

EVALUATING THE IMPACT OF THE FRENCH TAX CREDIT PROGRAMME, “LA PRIME POUR L’EMPLOI”: A DIFFERENCE IN DIFFERENCE MODEL

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This paper seeks to estimate the impact of the French tax credit, “la Prime Pour l’Emploi”, on the employment probability of women that are either head of the household or spouses of the head. A difference in difference approach is adopted. The data for the analysis are drawn from the French labour force surveys, “les enquêtes emploi”. The rotating structure of this survey enables us to apply panel data methods to the estimation of the model. We find that the programme has a negative impact on the employment probability of married women and a positive one for unmarried women, though not always significant.

Keywords: policy evaluation; difference-in-difference estimator; labour supply.

Classification JEL: C34, I38, J21