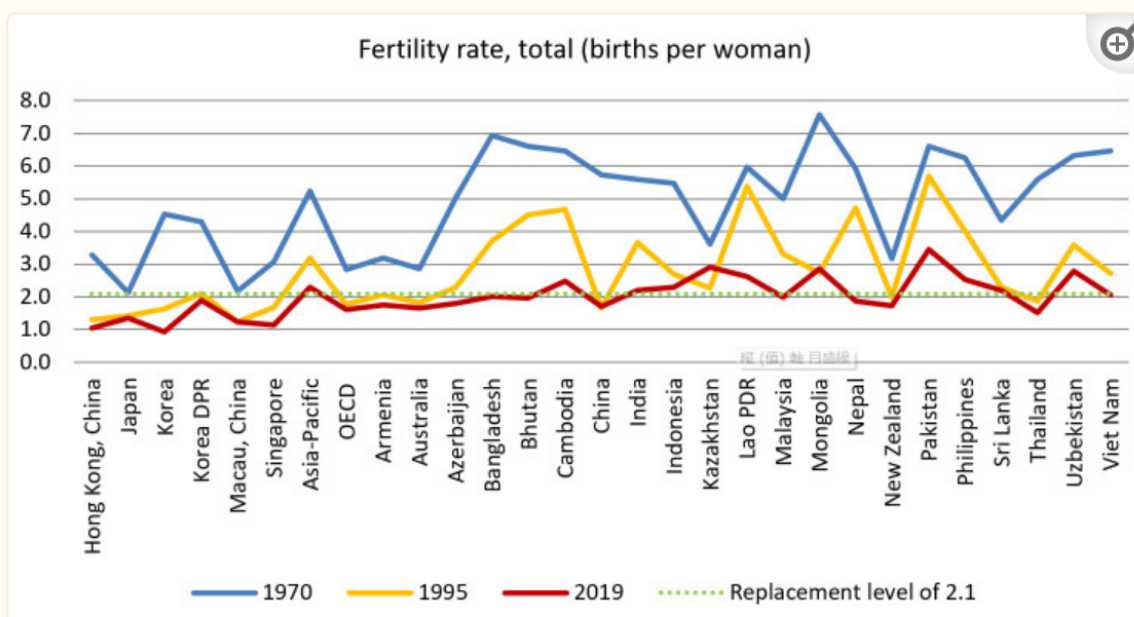


Case--Low fertility and fertility policies in the Asia-Pacific region

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Low and ultra-low fertility--that is, a total fertility rate (TFR) at or below the replacement level of 2.1 live births per woman--is an increasing global trend in 83 of 201 countries. By 2050, the average global fertility rate is predicted to decline to 2.1. Some countries in Asia and Europe have reached "ultra-low" fertility rates, with a period TFR at 1-1.4 and family size at 1.4-1.6 births per woman born in mid-1970s. In many low fertility contexts, people are having fewer children than they want. Figure 1 describes declining fertility rates in the Asia-Pacific region compared to selected other countries. These unfulfilled fertility desires have been associated with wider socio-economic changes in education and labour force participation and conflicting and often contradictory expectations of women at home and at work. Such challenges to fulfilling fertility desires run counter to people's right to decide if, how and when to have children.



[Figure 1.](#)

Fertility rates in Asia-Pacific compared to selected other countries. Fertility rates for selected countries globally are presented by years 1970, 1995 and 2019 using blue, yellow and maroon color lines, respectively. Replacement fertility level is indicated by green dashed line.

In some contexts, low fertility is seen as a threat and engenders anxieties about a shrinking workforce; reduced productivity; and ethnic, religious, and national decline. In response, governments have put in place explicit or implicit pronatalist policies, ranging from family-friendly workplaces through limiting access to contraception and abortion care. According to

the World Population Policy database, the percent of countries with pronatalist policies has risen from 19% in 1976 to 28% by 2015. Many governments are searching for the right blend of policy interventions that are effective at the population level and are socially acceptable for individuals. According to international law, such policies should support self-determination, so the number of children a person has corresponds with the number of children they desire.

