

Fertility Intentions across Europe: Employment Legislation or Pro-fertility Values?

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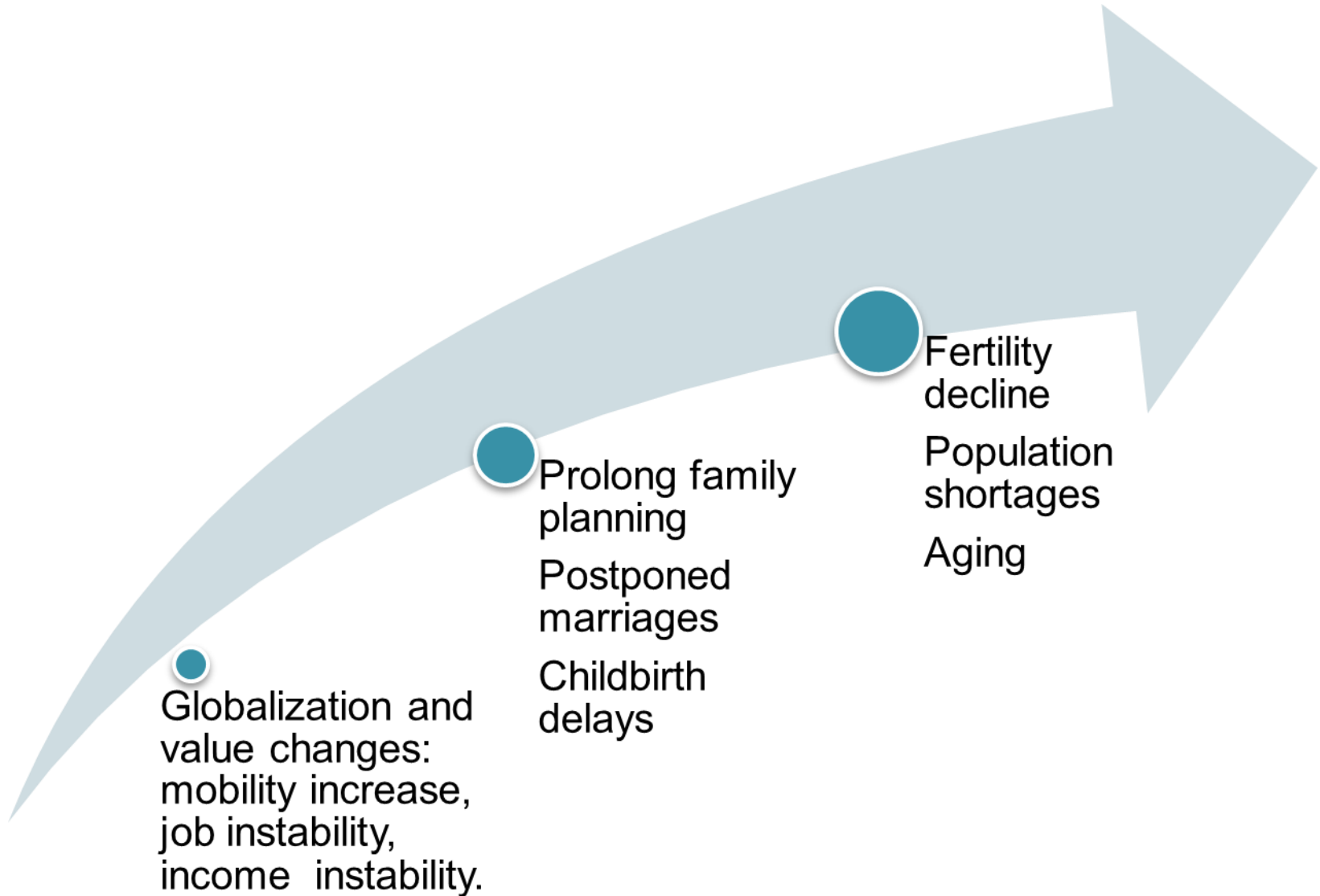
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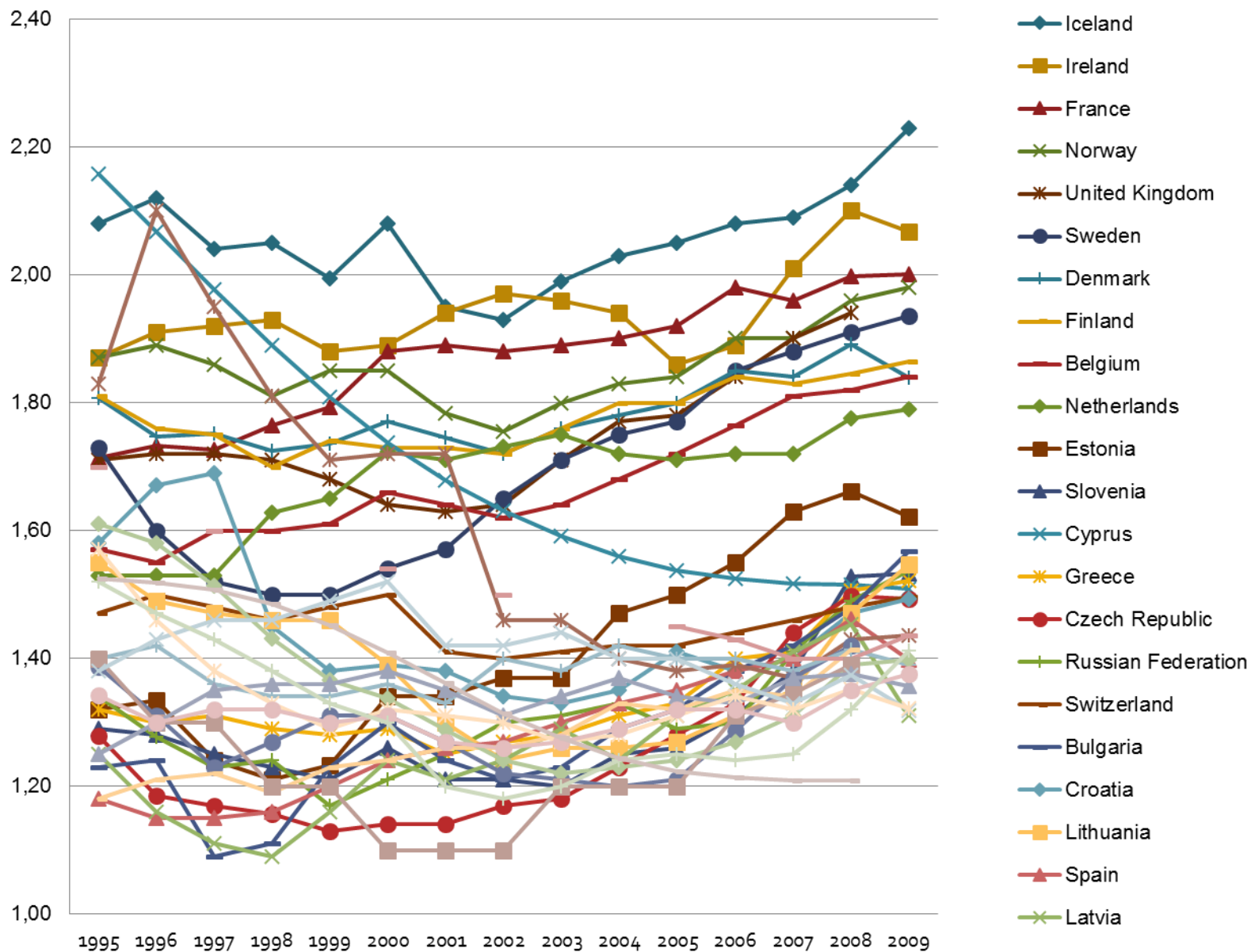


