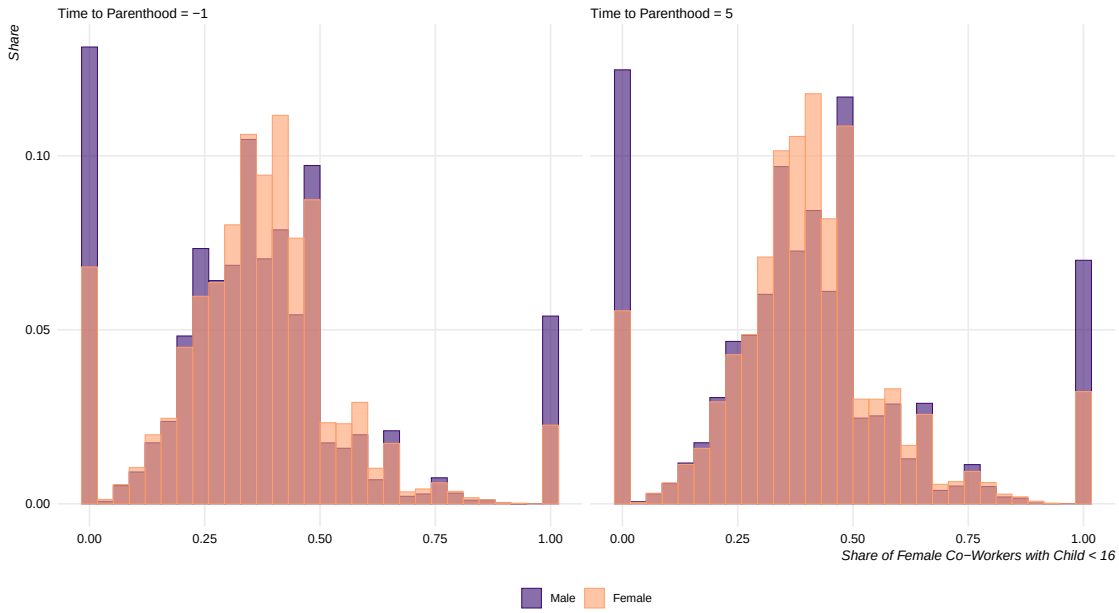


Figure B4: Distribution of Share of Female Co-Workers with Children Under Age of 16 by Sex and Time to Parenthood

Note: The figure plots the distribution of the share of female co-workers with children under the age of 16 separately for men and women and by time relative to parenthood.

C Commuting in Norway

The main commuting measures in this article are mostly based on commuting across municipality borders. Due to the limitations in observing the exact workplace of individuals we must use this proxy in our analysis in order to construct measures of commuting probability and distance. In this appendix, we want to provide a general overview of commuting behavior in Norway using two different datasets. The first dataset we use is the Norwegian Travel Habit Survey (Reisevaneundersøkelsen) from the year 1991-1992. The second part will provide some more summary statistics on commuting using our main sample, which we constructed using several Norwegian administrative data registers.

C.1 Travel Habit Survey 1991 - 1992

The travel habit survey is undertaken by the Institute of Transport Economics in Oslo. The survey is conducted to understand and plan the national and local transportation needs of the Norwegian population. The interviews for the survey were performed via phone over an entire year to cover seasonality in travel. The survey covers a representative cross-section of the Norwegian population and can be accessed via the Norwegian Agency for Shared Services in Education and Research (Sikt). For exact details on the survey and its methodology, please have a look at the study documentation (Institute of Transport Economics et al., 2022).

Table C1: Transport Habit Survey 1991-1992: Summary Statistics

	Unique	Missing Pct.	Mean	SD	Min	Median	Max
Age	81	0	43.63	18.26	13.00	42.00	99.00
Female	2	0	0.51	0.50	0.00	1.00	1.00
City Municipality	2	0	0.49	0.50	0.00	0.00	1.00
Employed	2	0	0.64	0.48	0.00	1.00	1.00
Work Hours per Week	77	36	37.62	17.79	0.00	38.00	99.00
Distance	131	49	12.00	35.98	0.00	5.00	850.00

Note: The table presents summary statistics for key variables for 6,000 repondents from the Transport Habit Survey 1991-1992.