Determinants of low fertility in the Asia-Pacific region

Mounting evidence points to the interrelated factors that prevent people from fulfilling their fertility desires. First, the traditional norms and societal expectations in the region place a disproportionate burden on working women to balance family and professional life that work against them from achieving their desired fertility. Related to this, is the continuing gender disparity in unpaid care work. These factors are further compounded by changes in parenting with more time, money and effort expected to raise a child. The increased cost of housing, financial and economic precarity and social upheaval further contribute to people postponing having children and starting families. We briefly consider each of these dynamics in the Asia-Pacific context.

Women's increased participation in the formal labour force, encouraged by changing gender norms and laws, changing patterns of consumption and status requirements, and in some cases, the economic imperative for dual-income households has created conflicting demands on women. With women spending longer time in formal education and their career trajectories demanding long working hours, inflexible work situations, and limited support during and after pregnancy (such as the lack of parental leave and childcare), many women may choose to postpone or not marry and delay childbearing. In many East Asian contexts marriage and childbirth are proximally linked with low fertility because of the social expectation that marriage is a precondition for childbearing. In many East Asian contexts, there is also an expectation of long and inflexible working hours in person required for promotion, benefits and seniority and employees are little appreciated for their commitment to family responsibilities and long commuting time.

Yet despite women's increasing participation in the workforce, they are still expected to take on the majority of the unpaid childrearing, care of family members, and housework, resulting in a gender-skew in unpaid work. Women devote more time to unpaid care and domestic work - a time-use study found that, on average, women spent 314 minutes compared to the 190 minutes per day men spend on unpaid care and domestic work. This did not vary depending on a woman's educational and marital status, and has not changed over time. This is more pronounced in countries with traditional gender arrangements. According to UN Women (2016) in Viet Nam, the term "unpaid care and domestic work" is not officially used but is referred to as "housework" (việc nhà) or "family work" (công việc Gia đình), which are considered as primarily women's responsibilities. This makes unpaid care and domestic work invisible and underestimates its economic value in public policies. With 88% of household work performed by women, Japan and Republic of Korea appeared (around

2010) to have the most unequal gender division of domestic work among the Organization for Economic Development and Cooperation countries.

The absence of quality childcare services, especially for children under three-years-old, affects people's childbearing choices. Until recently, the cost of raising children in China, particularly affordable childcare, was high. Most childcare provision is funded out of pocket by parents and presents a significant financial burden, which affects the poorest families most.

The conflicting expectations of women at work and at home is exacerbated by the concurrent trend of intensive parenting. Norms around parenting have shifted and there are increased expectations about parental engagement. Because of the immense value given to education in the region, households are spending more of their income and time in educating their children to prepare them to be competitive in today's labour market. In China, parents' invest in cram classes, extracurricular activities and spend a lot of time on homework as well as being in regular communication with their children's teachers, although the government has recently begun to regulate private tutoring. In this "educational arms race", parents may decide to limit the number of children they have to invest heavily in one child rather than spread their resources across two. This has greater impact on mothers, since they are expected to take primary responsibility for childcare, but also for that generation of mothers who were only children and whose parents heavily invested in their own education. The high costs of raising children, such as childcare, food, education, housing and other expenditures, also act to deter people from having children.

Intensive parenting can increase economic pressure on families, and there is a desire to be closer to high-quality schools, which pushes up housing prices in those areas. The increasing cost of living, particularly around housing, is a symptom of deepening economic inequality, and this means that families may delay having children because they are unable to purchase a home. Several studies have found a negative relationship between housing and fertility. In Singapore, with one of the lowest replacement rates globally, increases in housing prices were associated with a reduction in total fertility rate. The expensive real estate market in Hong Kong SAR prices young people out of housing and consequently, 53% single, middle class 30-40 years old planned to delay marriages in order to save for housing. Similarly, the expensive property rental market in the Republic of Korea can also delay marriage for young single adults.

Finally, economic and labour market uncertainty, can depress and postpone fertility. In Iran panel data from 1966 to 2013 found that the unemployment rate was negatively associated with fertility. In fact, the high unemployment rate seemed to negate the cash incentives that were used to encourage people to have children. Studies in Iran indicate that potential costs of having a family is a significant deterrent for people from having the children they desire. The 1997 economic crisis created a dramatic surge in unstable working conditions in Japan and in Republic of Korea. In the decade after the crisis, substantial labor market inflexibility was faced by new mothers returning to jobs and they often had to take lower rank jobs.

