

---

# Abstract

The paper investigates the effects of sibling composition on labor market outcomes, education, and family formation. By employing the Youth Panel 2007 data that track the 13 year process of youths born between 1978 and 1994 transitioning from school to the labor market, my empirical analysis examines the effects of sibling composition. The results show that interactions with siblings have positive effects on education and labor market performance, and the impact is greater for women. The employment probability and regular employment probability of female only child were 3.8%p and 5.7%p lower than female who has siblings, respectively. Academic performance of female only child in high school was significantly lower than that of female who has siblings, suggesting that part of the employment-related disadvantages experienced by female only child are attributed to the low level of accumulation of human capital in high school. Female only child tends to give birth to more children and to start her first birth at younger age. Regarding the gender of siblings, both men and women with same-sex siblings appear to have higher probabilities of being employed compared to those with opposite-sex siblings. Men with brothers show high academic achievement in high school, which partly explains the employment-related premium they enjoy in the labor market. For women with sisters, other factors such as labor market networks might play an important role in creating advantages in their labor market outcomes. The findings suggest that various school education programs creating an environment where students of other grades can interact with one another are needed. By providing more extracurricular activities consisting of different grades, students may learn how to cooperate with people from different backgrounds.

**Keyword** Sibling Composition, Only Child, Education, Labor Market Outcomes