

MORE OR LESS UNMARRIED. THE IMPACT OF LEGAL SETTINGS OF COHABITATION ON LABOUR MARKET OUTCOMES

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ABSTRACT. We study how different levels of protection upon separation affect the labour market behaviour of unmarried cohabiting partners. In Canada, unmarried cohabitation becomes a legal status after one year of relationship. Most provinces automatically expand couples' rights and responsibilities after several years of cohabitation: some provinces allow cohabiting partners to claim for alimony upon separation, while others consider cohabiting couples to be equal to married couples. Using cross-province variations in legal settings and minimum eligibility duration, we find that eligibility for a regime making cohabiting partners equal to married partners increases men's labour supply and decreases women's labour supply and earnings while eligibility for a regime allowing for post-separation transfers between ex-partners decreases women's earnings only. Our results show that eligibility affects within-household allocation of earnings and hours of work, and reinforces existing inequality. Our results contribute to the ongoing public debate regarding the legal recognition and level of protection that should be given to unmarried cohabiting partners.

Keywords: labour supply, unmarried cohabitation, alimony rights, common law marriage

JEL Classification: J12, J22, J18, K36.

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1. INTRODUCTION

Women experience greater financial loss than men upon divorce (Bonnet, Garbinti, and Solaz, 2021; Leopold, 2018). Courts aim at compensating the gender gap in living conditions between ex-spouses after divorce by sharing the household's assets and implementing alimony. Cohabiting couples are typically not eligible for alimony upon separation, although cohabitation is also associated with a large gender gap after separation (Avellar and Smock, 2005; Fisher and Low, 2015). Facing an increasing number of separations from cohabitation, some countries have changed their family law to allow some protection for cohabitants, or are planning to do so. National debates usually focus on the level of protection that should be given to ex-cohabiting partners but they largely ignore that unmarried couples may adjust their behaviour to the level of protection induced by the family law. Yet, for married couples, it is widely acknowledged in the literature that they are responsive to outside factors such as divorce laws. Changing outside factors induce a redistribution of bargaining power between the spouses which affects labour outcomes (Lundberg and Pollak, 1996; Chiappori, Fortin, and Lacroix, 2002). In particular, increasing support to women at separation may decrease the labour supply of women in couples either through an income effect or through a specialization effect. This decrease in women labour supply can in turn influence the balance of power (Basu, 2006). As a result, adjustment in the labour market behaviour could offset the protection induced by a protective cohabitation regime.

Despite its relevance, the empirical literature on the effects of post-marital maintenance and marital property regime on household labour supply is scarce because those regimes have changed little over the last fifty years. In this paper, we study how unmarried cohabiting partners adjust their labour market outcomes when they become eligible for a more protective cohabitation regime. Do cohabiting couples react to a change in the legal settings of cohabitation? And do they react similarly when they are granted the exact same legal protection as married couples and when they are only granted the rights to claim for

alimony? Canada provides a unique case for observing cohabiting partners' behaviour.¹ In Canada, cohabiting couples are easily identifiable in the data because the federal state considers that unmarried cohabitation becomes a legal status after one year of cohabitation and cohabiting partners have to declare their cohabitation status on their tax return. Between 1972 and 1999, all provinces except for Quebec have entitled cohabiting partners to the rights to make claims for alimony or compensatory grants at separation. In addition, four provinces have given cohabiting couples the exact same rights and responsibilities as married couples. Partners are automatically entitled to these rights after a certain duration of unmarried cohabitation.

We identify the effect of eligibility for a protective regime of cohabitation by exploiting variations across Canadian provinces in: (a) the different levels of protection; (b) the year in which these reforms took place; and (c) the minimum duration required to be eligible for cohabitation rights. We use longitudinal data from the Survey on Labour Income Dynamic (SLID), which is representative of the Canadian population over the years 1993–2011 and we implement a difference-in-differences estimation strategy combined with individual fixed effects and duration of the relationship fixed effects. As we observe labour market outcomes of both partners, we are able to identify effects on the within-household allocation of time and earnings. We are able to directly test whether partners' adjustments on the labour market affect women's position within the household.

In our setting, couples formed long enough before a reform become directly eligible for a protective regime at the time of the reform, while couples formed after a reform start their relationship in a non-protective regime, and become eligible for a protective regime in the course of their relationship. This rich (and unique) setting allows us to differentiate the impact of eligibility on couples who cannot anticipate their eligibility (because they were directly eligible at the time of the reform) from those who can anticipate it (because they

¹In the rest of the paper, we will refer to unmarried cohabitation as “cohabitation” or “unmarried cohabitation” interchangeably. We will refer to partners as “cohabiting partners”, “common-law partners” or “partners”.

were formed after the reform, or because they were formed before the reform but not yet eligible at the time of the reform).

We show that eligibility for a regime inducing property division increases men's labour supply and decreases women's labour supply and earnings while eligibility for a regime inducing alimony payments decreases women's earnings only. We find that the effect on labour supply is stronger at the extensive margin for couples who are directly eligible at the time of the reform than for couples who are eligible after the reform and who may have anticipated the changes in the legal framework. Our results show that eligibility affects within-household allocation of earnings and worked hours by reinforcing existing inequalities. We find a stronger negative effect on labour supply and earnings of women in couples where the female partner earns a small share of the total household income. Finally, we present some evidence that enhancing the protection level at separation has an effect on the selection of couples into cohabitation. We find that couples are more likely to marry when they become eligible for the new protection level.

Our results are then in line with the theoretical framework of the collective family models. In those models, partners do not perfectly pool their income but bargain over resources and each partner chooses its labour supply accordingly. When bargaining, they take into account their outside option, i.e., what would happen in the event of separation. Thus, the introduction of a post-separation transfers from the high-income partner to the low-income partner should increase the bargaining power of the latter and decrease that of the former. With leisure as a normal good, one would expect the introduction of the alimony regime to decrease the labour supply and earnings of low-income partners. Our results are also consistent with the competing mechanism of specialisation: the right to alimony rights and the equal division of assets provide insurance against a drop in financial resources in the event of divorce, which encourages women to invest more in marriage-specific capital and to devote more time to childcare and housework.

This paper contributes to various strands of the literature. First, we contribute to the literature that assesses the effect of policies of supports to low-wage earners at separation

through the regulation of alimony rights or equitable property division. As there have been few changes in marital property regimes, very few papers have studied the effect of post-marital payments or equitable division of property on household labour market outcomes.² An alternative is to resort to observing the introduction of property rights and post-marital transfers for cohabiting couples.³ Rangel (2006) analyses the effect of the introduction of alimony laws in Brazil for unmarried cohabiting couples. He finds that it decreases the labour supply of women in cohabitation and increases the school enrolment rate of girls who live with unmarried parents. In Canada, Chiappori, Iyigun, Lafortune, and Weiss (2017) find that the introduction of alimony laws for unmarried cohabiting couples increases men labour force participation and decreases women participation for existing couples at the time of the reform. In Australia, Chigavazira, Fisher, Robinson, and Zhu (2019) show that cohabiting couples are more likely to make relationship-specific investment after being exposed to laws that make them equal to married couples. To our knowledge, we are the first paper that estimates in a unified framework the separate effects of alimony and equal property division at separation for cohabiting couples.

Second, we contribute to the literature which highlights that reforms may have different effects on couples formed at the time of the reform and couples formed after. Standard estimates are based on the behaviour of existing couples at the time of the reform. However, in the long run, the reform may affect couples differently as couples can renegotiate (Chiappori, Iyigun, Lafortune, and Weiss, 2017; Goussé, 2021) and as couples' composition may change through couple dissolution, match formation and changes in partnership choices (Reynoso, 2018; Goussé, 2021). Chiappori, Iyigun, Lafortune, and Weiss (2017) propose a

²Previous economic papers study the links between women's labour supply and laws regarding division of marital property by looking at the interactions between these laws and the introduction of the unilateral divorce in the United States. Voena (2015) shows that the introduction of unilateral divorce in states that imposed an equal division of property is associated with higher household savings and lower female employment. On the contrary, Stevenson (2007) shows that unilateral divorce is associated with higher labour supply of married women after the reform, regardless of the property-division laws.

³Another way is to build and estimate of a dynamic structural model of married and divorced couples decision-making as in Foerster (2019). Using Danish register and survey data, he finds that child support and alimony payments after divorce come with strong labour supply disincentives.

theoretical analysis indicating that being granted alimony rights increases women’s bargaining power for couples formed before the reform but it reallocates women’s bargaining power over time for couples formed after the reform: their bargaining power is lower before they are eligible for the protective regime but stronger after being eligible. Goussé (2021) revisits this result in an equilibrium matching model where couples cannot permanently commit to a within-household allocation chosen at match formation but instead renegotiate regularly. Both papers predict different effects of a family law reform for already formed couples and for couples to be formed. As in Chiappori, Iyigun, Lafortune, and Weiss (2017), we distinguish the impact of the reform on existing couples from the impact of eligibility status on couples eligible after the reform. We show that couples eligible after the reform react less when they become eligible for the new protection than couples who were eligible directly at the time of the reform. This result indicates that standard estimates of the impact of a reform of family laws may not be indicative of what happens in the long-run. By anticipating eligibility, couples have two ways to adapt: they can change their labour supply behaviour or change their relationship contract. The differences between our estimates for eligible couples before and after the reform can therefore be explained by these two sources of variation.

Thus, we also contribute to the literature that shows that welfare reforms and redistribution toward single low earners may have an effect on separation for existing couples (Bitler, Gelbach, Hoynes, and Zavodny, 2004; Francesconi, Rainer, and Van Der Klaauw, 2009) and on incentives to marry (Tannenbaum, 2020). We show that cohabiting couples are more likely to get married when they become eligible for more protective rights.⁴ More generally, our paper is related to the literature on measuring the impact of the marriage and divorce policies on divorce (Wolfers, 2006), and partnership choice (Rasul, 2006; Matouschek and Rasul, 2008; Leturcq, 2012; Reynoso, 2018; Blasutto and Kozlov, 2020). We show that

⁴Lafortune and Low (2017, 2020) suggest that as marriage and cohabitation become more alike, marriage gains are lower which could explain the declining trend in marriage rates.

couples are less likely to enter cohabitation after the reform.

