SOCIOECONOMIC CONDITIONS AND FERTILITY OF MARRIED COUPLES IN ITALY: A COMPARISON 1994-2004

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THEORETICAL BACKGROUND

During the last decade, Italy has been showing important economic and demographic changes. Italy is considered one of the "lowest-low fertility" countries (Billari and Kohler 2004) as it experienced a little rise in fertility, from 1.12 to 1.33 children per woman (Istat 2006). A general increase in education, especially for women, and increasing female labour force participation took place during last ten years - the employment rate grew from 35.5% to 45.2% - (Del Boca and Pasqua 2001; Eurostat 2007). As a consequence, the female role is changing and the "dual earner model" is replacing the "male breadwinner" one.

These changes could influence couples' fertility choices: in fact, many studies show that in Italy economic conditions are associated with fertility behaviours (e.g. Giraldo et al. 2005, Rondinelli et al. 2006) and that the financial situation is important in deciding whether and when to have a child.

AIM OF THE WORK

In this work we aim at describing socioeconomic and fertility patterns of married couples between 1994 and 2004 – using two different data sources - and to show whether the association between these two phenomena changed during this 10-years period and, if so, the direction of the change.

DATA AND METHODS

We use data from the first wave of the ECHP (1994) and the first wave of EU-SILC (2004) (European Statistics on Income and Living Conditions). EU-SILC is the most recent Eurostat social survey with income information available at European level. It is the successor of ECHP with the goal of collecting timely and comparable cross-sectional and longitudinal multidimensional micro data on income, poverty and social exclusion. The reference population of both surveys is all private households and their current members residing in the territory of the Member States at the time of data collection (Eurostat 2005). The content of the surveys is quite similar, but some important differences can be found: *a)* EU-SILC focuses on income and living conditions while ECHP has a wider focus on economic and household situation; *b)* ECHP is an *input harmonized survey* while EU-SILC is a *common framework* more than a common survey, because it is defined as a harmonized lists of target

variables to be harmonised ex post; *c)* ECHP is a 8 years pure panel while EU-SILC is a 4 years rotational panel.

Following the New Home Economics theory (Becker 1991), we decided to analyse couples assuming that in childbearing decisions partners put together their economic resources and evaluate costs and opportunities of having a child. Since in both surveys the total number of household children is not collected, we calculate it indirectly: the comparison of the household composition between couples of waves gives us information on new births. In this way we know the number of children living in the family at the time of interview and not the complete realized fertility. Accordingly, to guarantee that the vast majority of children to these couples shows up in our data, we restrict our attention on couples with women younger than 45, independently on man's age. Furthermore, we concentrate on married couples, without or with children who are not economically independent, and without other family members. The ECHP sample has 2,383 couples, while the EU-SILC sample has 6,282. The comparison is based on variables on partners' human capital, working conditions, income and fertility. The analysis is carried out by explorative techniques of multivariate statistical analysis.

RESULTS

We first reconstructed comparable variables in both surveys. Since most variables are defined in the same way, we were successful in reconstructing the most of them. The comparison is based on the following variables: couple's educational level, occupational status, status in employment, number of income earners, couple's income, partners' kind of contract, social transfers (expressing the socioeconomic conditions) and age, number of years since marriage, number of children (expressing the demographic features). Income data refers to one year before the surveys, so that the comparison of income variables is between 1993 and 2003.

The first results from tabular analysis show that one of the most important changes is in the educational level of women that increased very much: in 1994, 46.9% of selected women were medium-high educated vs. 56.8% of 2004. The change for men is almost nonexistent: medium-high educated men were 47.2% in 1994 and 51.5% in 2004. These changes in education affect also the female position in the labour market: not working women in 1994 were 50.7% of total sample, while in 2004 they are 44.3%. Part time workers increased a little during the period from 12.6% in 1994 to 15.6% in 2004. As a consequence, couples with two earners increased from 45.4% to 49.8%.

The 17.9% of couples received social transfers in 1994 and 17.2% in 2004. Concerning income and fertility, a negative association is found between these two variables both in 1994 and 2004. We are not able to compare the kind of contract of partners, because this information is not available in ECHP data. Concerning demographic variables, we first examine the number of children. Data on fertility show a decreasing number of couples with 2 or more children (from 58.1% to 48.6%) and an increasing percentage of childless couples (from 11.8% to 19.9%), while the level of couples with one child is almost unchanged: from 30% to 31.5%. Important relative variations had not been found in the average income of couples according to the number of children in 1994 and in 2004: average income levels are quite similar in both years, independently on the number of children, and a negative association between income and fertility can be noted.

In general, from the tabular analysis it seems that the most important changes happened in the female conditions, especially in education and labour market. This seems to lead to a new "female contribution" in the family that is also economic and goes beyond the care of the members. These changes are leading to a more modern couple's model (the dual earner one, already spread in North-West European countries) and a new female role. In our selected couples these changes go along with an increasing level of cohabitation and decreasing fertility levels. We carried out a multidimensional

explorative analysis to study the associations between economic and demographic patterns. Multiple Correspondence Analysis is carried out on both samples, projecting the variables previously described. Variables on education, labour market condition, woman's income and age were projected in the active plan, while variables on marriage duration, fertility, region of residence and couple's income were projected in the illustrative plan.

Results show very similar patterns of couples both in 1994 than in 2004. In both cases MCA showed two principal dimensions: the first is along the first factorial axis with dual and single earners couples opposed one each other. This dimension may be called "*earner model*" and opposes traditional vs. modern couples according to the labour market position. As expected, single earners are characterized by lower annual income and dual earners by higher annual income. There is not an important difference between employee or self-employed men who seem to share common features, while more differentiation can be found in working arrangement of dual earners couples (in the majority of dual earner couples partners are employees, but also other arrangements can be found, in particular in 2004). Both in 1994 and 2004 the traditional occupational model is associated with low educational levels of men and women, while the modern model is associated with high educated men and women. The second dimension on both factorial planes is characterised by age, with younger couples on the top and the older ones on the bottom of the vertical axis.

The planes of the illustrative variables show the natural dependence pattern of duration of marriage and number of children increasing with age and low associations with socioeconomic features. Three clear different clusters can be noted according to region of residence: North East and West of Italy are characterised by dual earner couples, the highest educational level and the best economic situation. Central Italy seems to have an intermediate position, while South is confirmed as the more traditional area of the country from the labour market point of view and with the worst economic situation.

From our study low fertility and more modern demographic behaviours appear associated with higher income and modern occupational earning model, while higher fertility levels are associated with traditional working model, but the association is quite weak: deeper studies on relationships among socioeconomic conditions and reproductive behaviour are needed to clearly understand the dynamics underlying these two couples' dimensions. To this aim more data about couple domestic and working arrangements and division of tasks and roles are needed, along with information on income and other financial resources.

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