

**For meeting on  
23 May 2013**

**Paper FC 8/2013**

**Family Council**

**Population Policies on Encouraging Marriage and Childbirth**

**PURPOSE**

The powerpoint presentation prepared by Central Policy Unit on the population policies on encouraging marriage and childbirth is attached at **Annex**.

**ADVICE SOUGHT**

2. Members are invited to provide comments and views on the policies.

**Family Council Secretariat  
May 2013**

# *Population Policies on encouraging marriage and childbirth*



**Central Policy Unit**

**Family Council Meeting 23 May 2013**

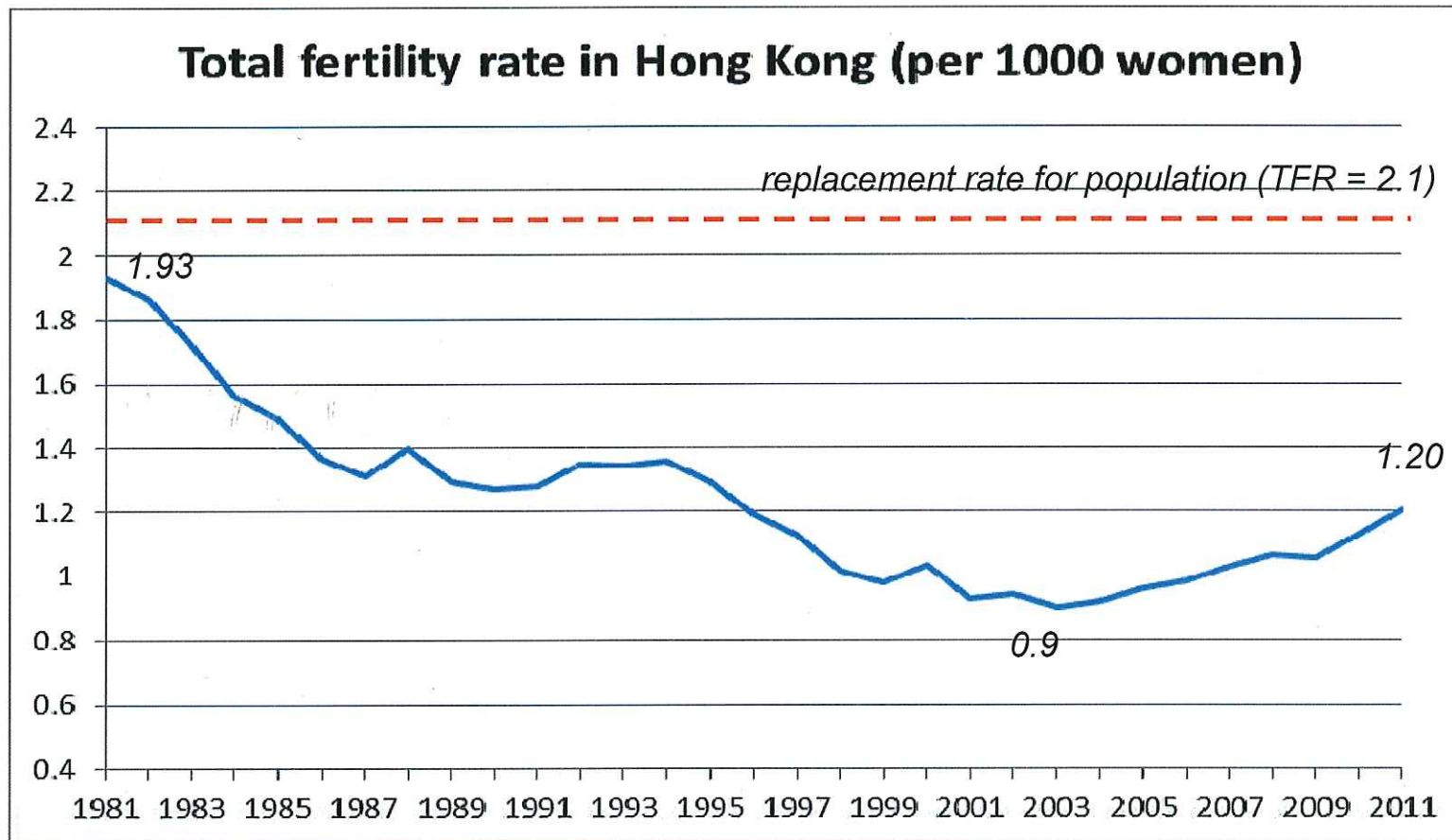
# Outlines

- I. Phenomena of low fertility rate in Hong Kong
- II. Obstacles on marriage and childbirth
- III. International experience to promote marriage and increase fertility rate and their relevance to Hong Kong situation

# Trend of total fertility rate in Hong Kong

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- Hong Kong had a declining fertility over the past 30 years



Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

## I Phenomena of low fertility rate in Hong Kong

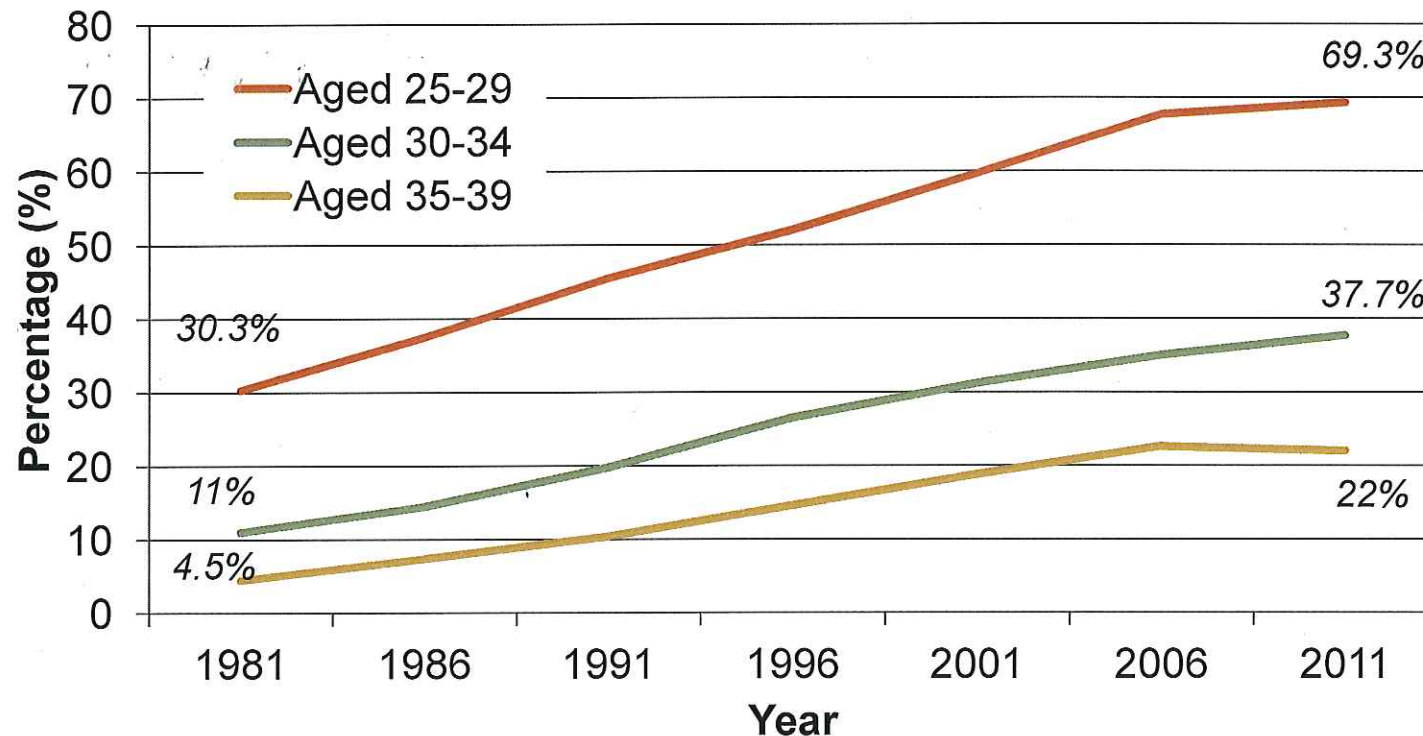
- Decreased marriage rate
  - More women never get married
  - Tendency to delay marriage to an older age among women
  
- Married women had fewer live births
  - Decreased proportion of women with at least one live birth
  - A curtailment of higher-order live births

# More women never get married (1)

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- For every 3% point increase in never married women in age group 25 – 34 (i.e. 15,000 women), TFR would be decreased by 0.04 children per woman<sup>1</sup>