The next section presents the Canadian institutional context. We detail the empirical strategy in section 3. Data are presented in section 4. We describe the results in section 5 and section 6 concludes.

2. CANADIAN INSTITUTIONAL CONTEXT

In Canada, cohabiting union is increasingly seen as substitute to marriage for childbearing and raising a family (Kerr, Moyser, and Beaujot, 2006; Kiernan, 2004; Le Bourdais and Lapierre-Adamcyk, 2004).⁵ As cohabiting unions are being more unstable than marriage, a growing part of the population is experiencing a dissolution, including children (Musick and Micheltore, 2015; Bohnert, 2012). Ex-cohabiting partners experience a larger drop in income and a higher risk of poverty at separation than ex-married spouses (Avellar and Smock, 2005; Tach and Eads, 2015; Le Bourdais, Jeon, Clark, and Lapierre-Adamcyk, 2016). The provincial governments decided to make policy decisions about the appropriate legal framework for resolving property disputes between partners in non-traditional relationships. These policy decisions were mostly unexpected at the moment they were adopted. Reforms took place at different points in time and took different directions between provinces (Bala and Bromwich, 2002; Robitaille and Otis, 2003). In this paper, we sort the existing common-law couples laws into three different regimes and we label them as the *federal regime*, the *alimony regime* and the *marriage-like regime*.

Implemented in 1993, the *federal regime* is the regime of cohabiting partners ensured by the federal state—it applies everywhere in Canada. After one year of unmarried cohabitation, couples have to indicate that they are living in a common-law relationship on their tax return⁶. They also become eligible for their partner’s car insurance and their partner’s

⁵The share of common-law partners among couples has increased from 6.3% in 1981 to 20.8% in 2019 (Statistics Canada, 2021)

⁶Married and cohabiting partners pay their tax separately in Canada, but some means-tested transfers depend on the household income.

pension plan. The federal regime is a minimum legal framework and is complemented by provincial legislation.

The *alimony regime* allows common-law partners to claim for alimony in the event of relationship breakdown. Although matrimonial property legislation applies only to legally married couples, the courts have applied the doctrines of resulting and constructive trust to award a share of one common-law spouse's property to the other in cases in which it would be *unjust* not to take spousal contribution to acquisition of property into account (Bala and Bromwich, 2002). The general principles of trust law can prevent injustice in some cases, but it is limited in its scope. Partners can claim for alimony rights upon separation, but being granted these rights is quite uncertain. Reforms introducing the alimony regime were passed between 1972 and 1999. As of 2013, all Canadian provinces—except Quebec—applied the principles of trust laws for cohabiting partners.⁷

The *marriage-like regime* considers all couples in a marriage-like relationship as equal to married couples. Couples are treated like married couples in all matters (health insurance, government benefits including retirement, inheritance, dividing property at separation, spouse alimony, etc.). The marriage-like regime considers a separation of a common-law couple as a divorce, thus increasing the cost of separation. This regime is also more protective than the alimony regime: it gives ex-partners more rights upon separation and it is less uncertain as the rights it gives are clearly defined. The adoption of the marriage-like regime consists in a modification of the definition of married couples.⁸

The Department of Justice (federal) provides precise and updated guidelines regarding alimony. The guidelines define: eligibility to spousal support and/or child support, payment schedule, amount of payment, and how an agreement can be settled. When the couple has

⁷In Quebec, unmarried cohabiting couples are not granted any additional rights further than the rights stated by the federal law. Quebec have denied the rights to ex-cohabitants to claim for spousal maintenance (Eric v. Lola, QC, 2013), rejecting any move toward the alimony regime.

⁸For instance, in 1997, the new Saskatchewan Family Property Act stated that couples who have lived together in a marriage-like relationship for two years were treated as married couples. We provide examples of definition of spouses in Family Law Acts for the province of Saskatchewan for 1997 and for 1990 in the online appendix.

no dependent children⁹, the guidelines provide a *without child support formula* to compute the amount of spousal support. It takes into account the income difference between spouses and the duration of the relationship.¹⁰

Statistics regarding the number of beneficiaries and payers usually mix spousal support and child support—whichever the source, survey or fiscal data.¹¹ In our data based on fiscal data, among individuals who separated after a cohabitation, around 27% of female ex-cohabitants receive alimony payment over the period 1999-2011 and 27% of male ex-cohabitants pay alimony over the period 1999–2011. Among female ex-cohabitants who receive alimony, they receive 4444 CAD annually, which is 30% of their total income on average. Among male ex-cohabitants who give alimony, they give 4446 CAD annually, which corresponds to 11% of their total income on average. Using survey data, Sinha (2014) found similar estimates on the proportions of beneficiaries and payers, as well as amounts.¹²

Regarding property division over separation, the rules are more complicated. The Department of Justice publishes guidelines, but partners are advised to consult a lawyer. For married couples (and unmarried couples where the marriage-like regime applies), the general rule is that the value of any property that a spouse acquired during the marriage and that the spouse still has when the couples separate must be divided equally. Property brought by a spouse into marriage remains hers if the marriage ends. Any increase in the value of this property during marriage must be shared. There are some exceptions, and one notable

⁹Court orders for child support use the Federal Child Support Guidelines, which can be consulted online and used by parents in sought of an agreement without involving the court. The guidelines consider the living arrangements of the child, the income of the payer, the number of child beneficiaries and the province or territory where the payer lives.

¹⁰The guidelines can be consulted: <https://www.justice.gc.ca/eng/fl-df/spousal-epoux/topic-theme/dir/wosans.html> (visited on Jan 26, 2022)

¹¹Support payments for a child or a current or former spouse or common-law partner, under a court order or written agreement made before May 1997, are taxable to the recipient and deductible by the payer. After April 1997, child support payments made under a court order or written agreement are not deductible by the payer and do not have to be included in the recipient's income. Spousal support payments continue to be deductible to the payer and must be included in the recipient's income. However both spousal support and children have to be reported, which is why we cannot distinguish in fiscal data.

¹²However, only regular alimony payments are reportable to taxes. Lump sum alimony payments are probably not included in those figures.

exception is the family home, which has to be divided equally, whoever brought it into marriage. The ex-partners have the same right to stay in the house and must divide their property equally. In addition to this, there is a concern for continuity for the children.

Table 1 summarizes the regimes in the ten Canadian provinces¹³. The federal regime applies everywhere. The alimony regime and the marriage-like regime apply when cohabiting partners have been living together for a certain number of years which varies across provinces. This minimal amount of years can be reduced if the couple has a child.

During the period 1993–2011 that we observe in our data, four provinces reformed the regime of cohabiting partners. Prince Edward Island and Alberta respectively adopted the alimony regime in 1995 and 1999 while Saskatchewan and Manitoba have moved from an alimony regime to a marriage-like regime in 1997 and 2004 respectively. The federal regime was implemented just before our period of observation. Other provinces (except Quebec) had adopted the alimony regime before our period of observation. British Columbia and Alberta adopted the marriage-like regime after our period of observation, in 2013 and 2020 respectively.

3. EMPIRICAL STRATEGY

Estimating the effect of granting rights to cohabitants is not straightforward. As cohabitants benefit from these additional rights after several years of cohabitation, we have to consider different cases depending on the date of the reform and the date when the couple was formed. Moreover, the Canadian legal setting includes two different types of reform, which complicates the design of the reforms we study. To clarify the different cases we are considering, we refer the reader to figure 1.

Figure 1, panel A, presents the case of provinces where the reform introducing the alimony regime took place before our period of observation and where the marriage-like regime is not implemented (Newfoundland and Labrador, Nova-Scotia, New-Brunswick, Ontario and British Columbia). In this case, we observe variation in the cohabitation regime when

¹³We exclude the three Canadian territories (Northwest Territories, Nunavut and Yukon) from our analysis as they have very few inhabitants and they have different law with respect to cohabitation.

couples become eligible for the alimony regime after a few years of cohabitation. Figure 1, panel B, presents the case of provinces where the reform introducing the alimony regime took place during our period of observation (Prince Edward Island and Alberta). In those provinces, we consider two types of couples: couples who formed before the reform and directly eligible at the time of the reform (the dashed blue arrow), and couples becoming eligible for the alimony regime after a few years of cohabitation—either because they formed just before the reform and were not yet eligible at the time of the reform, or because they formed after the reform (the two solid red arrows). Figure 1, panel C, presents the case of provinces where the reform introducing the alimony regime took place *before* our period of observation and the reform introducing the marriage-like regime took place *during* our period of observation (Manitoba and Saskatchewan). In those provinces, we consider two types of couples: couples who formed long enough before the marriage-like reform so that they are directly eligible at the time of the reform for the marriage-like regime (and were already eligible for the alimony regime) (the dashed green arrow), and couples becoming eligible for the marriage-like regime after a few years of cohabitation either because they formed after the reform or because they formed just before the reform and they were not yet eligible at the time of the reform (the two solid brown arrows). In addition, the province of Quebec never introduced any specific regime for cohabiting partners. Having these different cases in mind, we now present our different estimation models.

3.1. The impact of reforming legal settings of unmarried cohabitation. In a first analysis, we estimate the impact of introducing a protective regime on the labour market outcomes of unmarried cohabiting men and women using a standard difference-in-differences design. That is we are estimating the effect on all couples formed before the introduction of the reform (eligible or not at the time a reform is passed).

