

Key results

The total fertility rate is below the replacement level – the number of children needed to keep the total population constant – in 29 out of 34 OECD countries for 2005-10. The only exceptions are Israel and Mexico (with 2.8 and 2.2 children per woman, respectively) and Iceland, Turkey and the United States (at replacement level of 2.1). However in more than two-thirds of OECD countries there has been a moderate increase in fertility rates over the last decade. Fertility rates have a profound implication for pension systems because they, along with life expectancy, are the drivers of population ageing.

Fertility rates averaged 1.69 across OECD countries in the period 2005-10, well below the level that ensures population replacement. The trend to fewer children has been going on since the 1970s. The fall in fertility rates reflects changes in both individuals' life-style preferences and in the constraints of everyday living, such as labour-market insecurity, difficulties in finding suitable housing and unaffordable childcare.

The positive (and widening) gap between the number of children women declare that they want and the number that they actually have shows the influence of these constraints.

Another effect comes from changing marital status. The larger share of women that are unmarried may have depressed fertility rates, particularly in countries where there is a strong link between marriage and maternity, particularly Japan and Korea. The link is also significant in several European countries, such as Greece, Italy, Poland and Switzerland. However, the childbearing patterns of unmarried women have also changed. For example, half or more of births now occur outside of marriage in France, Iceland, Norway and Sweden. The average proportion of births outside marriage in OECD countries is now one-third of the total.

The recent increase in fertility rates is predicted to continue, albeit very slowly, with increases of just 0.01 during each five year period. It is forecast to average 1.80 across OECD countries by 2045-50.

Low fertility rates have wider social and economic consequences. First, the decline in population can become self-reinforcing, as the number of women of childbearing age falls. Secondly, there are fewer family carers to help people in old age. Thirdly, there is a growing tax burden on people of working age to finance pensions and health care for older people. Fourthly, the workforce will also age and so might be less adaptable to technological change, thereby reducing productivity and economic growth. Finally, ageing

may result in a smaller pool of savings to finance investment in the economy as older people use their savings to support their consumption.

The trend towards lower fertility rates has been accompanied by (and is partly explained by) the gradual increase in average childbearing age: from 28 in 1995-2000, it is forecast to exceed 30 by 2045. Postponing childbearing has lasting consequences. First, it increases the probability that women remain childless or have fewer children than desired. Secondly, it raises the risk of morbidity for both mothers and their children.

Among the other major economies, Argentina, India, Indonesia, Saudi Arabia and South Africa all currently have fertility rates well above the replacement level of 2.1. Nevertheless, the trend follows that of the OECD countries, with most falling to or below replacement by 2025-30. The average age of childbearing is also considerably lower than in most OECD countries, typically by at least two years.

Definition and measurement

The total fertility rate is the number of children that would be born to each woman if she were to live to the end of her child-bearing years and if the likelihood of her giving birth to children at each age was the currently prevailing age-specific fertility rates. It is generally computed by summing up the age-specific fertility rates defined over a five-year interval. A total fertility rate of 2.1 children per women ensures broad stability of the population, on the assumptions of no migration flows and unchanged mortality rates.

References

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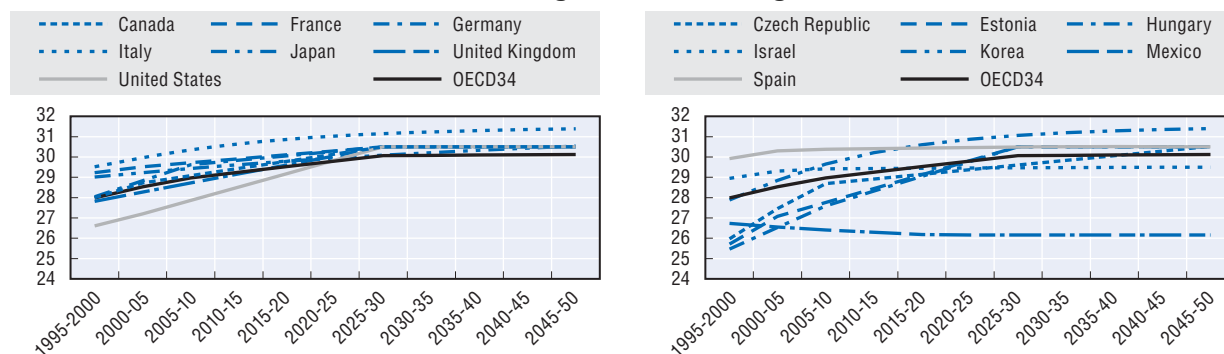
Total fertility rates, 1975-2050