**Percentage of never married females by age**



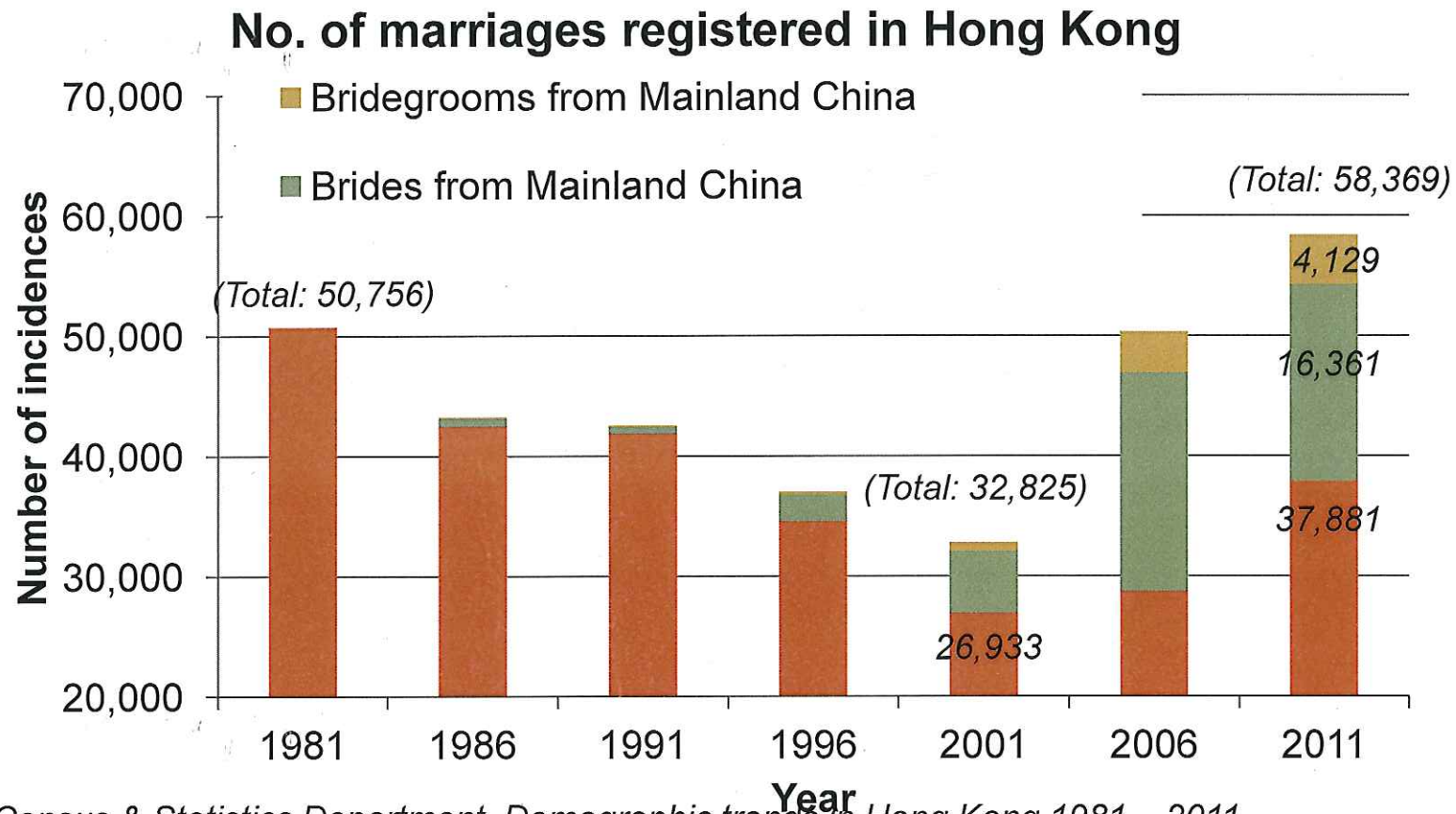
Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

<sup>1</sup>Simulation based on the raw data provided by Census and Statistics Department