In Table C1, we present an overview of some of the critical variables in the survey. Individuals range from 13 to 99 years of age, are 50% female, and approximately 60% of all respondents report being in employment at least one hour per week. The average commuting distance among survey respondents is only 12 km, including commutes across and within a municipality. There is also an indicator suggesting that 49% of

individuals in the survey live in a so-called city municipality (commune), which does not correspond to our definition of the urban municipality in the main paper. City municipalities are administrative units with more than 5,000 inhabitants and, according to the Municipal Act, "have an urban settlement with trade and service functions and concentrated development".

To better understand commuting in Norway in the 1990s, we focus on the 60% individuals in employment. In Figure C1, we provide a histogram of the commuting distance for employed men and women in the travel habit survey. On average, men commute significantly more than women, with an average of 15 km compared to 9 km, respectively.

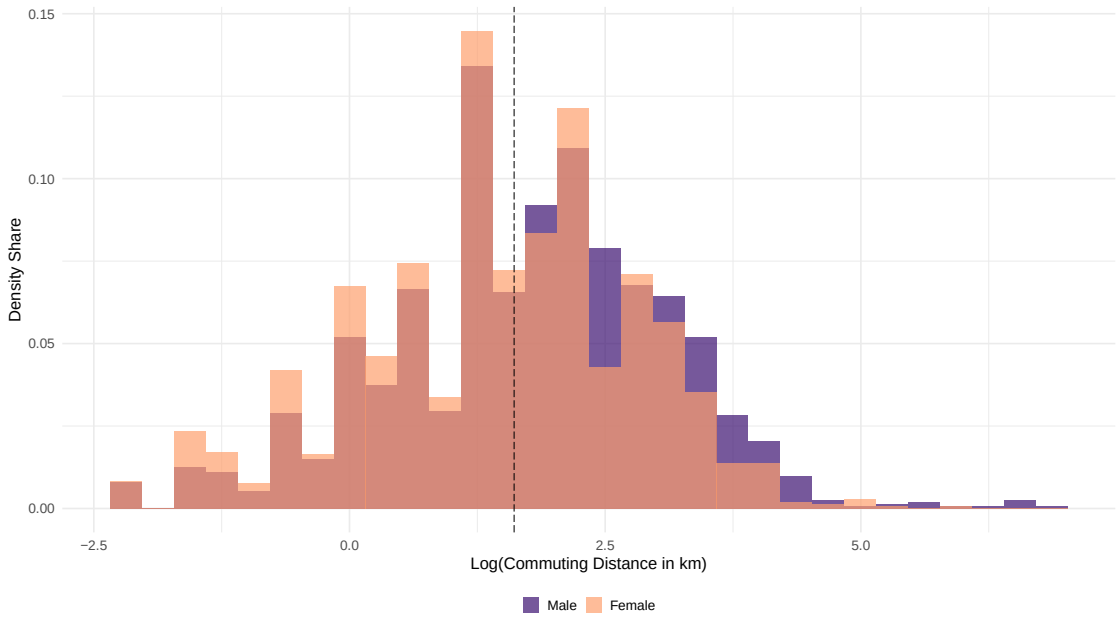


Figure C1: Distribution of Commuting Distance by Sex

Note: The figure shows the distribution of the log commuting distance for individuals reporting at least one hour of paid work per week in the survey interview separately for men and women. The vertical dashed line indicates the national median commuting distance among all individuals in the employed sample, which corresponds to 5 km.

Focusing on the commuting differences between men and women across Norwegian counties, we can see dramatic geographic variation in gender gaps in commuting. Figure C2 shows the gender differences in the median commuting distance between men and women across the 19 Norwegian counties. Overall, men commute more in almost all counties, including Oslo, which is the only county that is also a self-contained municipality. Reported commuting distances are generally smaller in northern Norway, such as Finnmark and Troms, where gender gaps in median commuting distance are not as pro-

nounced. The most considerable difference in median commuting distance is found in Akershus, where men commute significantly more than in any other part of the county.