Let R_{it}^m (resp. R_{it}^a) be a variable that indicates if a reform introducing a marriage-like regime (resp. alimony regime) is implemented in the province where a cohabiting couple i lives at time t . Provinces introducing the marriage-like regime were already implementing the alimony regime, so that $R_{it}^a = 1$ when $R_{it}^m = 1$. Individual i during year t lives in

province $p(i, t)$ and he or she has been a cohabiting with a partner for $d(i, t)$ years. C_{it} indicates the presence of a child. We estimate the following model:

$$\begin{aligned} y_{it} = & \alpha + \gamma_a R_{it}^a + \gamma_m R_{it}^m + \eta_i + \delta_t + \nu_{d(i,t)} \\ & + C_{it} \times (\mu_0 + \mu_{p(i,t)} + \mu_{d(i,t)} + \mu_t) + \zeta X_{it} + \varepsilon_{it}, \end{aligned} \quad (3.1)$$

where y_{it} is the labour market outcome of an individual i observed in year t . We observe the same individual over several years in our panel data, which allows us to control for individual fixed effects (η_i). As couples' decision concerning labour market supply may change over the couple's relationship, we control for the number of years of cohabitation introducing fixed effects for each duration of cohabitation ($\nu_{d(i,t)}$). We take into account economic cycles introducing years fixed effects (δ_t). We introduce a fixed effect for having a child (μ_0), which means that our results are not driven by spurious correlation due to couples becoming eligible on the year they have a child together and making labour adjustment because they had a child (and not because they become eligible to a protective regime). We also control for all shocks specific to couples with children by adding interaction terms between the dummy indicating the presence of a child with years fixed effects, province fixed effects, and duration of the relationship fixed-effects ($\mu_t, \mu_{p(i,t)}, \mu_{d(i,t)}$). X_{it} are time-varying control variables, which are age and age square. We estimate the model on men and women separately.

Our parameter of interest is γ_m . Our estimation strategy identifies the effect of reforming the legal settings of unmarried cohabitation on couples' labour market outcomes for existing unions. γ_m is estimated on couples moving from an alimony regime to the marriage-like regime. Although γ_a is also a parameter of interest, our data do not offer enough variation to properly identify it as few couples are observed before and after the reform.¹⁴ As a consequence, our analysis focus on the estimation of the effect of the introduction of the marriage-like regime γ_m , controlling for the implementation of the alimony regime.

¹⁴We provide more details in the data section.

The treated group is composed of provinces where a reform implementing the marriage-like regime is passed during the period, while the control group is composed of provinces where no reform was passed over the period. In addition, as it is common in a staggered differences-in-difference setting, the late-treated province acts as a control group for the early treated province when it passed the reform, and the early treated province serves as a control group for the late-treated province when it passed the reform. It is now acknowledged that traditional difference-in-difference settings yields biased estimate if the treatment effect is dynamic and heterogeneous across provinces (Goodman-Bacon, 2021; De Chaisemartin and d’Haultfoeuille, 2020; Callaway and Sant’Anna, 2021; Sun and Abraham, 2021). In our case, we believe that this problem is of little importance because there are only two treated provinces, therefore only one early treated province (Saskatchewan) acting as a control group for the second treated province (Manitoba). The early-treated unit is quite small compare to the other never-treated provinces, which also act as a control group.¹⁵ As a robustness check, we estimated the treatment on each province separately, excluding the other and found very similar effects.

The impact of the reform is identified under the common trend assumption, which states that changes in the behaviour of a couple affected by the reform introducing the marriage-like regime would have been similar to changes in the behaviour of a similar couple living in another province, for the same length of cohabitation. It requires that changes in couples’ behaviour are comparable across provinces. The reform was mostly unanticipated at the moment it was passed, suggesting couples did not have time to adjust their behaviour in prevision of the reform. The common trend assumption cannot be directly tested, but we can test if couples’ behavior are similar across treated and untreated provinces *before* the reform. To do so, we re-estimate the model presented in eq. 3.1, replacing the dummy variable indicating that a reform was passed (R_{it}^m) by a full set of indicators for the time to

¹⁵Saskatchewan represents less than 4% of observations. We present a table of our sample size by province in the online appendix.

the reform in a event-study design. We then test if coefficients of periods before the reform are significantly different from zero.

This standard strategy presented in this section allows us to estimate the effect of the reform on all existing cohabiting couples at the time of the reform. However, this strategy restricts the identification to couples formed before the reform, who did not anticipate the reform. We are also interested in estimating the effect of eligibility for the new legal settings on couples formed after the reform.

3.2. The impact of eligibility for a protective regime of cohabitation. In a second analysis, we estimate the impact of becoming eligible for a protective regime of cohabitation on labour market outcomes of men and women.

Let D_{it}^r be a variable that indicates whether the couple i is eligible at time t for a protective regime of cohabitation of type r . It can be either the alimony regime ($r = a$) or the marriage-like regime ($r = m$). We denote $\bar{t}_p^r$ the year of the implementation the reform introducing the regime r in province p and we denote $\bar{d}_p^r$ (respectively $\bar{d}_p^{rc}$) the minimal duration of the relationship required in province p to be eligible for the regime r for couples without children (resp. with children).

D_{it}^r is defined as:

$$D_{it}^r = \sum_p \mathbb{1}\{p_{it} = p\} \times \mathbb{1}\{t > \bar{t}_p^r\} \times (\mathbb{1}\{\bar{d}_p^r \leq d_{it}\} + C_{it} \times \mathbb{1}\{\bar{d}_p^{rc} \leq d_{it} < \bar{d}_p^r\}).$$

D_{it}^r is equal to one if the province where individual i lives at time t (denoted p_{it}) has introduced a protective regime of cohabitation ($\mathbb{1}\{t > \bar{t}_p^r\}$) and if either the length of the cohabitation (denoted d_{it}) is larger than the minimal provincial duration ($\mathbb{1}\{\bar{d}_p^r \leq d_{it}\}$), or if the couple has a child (C_{it}) and the length of the cohabitation is larger than a reduced threshold ($\mathbb{1}\{\bar{d}_p^{rc} \leq d_{it} < \bar{d}_p^r\}$). We consider that couples eligible for the marriage-like regime ($D_{it}^m = 1$) are eligible for the alimony regime ($D_{it}^a = 1$), because provinces where a marriage-like regime is implemented were already implementing an alimony regime before.

3.2.1. *Baseline specification : impact of eligibility status.* In order to estimate the impact of eligibility status on labour market outcomes, we consider the following model:

$$y_{it} = \alpha + \beta_a D_{it}^a + \beta_m D_{it}^m + \eta_i + \delta_t + \nu_{d(i,t)} \quad (3.2)$$

$$+ C_{it} \times (\mu_0 + \mu_{p(i,t)} + \mu_{d(i,t)} + \mu_t) + \zeta X_{it} + \varepsilon_{it},$$

using the same notations as for model 3.1.

The parameter β_a gives the impact of the eligibility for the alimony regime on the labour market outcome y . The parameter β_m indicates if being eligible for the marriage-like regime is associated with additional effect as compared to eligibility for the alimony regime. $\beta_a + \beta_m$ gives the impact of being eligible for the marriage-like regime.

The identification strategy of β_a and β_m comes from two sources of variation. Some couples were formed before a reform is introduced and they are affected by the introduction of a reform, which constitutes our first source of variation. Other couples were formed after the reform, and they become eligible when the length of their relationship meets a certain threshold, which constitutes our second source of variation.

As there are two sources of variation, the identification strategy relies on two types of—slightly—different comparisons. For couples formed before the reform, the identification of the impact of the reform comes from comparing couples affected by the reform with couples in another province with the same duration of relationship who do not change their protection regime—either because their province has not adopted a reform or because the reform is adopted but the eligibility threshold is at a different duration. In figure 1, the identification strategy consists in estimating how labour outcomes change when arrows meet the reform date (dashed blue for the alimony regime, dashed green for the marriage-like regime). For couples formed after the reform, we compare changes in the labour market outcomes for couples eligible for a protective regime of cohabitation to couples in a different province with the same duration of the relationship but who are not eligible for a protective regime of cohabitation as the minimal duration to be eligible varies across provinces or because the

province has not (yet) passed the reform. In figure 1, the identification strategy consists in estimating how labour outcomes change when arrows meet the eligibility threshold (solid red for the alimony regime, solid brown for the marriage-like regime).

The identifying assumption—equivalent of the common trend assumption in our setting—is that changes in labour market outcomes after a certain number of years of cohabitation would have been the same for couples eligible for a protective regime of cohabitation if they did not live in a province that introduces a change in cohabitation status at that moment in the couple’s life-cycle. As the eligibility status varies across provinces, it requires that changes in couples’ behaviour are comparable across provinces. The common trend assumption cannot be tested directly, but we can test if eligible couples differ from non-eligible couples *before* eligibility. To do so, we re-estimate the model presented in eq. 3.2 replacing D_{it}^a and D_{it}^m with a full set of dummies indicating time-to-eligibility.

3.2.2. Second specification: impact on couples eligible at the time of the reform vs. couples eligible after the reform. In a third analysis, we estimate the impact of being eligible for a protective regime of cohabitation, differentiating the impact on couples formed before the reform and directly eligible at its introduction from couples eligible after the reform. The effect of eligibility for a more protective regime may differ between couples who have anticipated their eligibility and couples who have not. Couples that are caught by the reform have not anticipated the law changes whereas couples formed after the reform (as well as couples formed before the reform who have not reached the minimal number of years of cohabitation at the time the reform is passed) are able to anticipate their eligibility and may have adjusted their behaviour.

In our setting, there are two types of reform, which make us distinguish four types of couples: (i) couples formed long enough before a reform introducing an alimony regime so that they are directly eligible for the alimony regime at the moment of the reform (the dashed blue arrow in figure 1, panel B); (ii) couples eligible after a reform introducing an alimony regime in a province which does not introduce an marriage-like regime (the solid red arrows

in panels A and B); (iii) couples eligible after the introduction of the alimony regime but who formed long enough before a reform introducing a marriage-like regime, thus “caught” by the marriage-like regime (the dashed green arrow in panel C); (iv) couples eligible after a reform introducing the marriage-like regime, and thus after the reform introducing the alimony regime (the two solid brown arrows in panel C).

Let t_i^f be the year of formation of the couple of individual i . We denote B_i^a , the dummy which indicates if individual i belongs to the group of couples directly eligible for the alimony regime at the time of the reform. Similarly, we denote B_i^m the dummy which indicates if individual i belongs to the group of couples directly eligible for the marriage-like regime at the time of the reform. Formally, these dummies are build the following way:

$$B_i^r = \mathbb{1}\{C_{i\bar{t}_p} = 0\} \times \mathbb{1}\{t_i^f + \bar{d}_p^r \leq \bar{t}_p^r\} + \mathbb{1}\{C_{i\bar{t}_p} = 1\} \times \mathbb{1}\{t_i^f + \bar{d}_p^c \leq \bar{t}_p^r\}$$

where $C_{i\bar{t}_p}$ indicates the presence of a child the year the reform was passed. Notice that all couples formed before the introduction of the marriage-like regime ($B_i^m=1$) were formed after the introduction of the alimony regime in their province ($B_i^a=0$). This is because the marriage-like regime was passed in provinces implementing the alimony regime and we restrict our sample to couples formed in the last 10 years.

