**CIG Project no. 618294 - “Housework Policies” – Final Report**

The rise in Second Demographic Transition (SDT) behavior in developed countries, which includes union dissolution, an increase in childlessness and low levels of childbearing, among other phenomena, has become a cause for alarm among scientists and policy makers. As a family demographer I am interested in the factors that drive SDT behavior and family change. In particular, I seek to examine the role of economics of households in driving or inhibiting SDT behavior and the ways in which governmental policies shape these relationships. My CIG project investigates the determinants and demographic consequences of government policies that give incentives to households to outsource housework. In my work, I suggest that family outsourcing – the process by which households contract-out functions, previously done in-house, to people in their social network or to commercial or public-sector service providers – is a mechanism that can potentially help spouses reduce work-family conflicts, and therefore may affect women’s childbearing decisions and labor force activity. Households’ ability to outsource domestic labor is dependent on the state and the market – the providers of such services. The outcomes of the “Housework Policies” CIG project reflect the dynamic relationships between the households, the market and the state and also demonstrate the demographic and economic implications of outsourcing among households. **Raz-Yurovich (2014**), applies the Transaction Cost Approach, formulated by organizational economists, to households and discussed the possible implications of outsourcing on childbearing decisions and women’s labor force participation. Published in the highly esteemed *Population and Development Review*, this theoretical paper is among the few to apply this approach to families and households. It also contributes to theories of domestic consumption by focusing on the consumption of services and goods that are close substitutes for domestic work and by analyzing the impediments to such consumption. This article set out the hypotheses that I then went on to analyze empirically in my subsequent work. For example, in **Raz-Yurovich (2016**) I demonstrated that the outsourcing of domestic labor following the birth of the first child is positively associated with a higher probability of a subsequent second birth in German women. In **Raz-Yurovich & Marx (2017)**, I examined, together with Prof. Ive Marx, Chair of the Sociology Department at the University of Antwerp, the hypothesis concerning the role of outsourcing in increasing women’s labor force participation. The investigation of government policies that give incentives to households to outsource housework is a contribution to policy-oriented demographic research that focused mainly on family policies related to care, ignoring policies related to housework. **Raz-Yurovich (2016)** discusses the German Mini-Jobs Scheme and how it has affected domestic outsourcing in German households while **Raz-Yurovich & Marx (2017)** shows how the Belgian Service Vouchers Scheme, aimed at creating jobs for low-skilled people in the domestic service sector, has affected not only the employment rates of low-skilled women but also those of highly skilled women, who are the users of this scheme. In **Manuscript A**, we refer to the enactment of the Belgian SVS as a natural experiment and seek to identify the causal effect of outsourcing on the employment rates of highly-skilled women. **Manuscript B,** pursues this further by examining the triad relationship between households, the market, and the state. It analyzes why 21st century households in developed countries are increasingly employing domestic workers, and the role that demographic trends and family policies play in driving this phenomenon. **Manuscript C**, a joint project with my M.A. student, Rozanna Almog, investigates the factors that explain the outsourcing of childcare among mothers of children aged 0-5 in Russia, a country that retreated from the provision of childcare services. The post-communist Russian childcare policy is discussed in this manuscript. Overall, the results of the “Housework Policies” CIG project demonstrate that governmental policies that give incentives to households to outsource housework reduce the work-family conflict among households and affect women’s childbearing decisions and labor force activity. The growing tendency of households to become employers of domestic workers may also have positive economic implications if more jobs are available for low-skilled workers and if these jobs contribute to their social integration. However, if domestic employment is based on informal bilateral employment relationships, or if it is not sufficiently regulated by the state, it may become precarious for the employees and harm their social protection. Moreover, as long as domestic workers are overrepresented with female employees, domestic employment will maintain and strengthen gender inequality within households and in the labor market. Policy makers should be aware of these positive and negative implications of domestic outsourcing in order to make better informed decisions in this domain.