



Demographic Research Institute Budapest

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Realization of birth intentions

Hampering and stimulating factors
on the labor market and child
related cash benefits in Hungary

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Generations & Gender
Programme

*How generations and gender shape demographic change
Geneva, 14-16 May 2008*

Questions

- 1) Why to study the realization of birth intention from a policy perspective?
- 2) Do social factors influence the realization of birth intention?
- 3) Why a focus on the labor market?
- 4) Are there any lessons for policy?



Data, Methods

- Hungarian Generation and Gender Survey
 - **1st Wave** (2001/2002) and **2nd Wave** (2004-2005)

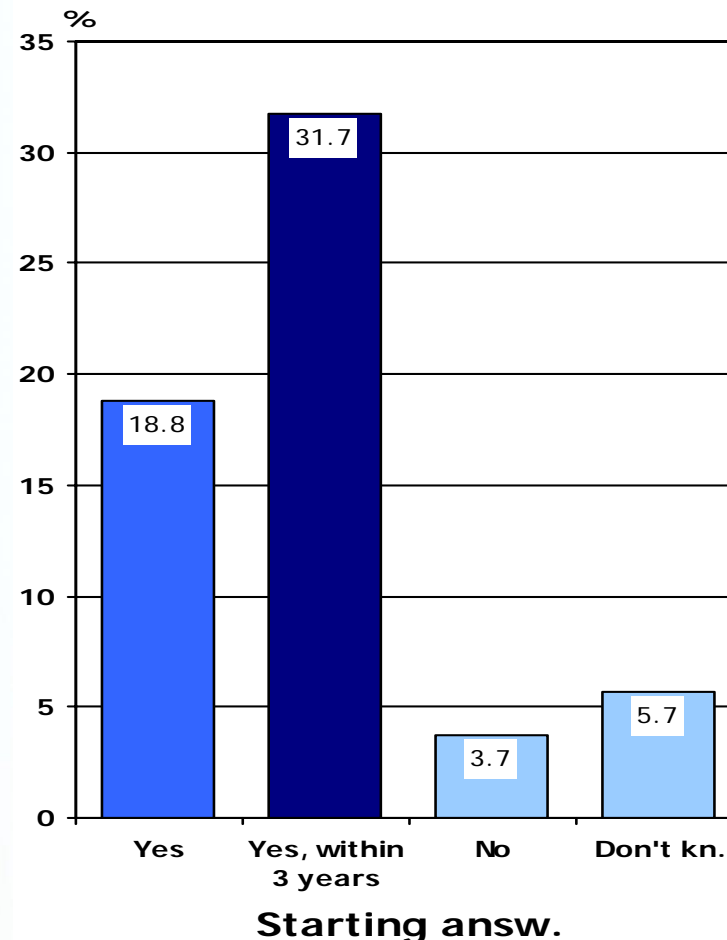


- Advantage of a panel (follow-up) study design
 - Enables to investigate whether fertility intention in the first wave (2001/2002) could be realized until the 2nd wave (2004/2005)
- Subsample:
 - those **intending to have a child** within three year in 2001
 - 1561 respondent (intend to have a child within 3 years)
 - 433 childbirth between the 1st and 2nd Wave
- Methods:
 - Cross tabulation (rate of realization) & Logistic regression: (odds of realization)

Research rational

- a) Realization = „Success rate” of birth intention
- b) identifying possible intervening „place” of any policy programs

- Possible programs
 - No reason/chance to influence intentions
 - But: Government could/should help in achieving individual life goals
 - Having children is a legitimate life goal
- ⇓
- Understanding factors hampering and stimulating realization



