

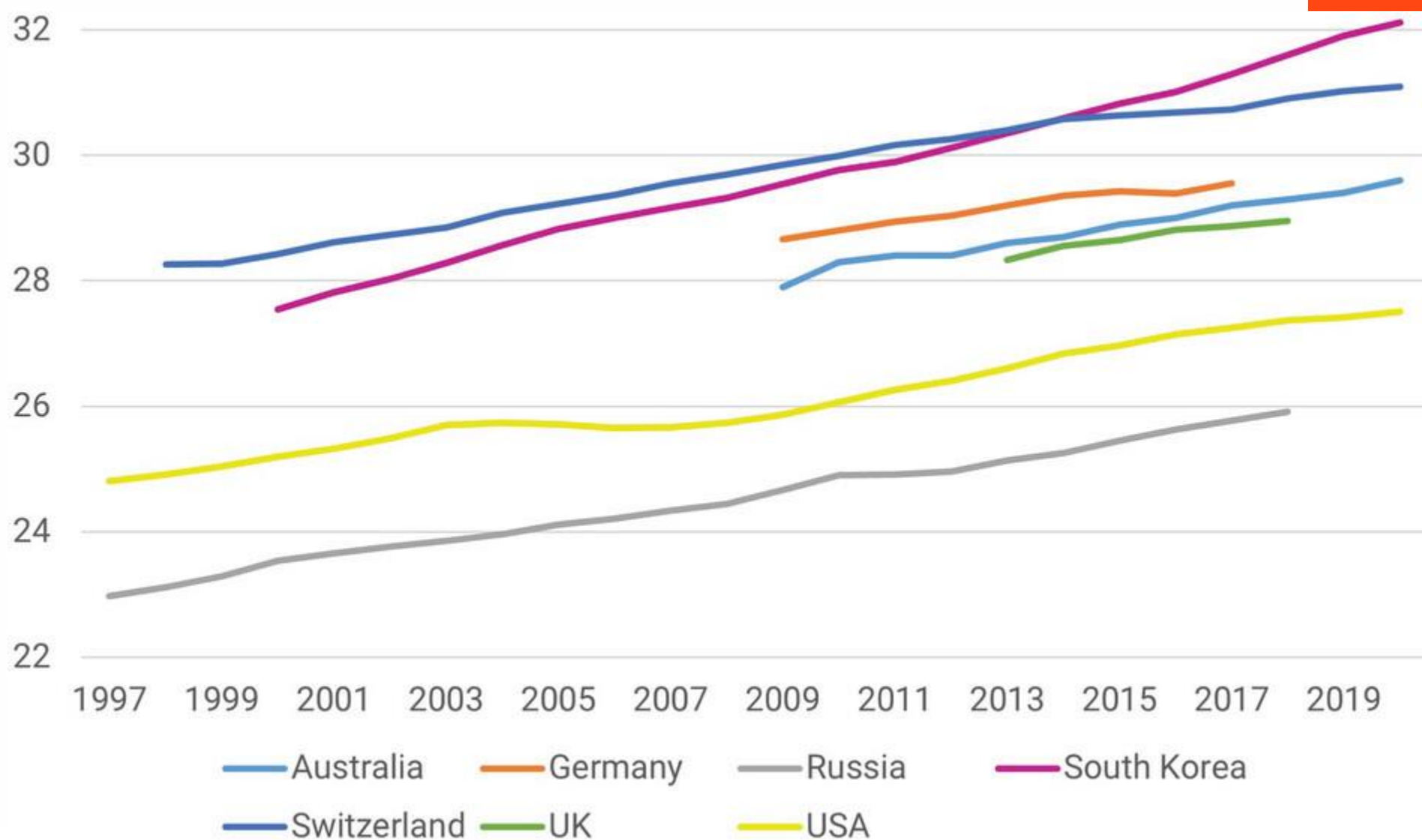


Economic conditions and fertility

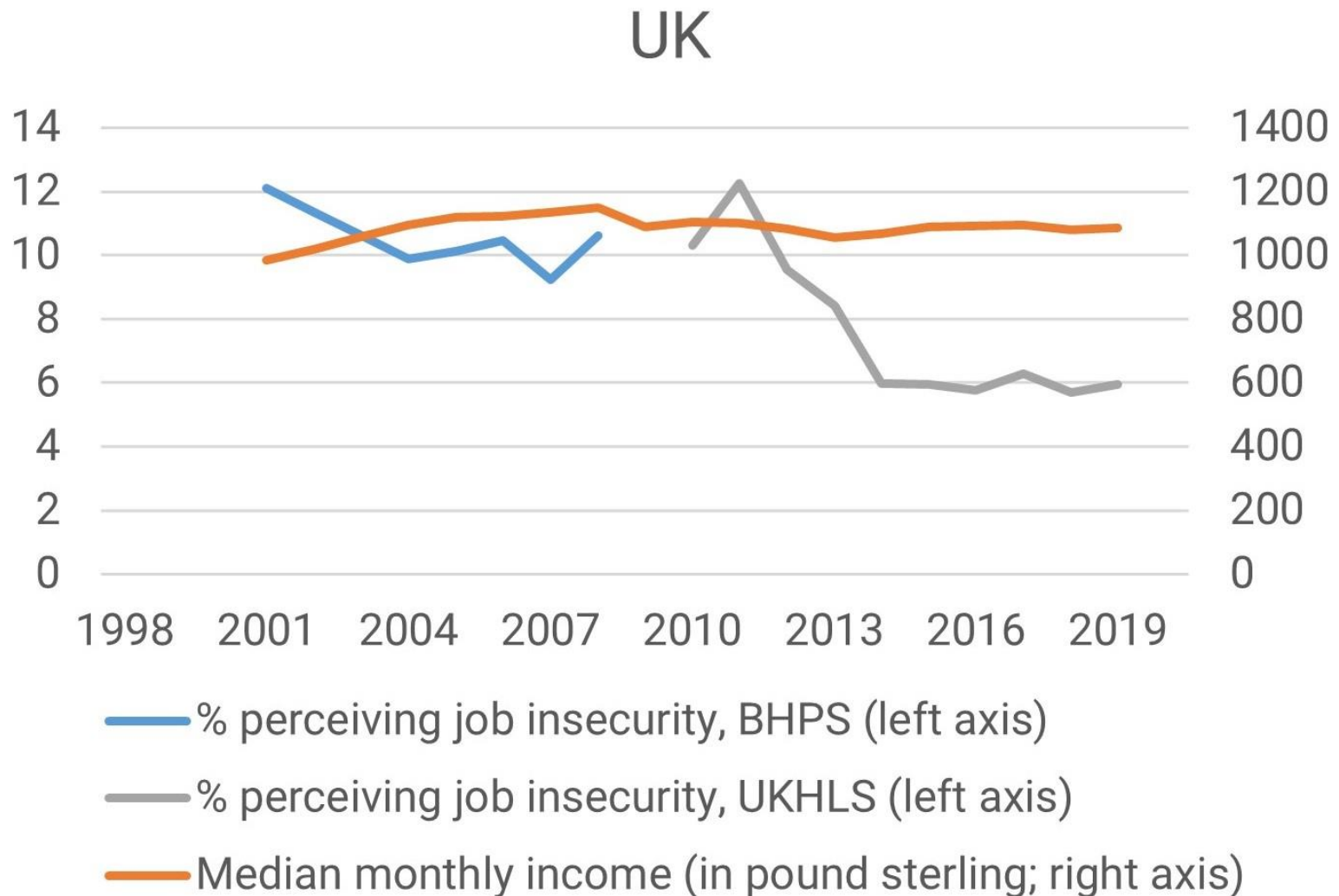
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Mothers' mean age at first birth is on the rise...



... but trends in incomes and perceived insecurity do not offer a straightforward explanation



Did the economic prerequisites of parenthood increase over time?

