Analysing the State and Evolution of Life for Women : Understanding Factors Influencing Labor Market Activity

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This study aims to investigate the determinants of labor market activity among women over 50 in Italy, leveraging data from the Survey of Health, Ageing, and Retirement in Europe (SHARE). Specifically, we seek to understand what factors lead to the active or inactive participation of these women in the labor market, considering socio-economic, health, and familial influences.

The issue of low labor market activity among older women is a critical concern in Italy, reflecting broader structural weaknesses in the labor market (Eurostat, 2022). Previous research has primarily focused on unemployment rates, yet inactivity remains an underexplored area with significant socio-economic implications (OECD, 2021). Studies by Bertolini (2019) and Barbieri (2020) highlight the multifaceted nature of labor market inactivity, emphasizing the interplay between individual life courses, health status, and family responsibilities. Older women, in particular, face unique challenges that affect their labor market participation, including caregiving roles (Mussida & Patimo, 2023), health issues, and age discrimination (Brugiavini et al., 2018). Moreover, traditional interpretations based on the relationship between paid work, mental health, and social well-being fail to capture the complexities of inactivity in the context of evolving socio-economic and cultural values (Carmichael & Ercolani, 2016).

This study utilizes the SHARE dataset, a comprehensive panel database providing detailed information on health, socio-economic status, employment, social and family networks of individuals aged 50 and over across multiple European countries. For this study, we focus on Italian women aged 50 and above on waves 1 to 7 of the SHARE dataset. The key variables included in our analysis are the age of the respondent to capture the effect of aging on labor market activity; the employment status, i.e., whether they are employed or unemployed (before retirement), to understand their engagement with the labor market. We consider also other significant life events, such as the age at which the respondent started their first job and the age at which they had their first child. Health status is another important variable, captured through self-reported health assessments and the presence of chronic conditions. This helps us determine the impact of health on labor market participation. We include also other usual socio-demographics variables such as the highest level of education the respondent has completed, whether the respondent is married, divorced, widowed, or never married, the total number of children, partner information, economic variables such as household income and wealth to understand the financial

context and its impact on labor market participation among women over 50.

As for the methodology we implement, we use a Cox proportional hazards model to represent the time until labor market exit. This model is appropriate for handling censored data and allows for the inclusion of time-varying covariates. The duration variable is identified in the time from the starting point (working age) to the event of interest (labor market exit) while the dependent variable is the probability that the event occurs.

For the moment, our analysis focuses on Italy. However, it can serve as an initial step, providing a preliminary understanding of the factors influencing labor market activity among women in Italy. However, future research could benefit greatly from a comparative analysis with other European countries. Such comparisons would help contextualize the labor market activity of Italian women within broader regional trends, offering deeper insights and more robust policy implications.

We hypothesize that factors such as better health status, career interruption higher educational attainment, and lower caregiving burdens are positively associated with labor market activity among older women. Conversely, poor health, significant caregiving responsibilities, and lower socio-economic status are expected to correlate with higher inactivity rates. The comparative analysis is anticipated to reveal that Italian women face distinct challenges compared to their European counterparts, influenced by specific socio-cultural and economic contexts.

The findings of this study will have significant implications for policy-making aimed at increasing labor market participation among women in Italy such as implementing comprehensive health programs to address chronic conditions and improve the overall well-being of older women, thereby enabling their continued participation in the labor market; promoting flexible work schedules and telecommuting options to accommodate caregiving responsibilities, which are prevalent among women; investing in lifelong learning and skill development programs tailored for (older) women to enhance their employability and adaptability in a rapidly changing labor market and allow them to return to labour market even after long (and maybe forced) interruptions; developing supportive family policies, such as subsidized childcare and eldercare services, to alleviate the caregiving burdens that disproportionately affect older women.

Very preliminary findings indicate that having a child before starting employment, being female, and having a lower level of education significantly increase the probability of experiencing unemployment/inactivity. These results underscore the importance of early life events and socio-demographic characteristics in shaping labor market vulnerabilities, highlighting the need for targeted policy interventions to support these at-risk groups.