Stress on the intention–behavior relation

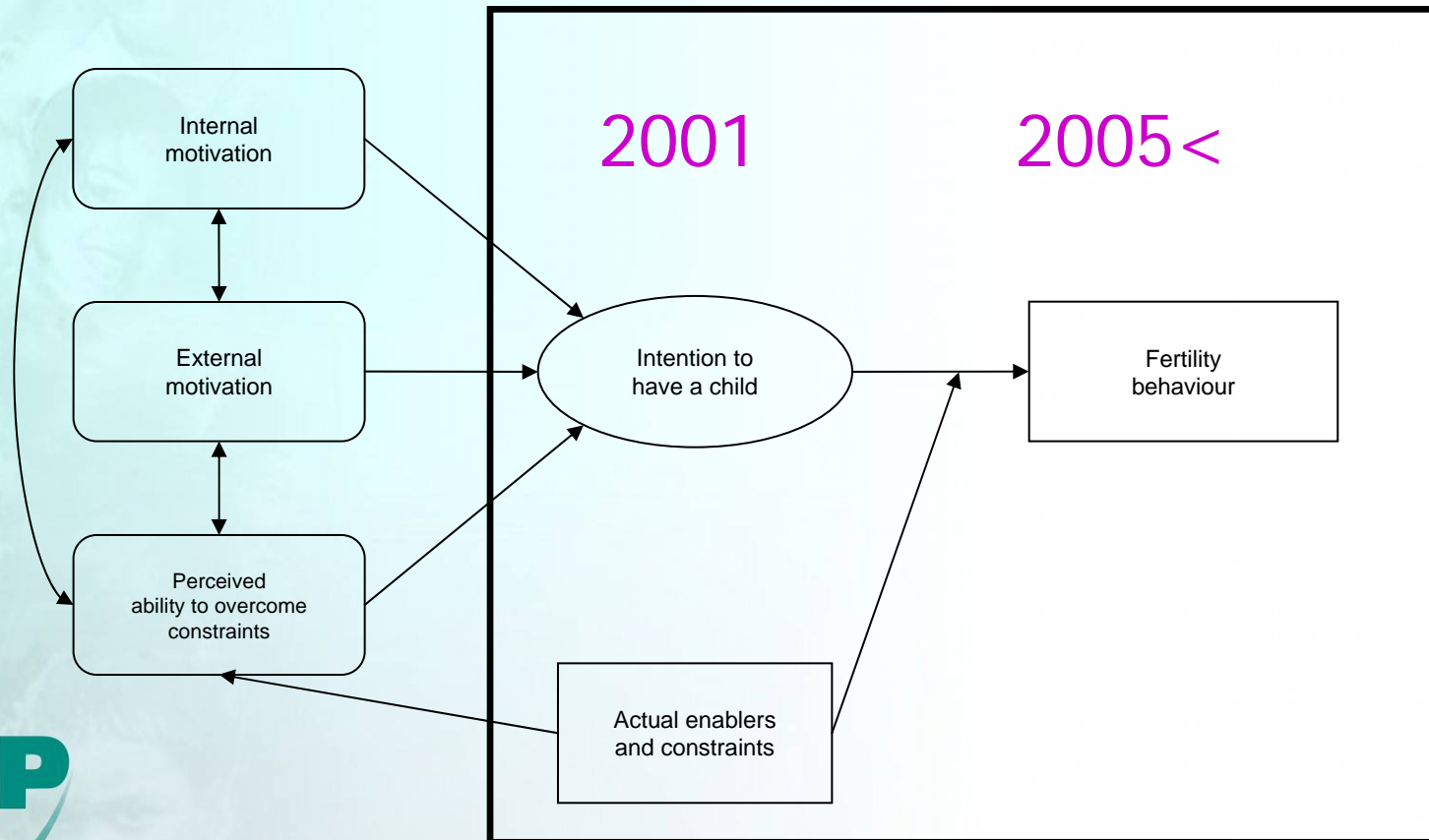
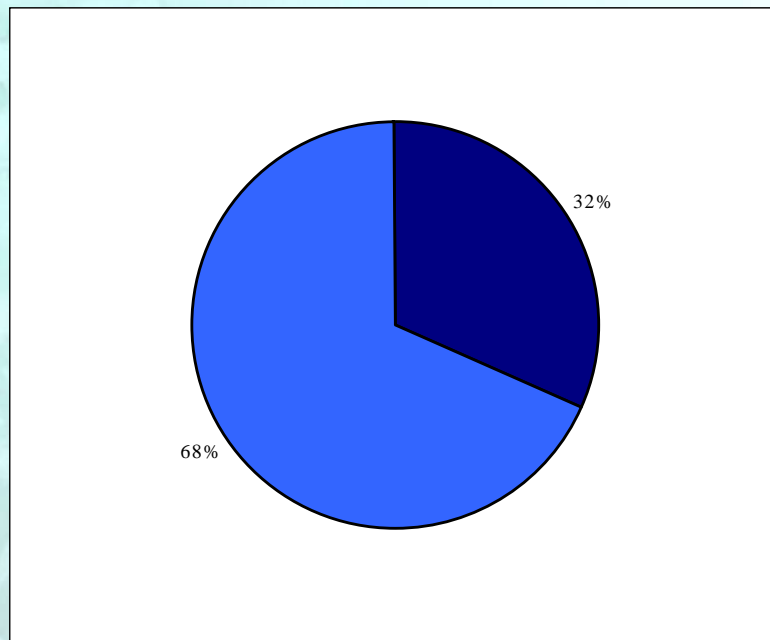