We can distinguish the impact on couples eligible at the moment of the reform from the impact on couples eligible after the reform estimating an extended version of model 3.2:

$$\begin{aligned} y_{it} = & \alpha + [\beta_a^{bef} B_i^a + \beta_a^{aft}(1 - B_i^a)] D_{it}^a + [\beta_m^{bef} B_i^m + \beta_m^{aft}(1 - B_i^m)] D_{it}^m \\ & + \eta_i + \delta_t + \nu_{d(i,t)} + C_{it} \times (\mu_0 + \mu_{p(i,t)} + \mu_{d(i,t)} + \mu_t) + \zeta X_{it} + \varepsilon_{it} \end{aligned} \quad (3.3)$$

Notice that eq. 3.3 is strictly the same as eq. 3.2, where $[\beta_a^{bef} B_i^a + \beta_a^{aft}(1 - B_i^a)]$ has replaced β_a and $[\beta_m^{bef} B_i^m + \beta_m^{aft}(1 - B_i^m)]$ has replaced β_m . Then β_a is a weighted average of β_a^{bef} and β_a^{aft} , where the weights are the proportion of identifying couples in each type. β_a^{bef} gives the impact of the reform on couples directly eligible when the alimony reform is introduced, that is, on couples that have not anticipated the protective regime. β_a^{aft}

gives the impact of becoming eligible for the alimony regime for couples eligible after the reform, that is, on couples that have anticipated the eligibility for this protective regime. In provinces where a marriage-like regime is introduced, some couples were “caught” by the reform at the time of its introduction, but were already eligible for the alimony regime. Therefore, β_m^{bef} measures the additional impact due to the unanticipated introduction of a more protective regime. Among couples who can anticipate eligibility for a protective regime, β_m^{aft} measures whether the marriage-like regime induces a larger adjustment on the labour market than the alimony regime. For couples eligible after the reform introducing the marriage-like regime, the total impact on labour market outcomes when they become eligible is measured by the sum $\beta_a^{aft} + \beta_m^{aft}$.

As presented above, the identification strategy is valid under the common trend assumption, which has to be declined in two assumptions in this setting: one for couples eligible at the moment of the reform and one for couples eligible after the reform. Both can be summarized as explained before: changes in the labour market outcomes after a certain length of years of cohabitation would have been the same for couples eligible for a protective regime of cohabitation were they not living in a province which introduces a change in the cohabitation status at that moment in the couple’s life-cycle. We test it separately for couples eligible at the moment of the reform and for couples eligible after the reform. To do so, we re-estimate the model presented in eq. 3.2 replacing D_{it}^a and D_{it}^m with a full set of dummies indicating time-to-eligibility.

4. DATA AND DESCRIPTIVE STATISTICS

4.1. Data. We use longitudinal data from the Survey on Labour Income Dynamic (SLID) provided by Statistics Canada, which is a household survey, with a rotating panel design, representative of the Canadian population. The SLID covers each year a sample of 17000 households of the population of the ten Canadian provinces with the exception of Indian reserves, residents of institutions and military barracks (less than 3 % of the population). Data have been collected each year from 1993 to 2011 from January to March. Five 6-years

panels were collected (1993–1998; 1996–2001; 1999–2004; 2002–2007; 2005–2010), the sixth panel was terminated after 4 years (2007–2011). Interviewers collect information on the labour market status and family status of all individuals. Respondents have the option of answering income questions during the interview, or of giving Statistics Canada permission to access their income tax records (which dramatically lower the duration of the interview). Over 80% of respondents gave their permission to consult their income tax file. One or two respondents per household are included in the SLID. They provide information on the personal relationships between all members of the household and their own labour market status (and income if permission to access income tax records was not given). When only one respondent per household is included in the SLID, he or she provides information on the labour market status (and income) of all other members of the household, if he or she is knowledgeable and he or she agrees to do so. We have information on both partners for one third of unmarried couples who have been living together for less than 10 years.

Our variables of interest describe the labour force supply and labour earnings. For each gender, we consider two variables describing labour force supply. For men, we consider the number of hours worked during the year and the number of active weeks during the year (weeks when the individual is either employed or unemployed). For women, we consider the number of hours worked during the year and the status of non-employment that is a dummy equal to one if the individual is either inactive or unemployed during the whole year. For both gender, we also consider annual labour earnings. All monetary values have been deflated using the province Consumer Price Index, and are expressed in constant Canadian dollars (CAD) of 2002. To avoid potential large measurement errors, we attributed to all observation above the top 1% percentile the value of the 1% percentile (winsorization). It is important to note that whereas labour earnings come from fiscal data (for most respondents), labour force supply variables are self-reported and may suffer from reporting bias (respondents have to list all the jobs they had during the year and for each of them, how many weeks and hours they have worked). In some cases, they convey contradictory

information: some individuals are observed with zero working hours but positive labour earnings.¹⁶

4.2. Sample restriction. We restricted our sample to people aged 18 to 50 in an unmarried cohabiting couple. We pooled all years of the survey. In order to observe similar couples in the control and treated groups, we restricted our sample to people in a relationship which is shorter than 10 years, because couples become eligible for a protective regime at the beginning of their relationship. We excluded couples that had moved across provinces. For them, both labour outcomes and the type of regime they are eligible to are potentially varying simultaneously, thus introducing spurious correlation between cohabitation regimes and labour market outcomes. Moving across provinces is rather rare and approximately 3% of all observations were excluded. We dropped individuals with missing information on the required information in the model. Our main sample is then composed of 15,214 observations for men (5,820 distinct men) and 16,456 observations for women (6,328 distinct women).

We built another sample composed of couples for whom we observe information on both partners, to estimate the effect of eligibility on within-household allocation. We kept couples where both partners report the same information on the status on the relationship each year, the relationship duration and the presence of a child. This second sample contains 6,575 observations (2,376 distinct couples). Finally, we decomposed this sample into two groups depending on the female partner's share of total income. To do this, we calculated the ratio of female labour income to the sum of the labour income of both partners, based on the first observation of the couple.¹⁷ We selected a sample where this ratio is lower than 40% and the complement sample where this ratio is strictly more than 40%. These two samples contain respectively 3,962 and 2,613 observations (resp. 1,434 and 912 distinct couples).

¹⁶We decided to keep the data as is for the estimation. However, the results obtained on a sample where we set the hours to zero when income was equal to zero were very similar.

¹⁷If a couple is formed over the period, we consider the first observation where both partners are observed. We constructed a similar ratio based on permanent labour income (computed as his or her average of all labour earnings that she or he earned during the period of observation). Our results are not affected by this alternative definition.

4.3. Descriptive statistics. We present descriptive statistics in table 2. All statistics are weighted using SLID longitudinal weights. In our main sample (table 2, panel A), women are on average 33.6 years old and men are 35.2 years old. Women work on average 1330 hours per year and earn CAD 21k per year.¹⁸ 15% of them are not employed (either unemployed or inactive during the entire year). Men work on average 1835 hours per year and earn roughly CAD 37k. 7% of them are not employed. Women have 15.1 years of education, and they are slightly more educated than men, who have an average of 14.8 years of education. 59% of women and 54% of men have a child.¹⁹ The average duration of the cohabiting relationship is 4.4 years. Table 2, panel B presents statistics on men and women in couples where we observe both partners. It shows that they are very similar in age, earnings, and number of hours worked than men and women in the main sample. However, they are living in more stable relationships (the average duration is 5.1 years versus 4.4 in the main sample), and are more likely to have children (62%). In those couples, women earns around 36% of the total labour income of the couple, and work 39% of the total number of hours worked by the couple. Table 2, panels C and D show that in couples where the women earns less than 40% of the total labour income, partners are younger but are more likely to have children than in couples where the female partner earns more than 40% of the total labour income. In the former, women earn 24% of the total household income and work 33% of the total hours worked whereas in the latter, women earn 53% of the total household income and work 49% of the total hours worked by the couple.

4.4. Data limits for estimation. Our identification strategy is data intensive. We need to observe enough identifying cohabiting couples, that is: individuals observed before and after they become eligible for a protective regime. For couples formed before the reform, we need to observe them before and after the reform was passed. When a reform occurs

¹⁸Labour earnings are set to zero if the individual does not receive any labour earnings.

¹⁹Statistics Canada states that the information on the presence of children is inaccurate for men between 1993 and 1999. When we have information on both partners, we impute the child presence according the declaration of their female partner for those years.

on the first or the last year of a panel, individuals from this panel are not identifying observations. In this case, even if the panel is included in the estimation, the identification relies on individuals from one panel only, thus reducing the number of identifying individuals. This is the case for the introduction of the alimony regime in Prince Edward Island in 1995 (which is observed in panel 1993–1998 only), the alimony reform in Alberta in 1999 (which is observed panel 1996–2001 only) and the introduction of the marriage-like reform in Manitoba in 2004 (which is observed in panel 2002–2007 only). We carefully counted the number of identifying individuals. We found that some parameters were estimated on too few identifying individuals (less than 35 distinct individuals) and decided not to report them. In particular, we do not estimate reliably the parameter γ_a , which is the effect of alimony reform in specification (3.1), and parameter β_a^{bef} , which is the effect of alimony eligibility for couples eligible at the moment of the reform in specification (3.3). Regarding the identification of the impact of eligibility on couples eligible after the reform, identifying couples are those couples observed before and after the eligibility threshold. This is less restrictive, as it depends on the year of formation of the couple and the province.

