

United Nations Expert Group Meeting on Policy Responses to Low Fertility

New York, 2-3 November 2015



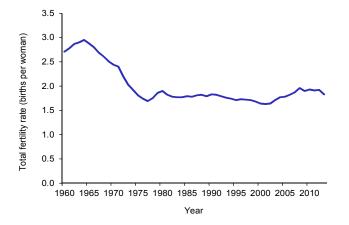
Institutional and policy context for fertility trends in the United Kingdom

Policy Brief No. 18

Starting in the 1960s, the total fertility rate (TFR) in the United Kingdom (U.K.) fell from a high of nearly 3.0 births per woman to a low of 1.69 births per woman in 1977, and eventually stabilized at around 1.8 births per woman in the early 1980s. Between 1981 and 1990, fertility fluctuated between 1.77 and 1.83 births per woman, and then it began a downward trend, which ended in 2001 with a TFR of 1.63 births per woman. The trend has reversed and since 2006, the TFR has exceeded 1.8 births per woman.

From a European policy perspective, the U.K.'s "highest-low" fertility is difficult to explain. A combination of moderately high fertility and high female employment has been achieved without the generous set of work-family reconciliation policies credited with sustaining fertility in France and the Nordic countries.

Total fertility rate, United Kingdom, 1960–2013



A distinctive economic and political context

Throughout the 1980s and the 1990s, the U.K. provided a stable and coherent institutional setting that supported a distinct fertility profile. Compared to most other moderately high-fertility countries, decisions about whether, and how, to combine work and family were made within the context of a highly segmented labour market. Given the lack of public childcare support, many women found it difficult to remain in paid (especially full-time) employment when they had a child. Limited parental leave entitlements and strict eligibility requirements, however, meant that many new mothers who left the labour market when they gave birth were unable to return to their previous jobs.

For women earning moderate to high incomes, employment disruptions linked to childbearing could be especially costly. The decision to return to work part-time (or to work shorter full-time days in a professional culture that often stressed long hours) often meant a substantial occupational downgrade and reduced opportunities for advancement. Those women with the best career prospects had the most to lose from a shift to the "mommy track". They thus faced strong incentives to postpone or avoid having children.

In contrast, income-support benefits made a temporary exit from paid work feasible for women earning low wages, even without an entitlement to formal maternity leave benefits. Because they would return to the same sort of low-paid work, with few opportunities for advancement (but more opportunities for part-time work), childbearing had a more limited long-term impact on their employment prospects. Employment-related incentives to postpone childbearing were relatively weak for this group.

This distinct labour market and policy setting appears to have encouraged a socially polarized fertility profile. Compared to other European countries with similar aggregate fertility levels, the U.K. recorded a relatively high incidence of childlessness among the most educated and disproportionately high fertility among those groups with the fewest resources.

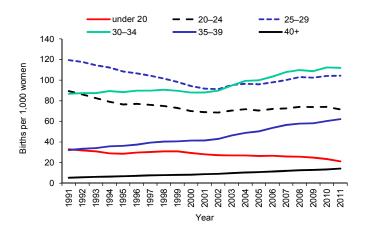
Policy developments from 1997 to 2007

After a change of government in 1997, work-family reconciliation policies became a new feature of the British welfare state, and there was a concerted effort to reduce child poverty by boosting employment among "workless" households. Reforms of the income-tax system and increases in both means-tested and universal child benefits raised the incomes of the poorest families by as much as 10 per cent.

It is not entirely clear whether these new policies contributed to the recent upward trend in fertility, however. Most of the increase in fertility can be attributed to women in their 30s and 40s having their first or second births. In other words, the fertility increase was driven by women who had previously postponed having children. The new work-family reconciliation policies did little to redress the strong employment-related incentives for some women to postpone childbearing. Surveys conducted in the 1990s showed that most childless women wanted and intended to have children

eventually. These women might have made the same choice in the absence of any policy change.

Age-specific fertility rates, England and Wales, 1991–2011



The duration and generosity of childcare leave were significantly extended, but with the focus almost exclusively on mothers' entitlements. This approach, unique in Europe, reinforced rather than challenged the perception of mothers as unreliable secondary workers.

All 3- and 4-year-old children were guaranteed a place in early education, but the entitlement was for only 15 hours per week, effectively limiting mothers to part-time employment. At the same time, policymakers did little to improve the availability and quality of part-time work.

Although it does not appear that the recent upward trend in the TFR was driven by the behavior of low-income women (most of whom were already having first births at a relatively young age), the new policies affecting poorer families may have contributed to higher fertility in another way — by making the U.K. a more attractive place for international migrants, many of whom work at the lower end of the wage distribution. When the European Union enlarged in 2004, the U.K. provided open access to workers from member countries in Eastern Europe, and annual net migration from that region

accelerated substantially. Although these migrants were coming from countries with fertility lower than in the U.K., their fertility after migrating has exceeded that of the U.K.-born population.

Policies in a broader context

Moderately high fertility rates in the U.K. have been maintained through a changing policy environment. In the late 1990s, the Government began to develop policies that, taken at face value, should have reduced the costs of childbearing and child-rearing. Although fertility did go up, it is not clear that the increase should be attributed to the new work-family reconciliation policies.

The impact of any single policy intervention can be amplified or muted depending on how it interacts with the wider context, and these policies were inserted into a social and institutional setting that remained largely unmodified. Looking at the U.K. case, we might be tempted to dismiss the hypothesized relationship between family-friendly policies and fertility, but such policies may well be effective where they are developed as part of a coherent model.

Notes

This policy brief was prepared as background material for the United Nations Expert Group Meeting on Policy Responses to Low Fertility. It can be found online at http://esa.un.org/PopPolicy/publications.aspx. Queries can be sent to PopPolicy@un.org.

The brief is based on Wendy Sigle (forthcoming), Fertility and population change in the United Kingdom. In Ronald R. Rindfuss and Minja Kim Choe (Eds.), Low Fertility, Institutions, and Their Policies: Variations across Industrialized Countries. Springer.

The findings, interpretations and conclusions expressed herein are those of the authors and do not necessarily reflect the views of the United Nations or the East-West Center.

Financial support from Korea Institute for Health and Social Affairs (KIHASA) to conduct the research on which this policy brief is based is gratefully acknowledged.