

# Labor Market Changes and Their Impact on Family Formation in Iran

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## Introduction

Until two previous decades, women's participation rate in Iran has been considerably low while marriage and fertility rate have been remarkably high. There have been some changes in labor market and family structure impacting one

## Marital Status

The imbalanced sex ratio in the marriage ages is a phenomenon observed in countries involved in Second World War and also in developing countries with accelerated demographic transition. To be more exact in any case that men or women are not available in the main age groups of marriage for any reason (war or immigration and etc.) there will be imbalance and marriage squeeze. In the last 50 years, specifically the women have greatly suffered from this phenomenon in developing countries. After the Islamic Revolution, the population growth rate control policies were suspended in Iran. The population growth rate reached to 3.9 percent during the years 1976 - 1986. Then by applying the appropriate population control policies, the population growth rate dropped down to less than 2 percent during the period of 1986-1996 (fig.1). The dramatic changes in population growth rate caused the sex imbalance problem, which has led to an increase in female surplus in marriage age. The higher the age differences between the male and female in marriage, the higher the sex imbalance; as a result, more females miss marriage opportunity (fig. 2).

Figure 3 shows that the higher the male marriage age, the higher gap between the marriage ages of male and female. Therefore, female singleness rate increases. In the recent years, male marriage age increased due to the economic pressure and increasing unemployment rate. This issue has led to increase female singleness rate, polygamy, and the increasing divorce rate. During the years 1996-2003, the ratio of divorce to marriage has been increased from 7.9 to 10.6 percent.

The increasing unemployment rate led to immigration of male from rural areas to urban regions. Therefore, the marriage opportunity of females in rural areas decreased so rural female singleness increased. These factors lead to decrease in total fertility rate and population growth rate.

Considering the low probability of marriage for women with more than 39 years old in the country, figure 4 shows the increase of women remaining single for good, particularly in rural areas, which is projected to be accelerated in coming years.

## Labor Market

The low rate of women participation and consequently overall decline in participation rate in the country is one of the major characteristics of Iran's labor market. Following demographic changes during the years 1976-1986, age structure of country's population considerably transformed so that at present, one third of total population of the country is consist of the youth between the 15-29 age groups. The most important demand of the youth is employment. This large number of youth is now entering in labor market. This phenomenon has led to intensive increase in labor force supply. This increase accompany with insufficient growth of job opportunities resulted in considerable growth of unemployment particularly among the youth and women especially young women living in urban areas.

Another important factor in increasing labor force supply is the gradual growth rate of women participation rate in recent years. The most effective factor in women participation rate in the labor market is their education level. The rate of women participation with higher education was about 6 times other women in 1996. The number of female student's increased 2.5 times and male students' number 1.65 times more during 1996-2003. For the first time, the number of the female students preceded the male student.

Upgrading the education level has led to remarkable educated labor force supply particularly among the youth and women. The focus of educated people employment in public sector (especially among women) and declining employment growth in this sector in line with government down sizing and privatization accompany with unprecedented growth of the educated people led to increasing unemployment rate among young educated people. Limitation of women job diversity is due to cultural shortcomings and it is considered as one of the important obstacle against their job creation, therefore, it increases unemployment rate among female population (Fig. 5).

## The Relation Between Activity Status and Family Structure

There is a strong two-sided relation between activity status and marital status of female. The participation rate of female without husband is higher than the rest of female population. Women employment can result in increasing their marriage age, singleness and divorce among them. In 1996, among non-student female, the participation rate of divorced and single was about 3 times the widows or married. The participation rate of widows is generally low due to aging (Fig. 6).

Different studies in Iran show that even with holding female's age, marriage period, education level and household income constant, the number of children among employed women is less than jobless one.

## Conclusion

With regard to changes in age structure of population and rapid increase in education level, it is expected that force supply and therefore unemployment rate considerably will grow in future.

Also, it is expected that the number of single and divorced females; hence, the number of women-headed households, will increase. On the other hand, increase in men's unemployment rate leads to higher marriage age of them, therefore increase female's singleness. As a result, it is necessary to increasing job opportunities for men and women in order to decrease harms threatening unemployed women-headed household. Decreasing age differences between couples and marriage age of male can decrease the growth rate of female-headed households.

## References

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