- Rising costs of housing, childcare
- A shift to (financially) intensive parenting; increasing investments in children
- The gender revolution

Data and sample selection

Comparative Panel File (Turek et al. 2021)

Harmonized household panel surveys from Australia, Germany, Russia, Korea, Switzerland, the United Kingdom, and the United States

Select childless respondents aged 18-45 who participated in the following two waves



Variables

First conception: first child born between wave $t+1$ and $t+2$

Economic uncertainty: perception of job insecurity

- Employed and secure, somewhat secure, or insecure
- Unemployed, inactive, in education

Income: total individual income from all sources

- Divided by median income for each country and year, logged

Controls: age, age^2 , education level, interview year, length of observation period of births

Modelling strategy

Event history analysis with logistic regression

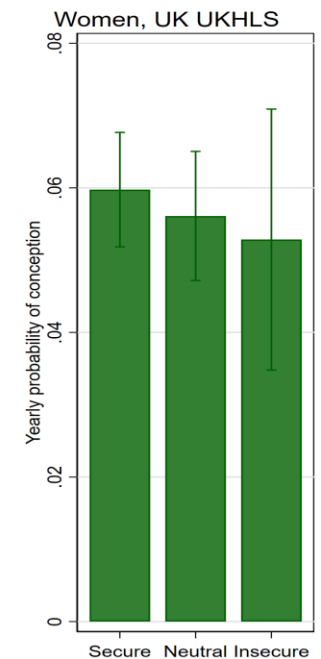
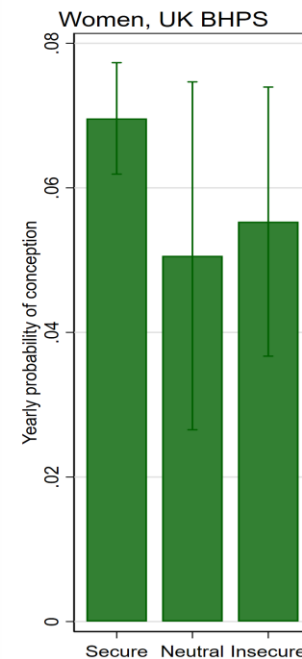
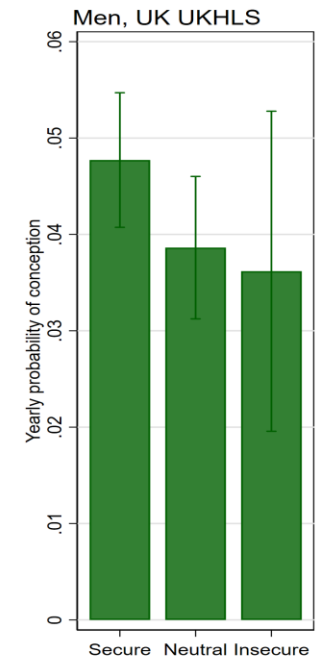
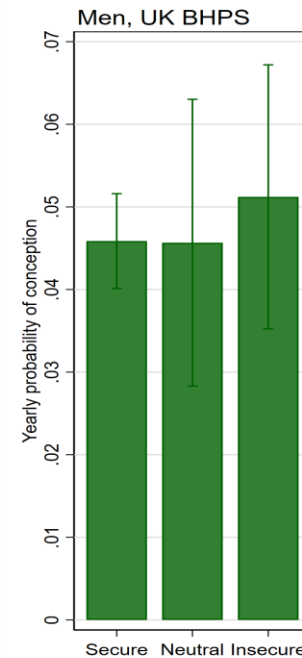
Model 1: main effects

Model 2: + job insecurity*interview year (cont.);
income*interview year

Separate models by country and gender

Mixed evidence for economic uncertainty effect

- Mixed evidence also in other countries



Economic uncertainty did not become more important over time

Effect of economic uncertainty on first birth rate did not become more strongly negative between late 1990s and late 2010s

