

Why Are Fertility and Women's Employment Rates So Low in Italy? Lessons from France and the U.K.

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According to the agenda for employment set by the EU in 2000 for the following ten years, the target for female employment was set at 60 per cent for the year 2010. While Northern and most Continental countries have achieved this quantitative target, the Mediterranean countries are lagging behind. Labor market policies should be aimed to encourage women's participation and reduce the cost of working. However the persistence of a negative relationship between participation and fertility in these countries implies that it is important to take fertility into account. We analyze a model of labor supply and fertility, using data from the ECHP (European Community Household Panel) for the period 1994-2000, merged with regional data describing the available labor market opportunities in the households' environment.

JEL Classification: J2, C3, D1

Keywords: labor market decisions, fertility, childcare