A second limitation of the data is that there are only 10 provinces in Canada and we cluster our error terms at the province level, which leads to a convergence problem in our standard error estimates. We may over-reject the null hypothesis. A standard solution to this problem is to compute p-values using wild cluster bootstrap (Cameron, Gelbach, and Miller, 2008; Cameron and Miller, 2015), which can be easily implemented in Stata (Roodman, Nielsen, MacKinnon, and Webb, 2019). However, when the number of treated clusters is small, wild bootstrap tends to under-reject the null hypothesis and the problem is even more severe when clusters are of different sizes (MacKinnon and Webb, 2017, 2018). Unfortunately, this is the case with our data where we have only two provinces treated for the marriage-like regime, only one province untreated for the alimony regime and our provinces are of different sizes. As a consequence, we compute and report the p-values using both the clustered standard errors and wild cluster bootstrap, and we interpret them as lower and upper bounds of the true p-value.

5. RESULTS

5.1. Main results.

5.1.1. *Impact of reforms introducing protective regimes of cohabitation.* Did the introduction of more protective regimes of cohabitation impact the labour market outcomes of men and women? Table 3 presents the results of the estimation of model 3.1. It shows that the introduction of the marriage-like regime had a small negative effect on women labour earnings only. When the marriage-like regime was introduced, women in affected provinces decreased their labour earnings by 1051\$ compared to women in unaffected provinces (p-value 0.04, wbp-value 0.21), which represents 5% of the average labour earnings of women over the period. Estimates also show a negative impact on the number of hours worked and a positive impact on the probability to be inactive or unemployed for women, but are not statistically significant. For men, estimates show a positive impact on hours worked, on the number of active weeks and on labour earnings but estimates are not statistically significant. As the alimony regime is already in place at the time of the introduction of the marriage-like regime, these are therefore additional adjustment effects due to the new regime. Furthermore, these effects are estimated on all unmarried cohabiting couples, whether they are eligible or not. We will now examine the effect of the regime on individuals when they become eligible.

5.1.2. *Impact of being eligible for a protective regime of cohabitation.* Do men and women adjust their labour market outcomes when they become eligible for a protective regime of cohabitation? Panel A of table 4, presents the estimation results of model 3.2. It shows opposite effects of eligibility on men and women outcomes. Men do not adjust their labour market outcomes when they become eligible for an alimony regime but they increase their number of working hours and their number of active weeks when they become eligible for a marriage-like regime. The additional effect of eligibility for the marriage-like regime in comparison to the alimony regime is an increase of 142 hours of work per year (p-value 0.00, wbp-value 0.12) and 2.91 weeks per year (p-value 0.00, wbp-value 0.07). In total,

in comparison to non-eligible men, the effect of the marriage-like regime is an increase of 113 hours per year (p-value 0.03, wbp-value 0.29) and 2.31 weeks per year (p-value 0.00, wbp-value 0.15). This corresponds to an increase of 6.2% in working hours and 4.8% in active weeks.

On the contrary, when eligible for the alimony regime, women's labour earnings are CAD 2041 smaller than labour earnings of non-eligible women (p-value 0.02, wbp-value 0.18), this correspond to a decrease of 9.7% of earnings, but their labour force supply is unaffected. The effect is stronger for the marriage-like regime. The additional effect when becoming eligible to the marriage-like regime is a decrease of 92 working hours (p-value 0.02, wbp-value 0.24), an increase of 6.9 pp in the probability to unemployed or inactive (p-value 0.02, wbp-value 0.25) and a decrease of 981 CAD in labour income (p-value 0.04, wbp-value 0.24). In total, when eligible for the marriage-like regime, women's labour earnings are CAD 3022 smaller than labour earnings of non-eligible women (p-value 0.00, wbp-value 0.23), they work 99 hours less (p-value 0.02, wbp-value 0.17) and they are 6.8 pp more likely to be unemployed or inactive than non-eligible women (p-value 0.00, wbp-value 0.09). In magnitude, this corresponds to a decrease of 7.4% in hours of work and of 14.4% in earnings.

5.1.3. Impact of being eligible for a protective regime of cohabitation: couples eligible at the moment of the reform vs. couples eligible after the reform. Panel B of table 4 presents the estimation results of model 3.3. They show no significant impact of eligibility for the alimony regime on labour outcomes for men in couples eligible after the reform, who could anticipate their eligibility status. Regarding eligibility for the marriage-like regime, for both men in couples eligible at the moment of the reform and after the reform, results show positive effects of eligibility on labour supply and earnings. Recall that the coefficient $\hat{\beta}_m$ in panel A is an average of coefficients $\hat{\beta}_m^{bef}$ and $\hat{\beta}_m^{aft}$ in panel B. Whereas $\hat{\beta}_m$ is significant for hours and active weeks, $\hat{\beta}_m^{bef}$ and $\hat{\beta}_m^{aft}$ are not separately significant probably due to a small number of identifying observations.

Results show that when women become eligible for the alimony regime, women in a couple eligible after the reform reduced their labour earnings by CAD 2389 compared to

non-eligible women (p-value 0.00, wbp-value 0.11), that is a decrease of 11.4% in labour earnings. Their labour force supply is unaffected.²⁰ These results show that women adjust their labour earnings when they transition from an non-protective regime to a protective regime, even if they could anticipate the eligibility status. To look at the dynamics of this effect, we perform an event study analysis and present the coefficients on figure 2. It shows a clear decrease in labour earnings in the first two years after eligibility. The gap in earnings between eligible and non-eligible women is reduced and not significant after four years of eligibility.²¹

When the reform introducing the marriage-like regime was passed, women in a couple eligible at the moment of the reform and directly eligible at its introduction (who were thus already eligible for the alimony regime) were 11.7 pp. more likely to be unemployed or inactive (p-value 0.00, wbp-value 0.27) and had CAD 1121 lower earnings than women in unaffected provinces (p-value 0.01, wbp-value 0.22). For women in couples eligible after the reform, we estimate that the additional effect of the marriage-like regime (in addition to the alimony regime) is a decrease of 121 hours of work per year (p-value 0.00, wbp-value 0.24) but no impact on unemployment and inactivity nor on labour earnings. Consequently, when they become eligible for the marriage-like regime, women in a couple eligible after the reform introducing the marriage-like regime, work 137 less hours (p-value 0.00, wbp-value 0.25), and had CAD 2978 lower earnings than women in unaffected province (p-value 0.00, wbp-value 0.27). It corresponds to a 7.5% decrease in hours and a 14.2% decrease in earnings. Women in a couple eligible at the moment of the reform could not anticipate eligibility for the marriage-like regime, while women in couples eligible after could. The last line of table 4 gives the p-values of the test of equality of the impact of eligibility status for couples eligible at the moment of the reform to the impact on couples eligible after. They indicate that women in couples eligible at the moment of the reform (who could not

²⁰Whereas labour earnings are collected from fiscal data, hours and employment status are self-declared and may suffer from reporting bias. This may explain why we find this inconsistency between effects on earnings and on reported labour supply. See the data section.

²¹We also conduct event studies for all other coefficients and we present the graphs in the appendix. These graphs allow us to test the common trend hypothesis as explained in the next subsection.

anticipate their eligibility status) react more strongly at the extensive margin (employment status and labour income) than women in a couple eligible after the reform (who could anticipate). However at the intensive margin, women in couples eligible after the reform adjust more their hours.

5.1.4. Impact of eligibility status on within household outcomes. Does eligibility for a protective regime of cohabitation change intra-household outcomes? We now re-estimate model 3.2 on our subsamples of couples where we observe both partners. As the number of observations is too low to distinguish couples eligible at the reform from couples eligible after the reform, we focus on the impact of eligibility for both types of couples indistinctively.²² Table 5 presents our estimates. A first remark is that, in average, men and women in this subsample react similarly than in the main sample: women tend to decrease their labour supply and income while men barely adjust theirs. With respect to within-household variables, Panel A shows that eligibility for the alimony regime does not impact within household allocation significantly. However, it shows that the additional effect when eligible to the marriage-like regime decreases women’s share of income and hours. The additional effect is a decrease of 2.5 pp in women’s share of hours (p-value 0.06, wbp-value 0.22) and 6.1 pp in women’s share of labour earnings (p-value 0.00, wbp-value 0.23). In total, when couples become eligible for the marriage-like regime, adjustments in the labour market outcomes of men and women lead to decrease women’s share of couple’s earnings by 7.7 pp. compared to non-eligible women (p-value 0.00, wbp-value 0.00) but has no impact on women’s share of hours.

Panel B and C of table 5 show the results of the estimation of model 3.2 on the two groups of couples, based on female’s share of couple’s income. Do adjustments made by couples reinforce inequality in already-unequal couples? And do adjustments make equal couples unequal? Results show that the negative effect of protective regimes on women’s share of

²²Pooling couples eligible at the moment of the reform and couples eligible after together amounts to form the assumption that couples eligible at the moment of the reform react similarly as couples eligible after the reform, when they become eligible. Regarding the alimony reform, we observe very few couples eligible at the moment of the reform, so our estimate are mostly based on couples eligible after the reform. Regarding the marriage-like reform, panel B of table 4 shows that this assumption holds for men but not for women.

income are driven by couples in which the female's share of household's income is rather low. In couples where women earn less than 40% of household's income, eligibility for the alimony regime decreases women's share of total hours by 7.4 pp (p-value 0.01, wbp-value 0.01) and women's share of income by 6.1 pp (p-value 0.13, wbp-value 0.20) whereas in more balanced couples—couples in which women earn at least 40% of household's income—women's share of hours increases by 13.3 pp (p-value 0.00, wbp-value 0.01) and their share of income increases by 2.7 pp (p-value 0.12, wbp-value 0.25). Eligibility for the marriage-like regime decreases women's share of hours by 9pp and their share of total income by 11.9 pp (p-value 0.01, wbp-value 0.03) whereas in couples in which women earn at least 40% of household's income—women's share of hours increases by 7.7 pp (p-Value 0.00, wbp-value 0.14) and their share of income does not change. Protective regimes of cohabitation tend to weaken women's position in unbalanced couples, but to strengthen women's position in balanced couples. Interestingly, this mechanism is driven by the eligibility for the alimony regime as the additional effect of the marriage-like regime goes in the same direction for both types of couples, decreasing women's earnings and increasing men's labour supply and income. The marriage-like regime is likely to be more advantageous for women, irrespective the labour income of each partner, as mothers more often stay with children after separation.²³ On the contrary, the alimony regime allows the least favoured partner to petition for spousal support, and the amount of payment is proportional to income difference between partners irrespective of the gender.