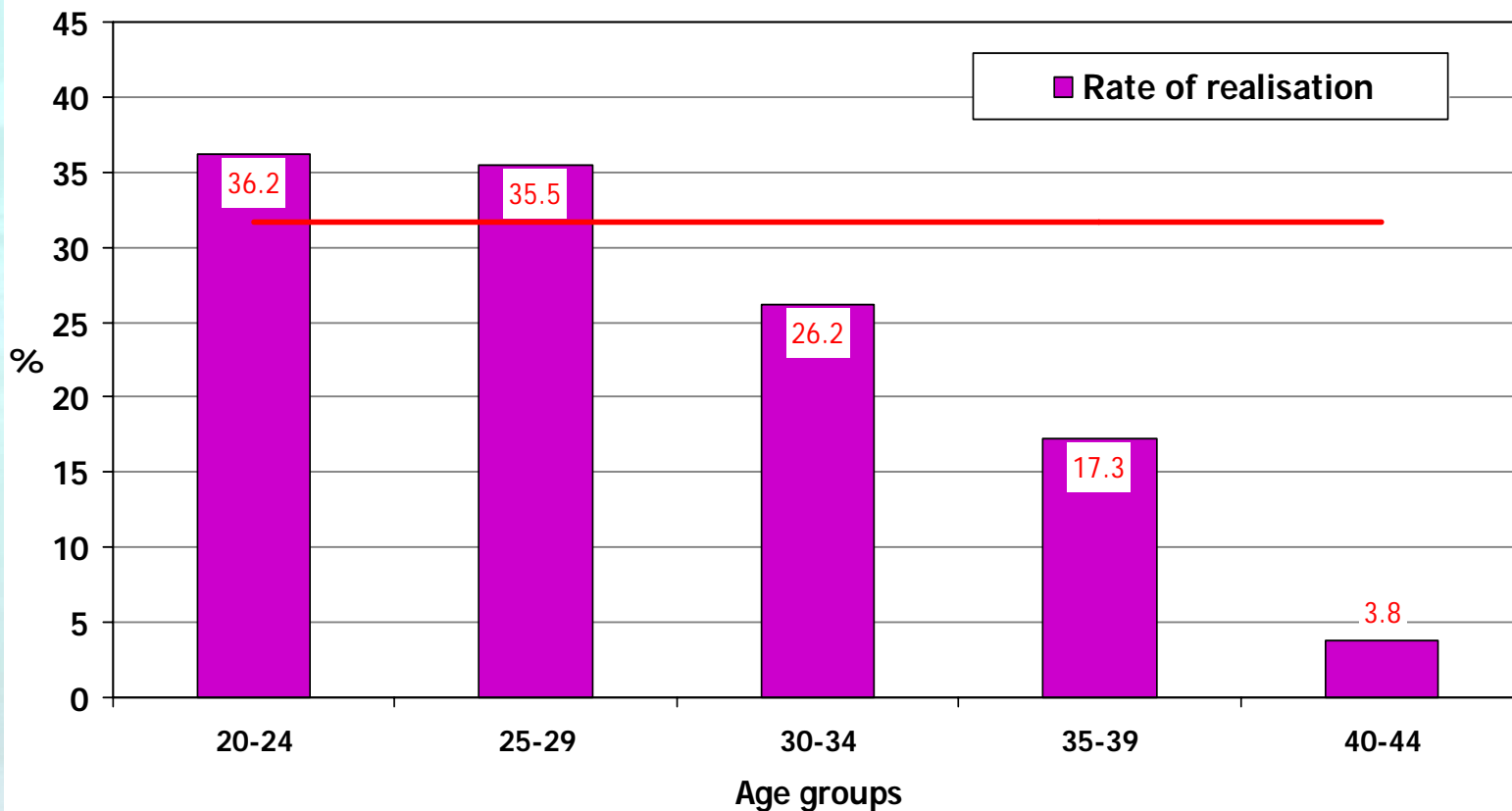
Figure 2: A model of fertility decision-making (inspired by Ajzen [1991])