PROBLEM AND MOTIVATION

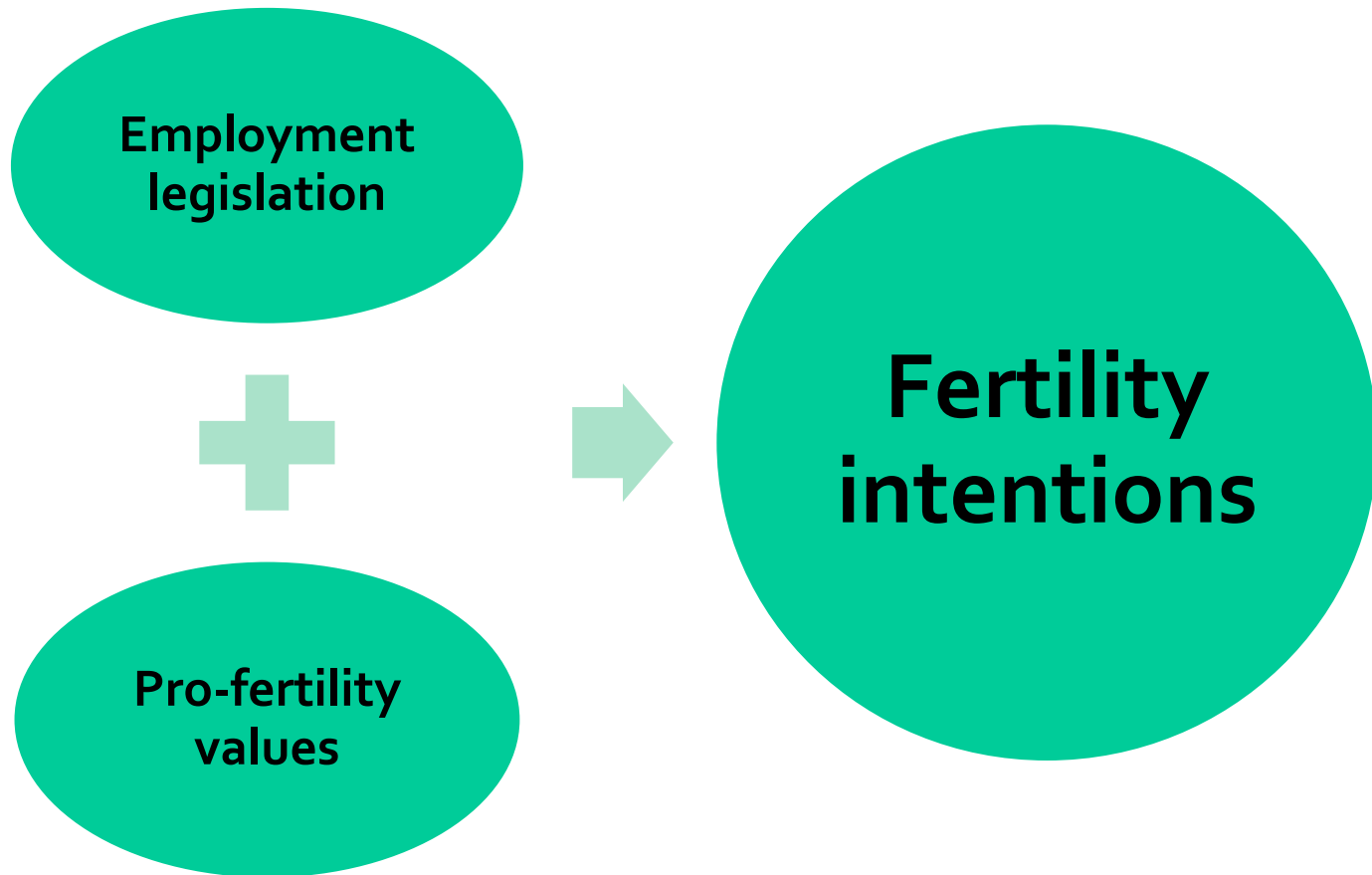
Motivation and problem



European fertility rates, 1995-2009, WB data



Motivation and problem



Policy relevant research topic. Shall we do something to change the societies norms or changing of EPL is enough?

Key research question, goal and tasks

The main research question:

Do cultural norms and employment legislation have an effect on fertility intentions?

- The **goal** is to disclose and explain the fertility intentions through the job stability indicators in the countries with different labor legislations and social norms.



THEORETICAL BACKGROUND

Theoretical background I: the nature of temporary and unstable work (precarious jobs)

This theoretical debate on division for core and periphery of the labor market gave ground for the concept of decent and precarious jobs, developed by ILO, and well discussed in the literature (Beck 2000; Standing 2011; Kalleberg 2012).

Increasing polarization between the core and periphery brings inequalities, uncertainty, dissatisfaction and family postponing.

The core (good jobs)

- The core employees are well protected by the employment legislation,
- they have usually better positions,
- better bargaining power and
- better payment.