5.1.5. *Comparability of our estimates to the literature.* In the literature, studies tend to focus on the impact of implementing a new protective regime of cohabitation, which means that they are estimated on couples formed before the reform. Rangel (2006) finds that the introduction of alimony laws decreases the number of working hours by 3.2% among all women and by 6% among low- and mid-educated women. Chiappori, Iyigun, Lafortune, and Weiss (2017) estimate the impact of the alimony law reforms on couples formed before the

²³The family home has to be divided equally, whoever brought it into marriage. However, there is a concern for continuity for the children, so it is likely that when the judge gets involved, the mother will keep the house since she is more likely to get the custody of children.

reform on the extensive margin. They find that full-time participation of women decreases by 4.7% and full-time participation of men increases by 6%. We find that eligibility to the alimony regime decreases women labour earnings by 9.7% and that eligibility to the marriage-like regime increases men's working hours by 6.2% and decreases women's working hours by 7.4%. We believe that our results, while not directly comparable, are in line with what has been found previously.²⁴

5.2. Parallel trends assumption. Our estimation strategy is based on the parallel trend assumption. To test this assumption, we test whether the treatment group behaves differently from the control group before treatment in an event study approach. As described in the estimation strategy, we perform an event study analysis and test whether the coefficients in the periods before the time of reform or before the time of eligibility are significantly different from zero. We conduct our tests separately for men and women, for each of the variables of interest and for each of the following effects: the effect of the marriage-like reform, the effect of eligibility for the alimony regime for couples eligible after the reform, the effect of eligibility for the marriage-like regime for couples eligible at the moment of the reform, and for couples eligible after the reform. We find no significant differences between the treated groups and the control groups for the pre-reform periods (using the clustered standard errors), to the exception of labour income of men in couples eligible after the alimony regime. These men tend to have higher labour earnings just before becoming eligible for the alimony regime than men who are in the same duration of cohabitation but who are not about to become eligible for the alimony regime.²⁵ However, we do not find a significant effect on the labour income of these men when they become eligible. We present all the graphs from our event studies in the appendix. In conclusion, these results are suggestive evidence that the common trend hypothesis holds true in our data.

²⁴Our results are also consistent with other findings on labour supply elasticities of couples in Canada. Schirle (2015) finds that the introduction of a universal childcare benefit in 2006, amounting to CAD 1,200 per year per child under 6, reduced mothers' participation by 1 pp and the median hours worked by 50 hours per year and had also significant but smaller income effects on fathers.

²⁵Further analysis shows that this only concerns men in the three-years threshold provinces and not men in the two-years threshold provinces

5.3. Selection effect. Are couples more likely to get married or to break up because they are eligible for a protective regime of cohabitation? If this is the case, our results would be based on a selected sample of eligible couples. In order to test for regime-related selection into cohabitation, we pool observations of men and observations of women together, keeping one observation by couple when both members are observed. On this sample, we estimate two models to test if becoming eligibility for a protective regime changes behaviour toward marriage and separation.

First, we estimate if couples are more (or less) likely to get married when they become eligible for a protective regime of cohabitation. To do so, we keep observations on cohabiting couples and on married couples during their first year of marriage, and we construct an indicator for getting married during the current year ($getmarried_{it}$). We estimate the same model as in eq. 3.3, using $getmarried_{it}$ as the left-hand side variable and replacing individual fixed effects by province fixed effects because marriage is an absorbing state. The coefficients can be interpreted as hazard rates: conditional of not being married at time $t - 1$, what is the probability of getting married at time t ? Our coefficients of interest measure if eligibility for a protective regime of cohabitation changes the baseline hazard rates, which is given by our set of dummies for the duration of the couple.

Second, we estimate if couples are more (or less) likely to break up when they become eligible for a protective regime. We keep observations on cohabiting couples and we construct a variable indicating if the couple breaks up during the current year ($breakup_{it}$). We estimate the same model as in eq. 3.3, using $breakup_{it}$ as the left-hand side variable and replacing individual fixed effects by province fixed effects because separation is an absorbing state. As for the previous analysis on marriage, our coefficients of interest indicate if eligibility to a protective regime increases the instantaneous probability of separation, conditional on not being separated at that moment.

For both estimation, we distinguish the effects on couples who have not anticipated their eligibility (couples eligible at the time of the reform), and couples who have anticipated it (couples eligible after the reform) as in eq. 3.3. We present our estimates in table 6.

For couples eligible after the introduction of the alimony reform, we find that when they become eligible, they are slightly more likely to marry than non-eligible couples (+2 pp, p-value 0.06, wbp-value 0.16) but they do not have a different behaviour toward dissolution as compared to non-eligible couples. Regarding the marriage-like regime, we find that couples eligible at the moment of the reform are more likely to get married after the reform (+1.9 pp, p-value 0.05, wbp-value 0.26). However for couples eligible after the reform, eligibility do not impact their behaviour regarding marriage or dissolution. The results show that both the alimony regime and the marriage-like regime imply some selection out of cohabitation and into marriage among couples. Then, a part of the difference between our estimates for eligible couples before and after the marriage-like reform can therefore be explained by a change of composition of couples. However, this selection is too small to explain the observed changes in labour supply.

Finally, to better understand our results, we also test if reforms introducing the alimony regime or the marriage-like regime have affected the type of union—marriage or cohabitation—couples choose when they start a new relationship. We test whether the introduction of the reform has changed partnership choice at match formation. We consider all newly formed couples, both married and cohabiting. Following Blasutto and Kozlov (2020), we regress a binary variable indicating if the couple is cohabiting on two binary variables indicating if a reform introducing an alimony regime and a reform introducing the marriage-like regime are implemented in the province. Our results (presented in the online appendix) show that after the introduction of the alimony regime, the probability of being cohabiting among newly formed couples decreased and it decreased furthermore after the introduction of the marriage-like regime. This results indicates that making cohabitation similar to marriage has decreased its attractiveness.

5.4. Specialization. The introduction of the protection regime could increase specialization within the couple through increased investment in children. In order to test this mechanism, we re-estimate model 3.2 on a sample restricted to couples who already have a child *before* becoming eligible to a protective regime. Results are presented in the online

appendix. The results on this subsample are similar to the main results for the marriage-like regime, but weaker for the alimony regime (only men are affected by eligibility to the alimony regime, by increasing their number of active weeks per year). These results suggest eligibility for a protective regime has a direct impact on labour market behaviour that is not solely due to specialization.

6. CONCLUSION

We investigate to what extent becoming automatically eligible for a protective regime of unmarried cohabitation affects men and women’s labour market outcomes. We show that eligibility for a protective regime increases men’s labour supply and earnings and decreases those of women’s. The impact of the marriage-like regime is stronger. We find that the impact is similar across men, whether they could anticipate the impact or not, but we find a larger impact among women who could not anticipate their eligibility status. Our results show that eligibility affects within-household allocation of earnings and work by reinforcing existing inequalities. Finally, we present some evidence that enhancing protection level at separation has an effect on the selection of couples out of cohabitation and into marriage.

Our paper contributes to the public debate related to granting rights to cohabiting couples. It shows that couples adjust their behaviour on the labour market according to the level of protection induced by a cohabitation regime and the adjustment varies across gender. The alimony regime, which gives the right to the low-wage earner to petition for spousal support in the event of separation, has a symmetric impact on men on women—what matters is the relative position of partners, not the gender. The marriage-like regime induces a gendered impact—it decreases the labour force supply or earnings of women, whatever her relative position within the household. The regime induces property division in the event of separation and give partners equal right to stay in the family home. It tends to protect the position of women regarding family home: women are more likely to get the custody of children and the custodial parent is more likely to stay in the family home.

Granting rights to cohabiting couples has unclear consequences on welfare within the household. In the absence of behavioural response, both alimony payment and property division strengthen the economic situation of the low-wage earner in the event of separation. Increasing economic security of the low-wage earner makes separation more attractive and thus induce a shift of resources toward the low-wage earner (usually women) within the household. However, our paper finds that it induces a behavioural response that weakens the low-wage earner's labour market prospects in the event of separation. In contrast, a protective regime weakens the high-earner's (in general, men) position within the household but it induces a compensating behavioural response. Behavioural response could offset the protection induced by the regime of cohabitation.

We believe our results are important in the current debate regarding the legal status that should be given to unmarried cohabiting partners. Facing increasing rates of unmarried cohabitation among couples, most countries have initiated a public debate on the protection that should be given to unmarried couples. Provinces in Canada, Australia or some States in the USA have expanded automatically some rights to cohabiting partners, thus reducing the number of options couples have to form partnership. Other—mostly European—countries have created opt-in cohabitation regimes such as registered partnerships, which has increased the number of options to form partnership. More research is needed to understand who the winners or losers are, and how these reforms affect the couple formation and dissolution dynamics.