The overall relation

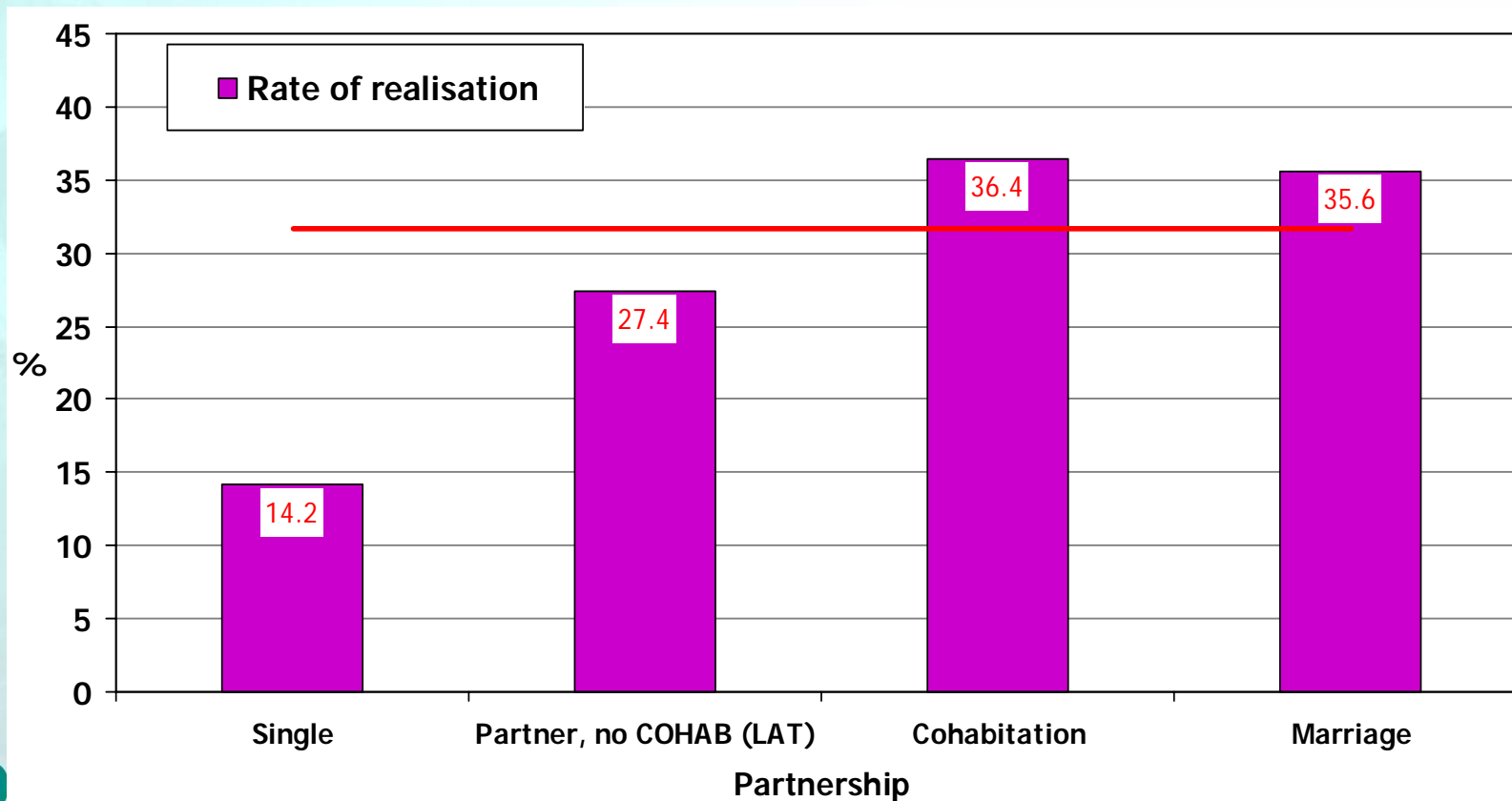


- **31.7%** of those intended to have a child within 3 years **could** realize
- **68.3%** of those intended to have a child within 3 years **could not** realize

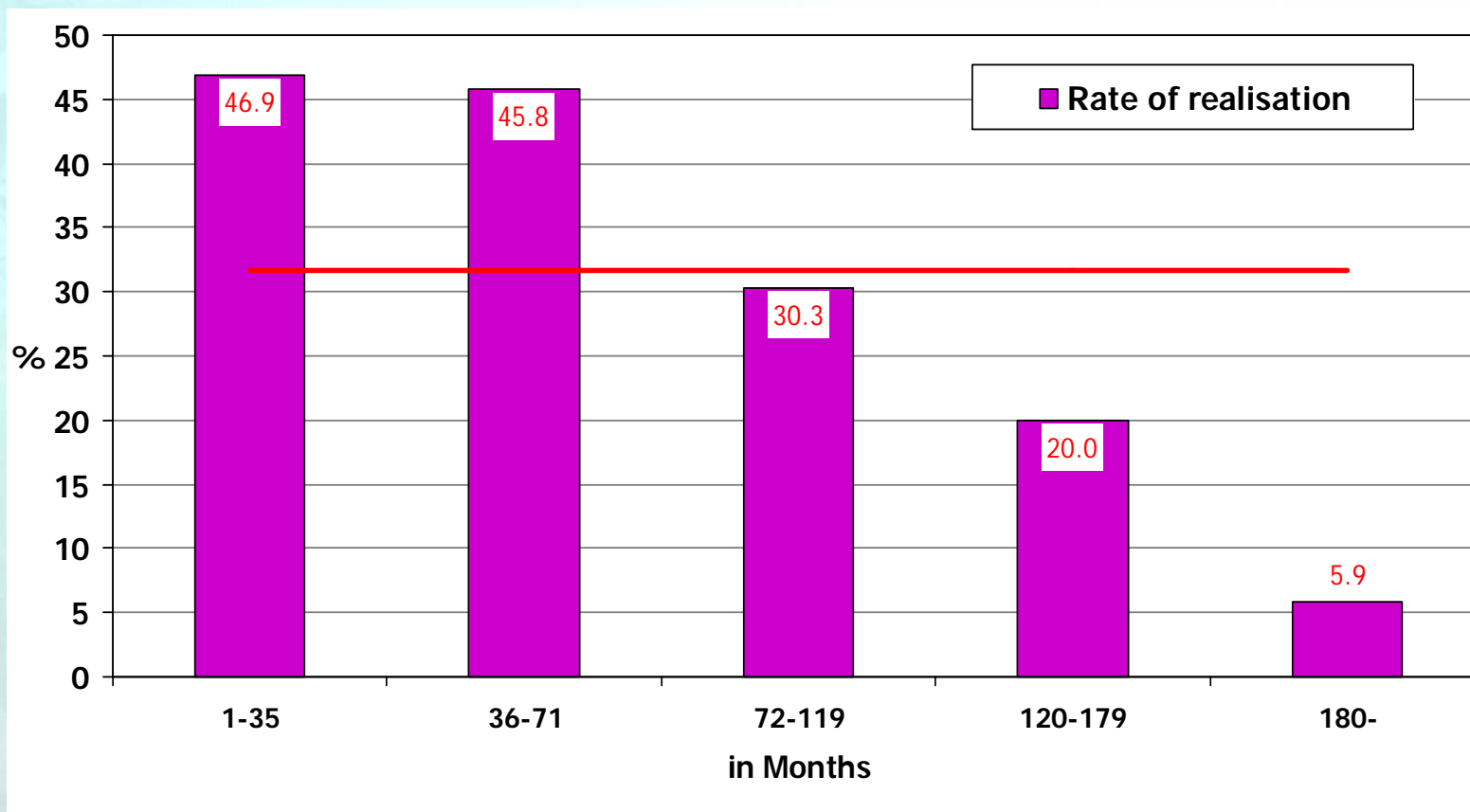
Ratio of the realization of birth intention, according different social groups, % of success within intended in 3 years, AGE GROUPS