# More women never get married (2)

6

- A structural change in the types of marriages in the past decade

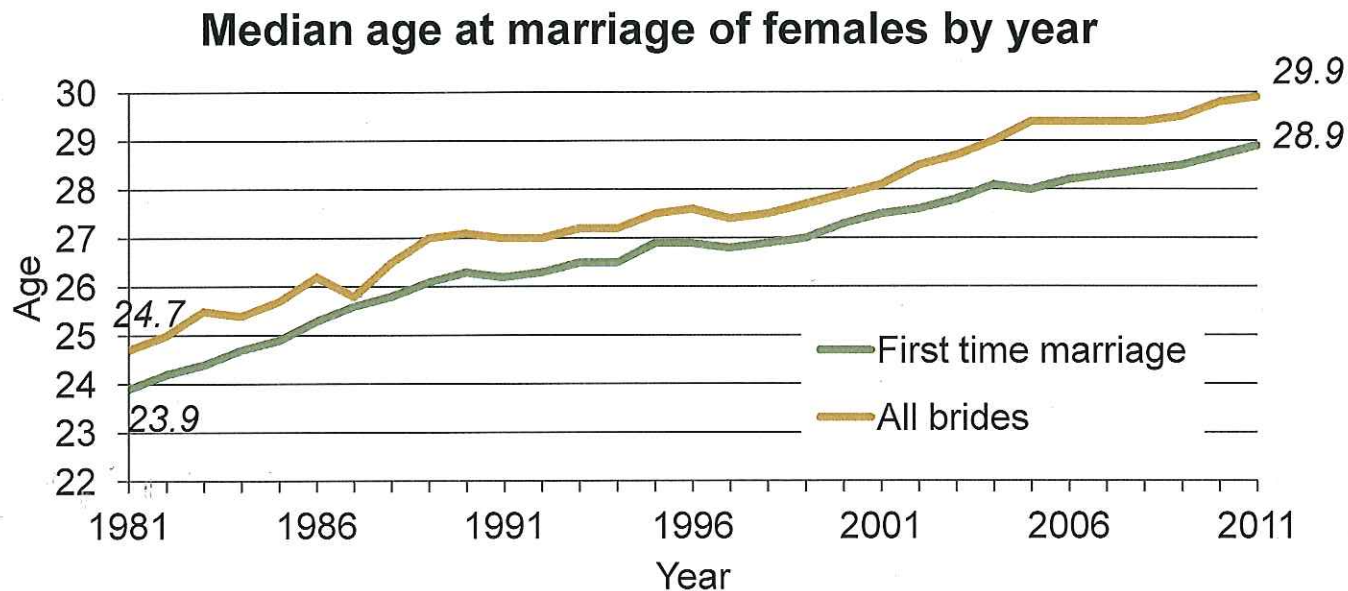


Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

# Tendency to delay marriage to an older age among women

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- ❑ The increase in age of marriage may be due to increasing % of females who received higher education and participated labour force
- ❑ For every 1 year increase in age of marriage, TFR would be decreased by 0.02 children per woman (assume the marital age-specific fertility rates remain unchanged)



Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

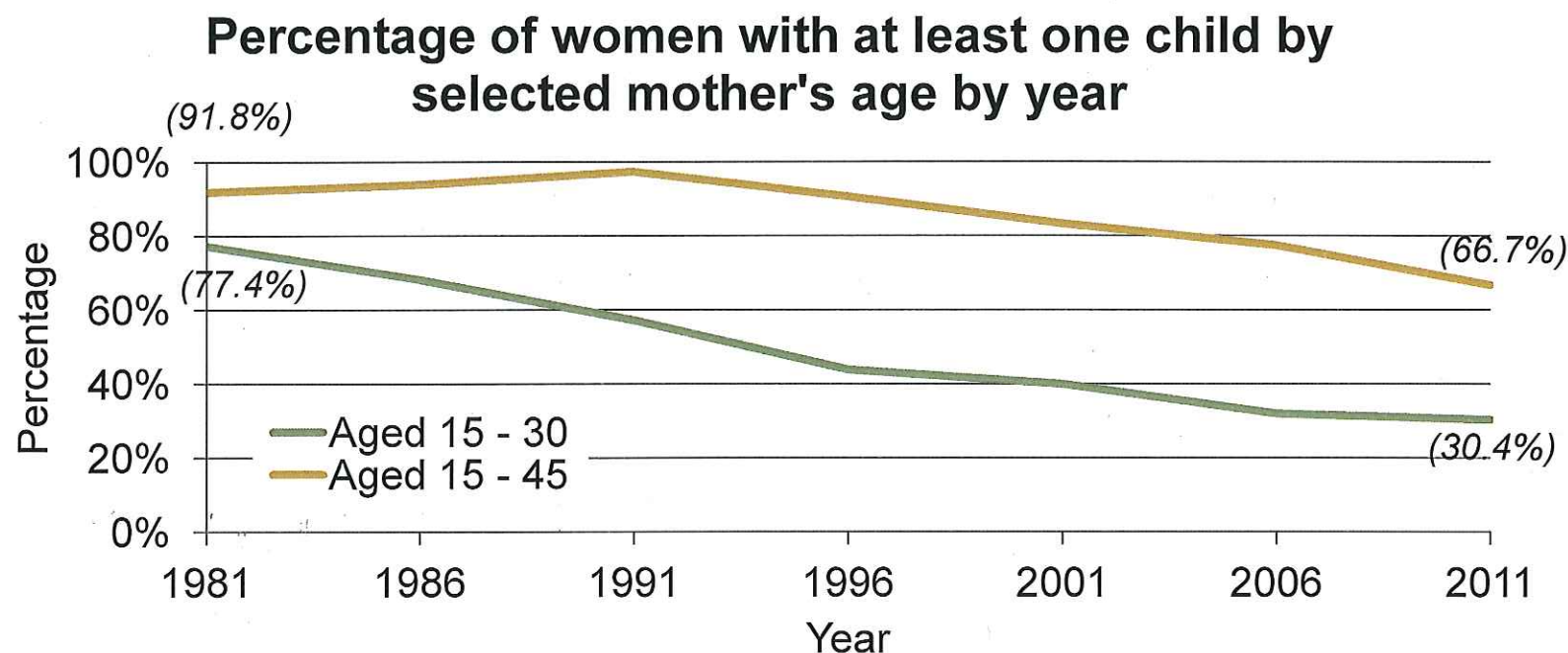
<sup>1</sup>Simulation based on the raw data provided by Census and Statistics Department