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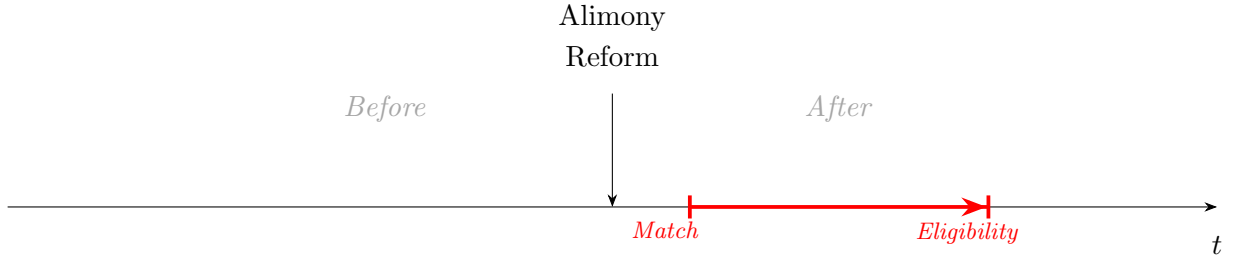
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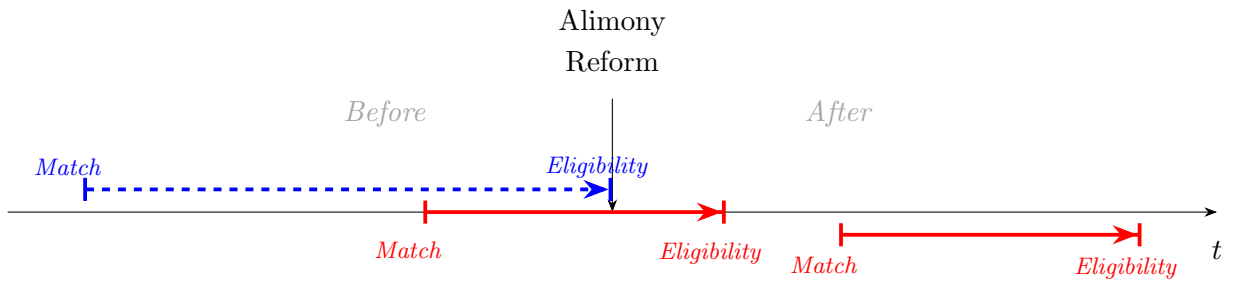
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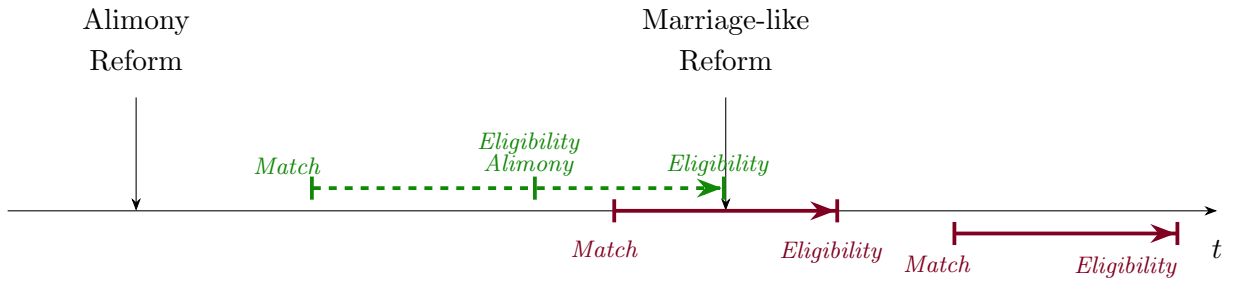
FIGURE 1. Diagram describing eligibility status of couples



(A) The reform introducing the alimony regime passed before the period of observation (NF, NB, NS, ONT, BC)

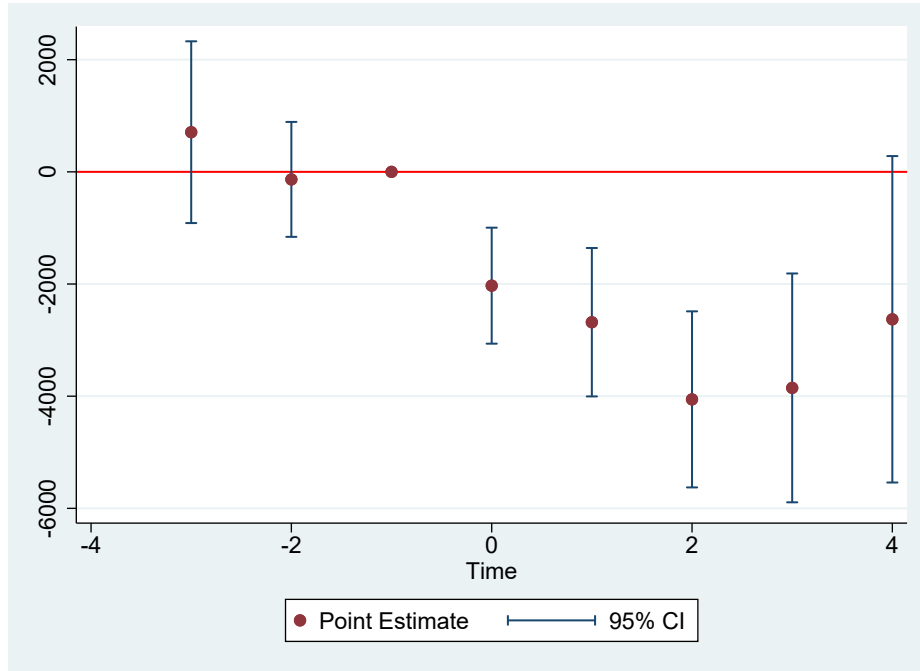


(B) The reform introducing the alimony regime is observed during the period (PEI, ALB)



(C) The reform introducing the marriage-like regime is observed during the period, the reform introducing the alimony regime passed before the period of observation (MAN, SK)

FIGURE 2. Effect of eligibility for alimony regime on women's labour earnings in couples eligible after the reform



Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: women in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada.

Notes: All regressions include controls for individual fixed effects; relationship duration fixed effects; year fixed effects; a dummy indicating if the couple has a child; the dummy indicating if the couple has a child interacted with year fixed effect, with relationship duration fixed effects, and with province fixed effects; age and age square. We use SLID longitudinal weights. *Labour earnings* gives fiscal labour earnings in constant Canadian dollars of 2002. 95% confidence intervals based on clustered standard errors at the province level.

TABLE 1. Variations of unmarried cohabitation regimes between Canadian provinces

Province	Type of regime	Year of reform	Required relationship duration (in years)	
			without children	with children
Federal state	Federal	1993	1	1
Newfoundland and Labrador	Alimony	1990	2	1
Prince Edward Island	Alimony	1995	3	0
Nova-Scotia	Alimony	1989	2	2
New-Brunswick	Alimony	1980	3	1
Quebec	(Federal)			
Ontario	Alimony	1978	3	0
Manitoba	Alimony	1983	5	5
	Alimony	2001	3	1
	Marriage-like	2004	3	1
Saskatchewan	Alimony	1990	3	0
	Marriage-like	1997	2	2
Alberta	Alimony	1999	3	0
	<i>Marriage-like</i>	<i>2020</i>	3	0
British Columbia	Alimony	1972	2	2
	<i>Marriage-like</i>	<i>2013</i>	2	2

Cells in bold text indicate reforms implemented during the period of observation (1993-2011). Cells in italic indicate reforms implemented after the period of observation.

TABLE 2. Descriptive statistics.

	Men		Women		Couple	
	mean	s.d.	mean	s.d.	mean	s.d.
Panel A: Main sample						
Number of hours worked	1835	(812)	1330	(834)		
Not employed	0.07	(0.25)	0.15	(0.34)		
Number of active weeks	48.3	(12.0)	43.1	(18.1)		
Annual labour earnings	36752	(28018)	21003	(19085)		
Age	35.2	(7.8)	33.6	(8.1)		
Years of education	14.8	(3.0)	15.1	(2.8)		
Has child(ren)	0.54	(0.50)	0.59	(0.49)		
Length of cohabitation	4.5	(3.1)	4.4	(3.1)		
Number of observations	15214		16456			
Panel B: Couple sample [All]						
Number of hours worked	1896	(732)	1327	(822)	3223	(1134)
Annual labour earnings (CAD)	37708	(26219)	20761	(18196)	58469	(35446)
Female's share of hours					0.39	(0.24)
Female's share of earnings					0.36	(0.26)
Age	34.8	(7.3)	33.0	(7.6)		
Has child(ren)					0.62	(0.48)
Length of cohabitation					5.1	(2.8)
Number of observations = 6597						
Panel C: Couple sample [Women earn less than 40% of total income]						
Number of hours worked	1960	(705)	1098	(847)	3057	(1141)
Annual labour earnings (CAD)	42466	(27930)	14422	(15416)	56888	(36466)
Female's share of hours					0.33	(0.24)
Female's share of earnings					0.24	(0.22)
Age	34.7	(7.3)	32.6	(7.7)		
Has child(ren)					0.67	(0.47)
Length of cohabitation					5.1	(2.8)
Number of observations = 3981						
Panel D: Couple sample [Women earn more than 40% of total income]						
Number of hours worked	1801	(760)	1671	(645)	3471	(1077)
Annual labour earnings (CAD)	30571	(21536)	30270	(17907)	60840	(33728)
Female's share of hours					0.49	(0.20)
Female's share of earnings					0.53	(0.21)
Age	35.1	(7.2)	33.5	(7.4)		
Has child(ren)					0.55	(0.50)
Length of cohabitation					5.2	(2.8)
Number of observations = 2616						

Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: men and women in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada, with no missing information.

Notes: *Number of hours worked* gives the number of hours worked during the year (set to zero for non-working people); *Not employed* is a binary variable indicating whether the individual had been either inactive or unemployed all year; *Number of active weeks* gives the number of weeks in which the individual is in activity. *Labour earnings* gives fiscal labour earnings in constant Canadian dollars of 2002. We use SLID longitudinal weights.

TABLE 3. Impact of the reform on labour supply and labour earnings

	Men			Women		
	Nb. of hours worked	Nb. of active weeks	Labour earnings	Nb. of hours worked	Not employed	Labour earnings
Marriage-like reform ($\hat{\gamma}_m$)	69 (71) [0.36] {0.75}	1.84 (1.44) [0.24] {0.72}	899 (1634) [0.60] {0.74}	-29 (57) [0.63] {0.76}	0.049 (0.041) [0.27] {0.79}	-1051 (428) [0.04] {0.21}
N	15214	15214	15214	16456	16456	16456

Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: men and women in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada, with no missing information.

Notes: Standard errors are clustered at the province level and are reported in parenthesis. Cluster p-value are reported in brackets. Wild cluster bootstrap p-values are reported in braces. All regressions include controls for the implementation of alimony regime; individual fixed effects; relationship duration fixed effects; year fixed effects; a dummy indicating if the couple has a child; the dummy indicating if the couple has a child interacted with year fixed effect, with relationship duration fixed effects, and with province fixed effects; age and age square. *Number of hours worked* gives the number of hours worked during the year (set to zero for non-working people); *Not employed* is a binary variable indicating whether the individual was either inactive or unemployed all year; *Number of active weeks* gives the number of weeks in which the individual is in activity. *Labour earnings* gives fiscal labour earnings in constant Canadian dollars of 2002. We use SLID longitudinal weights.