Ratio of the realization of birth intention, according different social groups, % of success within intended in 3 years, PARTNERSHIP



Ratio of the realization of birth intention, according different social groups, % of success within intended in 3 years, DURATION OF PARTNERSHIP



Why to focus on labor market (LM) (and child related monetary transfers) ?

- Respondents ascribe great importance to LM (female)
- This domain is an element of the institutional setting (welfare regime); There are „places” for policy interventions!
 - Regulations of part time employment
 - Distribution of burdens of employment absence because of small children’s problems
 - Compensation of wage reduction (opportunity cost)
 -
- Child related monetary transfers modify the ‘pure’ labor market influences

The HUNGARIAN context:

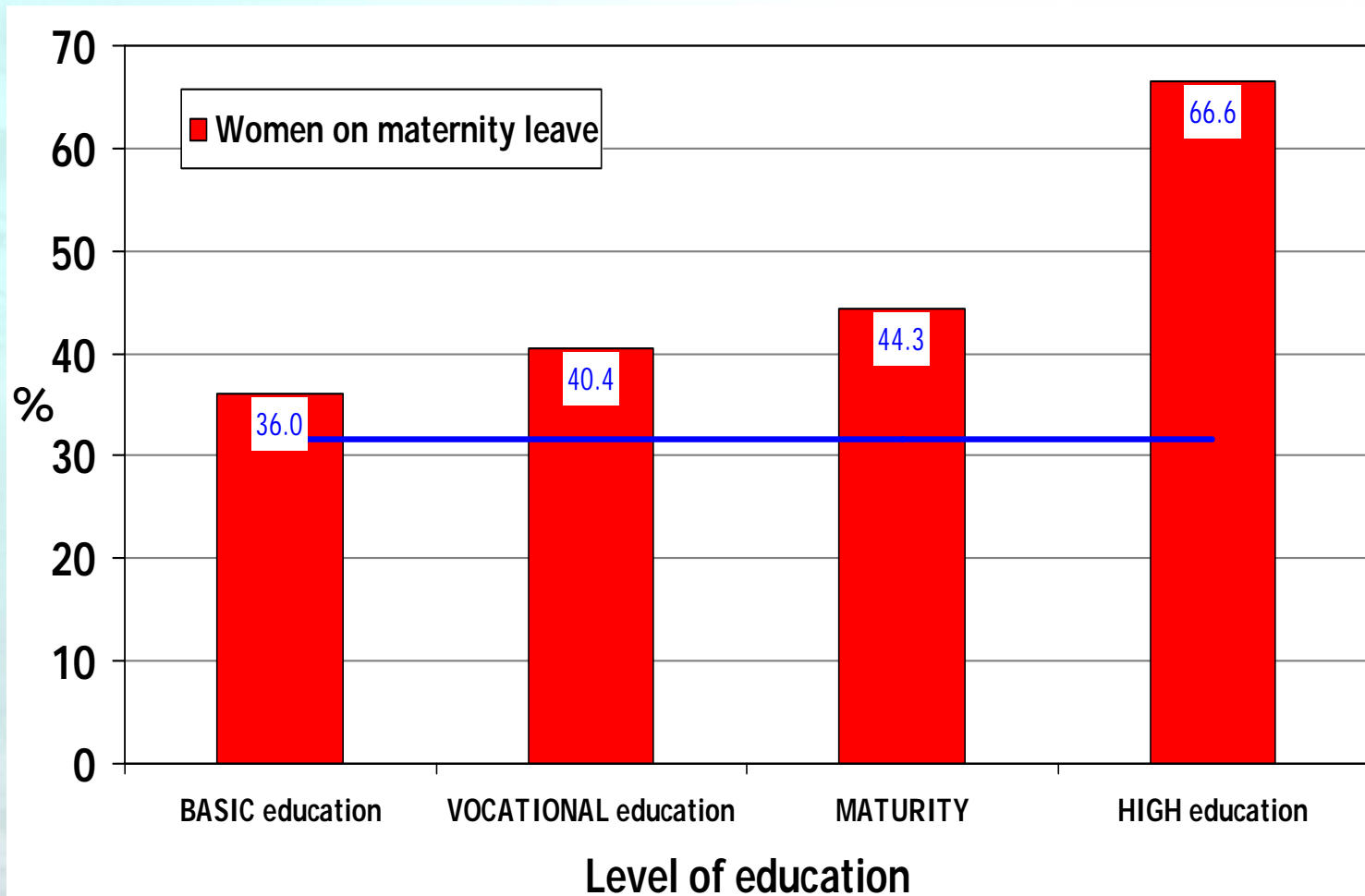
Basic child-related monetary programs

- Family allowance (universal, until child 18 year and studying)
- Parental leave 1: child care allowance (wage related, 0-24 months)
 - (= counterbalancing opportunity costs)
- Parental leave 2: child care fee (universal, until latest child 3year)
- Tax relief
- Other (housing subsidies, etc.)
- Crèche, Kindergarten

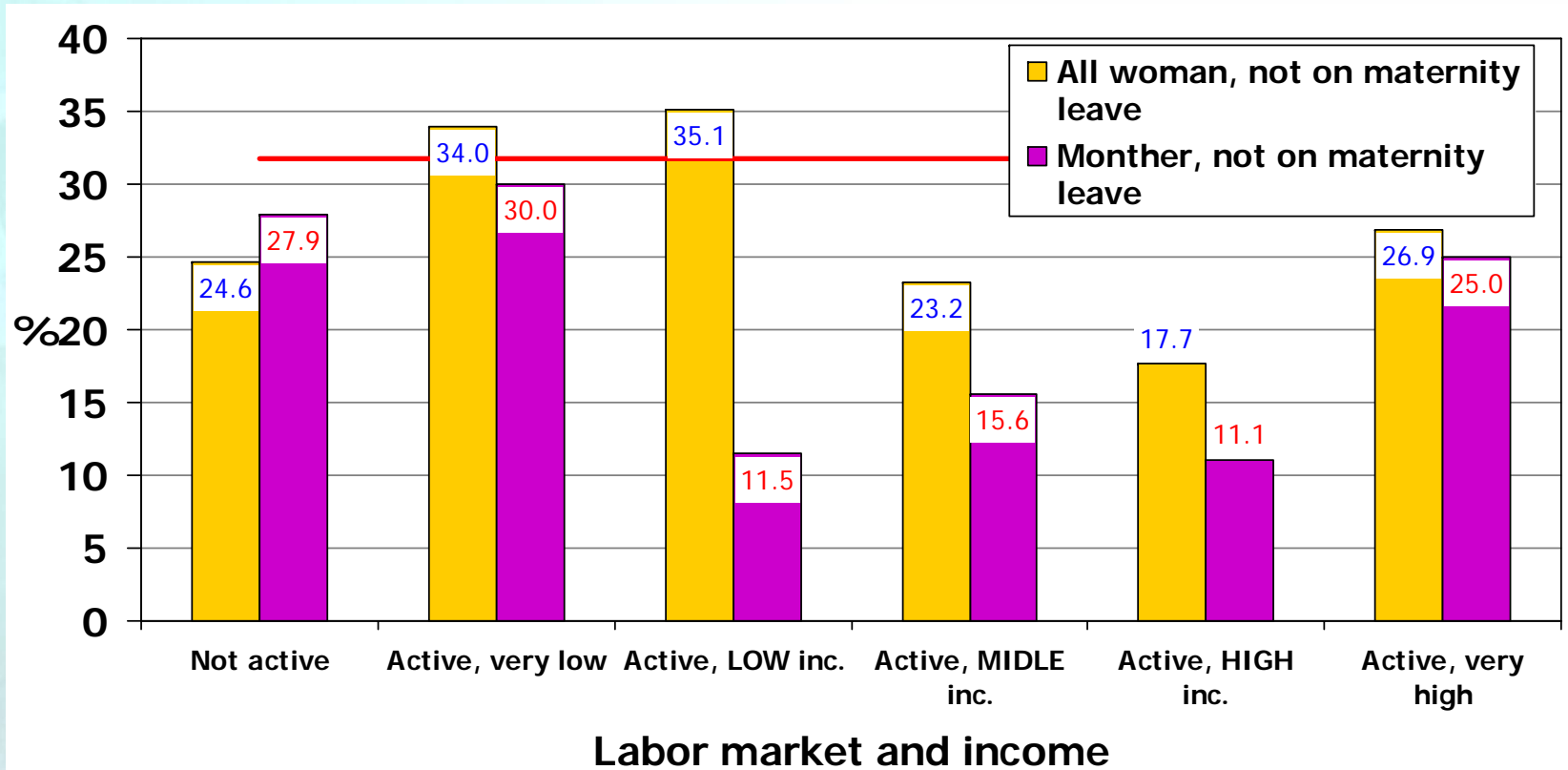
LM and parental leave (3 steps)

