

ABSTRACT

Motherhood is one of the factors that may influence women's wages through changes in labor participation patterns, human capital accumulation, and caregiving responsibilities. This study aims to examine the relationship between motherhood and women's wages in Indonesia, both overall and across different wage distributions and employment sectors. The study employs data from the 2024 National Labor Force Survey (Survei Angkatan Kerja Nasional—SAKERNAS), comprising 153,232 employed women. The analysis is conducted using the Unconditional Quantile Regression (UQR) method at the 25th (Q25), 50th (Q50), and 75th (Q75) quantiles, with separate estimations for the formal and informal sectors. The results show that the relationship between motherhood and women's wages is heterogeneous across the wage distribution. In the full sample estimation, motherhood is positively associated with wages at Q25, statistically insignificant at Q50, and negatively associated with wages at Q75. Furthermore, sector-specific estimations indicate that women in the formal sector experience a motherhood wage penalty across all quantiles, while in the informal sector, motherhood is positively associated with wages across all quantiles. These findings suggest that the relationship between motherhood and women's wages is not uniform but varies according to women's position within the wage distribution and the characteristics of the employment sector in which they work.

Keywords: *motherhood, women's wages, motherhood penalty, formal sector, informal sector, Unconditional Quantile Regression (UQR).*