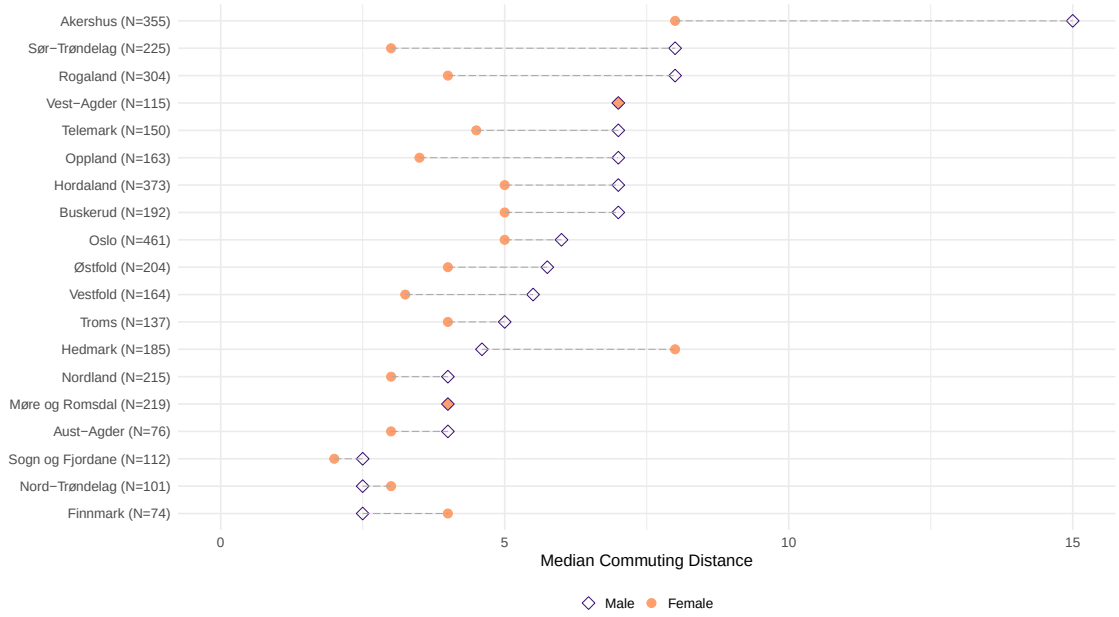


Figure C2: Median Commuting Distance by County and Sex

Note: The figure shows the median commuting distance for individuals reporting at least one hour of paid work per week in the survey interview separately for men and women by county. The number of observations by county is reported in parentheses on the y-axis.

In our paper we construct measures of commuting distance using driving distances obtained using Microsoft BING Matrix API. We argue that driving distances generally capture commuting behavior fairly well at the time. This can be confirmed by looking at the dominant modes of transport among individuals. In Figure C3, we show that particularly for above median commuting distances (larger or equal to 5 km), cars are the predominant mode of transport, followed by public transportation.[19] In our survey population, walking and cycling to work is almost irrelevant as a mode of transportation to work for above median commuting distances. For the group of individuals commuting less than 5 km to work, the most common mode of transportation is the car, with over 30%. The second largest means of transportation is walking, followed by cycling, with only a few individuals using public transportation.[20] In summary, automobile use was the predominant mode of transportation in Norway in the early 1990s.

[19]Public transportation includes buses, trams, subways, and trains. The car category also combines individuals driving to work and those using a car as a passenger.

[20]For distances below 5 km, a large fraction of approximately 30% does not report a mode of transportation.