The periphery (bad jobs)

- Those workers in the secondary sector usually suffer from uncertainty and instability,
- no social benefits,
- no social guarantees lack of career opportunities,
- less payment and training,
- poor working conditions and etc.

Theoretical background I: what shapes the polarization of the labour market?

1. Doeringer and Piore “Internal Labor Markets and manpower Analysis” (1971)
2. Sorensen “Processes of allocation to open and closed positions in social structure” (1983)
3. Lindbeck and Snower “The Insider-Outsider Theory” (2002)

Liberal labour markets

- Weak protection legislation
- Low firing and hiring costs
- No restriction in creation of vacancies
- No barriers to enter and REENTER the labour markets
- Low unemployment rate and low share of long-term unemployed

Rigid labour markets

- Strong protection legislation
- High firing and hiring costs
- Restricted number of vacancies
- Difficulties to enter and REENTER the labour market
- Rather high unemployment rate and big share of long term unemployed

Theoretical background 2: cultural norms

1. Changing values from pro-fertility towards individual choice norms
2. The spread of individual-choice norms in the society decreases overall fertility in the country as there is no need to have more kids to survive now.
3. The level of existential security is high in developed countries, the values of creativity, self-realization, individualistic choice norms, gender equality and tolerance toward homosexuality quite popular among their populations (Inglhart, Inglehart, Ponarin 2014/2015)
4. Moreover more egalitarian values open up more opportunities for women that also might have an impact on postponing the child planning.

Hypotheses

In European countries with rigid employment legislation (where employees are well protected) especially in societies with developed individual choice norms those having unstable or precarious jobs will be less likely to plan kids in the near future, than those on permanent positions (H1).

However if the rigid employment protection legislation goes with low level of individualistic norms (meaning societies with more traditional culture) the fertility intentions will be still high for those on precarious jobs (H2).

In countries with liberal labour legislation precarious jobs less affect child planning irrespective with the society's norms that are predominant in the country (H3). It means that it should not be significant as the differences between the permanent and temporary employment are quite vanish. So people do not take into account the type of contract they have while making decisions on childbearing.



DATA AND METHODOLOGY

Methodology

Background assumptions of the study:

- Job instability perceived by people as income instability.
- Children are usually planned kids
- Individuals are rational

European Social Survey, 2010

Probit regression with clustered errors and Multilevel modeling to depict the impact of employment legislation on fertility intentions across Europe.

Details on ESS data and methodology

European Social Survey 2010, 27 countries but EPL reduces sample to 21 countries, age limits of 17-45 years old (18079 respondents).

Dependent variables:

Planning to have a child within next 3 years

Independent testing variables:

- Individual (micro) level:
 - Status on the labor market (permanent job, temporary, informal employment, self-employed, non-employed)
- Country (macro) level:
 - EPL
 - Interaction effects: EPL with dummies for status on the labor market
 - Pro-fertility values index
 - Anti-individualistic values index

Controls: gender, age groups, education, marriage/partnership, religiosity, subjective health, city VS village, born in the country

Macro level tested indicators

EPL – employment protection legislation index of 2010, produced by OECD, scaled from 0 to 6.

Anti-individualistic values (70.4%)	name	
Government do more to prevent people falling into poverty	gvprppv	0.84
Government should reduce differences in income levels	gincdif	0.84