- Women on maternity/parental leave
 - (four educational categories)
- All other women
 - Employed (5 income quintiles) + other inactive (unemployed, not employed)
- Mothers not on parental leave
 - Employed (5 income quintiles) + other inactive (unemployed, not employed)
- Multivariate analyse (**not shown**)
 - controlled for: age, Type of partnership, Type of partnership, length of partnership (in case of partnership), parity, Time elapsed since 1st child, Housing density

Ratio of the realization of birth intention, according different social groups, % of success within intended in 3 years, WOMEN ON MATERNITY LEAVE, ACCORDING LEVEL OF EDUCATION



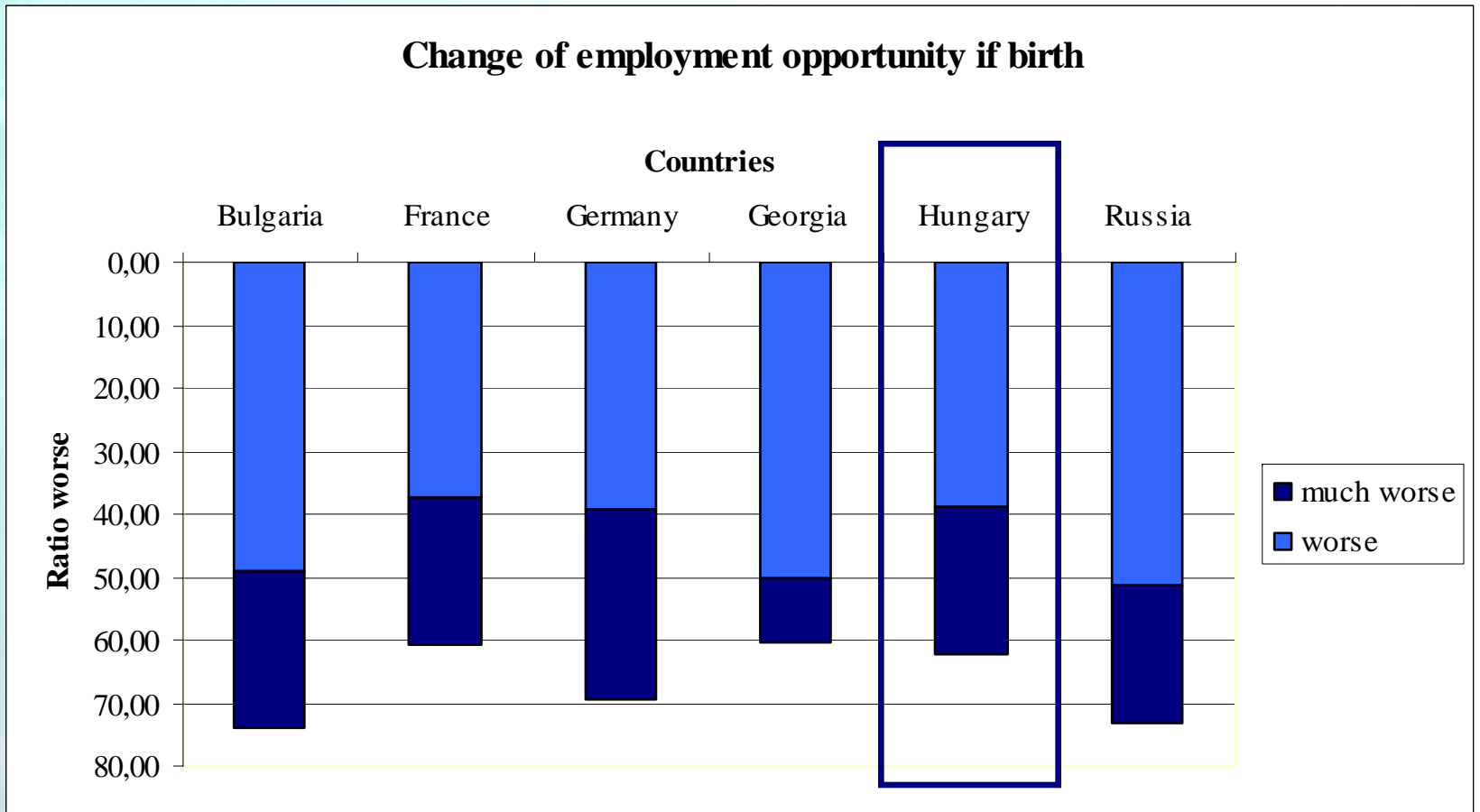
Ratio of the realization of birth intention, according different social groups, % of success within intended in 3 years, INACTIVE WOMEN, AND ACTIVE WOMEN ACCORDING PERSONAL INCOME POSITION