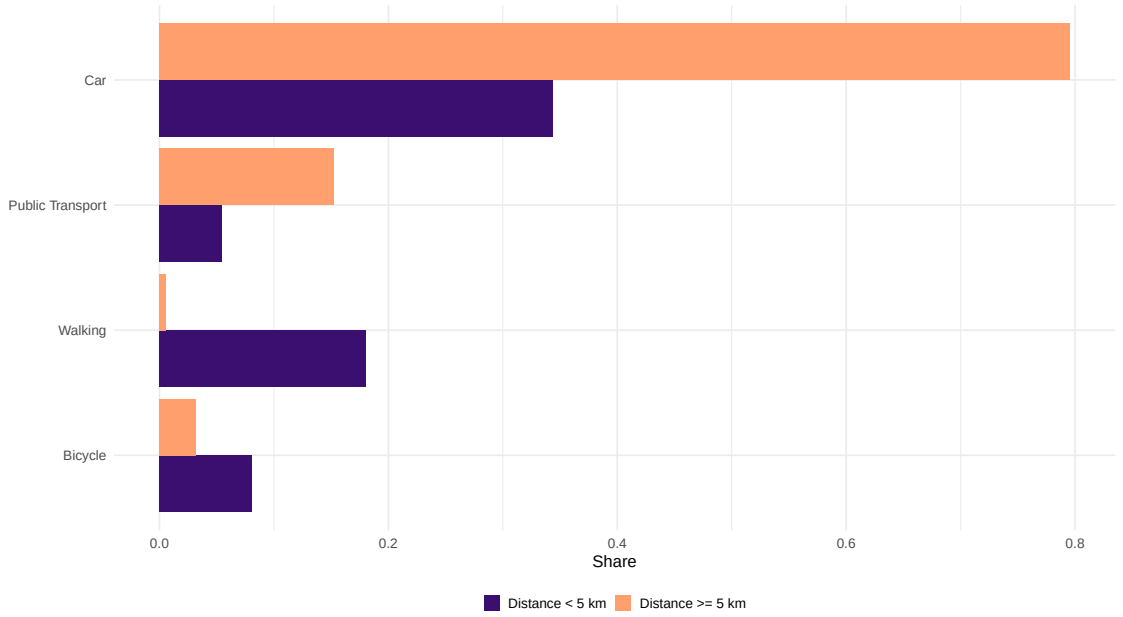


Figure C3: Share of Individuals by Mode of Transportation

Note: The figure plots the share of employed individuals by mode of transportation separately for individuals commuting more than 5 km and those commuting less than 5 km on an average work day. The sample is obtained using the Travel Habit Survey 1991-1992. Individuals without a reported commuting distance have been assigned zero commuting distance and are included in the group commuting less than 5 km.

The last piece of information that we want to provide using the Norwegian Travel Habit Survey corresponds to the commuting behavior of individuals in Oslo. Oslo is the only municipality that can be directly identified from the survey as an urban area. Median commuting distances in Oslo are fairly similar to other regions in Norway, but there is significantly less variation in how far individuals from Oslo commute. While the median male worker in Oslo commutes 6 km (female 5 km), the average male worker commutes 8.27 km (female 8.03 km). For all other counties in Norway the median is almost identical, but the mean distance for men is 15.63 (female 9.25). When it comes to the most predominant mode of transportation, even individuals from Oslo predominantly use the car, followed closely by public transportation and only about 18% of individuals walking and cycling to work (see Figure C4).

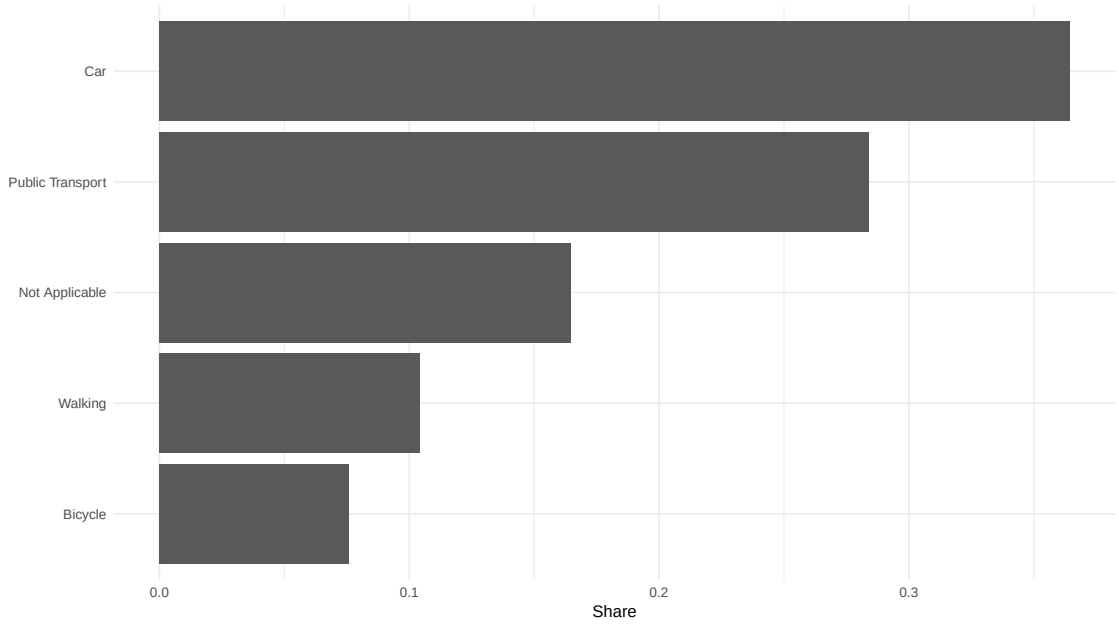


Figure C4: Share of Individuals by Mode of Transportation in Oslo

Note: The figure plots the share of employed individuals by mode of transportation separately for individuals commuting more than 5 km and those commuting less than 5 km on an average work day. The sample is obtained using the Travel Habit Survey 1991-1992 and only includes individuals reportedly living in Oslo.