Index for Anti-individualistic values = $(gvprppv + gincdif)/2$

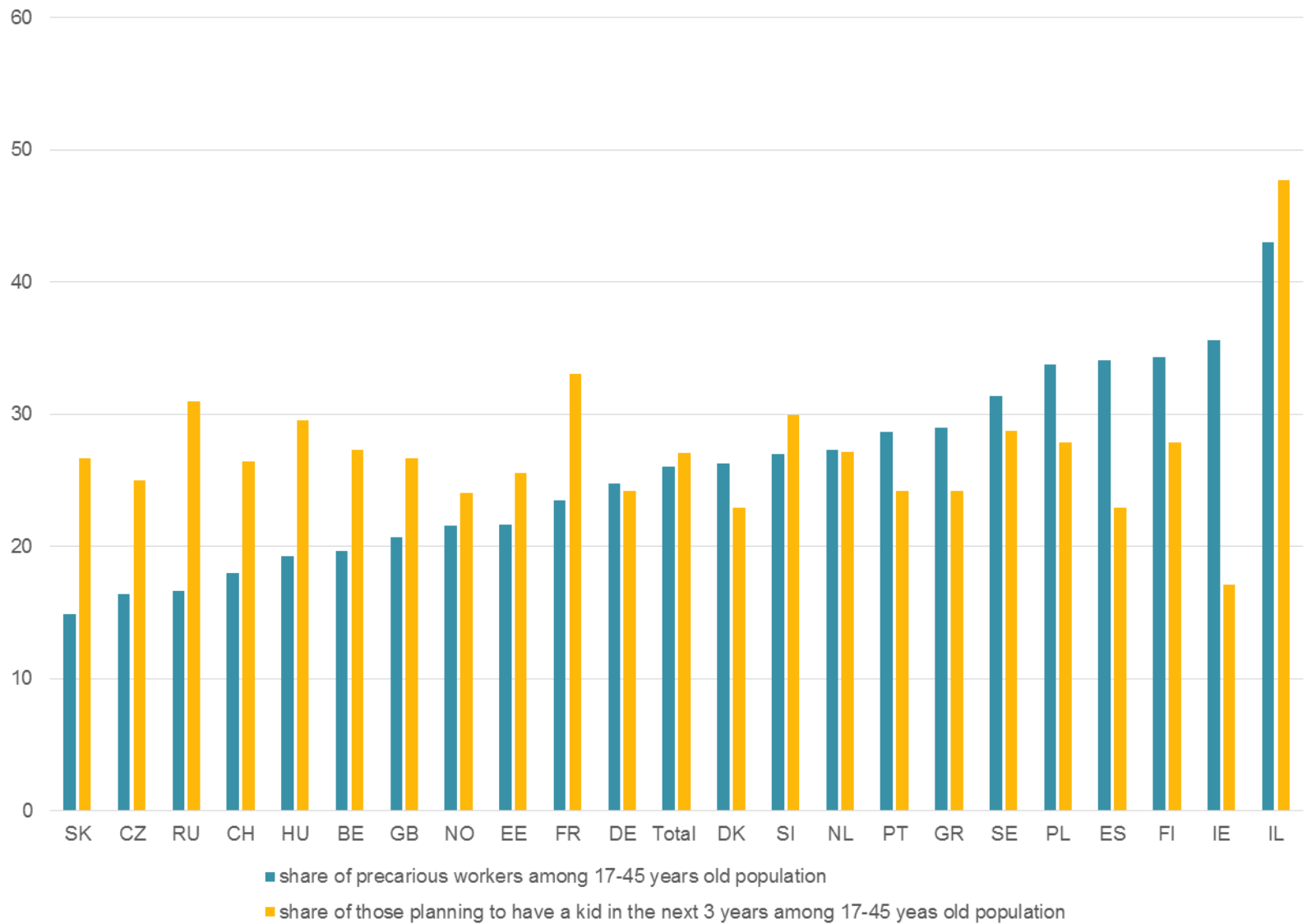
Pro-fertility values (57.8%)	name	
Women should be prepared to cut down on paid work for sake of family	wmcpwrk	0.79
Men should have more right to job than women when jobs are scarce	mnrjtjb	0.82
Gays and lesbians free to live life as they wish (reversed)	freehms	0.65

Index for pro-fertility values = $(wmcpwrk + mnrjtjb + freehms)/3$



RESULTS

Share of precarious work and fertility intentions among people of 17-45 years old across Europe



Marginal effects from probit with clustered errors on Planning to have a child in the next 3 years, for those having no children, ESS data, 2010 (labour market status)

For men aged 17-45 years old:

- Age 15-25 (-)
- Age 36-45 (-)
- High education (+)
- Marriage (+)
- Religiosity (+)
- Precarious work (-0.197)
- Non-employed (-0.667)

For women aged 17- 45 years old:

- Age 15-25 (-)
- Age 36-45 (-)
- High education (+)
- Marriage (+)
- Religiosity (+)
- Self-employment (+0.267)
- Non-employed (-0.636)

For all population aged 17-45 years old:

- Men (-)
- Precarious job (-0.148)
- Self-employment (+0.144)
- Non-employed (-0.646)

