

Key results

The total fertility rate is above the replacement level – the number of children needed to keep the total population constant – in 20 out of 26 LAC countries for 2005-10. The only exceptions are the Bahamas, Brazil, Chile and Costa Rica (at replacement level of 1.9) and Trinidad and Tobago and Barbados at 1.8. However, the fertility levels have declined in each ten-year period over the last 30 years, with the exception of Barbados between 1995 and 2005. Fertility rates have a profound implication for pension systems because they, along with life expectancy, are the drivers of population ageing.

The total fertility rates averaged 2.57 children per woman across LAC countries in the period 2005-10, well above the level that ensures population replacement. However there has been a trend since the early 1960s for fewer children, as a result of wider access to contraception and the inclusion of more women in labour markets. The fall in fertility rates is likely to reflect changes in both individuals' lifestyle preferences and in the social trends towards increasing female labour force participation, higher education levels and lower political or religious constraints to access secure contraceptive devices.

The recent decrease in fertility rates is predicted to continue, albeit at a slower rate. It is forecast to average 2.29 across LAC countries by 2015-20 and then fall below the stable population figure thereafter. By 2025-30 the fertility rate is projected to fall to 2.10, reaching 1.98 by 2035-40, 1.91 by 2045-50 and 1.87 by 2055-60.

By 2055-60 only Bolivia at 2.11 and Guatemala at 2.27 are expected to have fertility rates above the replacement level of 2.1.

Low fertility rates have wider social and economic consequences, due to the resulting population ageing process. In the short term, the decline in fertility results in a “demographic bonus”, as the relative weight of children and youth declines and the proportion of those in active age increases. However, this bonus last only a few decades, and after a while the sustained increase in the proportion of elderly more than compensates the decline in children. Also, in the medium to long term, as family size declines there are fewer family caregivers to help people in old age, which results in growing demand for old-age care services. Secondly, if no changes in retirement ages occur, there may be a growing burden on people of

working age to finance pensions and health care for older people that would eventually force authorities to review the public pension systems' parameters to ensure sustainability. Thirdly, the workforce will also age and so might be less adaptable to technological change, which some authors have linked with declining 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.

Different authors have expressed their concern as fertility tends to decline faster among educated, high income urban families, hence resulting in a pattern where most children are born to poorer and more vulnerable households, with less access to opportunities during their early years. While most projections foresee that these gaps will decline overtime, this is a serious concern for those working to reduce the incidence of poverty and promoting the accumulation of human capital throughout society.

Definition and measurement

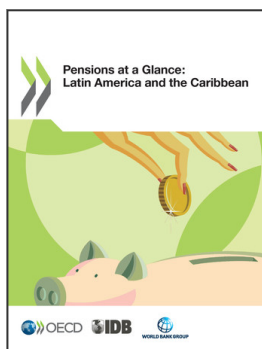
The total fertility rate is the number of children that would be born to each woman if she were to live to the end of her child-bearing years and if the likelihood of her giving birth to children at each age was the currently prevailing age-specific fertility rates. It is generally computed by summing up the age-specific fertility rates defined over a five-year interval. Given that the probability of giving birth to a boy is slightly higher than to a girl across all human populations, a total fertility rate of 2.1 children per women in a context of low and stable mortality levels ensures broad stability of the population, on the assumption of no significant net migration flows.

2.1. Total fertility rates, 1975-2050

	1975-80	1985-90	1995-00	2005-10	2015-20	2025-30	2035-40	2045-50	2055-60
Argentina	3.44	3.05	2.63	2.25	2.12	2.01	1.94	1.89	1.87
Bahamas	2.96	2.65	2.33	1.91	1.87	1.84	1.83	1.82	1.83
Barbados	2.16	1.77	1.74	1.83	1.86	1.88	1.90	1.91	1.92
Belize	6.20	4.70	3.85	2.94	2.52	2.24	2.05	1.93	1.85
Bolivia	5.80	5.00	4.32	3.50	3.04	2.70	2.46	2.27	2.11
Brazil	4.31	3.10	2.45	1.90	1.75	1.69	1.69	1.71	1.74
Chile	2.80	2.65	2.21	1.90	1.79	1.77	1.78	1.80	1.81
Colombia	4.34	3.24	2.75	2.45	2.17	1.97	1.86	1.80	1.80
Costa Rica	3.78	3.37	2.58	1.92	1.73	1.67	1.68	1.71	1.75
Dominican Republic	4.76	3.65	2.98	2.67	2.35	2.10	1.94	1.84	1.80
Ecuador	5.09	4.02	3.19	2.75	2.43	2.20	2.03	1.91	1.85
El Salvador	5.46	4.20	3.30	2.35	2.08	1.90	1.80	1.75	1.75
Guatemala	6.20	5.70	5.00	4.15	3.52	3.04	2.70	2.45	2.27
Guyana	4.42	2.52	2.53	2.77	2.40	2.19	2.06	1.99	1.94
Haiti	5.80	5.70	4.62	3.55	2.90	2.50	2.24	2.06	1.94
Honduras	6.60	5.37	4.30	3.31	2.80	2.46	2.22	2.04	1.92
Jamaica	4.00	3.10	2.67	2.40	2.16	2.00	1.90	1.85	1.84
Mexico	5.25	3.63	2.80	2.37	2.06	1.86	1.76	1.74	1.75
Nicaragua	6.35	5.00	3.60	2.76	2.33	2.08	1.91	1.82	1.78
Panama	4.19	3.24	2.87	2.62	2.36	2.17	2.02	1.94	1.89
Paraguay	5.20	4.77	3.88	3.08	2.72	2.46	2.26	2.10	1.99
Peru	5.38	4.10	3.10	2.60	2.29	2.07	1.92	1.83	1.80
Suriname	4.20	3.00	2.80	2.42	2.16	1.99	1.89	1.84	1.83
Trinidad and Tobago	3.24	2.75	1.82	1.80	1.79	1.79	1.80	1.81	1.82
Uruguay	2.89	2.53	2.30	2.12	2.00	1.93	1.88	1.86	1.86
Venezuela	4.47	3.65	2.94	2.55	2.28	2.07	1.94	1.86	1.82
LAC26	4.59	3.71	3.06	2.57	2.29	2.10	1.98	1.91	1.87
OECD countries									
Canada	1.73	1.62	1.56	1.63	1.70	1.76	1.80	1.83	1.85
France	1.86	1.81	1.76	1.97	1.98	1.99	1.99	1.99	1.99
Germany	1.51	1.43	1.35	1.36	1.46	1.54	1.59	1.64	1.68
Portugal	2.55	1.62	1.48	1.36	1.33	1.44	1.53	1.62	1.68
Spain	2.55	1.46	1.19	1.41	1.57	1.67	1.74	1.79	1.82
United Kingdom	1.73	1.84	1.74	1.88	1.89	1.89	1.90	1.90	1.90
United States	1.77	1.92	2.00	2.06	1.98	1.98	1.99	1.99	1.99

Source: United Nations, World Population Prospects – 2012 Revision.

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