## Decreased proportion of women with at least one live birth/ postponement of live births

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- Assume we can retain the percentage of women with at least one live birth back to 91.8%, TFR would be increased by 0.59 children per woman<sup>1</sup>



Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

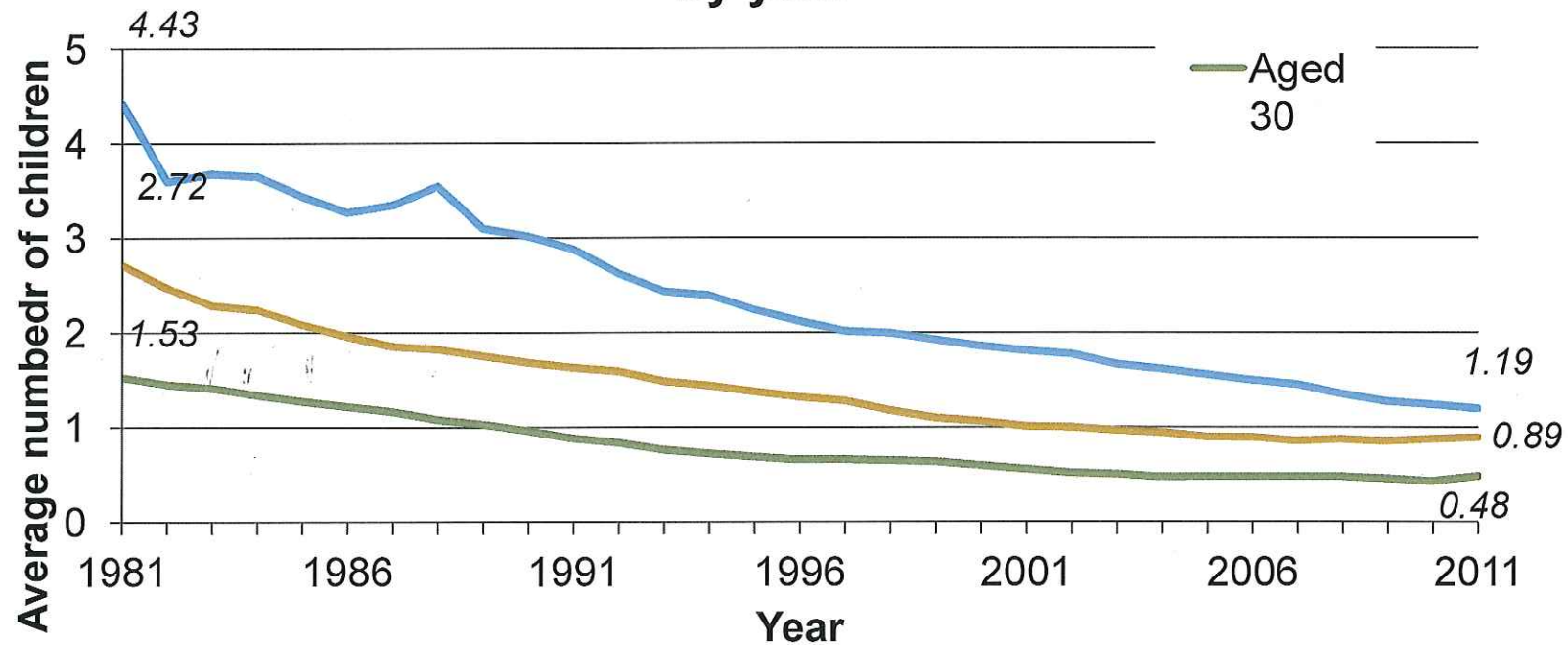
<sup>1</sup>Simulation based on the raw data provided by Census and Statistics Department

# A curtailment of higher-order live births

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- The average no. of children ever born by mothers decreased over the past 30 years

**Average no. of children ever born by mother's age by year**



Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.