Conditional effects of EPL, for those having no children

- For men

1. For permanent work **(+0.362)**
2. For precarious work **(n.s.)**
3. For self-employed **(n.s.)**
4. For non-employed **(n.s.)**

- For women

1. For permanent work **(+0.288)** (but no effect for married women)
2. For precarious workers **(n.s.)**
3. For self-employed **(n.s.)**
4. For non-employed **(n.s.)**

Conditional effects from probit with clustered errors on Planning to have a child in the next 3 years, those having no children, ESS data, 2010

For men aged 17-45 years old:

For countries with **lowest EPL self-employed** men are more likely to have plans for having children within next 3 years **(+0.365)** than permanent workers. No effects for married.

For countries with **highest EPL** men with **unstable jobs (-0.296)** and **non employed (-0.950)** are less likely to plan children in the near future than those with permanent contracts.

For women aged 17-45 years old:

For countries with **lowest EPL** (liberal labour legislation) **self-employed** women are more likely to have plans for having children within next 3 years **(+0.525)** than permanent workers. **Non-employed** women in open labour markets are less likely to plan children **(-0.548)** than permanent workers. No effects for married.

In countries with **highest EPL** females with **precarious jobs (-0.173)** and **non-employed (-0.907)** are less likely to plan kids in the near future than those with permanent contracts. **Effect disappears** for married women as partner employment status plays a big role (+0.392).

NEW results on Planning to have a child in the next 3 years, those having no children, ADDING VALUES, ESS data, 2010

For total sample aged 17-45 years old:

The coefficients for temporary work -0.149^{**} , for informal employment -0.259 , for non-employment -0.681 .

EPL itself is not significant, but in countries with higher EPL the lower the probability to plan for kids.

Anti-individualistic values index is not significant

Pro-fertility values index is not significant.

Marginal effects from probit with clustered errors on Planning to have a child in the next 3 years, for those having at least one child, ESS data, 2010

For men aged 17-45 years

old:

- Age 36-45 (-)
- High education (+)
- Marriage (+)
- Religiosity (+)
- Self-employment (+0.163)

For women aged 17- 45

years old:

- Age 15-25 (+)
- Age 36-45 (-)
- High education (+)
- Marriage (+)

For all population aged 17-45 years old:

- Men (+)

No significant effects from employment status

Conditional effects of EPL, for those having at least one child

- For men

1. For permanent work (n.s.)
2. For precarious work (n.s.)
3. For self-employed (n.s.)
4. For non-employed (n.s.)

- For women

1. For permanent work (-0.251)
ONLY for married
2. For precarious workers (-1.156)
ONLY for married
3. For self-employed (n.s.)
4. For non-employed (n.s.)

Conditional effects from probit with clustered errors on Planning to have a child in the next 3 years, those having at least one child, ESS data, 2010

For men aged 17-45 years old:

No effects from labour market status (may be because usually those having kids are married, and those married are usually having permanent jobs or stable income)

For women aged 17-45 years old:

For countries with *lowest EPL self-employed* (**+0.841**) are more likely to have plans for having children within next 3 years, weaker effect for married women (**+0.648**)

In countries with *highest EPL – self-employed* females are less likely to plan kids in the near future (**-0.736**), the effect remains for married females (**-0.640**).

NEW results on Planning to have a child in the next 3 years, those having at least one children, ADDING VALUES, ESS data, 2010

For total sample aged 17-45 years old:

EPL gives significant negative effect, and in countries with higher EPL those on self-employment have less chances to do child planning.

Anti-individualistic values index has negative effect **-0.822*** (for those with 2 kids and more)

Pro-fertility values index is not significant.