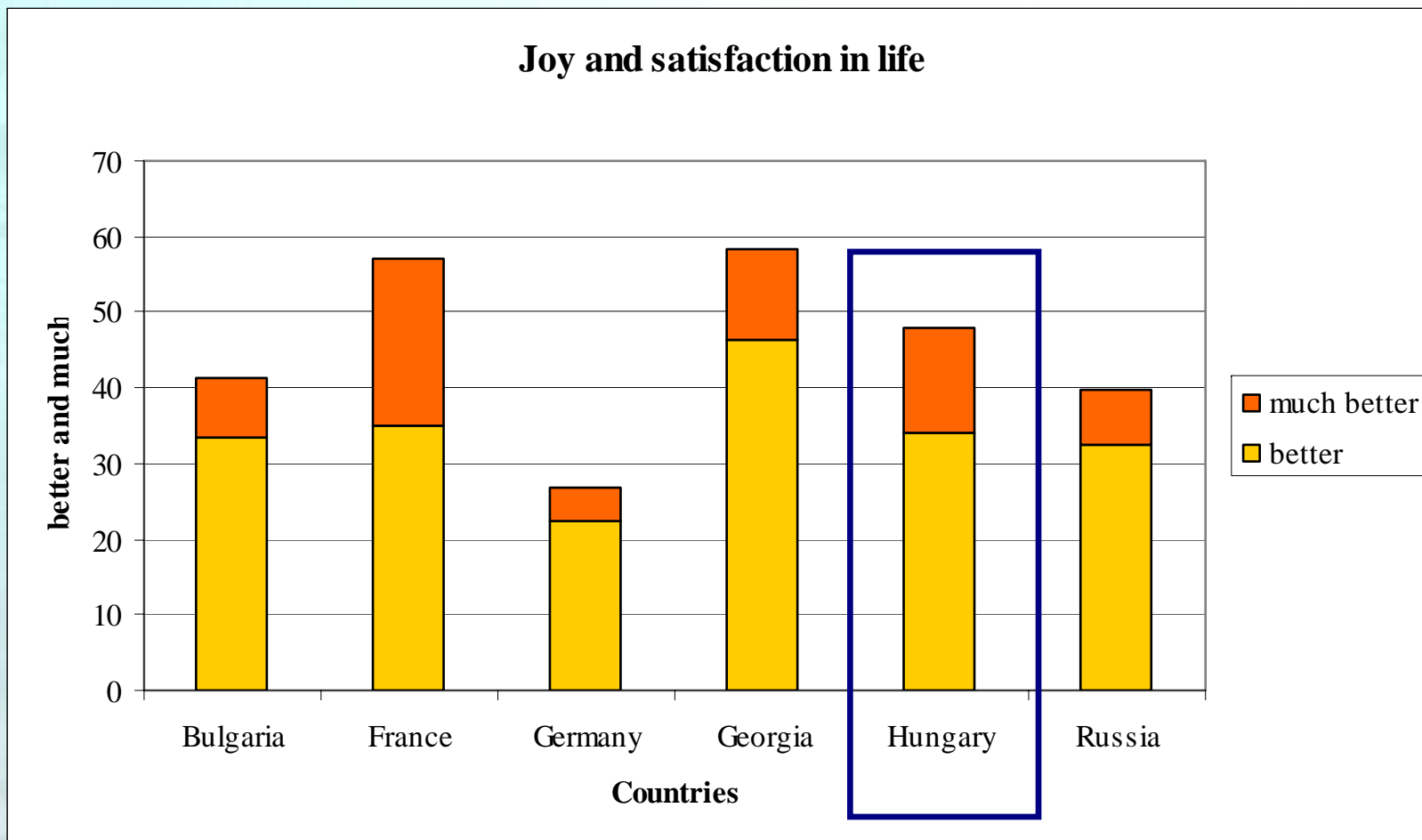
Is Hungary a special case?

WOMEN' expectation

Expected negative consequences on the labor market in case of receiving a(nother) child



Counterbalancing expectations:
 Expected *positive* consequences
 in case of receiving a(nother) child:
increased joy and satisfaction



Lessons for shaping policy programs

- Reconciliation of employment and family is a key issue for realization of birth intentions, continue to be a key issue for fertility development
- The extent of labor market 'stress' or 'uncertainty', the size of 'opportunity costs' vary according to labor market positions
- Length of parental leave and the extent of support clearly influence realization
 - ⇒ stimulate next births within a period
 - ⇒ if leaving maternity leave very low chance for additional births
- The design of parental leave enables realization in a varying extent
- Age is significant in multivariate models
 - ⇒ opportunity for „time policy”