C.2 Commuting in the Main Sample

In this subsection we want to provide some information on the commuting behavior of individuals in our main sample. Our commuting definition captures commuting for individuals whose resident municipality is different from their workplace municipality. Given this definition of commuting, one could argue that the majority of employed individuals who do not commute between municipalities are likely to commute within a municipality. In the previous subsection we have provided some evidence different modes of transportation play different roles for example in Oslo compared to the rest of the country.

In Figure C5 we provide an overview of the commuting behavior of first time parents in our main sample for the year 1995. In Panel C5a we plotted the probability to commute for men and women by county. In general, there are two main patterns to be observed from this figure. First, men across all counties are more likely to commute than women and, second, the share of individuals commuting across municipality borders is larger in areas in south eastern Norway surrounding Oslo, compared to the less densely populated areas of the north and west of Norway. Moving to Panel C5b we see that in terms of the commuting distance individuals both in the west and particularly northern

parts of Norway are more likely to commute longer distances. This is also where the gender gap in commuting distance is particularly large. Differences in the average commuting distance are relatively small in the south and east of Norway, which are closer to the capital Oslo.

(a) Probability to Commute (b) Commuting Distance

Figure C5: Commuting Probability and Distance by County and Sex

Note: The figure plots commuting probabilities (Panel C5a) and average commuting distances (Panel C5b) by county and sex for the year 1995 of individuals in our main sample of first-time parents.

Generally, there appears to be a difference between areas with a higher share of commuters and areas with larger commuting distances. Figure C7 shows the relationship between measures of commuting in our main sample with population density (measured as inhabitants per square kilometer) and the area of a municipality. Municipalities of larger size tend to have a smaller share of individuals commuting across the municipality (Panel C7a). At the same time, those larger areas tend to have significantly longer average commutes (Panel C7b). Intuitively this seems to make sense given our cross-municipality commuting definition. As municipalities get larger, more and more people live further away from the border to the next municipality and, therefore, do not count as commuters in our sample. However, since municipalities cover a larger distance, commuters, on average, will have to travel further if they want to cross into a different municipality in order to work.

