## A cross-national view on Family Policy

COFACE conference:
Work-Life Balance Strategies in Family Policy

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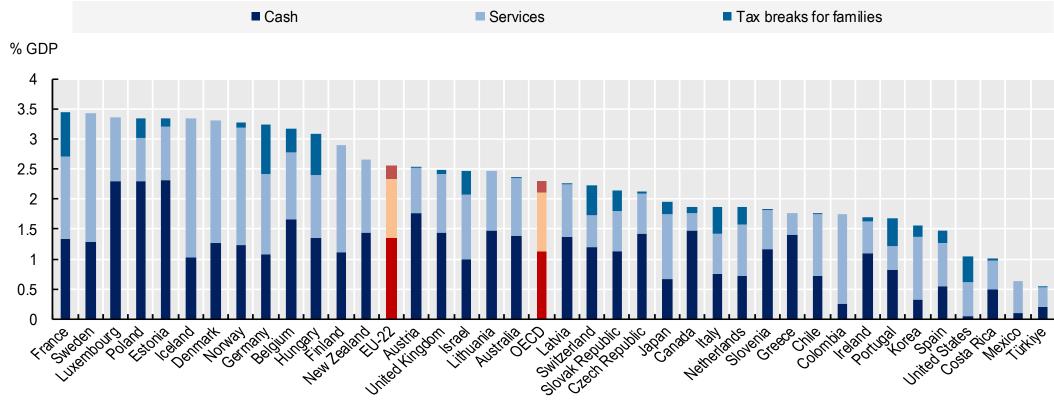
# Family Policy: A balancing act of objectives with different emphasis across countries and over time

- Reducing family poverty and enhancing child development
- Enhancing gender equity at work and at home
- Improve the efficient use of economic resources and mobilise hitherto unused labour supply to improve family resources, strengthen the tax base, and promote economic growth
- Promoting the reconciliation of work and family life
- Enabling people to have children at the time of their choice

## Levels and nature of family benefits vary across countries

#### Public expenditure on family benefits

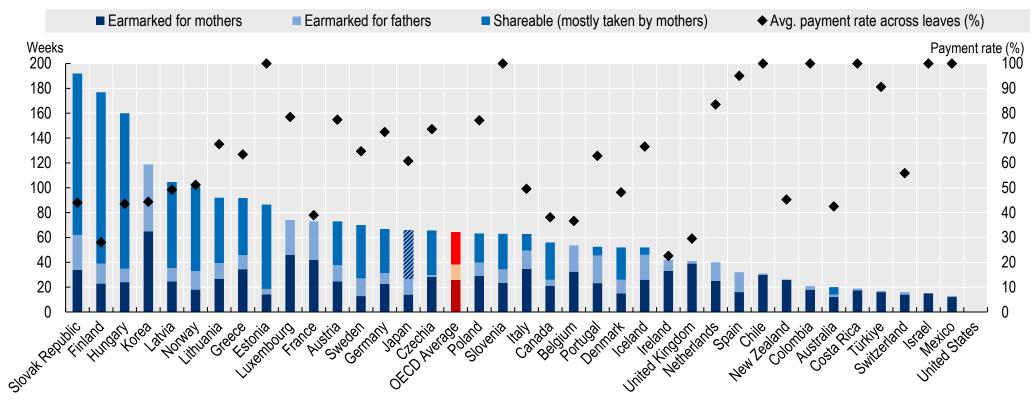
By type of expenditure, in percent of GDP, 2019 or latest available.



Source: OECD (2023), "PF1.1 Public spending on family benefits", OECD Family Database, http://oe.cd/fdb

## Paid leave for parents is just over one year on average across the OECD

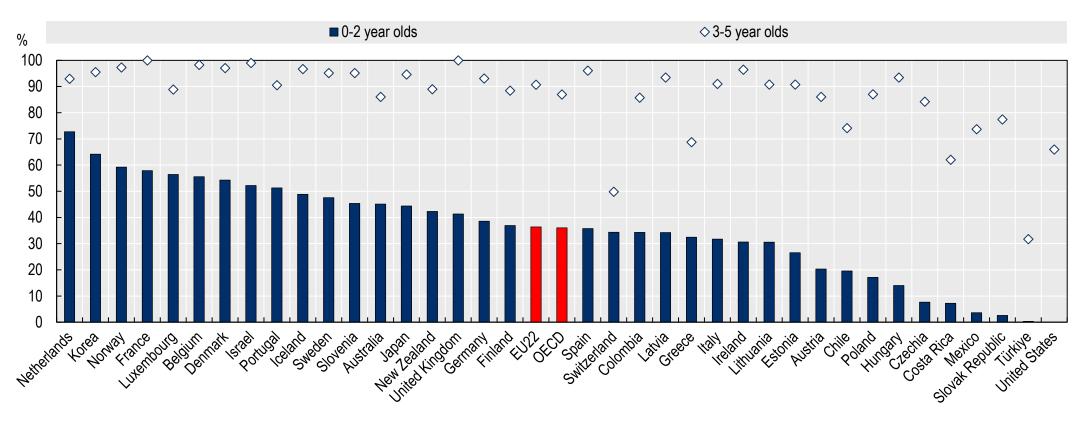
Duration of paid parental leave entitlements in weeks (left axis) and average payment rates (right axis) Across different leaves (maternity leave, paternity leave, parental leave, home care leave), 2023