CONCLUSIONS

Summing up the results I

1. Different patterns for those having at least one child and those having no children we should take it into account for policy recommendations.
2. Effects from EPL itself:
 - Positive effect for those having no children and employed on permanent positions both for men and women shows that **explanation of job stability search prior to first child is true.**
 - Negative effect for married women, having at least one child and employed both on permanent contracts and unstable jobs **confirms the assumption of difficult re-entering of the labour with rigid employment protection legislation.**

Further steps

- Interaction effects of EPL and Social Norms
- Separate analysis for males and females
- Multilevel SEM



Thank you for your attention

Marginal effects for plans to have children in the next 3 years, for those having no children, total population

	(1)	(2)	(3)	(4)	(5)
gender	-0.144 ^{***}	-0.180 ^{***}	-0.175 ^{***}	-0.175 ^{***}	-0.175 ^{***}
age_15_25	-0.730 ^{***}	-0.572 ^{***}	-0.567 ^{***}	-0.567 ^{***}	-0.565 ^{***}
age_36_45	-0.743 ^{***}	-0.769 ^{***}	-0.770 ^{***}	-0.770 ^{***}	-0.772 ^{***}
high_educ	0.267 ^{***}	0.229 ^{***}	0.223 ^{***}	0.223 ^{***}	0.226 ^{***}
partner	0.972 ^{***}	0.916 ^{***}	0.931 ^{***}	0.931 ^{***}	0.932 ^{***}
religious	0.0354 ^{***}	0.0393 ^{***}	0.0366 ^{***}	0.0367 ^{***}	0.0368 ^{***}
precarious		-0.159 ^{**}	-0.148 ^{**}	-0.148 ^{**}	0.213
Self-employed		0.161 ^{**}	0.144 ^{**}	0.144 ^{**}	1.119 ^{**}
Non-employed		-0.601 ^{***}	-0.646 ^{***}	-0.646 ^{***}	0.341
EPL			0.214	0.215	0.333 [*]
HDI			-2.709 ^{**}	-2.717 ^{**}	-2.706 ^{**}
Nweeks_m_leave				0.000116	
Precar*EPL					-0.151
Self*EPL					-0.402 ^{**}
Nonempl*EPL					-0.408
_cons	-0.467 ^{***}	-0.376 ^{***}	1.466 ^{**}	1.467 ^{**}	1.178 [*]
N	9396	9272	9272	9272	9272
Pseudo R2	0.1843	0.1975	0.2038	0.2038	0.2050

Marginal effects for plans to have children in the next 3 years, for those having no children, for men and women

	men		women		all married	Married men	Married women
gender					0.0775		
age_15_25	-0.629 ^{***}	-0.623 ^{***}	-0.524 ^{***}	-0.524 ^{***}	-0.456 ^{***}	-0.634 ^{***}	-0.372 ^{***}
age_36_45	-0.589 ^{***}	-0.592 ^{***}	-1.032 ^{***}	-1.033 ^{***}	-1.087 ^{***}	-0.819 ^{***}	-1.390 ^{***}
high_educ	0.143 ^{**}	0.146 ^{**}	0.291 ^{***}	0.294 ^{***}	0.168 ^{***}	0.148	0.164 [*]
mar_partn	1.014 ^{***}	1.014 ^{***}	0.866 ^{***}	0.868 ^{***}			
religious	0.0393 ^{***}	0.0391 ^{***}	0.0357 ^{***}	0.0363 ^{***}	0.0358 ^{***}	0.0342 [*]	0.0415 ^{**}
precar	-0.197 ^{**}	0.114	-0.0963	0.246	0.0454	0.447	-0.405
selfem	0.0688	0.827 [*]	0.267 [*]	1.707 [*]	0.289	0.303	0.170
non_empl	-0.667 ^{***}	0.297	-0.636 ^{***}	0.211	0.743	-1.147	1.349
EPL	0.261	0.362 [*]	0.169	0.288 [*]	0.370 ^{**}	0.437 [*]	0.266
HDI	-2.367 [*]	-2.391 [*]	-3.062 ^{***}	-3.043 ^{***}	-2.244 ^{**}	-3.940 ^{***}	-0.494
pEPL		-0.130		-0.143	-0.0252	-0.220	0.175
sEPL		-0.312		-0.594	-0.0315	-0.0681	0.0576
nEPL		-0.399		-0.349	-0.305	0.362	-0.489
part_emp					0.164 [*]	0.0695	0.313 ^{***}
part_self					0.133	-0.0655	0.330 [*]
_cons	0.871	0.650	1.884 ^{***}	1.581 ^{**}	1.396 [*]	2.845 ^{***}	-0.00242
N	5052	5052	4220	4220	2330	1108	1222
Pseudo R2	0.2090	0.2100	0.2034	0.2038	0.1151	0.0937	0.1628