TABLE 4. Impact of the eligibility for a protective regime of cohabitation on labour supply and labour earnings

	Nb. of hours worked	Men Nb. of active weeks	Labour earnings	Nb. of hours worked	Women Not employed	Labour earnings
Panel A: eligibility status						
Alimony eligibility ($\hat{\beta}_a$)	-29 (60) [0.64] {0.93}	-0.60 (0.45) [0.21] {0.30}	-1679 (1479) [0.29] {0.45}	-7 (33) [0.84] {0.85}	-0.001 (0.007) [0.90] {0.90}	-2041 (739) [0.02] {0.18}
Marriage-like eligibility ($\hat{\beta}_m$)	142 (10) [0.00] {0.12}	2.91 (0.23) [0.00] {0.07}	1497 (2652) [0.59] {0.74}	-92 (33) [0.02] {0.24}	0.069 (0.025) [0.02] {0.25}	-981 (407) [0.04] {0.24}
$\hat{\beta}_a + \hat{\beta}_m$	113 [0.03] {0.29}	2.31 [0.00] {0.15}	-182 [0.94] {0.93}	-99 [0.02] {0.17}	0.068 [0.00] {0.09}	-3022 [0.00] {0.23}
Test p.value						
N	15214	15214	15214	16456	16456	16456
Panel B: eligibility status - Couples eligible at reform vs. eligible after						
Alimony*Elig. after ($\hat{\beta}_a^{aft}$)	-39 (66) [0.57] {0.95}	-0.62 (0.46) [0.21] {0.37}	-1969 (1940) [0.29] {0.49}	-16 (40) [0.70] {0.74}	0.002 (0.009) [0.82] {0.81}	-2389 (611) [0.00] {0.11}
Marriage-like *Elig. at reform ($\hat{\beta}_m^{bef}$)	119 (82) [0.18] {0.63}	3.2 (2.3) [0.19] {0.73}	830 (1766) [0.65] {0.76}	-64 (44) [0.18] {0.29}	0.117 (0.015) [0.00] {0.27}	-1121 (355) [0.01] {0.22}
Marriage-like *Elig. after ($\hat{\beta}_m^{aft}$)	176 (93) [0.09] {0.23}	2.56 (2.85) [0.39] {0.70}	2476 (3906) [0.54] {0.72}	-121 (32) [0.00] {0.24}	0.009 (0.032) [0.78] {0.76}	-589 (485) [0.26] {0.49}
$\hat{\beta}_a^{aft} + \hat{\beta}_m^{aft}$	137 [0.14] {0.30}	1.94 [0.53] {0.77}	507 [0.88] {0.83}	-137 [0.00] {0.25}	0.011 [0.68] {0.70}	-2978 [0.00] {0.27}
Test p.value						
N	15214	15214	15214	16456	16456	16456
Test $\hat{\beta}_m^{bef} = \hat{\beta}_m^{aft}$	[0.76] {0.75}	[0.91] {0.83}	[0.96] {0.75}	[0.00] {0.31}	[0.00] {0.26}	[0.00] {0.25}

Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: men and women in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada, with no missing information.

Notes: Standard errors are clustered at the province level and are reported in parenthesis. Cluster p-value are reported in brackets. Wild cluster bootstrap p-values are reported in braces. All regressions include controls for individual fixed effects; relationship duration fixed effects; year fixed effects; a dummy indicating if the couple has a child; the dummy indicating if the couple has a child interacted with year fixed effect, with relationship duration fixed effects, and with province fixed effects; age and age square. *Number of hours worked* gives the number of hours worked during the year (set to zero for non-working people); *Not employed* is a binary variable indicating whether the individual was either inactive or unemployed all year; *Number of active weeks* gives the number of weeks in which the individual is in activity. *Labour earnings* gives fiscal labour earnings in constant Canadian dollars of 2002. We use SLID longitudinal weights.

TABLE 5. Within household effects. Impact of the eligibility for a protective regime of cohabitation, heterogeneous effect across couples types.

	Men		Women		Couples	
	Nb. of hours worked	Labour earnings	Nb. of hours worked	Labour earnings	Woman's share of hours	Woman's share of labour earnings
Panel A: All couples						
Alimony eligibility ($\hat{\beta}_a$)	-33 (119) [0.79] {0.96}	-1894 (2886) [0.50] {0.58}	24 (70) [0.74] {0.94}	-2648 (1139) [0.05] {0.19}	0.027 (0.017) [0.14] {0.35}	-0.016 (0.017) [0.37] {0.42}
Marriage-like eligibility ($\hat{\beta}_m$)	180 (26) [0.00] {0.04}	344 (3538) [0.93] {0.91}	-32 (25) [0.24] {0.40}	-829 (1870) [0.67] {0.76}	-0.025 (0.011) [0.06] {0.22}	-0.061 (0.023) [0.00] {0.23}
$\hat{\beta}_a + \hat{\beta}_m$	147 [.24] {0.41}	-1550 [.68] {0.77}	-7 [.92] {0.95}	-3477 [.18] {0.38}	0.00 [.91] {0.93}	-.077 [.00] {0.00}
Test p.value						
N	6575	6575	6575	6575	6575	6575
Panel B: couples in which women earn less than 40% of household's income						
Alimony eligibility ($\hat{\beta}_a$)	158 (127) [0.25] {0.35}	405 (2144) [0.85] {0.86}	-294 (84) [0.01] {0.01}	-5789 (1210) [0.00] {0.01}	-0.074 (0.023) [0.01] {0.01}	-0.061 (0.036) [0.13] {0.20}
Marriage-like eligibility ($\hat{\beta}_m$)	62 (52) [0.27] {0.34}	-2613 (3351) [0.87] {0.74}	-120 (30) [0.00] {0.09}	-573 (934) [0.87] {0.79}	-0.017 (0.014) [0.26] {0.28}	-0.058 (0.014) [0.00] {0.25}
$\hat{\beta}_a + \hat{\beta}_m$	220 [.16] {0.33}	-2208 [.54] {0.72}	-413 [.00] {0.23}	-6362 [.13] {0.24}	-.091 [.03] {0.24}	-.119 [.01] {0.03}
Test p.value						
N	3962	3962	3962	3962	3962	3962
Panel C: couples in which women earn more than 40% of household's income						
Alimony eligibility ($\hat{\beta}_a$)	-232 (155) [0.17] {0.53}	-3973 (3060) [0.23] {0.44}	352 (111) [0.01] {0.05}	138 (1711) [0.94] {0.95}	0.133 (0.019) [0.00] {0.01}	0.027 (0.016) [0.12] {0.25}
Marriage-like eligibility ($\hat{\beta}_m$)	429 (84) [0.00] {0.22}	4815 (2337) [0.07] {0.29}	60 (71) [0.42] {0.64}	-2015 (666) [0.01] {0.22}	-0.056 (0.013) [0.00] {0.14}	-0.066 (0.032) [0.07] {0.28}
$\hat{\beta}_a + \hat{\beta}_m$	197 [.12] {0.33}	842 [.82] {0.88}	412 [.00] {0.26}	-1878 [.19] {0.31}	0.077 [.00] {0.14}	-0.038 [.20] {0.35}
Test p.value						
N	2613	2613	2613	2613	2613	2613

Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: couples in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada, with no missing information and where both partners are observed.

Notes: Standard errors are clustered at the province level and are reported in parenthesis. Cluster p-value are reported in brackets. Wild cluster bootstrap p-values are reported in braces. All regressions include controls for individual fixed effects; relationship duration fixed effects; year fixed effects; a dummy indicating if the couple has a child; the dummy indicating if the couple has a child interacted with year fixed effect, with relationship duration fixed effects, and with province fixed effects; age and age square. *Number of hours worked* gives the number of hours worked during the year (set to zero for non-working people); *Labour earnings* gives fiscal labour earnings in constant Canadian dollars of 2002. *Woman's share of hours* gives the share of hours worked by the female partner in the total number of hours worked by the couple; *Woman's share of earnings* gives the share of labour earnings of the female partner in the total labour earnings of the couple. The threshold 40% of household income is computed using the first observation where both partners' incomes are observed. We use SLID longitudinal weights.

TABLE 6. Effects of eligibility for a protective regime of cohabitation on entry into marriage and couple dissolution.

	Get married	Break up
Alimony*Elig. at ref. ($\hat{\beta}_a^{bef}$)	0.001 (0.005) [0.91] {0.91}	0.014 (0.014) [0.35] {0.28}
Alimony*Elig. after ref. ($\hat{\beta}_a^{aft}$)	0.020 (0.009) [0.06] {0.16}	0.017 (0.012) [0.18] {0.36}
Marriage-like*Elig. at ref. ($\hat{\beta}_m^{bef}$)	0.019 (0.008) [0.05] {0.26}	0.027 (0.027) [0.35] {0.83}
Marriage-like*Elig. after ref. ($\hat{\beta}_m^{aft}$)	-0.025 (0.009) [0.02] {0.24}	0.003 (0.015) [0.86] {0.86}
$\hat{\beta}_a^{aft} + \hat{\beta}_m^{aft}$	-0.004 [0.75] {0.78}	0.020 [0.34] {0.59}
Test p.value		
N	20510	19038
R^2	0.063	0.042

Data: Statistics Canada. Survey of Labour and Income Dynamics (SLID) 1993-2011.

Sample: couples in an unmarried cohabitation relationship for less than 10 years, aged between 18 and 50 years old in Canada, with no missing information and where at least one partner is observed. Model *Entry into marriage* also includes couples in their first year of marriage.

Notes: Standard errors are clustered at the province level and are reported in parenthesis. Cluster p-value are reported in brackets. Wild cluster bootstrap p-values are reported in braces. All regressions include controls for province fixed effects; relationship duration fixed effects; year fixed effects; a dummy indicating if the couple has a child; the dummy indicating if the couple has a child interacted with year fixed effect, with relationship duration fixed effects, and with province fixed effects; age and age square. We use SLID longitudinal weights. *Get married* is a dummy indicating a marriage during the year. *Break up* is a dummy variable indicating couple's separation in the year after.