Source: OECD (2024), "PF2.1 Key characteristics of parental leave systems", OECD Family Database, http://oe.cd/fdb

# The youngest children are least likely to participate in early childhood education and care

Percent of children enrolled in early childhood education and care services, 2022 or latest available

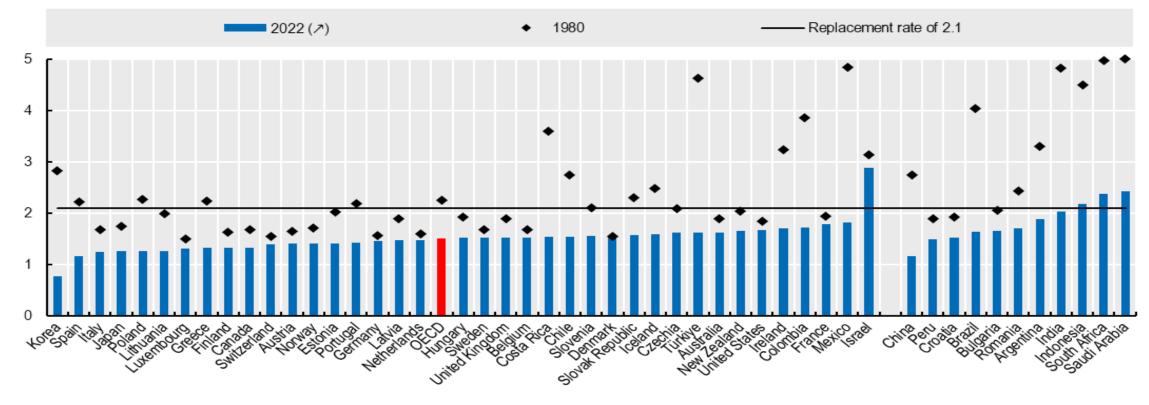


Source: OECD (2024), "PF3.2 Enrolment in childcare and pre-school", OECD Family Database, http://oe.cd/fdb

## Topical debate issues: Fertility rates have been falling in almost all OECD countries since the 1980s

#### **Total Fertility Rates (TFRs)**

Number of children per woman aged 15 to 49, in 1980 and 2022 or nearest years

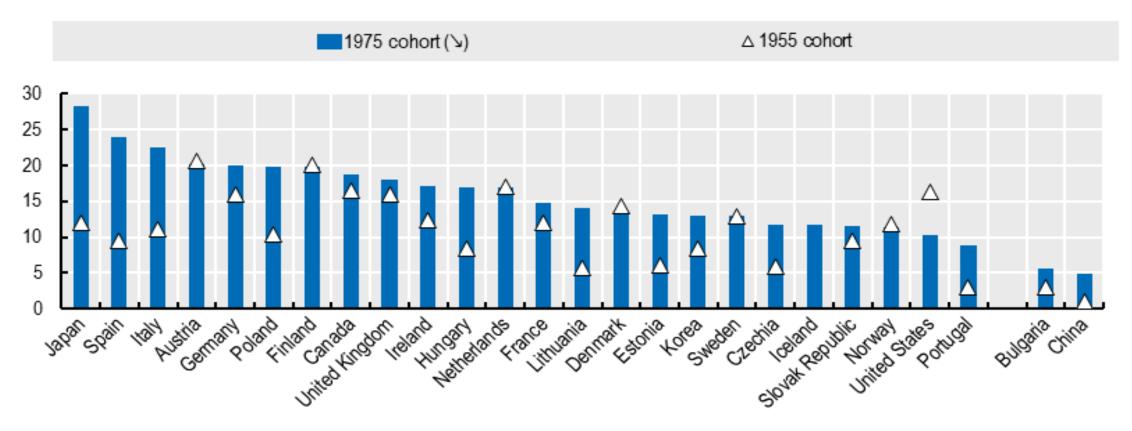


Source: OECD (2023), "SF2.1 Fertility rates", OECD Family Database, http://oe.cd/fdb.

### Childlessness has doubled in Japan, Spain and Italy

#### **Cohort childlessness**

The share of women remaining permanently childless for women born in 1955 and 1975



Sources: Human Fertility Database, National Bureau of Statistics (China), Statistics Korea, the "Istituto Nazionale di Statistica", "Institut national de la statistique et des études économiques" and Köppen, Mazuy and Toulemon, (2017). Arila

## What causes the decline in the fertility rate?

The decision to have children is related to direct and indirect costs of raising them

- TFRs positively associated with:
  - employment of men and women
  - public spending on parental leave and ECEC, and to a lesser extent financial support to households.
- TFRs negatively associated with:
  - housing costs
  - poor labour market conditions.
- Much of the variation in fertility trends is not explained
  - Uncertainty
  - Change in attitudes towards parenthood
  - Gender norms

## What role for policy?

- The best approach is to promote a better **reconciliation of work and family life** with more gender equality and fairer sharing of work and childrearing. This involves providing a continuum of supports during childhood, such as paid leave, ECEC, and well-designed tax/benefit systems.
- Policy must also have a greater focus on the **direct costs of children**, especially housing costs. This should include policies towards more affordable housing, including investment in social housing, policies that facilitate private landlords to rent out to low-income youth.
- Prepare for a "lower-fertility future". Such a policy that goes beyond family policy, could involve immigration, bringing more under-represented groups into the labour force and taking measures to enhance their productivity to allay the economic and fiscal implications of a potentially shrinking workforce.

## Thank you

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