	1975-80	1985-90	1995-2000	2005-10	2015-20	2025-30	2035-40	2045-50
OECD members								
Australia	1.99	1.86	1.78	1.83	1.85	1.85	1.85	1.85
Austria	1.65	1.44	1.37	1.38	1.46	1.56	1.66	1.76
Belgium	1.71	1.56	1.60	1.77	1.84	1.85	1.85	1.85
Canada	1.73	1.62	1.56	1.57	1.67	1.77	1.85	1.85
Chile	2.80	2.65	2.21	1.94	1.85	1.85	1.85	1.85
Czech Republic	2.31	1.92	1.17	1.41	1.57	1.67	1.77	1.85
Denmark	1.68	1.54	1.76	1.84	1.85	1.85	1.85	1.85
Estonia	2.06	2.20	1.33	1.64	1.84	1.85	1.85	1.85
Finland	1.66	1.66	1.74	1.83	1.85	1.85	1.85	1.85
France	1.86	1.81	1.76	1.89	1.85	1.85	1.85	1.85
Germany	1.52	1.43	1.34	1.32	1.39	1.49	1.59	1.69
Greece	2.32	1.53	1.30	1.38	1.46	1.56	1.66	1.76
Hungary	2.12	1.82	1.38	1.35	1.47	1.57	1.67	1.77
Iceland	2.29	2.12	2.06	2.10	1.98	1.86	1.85	1.85
Ireland	3.48	2.29	1.90	1.96	1.87	1.85	1.85	1.85
Israel	3.41	3.05	2.94	2.81	2.46	2.22	2.04	1.90
Italy	1.94	1.34	1.22	1.38	1.44	1.54	1.64	1.74
Japan	1.83	1.66	1.37	1.27	1.30	1.40	1.50	1.60
Korea	2.92	1.60	1.51	1.22	1.29	1.39	1.49	1.59
Luxembourg	1.49	1.47	1.72	1.66	1.74	1.84	1.85	1.85
Mexico	5.25	3.63	2.67	2.21	1.89	1.85	1.85	1.85
Netherlands	1.60	1.56	1.60	1.74	1.81	1.85	1.85	1.85
New Zealand	2.18	2.03	1.95	2.02	1.95	1.85	1.85	1.85
Norway	1.81	1.80	1.85	1.89	1.85	1.85	1.85	1.85
Poland	2.26	2.15	1.48	1.27	1.34	1.44	1.54	1.64
Portugal	2.41	1.62	1.46	1.38	1.44	1.54	1.64	1.74
Slovak Republic	2.47	2.15	1.40	1.28	1.40	1.50	1.60	1.70
Slovenia	2.20	1.66	1.25	1.36	1.52	1.62	1.72	1.82
Spain	2.57	1.46	1.18	1.43	1.65	1.75	1.84	1.85
Sweden	1.66	1.91	1.56	1.87	1.85	1.85	1.85	1.85
Switzerland	1.53	1.53	1.47	1.45	1.54	1.64	1.74	1.83
Turkey	4.72	3.28	2.57	2.13	1.97	1.85	1.85	1.85
United Kingdom	1.72	1.81	1.70	1.84	1.85	1.85	1.85	1.85
United States	1.79	1.92	1.99	2.09	1.95	1.85	1.85	1.85
OECD34	2.26	1.91	1.68	1.69	1.71	1.73	1.77	1.80
Other major economies								
Argentina	3.44	3.05	2.63	2.25	2.08	1.92	1.85	1.85
Brazil	4.31	3.10	2.45	1.90	1.60	1.50	1.60	1.75
China	2.93	2.63	1.80	1.77	1.84	1.85	1.85	1.85
India	4.89	4.15	3.46	2.76	2.30	1.96	1.85	1.85
Indonesia	4.73	3.40	2.55	2.19	1.88	1.85	1.85	1.85
Russian Federation	1.94	2.12	1.25	1.37	1.53	1.63	1.73	1.83
Saudi Arabia	7.28	6.22	4.62	3.17	2.56	2.15	1.86	1.85
South Africa	5.00	4.00	2.95	2.55	2.30	2.10	1.94	1.85
EU27	2.07	1.82	1.49	1.53	1.61	1.67	1.74	1.79


Source: United Nations, World Population Prospects – The 2008 Revision.

StatLink  <http://dx.doi.org/10.1787/888932371101>

Mean age of childbearing



Source: United Nations, World Population Prospects – The 2008 Revision.

StatLink  <http://dx.doi.org/10.1787/888932371101>



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