Gender inequalities at home and in the workplace cut across the various drivers associated with low fertility, from the distribution of unpaid labour and to the limited care options for families that makes balancing work and family life complicated, particularly for women. All of the factors are further exacerbated by societal upheaval and crisis, such as war, pandemic, and economic disruption, which can create social, political and economic changes that discourage childrearing and family formation.

Policies responding to declining fertility in the Asia-Pacific region

As fertility continues to decline in the Asia-Pacific region, there has been a wide range of policy responses. Policies aimed at boosting fertility rates range from broader financial support to families, to policies that attempt to reconcile work and family life as well as policies that seek to increase the birth rate by reducing access to contraceptive and abortion care. Such policies adopted are often shaped by the orientation of a particular government.

Several recent reviews of policies responding to low fertility have found that policy instruments that aim to improve family life (e.g. paid leave, childcare services, and flexible working hours) had positive influences on fertility. Overall, there is a positive correlation between government spending on families and all fertility indicators.

Policies that make working parents' lives better appear to have a lasting impact on fertility. Expanding the availability and accessibility of high-quality public childcare influences not only fertility timing, but also completed family size. High quality childcare that is trusted by parents, available for children of all ages, aligns with parent's working schedule and does not incur high costs are optimal. The most recent Five-Year Plan in China is attempting to increase childcare services from 1.8 per 1,000 people in 2020 to 4.5 in 2025. Longer parental leave and flexible working have also been found to have a modest influence on fertility. For example, longer paid parental leave for early years was found to increase fertility in Europe. Also flexibility in working life such as the opportunities and support for employment after a career break, adjustable working hours, part-time work, that allow people to combine employment with family life were associated with increases in fertility.

However, financial incentives and one-off cash transfer (e.g. baby bonuses) were found to have a short-term impact as compared to policies that support parents to work because they only cover a small proportion of the overall costs of raising children and may influence the timing but not the completed family size. Though these reviews are sensitive to the relative role of income and education level, further disaggregated analyses could help us to better understand how policies interact with marital status, age, employment status, sexual orientation and religion, for instance.

Japan implemented a series of policies and institutional reform extensions to create favorable environments for work and family life balance (WLB) targeting women and children by including: improved accredited childcare services, incentives for men to be more involved in childcare, more flexible work for employees with children and better housing, education

and healthcare facilities for families with children. Since 1992 Japan's parental leave policy offers 12 months without compensating income (this is extended to 14 months since 2010 if couples participate) and since 1995 this has included paid leave with several amendments. Currently the benefits include increasing financial compensation and further leave flexibility e.g., during leave parents can receive 50% of monthly salary benefit prior to the leave.

Yet, the Japanese policies seem to be largely ineffective in addressing low fertility as the period TFR remains at a low of 1.43% (2018), though recovered from a record low of 1.26%, and the completed cohort fertility has stopped declining and childlessness (at 28%) has largely stabilized. Despite the Republic of Korea's attempts to address ultra-low fertility through policy initiatives such as expanded childcare programs and reducing extensive working hours had no effect on the TFR, which is the lowest globally recorded TFR of 0.98 in 2018.

These policies that attempt to reverse fertility declines are not necessarily effective at achieving their aim. Policies can be incoherent and counteract each other; they can be too short lived; they can be ineffective at fostering behaviour change because they do not address the factors influencing fertility choices or because they do not respond to needs of a diverse range of parents: single parents, unmarried, same sex families to name a few. In the Republic of Korea, there were a series of ambitious family reform policies to address the ultra-low fertility including longer paid parental leave, efforts to reduce long working hours, and expanded childcare provisions. Yet this scheme (and other provisions) was only aimed at employed women who had national employment insurance and, as a result, excluded over a third of working women.

Questions

1. How low are the fertility rates in Asia-Pacific economies?
2. Why are Asia-Pacific people reluctant to have children?
3. Why does the government regard low fertility rate as a problem?
4. Do you think the government should intervene people's fertility decisions?
5. What did the Asia-Pacific governments do to promote fertility?
6. Are these policies effective? Why or why not?
7. Can we propose more effective policies to promote fertility rates?