## Obstacles on marriage and childbirth

# Obstacles on marriage (1)

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- ❑ Aspiration: Fewer women want to get married
  - ❑ Only 66% adults agreed that marriage is a necessary step in life<sup>1</sup>
  - ❑ Women may become more socially and economically independent
- ❑ Difficult to find a matched partner
  - ❑ Gender imbalance among never married males and females (may due to increasing cross-boundary marriage among Hong Kong males)

Age group (males)	Sex ratio of never married males to females <sup>2</sup>
30 – 34	789 (males) : 1,000 (females)

- ❑ More females receiving higher education and participating labour force, but some retain traditional value and wish to have a partner with higher education and better career prospect than themselves

<sup>1</sup> Family Council. Report of the family survey 2011: preliminary findings. Paper FC 2/2012

<sup>2</sup> Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011. (After adjusted the age of females by 3 years before comparison)

# Obstacles on marriage (2)

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- ❑ Financial burdens
  - ❑ 13% females and 27% males aged 18-27 mentioned financial burdens as an obstacle of getting married<sup>1</sup>
  
  - ❑ Financial burdens may include:
    - Expenses for marriage
    - Housing expenses
    - Opportunity cost (e.g., quitting of job)

<sup>1</sup> Family Planning Association. Youth sexuality study 2011.

# Obstacles on fertility (1)

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- ❑ Aspiration: fewer women want to have one or more children
  - ❑ Only 62% adults agreed a nuclear family is more ideal than a childless couple<sup>1</sup>
  - ❑ Only 8.6% married women intended to raise 3 or more children<sup>2</sup>
- ❑ Financial burdens
  - ❑ 57% married women aged 15 – 49 mentioned financial burdens as an obstacle of giving live birth or having more than one child<sup>2</sup>
  - ❑ Financial burdens may include: housing, child care and children education
- ❑ Imbalance in work and family life
  - ❑ 18% married women (who don't want to have any child) responded busy working life as an obstacle of giving live birth<sup>2</sup>
  - ❑ 24% married women (who want to have only one child) responded busy working life as an obstacle of giving one more live birth<sup>2</sup>

<sup>1</sup> Family Council. Report of the family survey 2011: preliminary findings. Paper FC 2/2012

<sup>2</sup> Family Planning Association. Knowledge, attitude and practice (KAP) survey 2012.

## Obstacles on fertility (2)

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- ❑ Problem of infertile among women with higher age
  - ❑ Marriage postponement shortens childbearing exposure period of women
  
- ❑ Abortion
  - ❑ Based on a survey, 14% married women aged 15 – 49 had ever induced abortion in 2012<sup>1</sup>

<sup>1</sup> Family Planning Association. Knowledge, attitude and practice (KAP) survey 2012

**IIIa**

## **International experience to promote marriage and relevance to Hong Kong situation**

- ❑ Marriage programmes on family formation and stable marriage
- ❑ Introduction of housing benefits for newly married couples
- ❑ Assisting partnering among teenagers



# (1) Marriage programmes

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## Setting up of healthy marriage initiatives – United States

Background	High divorce rate: among ever married population, %currently divorced reached 20%
Objective	To help couples acquire the skills and knowledge necessary to form and sustain a healthy marriage.
Contents	Since 2005, the U.S. Government provided US\$150 million/year for <ul style="list-style-type: none"><li>i. Marriage education</li><li>ii. Marriage skills training;</li><li>iii. Public advertising campaigns;</li><li>iv. High school education on the value of marriage; and</li><li>v. Marriage mentoring program</li></ul>
Outcomes	<ul style="list-style-type: none"><li>- The crude divorce rate<sup>1</sup> dropped slightly from 4.0 in 2001 to 3.6 in 2011.</li><li>- Proportion of divorced women among ever married women<sup>2</sup> maintained at 15% from between 2005 and 2010.</li></ul>

<sup>1</sup> Crude divorce rate refers to no. of divorce during a given year per 1,000 total population of that year.

<sup>2</sup> Including now married, separated, widowed and divorced population

### References

U.S. Department of Health & Human Services. *The Healthy Marriage Initiatives.*

U.S. Centers for Disease Control and Prevention. *National marriage and divorce rate trends, Feb 19, 2013.*

U.S. Census Bureau. *The 2012 statistical abstract. 57 – marital status of the population by sex and age: 2010*

# (1) Marriage programmes (Cont'd)

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HK situation	<ul style="list-style-type: none"><li>- Crude divorce rate<sup>1</sup> increased from 0.4 in 1981 to 2.8 in 2011 (per 1,000 population)</li><li>- Proportion of divorced/separated women among ever married women<sup>2</sup> increased from 1% in 1981 to 7.9% in 2011</li></ul>
Relevance	Stable marriage would provide an environment in favour of live births and benefits for both parents and children (fewer social and family problems)
Example	<ul style="list-style-type: none"><li>- Strengthening education on value of marriage in<ul style="list-style-type: none"><li>- Secondary 4-6 curriculum (under moral and civic education curriculum framework)</li><li>- Tertiary education (General Education)</li></ul></li><li>- Encouragement on marriage education before getting married</li></ul>

<sup>1</sup> Crude divorce rate refers to no. of divorce during a given year per 1,000 mid-year population of that year.

<sup>2</sup> Including now married, widowed and divorced/separated population

Source: Census & Statistics Department. Demographic trends in Hong Kong 1981 – 2011.