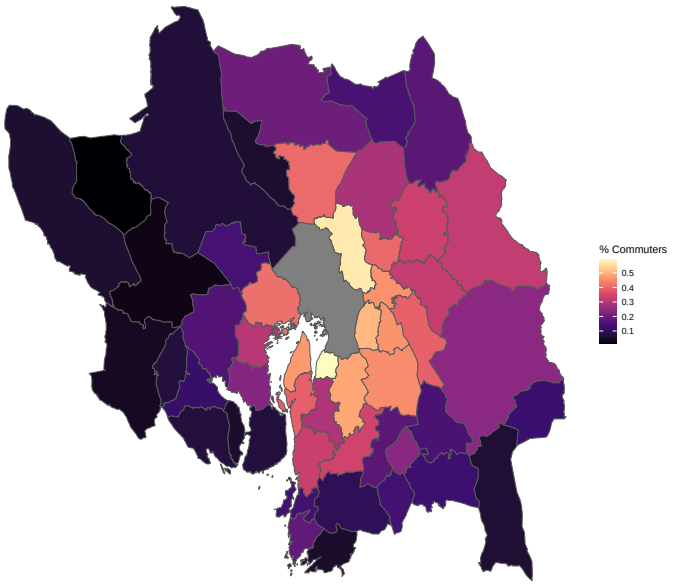
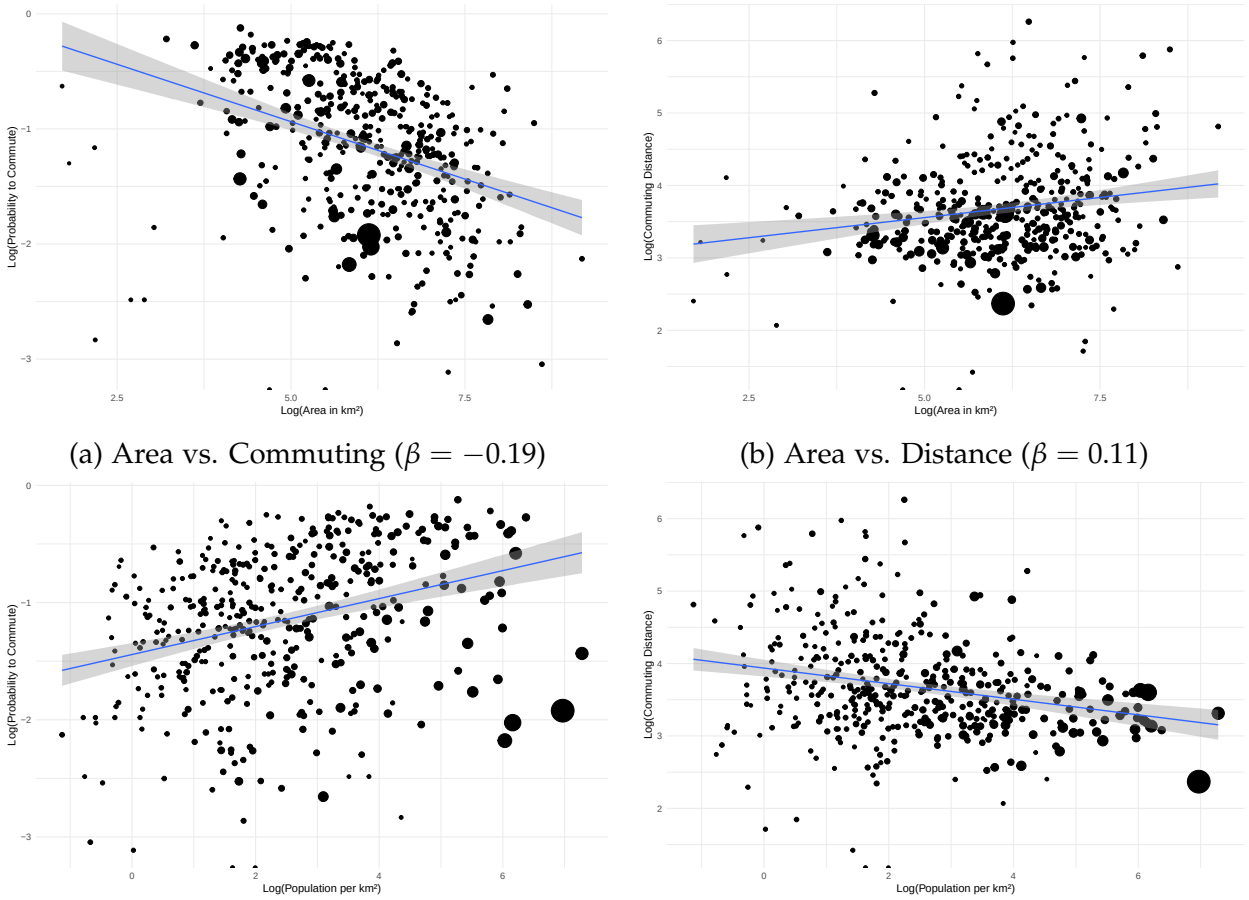


Figure C6: Share of Individuals Commuting into Oslo by Municipality in 1995

Note: The figure plots the share of employed individuals commuting into Oslo municipality for work by Municipality for the year 1995. Darker colors indicate a lower share of employed individuals commuting into Oslo, while lighter colors indicate higher shares. The grey polygon defines Oslo municipality.

We know that a large fraction of commuters will not be captured using our commuting definition, since, e.g., individuals living and working in Oslo are not captured as commuters. Nevertheless, 1.34 times the number of individuals lived in the Oslo labor market, but outside the municipality of Oslo. Hence, many potential commuters live in an agglomeration around Oslo, which provides us with insight into their commuting behavior. We provide the share of employed individuals living in the Oslo labor market and commuting into Oslo in Figure C6.

Looking at the relationship between population density, as proxied by the population by square kilometer, and commuting, we observe that increasing population density positively correlates with the share of individuals commuting across municipality borders (Panel C7c). On the other hand, increasing population density suggests a decreasing average commuting distance across municipalities (Panel C7d). These two relationships are likely driven by the higher degree of connection between more densely populated and smaller areas in southeastern Norway.



(a) Area vs. Commuting ($\beta = -0.19$)

(b) Area vs. Distance ($\beta = 0.11$)

(c) Pop. Density vs. Commuting ($\beta = 0.11$)

(d) Pop. Density vs. Distance ($\beta = -0.1$)

Figure C7: Commuting/Distance versus Population Density/Area

Note: The figure provides scatter plots for the relationship of the share of commuters/average commuting distance with the area of a municipality or its population density measured using the population per square kilometer. Commuting measures were constructed using our main sample for 1995, and area and density measures were constructed using the entire population of Norway in 1995. The size of the dots corresponds to the municipality's population size, and the β reported in the Panel title reports simple OLS coefficients between the relationships of the depicted variables. OLS coefficients are not weighted by population.