- But break in UK time series

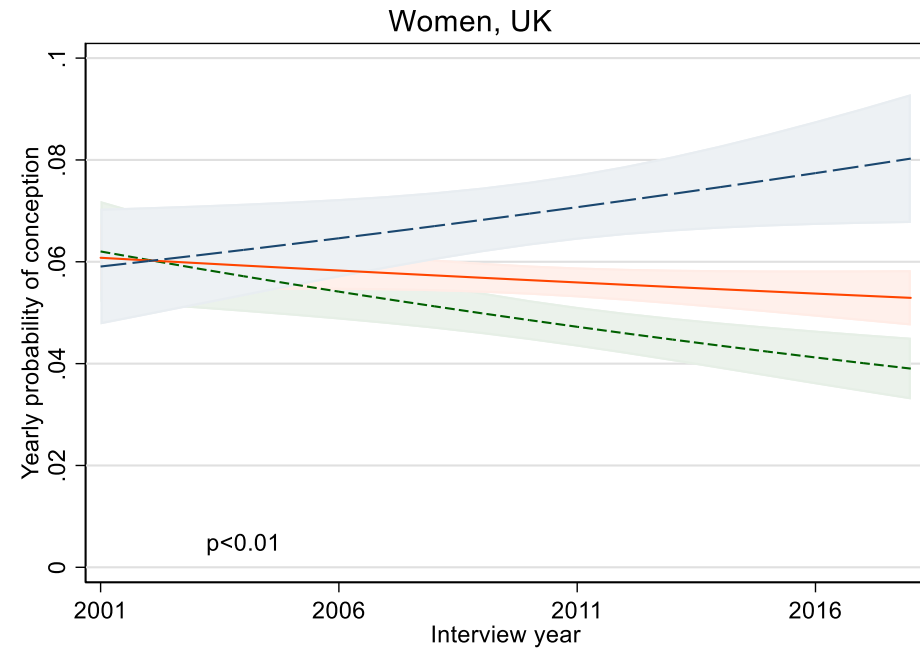
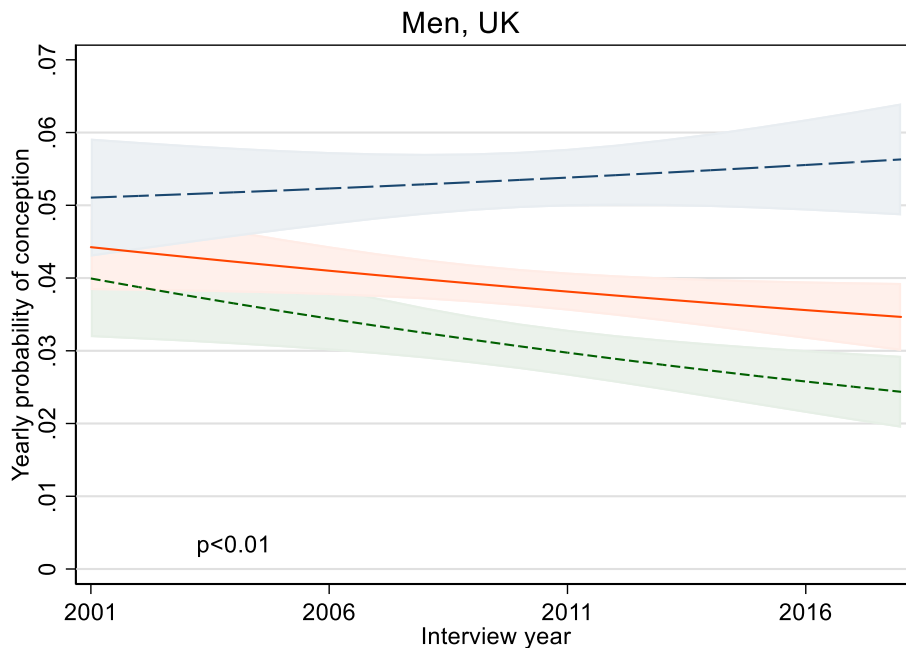
Higher incomes increase probability of becoming a parent

Income increases first birth rate among men and women in Australia, Germany, Korea, the UK, and the US, and men in Russia

- But not significant in Switzerland or for Russian women

Income more strongly associated with first birth now than in the past

Most consistent for women, but also found for men in Australia, Germany, and the UK



Conclusion

Perceived economic uncertainty contributes little to the postponement of parenthood over the past two decades

Income prerequisites of parenthood increased over the past decades

- Shift to intensive parenting norms, careful planning of life course?
- Rising cost of childbearing and childrearing?
 - E.g. in the Netherlands fertility declined more in regions where house prices increased more (van Wijk 2024)

Inequalities *between* and *within* generations crucial to understanding fertility decline!