## (2) Housing benefits

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### Parenthood provisional housing scheme – Singapore (Jan 2013 onwards)

Background	Housing as a burden to Singaporean's aspirations to get married and having children
Objective	To support earlier marriages and births
Contents	<ul style="list-style-type: none"><li>- First-timer married couples can rent a flat from public housing authority (Housing and Development Board, HDB) at an affordable rental rate (from S\$800 to S\$1,900) when they are waiting for HDB flats</li></ul>
Outcomes	<i>Impact not yet observed</i>

### Subsidy on rents/ mortgage interests – Taiwan (2010 onwards)

Objective	To reduce the financial burdens of newly married couples
Contents	Newly married couples (within 2 years marriage) can apply for government subsidy: <ul style="list-style-type: none"><li>- A rental subsidy for 2 years (monthly allowance: NT\$3,600)</li><li>- Interest free for the first 2 years of mortgage (max. mortgage rate: NT\$2million)</li></ul>
Outcomes	<i>Not successful due to lack of promotion (no. of applications &lt; 50% of quota; 35% approved)</i>

## (2) Housing benefits (Cont'd)

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HK situation	<ul style="list-style-type: none"><li>- The majority of households is in the form of nuclear household in the past 10 years (67%)<sup>1</sup></li><li>- Only around 1/4 couples would choose to live with parents after marriage<sup>2</sup></li></ul>
Relevance	<p>Housing costs are not affordable to most people</p> <p>Housing benefits may reduce the economic burdens and facilitate couples to get married in an earlier age</p>
Example	<ul style="list-style-type: none"><li>- Government may grant priority for first-time newly married couples in public housing rental flats and/or government subsidized home ownership scheme</li><li>- Married couples may need to return the housing benefits if they divorce within 3 years of marriage</li></ul>
Caution	<p>Encouragement of immature/fake marriage</p>

<sup>1</sup>Census & Statistics Department. 2011 population census. Main report: vol. 1

<sup>2</sup>ESDLife. Survey on wedding expenses 2012.

### (3) Assisting partnering among teenagers

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#### Setting up of Social Development Network – Singapore (1984 onwards)

<b>Objective</b>	<ul style="list-style-type: none"><li>- To provide singles with opportunities for social interaction</li><li>- To equip singles with relationship skills</li></ul>
<b>Contents</b>	The government provides initiatives to local dating industry: <ul style="list-style-type: none"><li>- To raise the standard</li><li>- To start the business</li><li>- To organize dating events and training courses</li></ul>
<b>Outcomes</b>	In 2003, 15% of registered youth got married

<b>Relevance to HK</b>	<ul style="list-style-type: none"><li>- Do Hong Kong teenagers lack of interpersonal/relationship skills?</li><li>- Do Hong Kong teenagers lack of dating opportunities?</li><li>- Problem in HK: fewer unmarried females than males<ul style="list-style-type: none"><li>- Programmes to enhance cross-boundary partnering?</li></ul></li></ul>
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*Reference: Singapore Government. A sustainable population for a dynamic Singapore. Population white paper, January 2013*

## IIIb

## International experience to increase fertility and relevance to Hong Kong situation

- ❑ Housing benefits
- ❑ Government subsidized assisted reproductive technology (ART) treatment
- ❑ Provision of subsidies for childcare services

# (1) Housing benefits

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## Housing benefits – Singapore (Jan 2013 onwards)

Background	Housing as a burden to Singaporean's aspirations to get married and having children
Objective	To support earlier marriages and births
Contents	<p><u>Priority housing schemes</u></p> <ul style="list-style-type: none"><li>- Parenthood provisional housing scheme: First-timer married couples with children can rent a flat from public housing authority (Housing and Development Board, HDB) at an affordable rental rate when they are waiting for HDB flats</li><li>- Parenthood priority scheme: Set aside 30% of HDB subsidized new flats (Build to order flats) and 50% of balanced/resale flats (Sales of Balance Flat) to first-timer married couples with children</li></ul> <p><u>Parenthood provisional housing scheme</u></p> <ul style="list-style-type: none"><li>- First-timer married couples with children can rent a flat from HDB at an affordable rental rate (from S\$800 to S\$1,900) when they are waiting for HDB flats</li></ul>
Outcomes	<i>Impact not yet observed</i>

## (1) Housing benefits (Cont'd)

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### Subsidy on rents/ mortgage interests – Taiwan (2010 onwards)

Objective	To reduce the financial burdens of newly married couples
Contents	Families with 3 or more children can apply for government subsidy: <ul style="list-style-type: none"><li>- A rental subsidy for 2 years (monthly allowance: NT\$3,600)</li><li>- Interest free for the first 2 years of mortgage (max. mortgage rate: NT\$2million)</li></ul>
Outcomes	<i>Impact not yet observed</i>

Reference: 台灣(2008)人口政策白皮書 (核定本) 少子女化、高齡化及移民。



# (1) Housing benefits (Cont'd)

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## Relevance to Hong Kong?