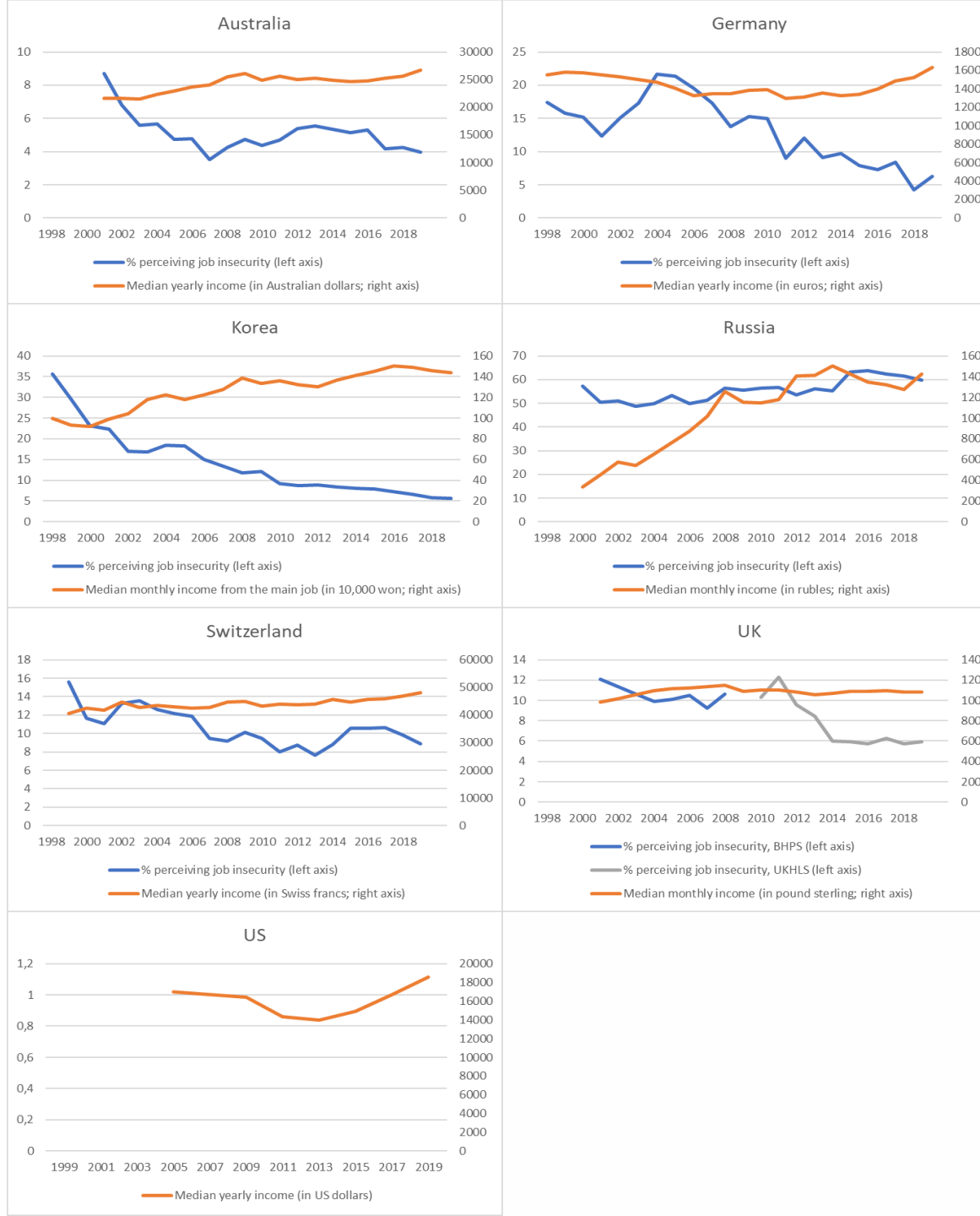
References

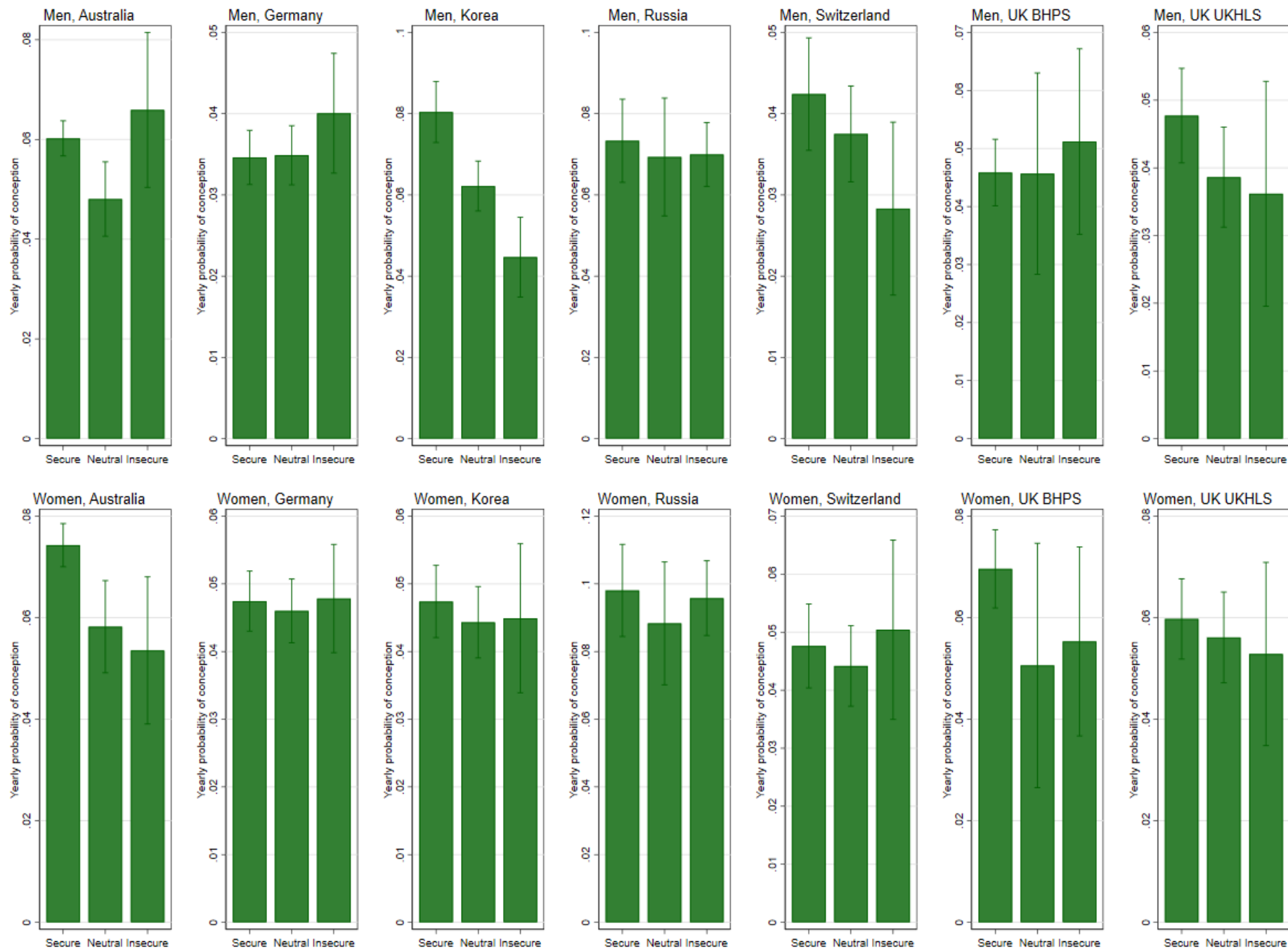
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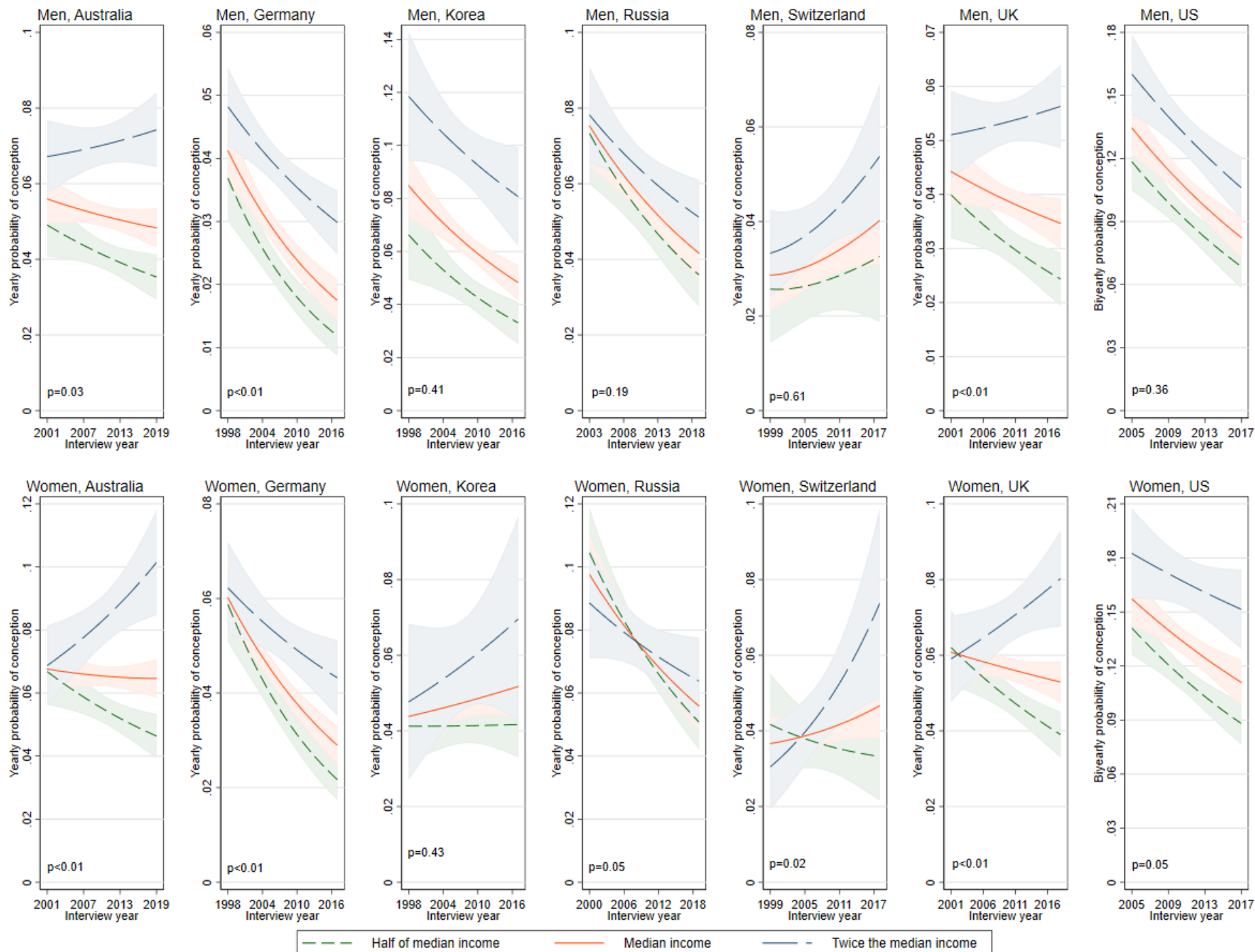
van Wijk, D., & Billari, F. C. (2024). Fertility postponement, economic uncertainty, and the increasing income prerequisites of parenthood. *Population and Development Review*, 50(2), 287-322.

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- A house price increase of €100k is associated with a decrease in the TFR of 0.03-0.06 children per woman
- Can explain 15-27% of Dutch fertility decline