HK situation	<ul style="list-style-type: none"><li>- Nearly 1/5 married women thought that living problems hindered them from having any live birth<sup>1</sup></li><li>- Nearly 1/4 married women who want to have only one child thought that living problems hindered them from having more children<sup>1</sup></li></ul>
Relevance	<ul style="list-style-type: none"><li>- Housing costs are not affordable to most people</li><li>- Housing benefits may relieve the living problem and facilitate couples to have live births</li></ul>
Example	<ul style="list-style-type: none"><li>- Government may grant priority for families with new-born children in public housing rental flats and/or government subsidized home ownership scheme</li></ul>
Caution	Encouragement of live births without careful considerations

<sup>1</sup> Family Planning Association. Knowledge, attitude and practice (KAP) survey 2012.

## (2) Government subsidized assisted reproductive technology (ART) treatment

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### Co-funding for ART treatment – Singapore (Sep 2008 onwards)

Background	The problem of Infertility increases since women postpone the time to give birth
Objective	To support infertile couples to give births
Contents	Government would co-fund married couples up to 75% of the costs of ART treatment received at public hospitals, with co-funding extended to 3 fresh and 3 frozen cycles (capped at S\$6,300 and S\$1,200 respectively)
Outcomes	<i>No. of live births based on ART treatment accounted for 1.3% of all births annually</i>

*Reference: Singapore Government. A sustainable population for a dynamic Singapore. Population white paper, January 2013*

## (2) Government subsidized assisted reproductive technology (ART) treatment (Cont'd)

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HK situation	- No. of couples who received ART procedures raised from 4,968 pairs in 2009 to 8,668 pairs in 2010 <sup>1</sup>
Relevance	<ul style="list-style-type: none"><li>- Hong Kong women have postponement in giving live births, which shortened their childbearing exposure period</li><li>- Increasing number of couples would like to receive ART treatment, but not all are affordable</li></ul>
Potential impact	If the number of ART procedures can be doubled per year, the TFR could be increased by 0.02 children per woman
Example	Government may grant more funding to subsidize institutions to provide ART treatments, and to subsidize couples to receive ART treatments

<sup>1</sup> Council on Human Reproductive Technology. Report and Statistics 2009, 2010

### (3) Provision of childcare subsidies

#### Subsidized childcare services by States – Denmark (1980 onwards)<sup>1</sup>

Background	Women would like to participate in the labour force after giving live births
Objective	To help women to maintain work-life balance
Contents	<ul style="list-style-type: none"> <li>- Government provided monthly subsidies to parents to help defray ~75% cost of centre-based care; parents opt for private childcare also receive subsidies (total spent ~0.7% GDP in 2009<sup>2</sup>)</li> <li>- Municipalities were required by legislation to provide the necessary places for child care services with high quality childcare institutions</li> <li>- Eligible for children aged 24 weeks to 10 years</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>- An increasing percentage of Danish children aged 0 – 3 in attending institutional child care services (from 5% in 1950s to 48% in mid-1980s)</li> <li>- TFR increased from 1.43 in 1982 to 1.75 in 1993 (+0.32 children per woman)*</li> <li>- Labour force participation rate of women (aged 16 – 66) increased from 71% in 1981 to 75% in early 1990s*</li> </ul>

\* Haven't taken account for the change in socio-economic situation and other confounding factors during the period

<sup>1</sup> Kremer M. The politics of ideals of care: Danish and Flemish child care policy compared. *Social Politics* 2006;13: 261-285.

### (3) Provision of childcare subsidies (Cont'd)

#### Subsidized childcare services – Singapore (1990 onwards)

Background	Working mothers are too busy at work
Objective	To enhance the affordability of infant and child care services for Singaporean parents who require centre-based care for their children
Contents	<ul style="list-style-type: none"> <li>- Government provide monthly subsidies to parents to help defray the cost of centre-based care (The subsidy covered ~25% of cost for infant care/ child care in 1990s; and extended to cover ~50% of cost in 2009)</li> <li>- Eligible for children aged under 7</li> <li>- The placement of childcare centre covered 20% of children in 2006; and increased to cover 27% of children in 2011</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>- No. of children aged under 7 attending institutional child care services increased from 15% in 2005 to 23% in 2011</li> <li>- The labour force participation rate of female residents increased from 52% in 2005 to 57% in 2011*</li> <li>- No significant change in TFR*</li> </ul>

\* Haven't taken account for the change in socio-economic situation and other confounding factors during the period

<sup>1</sup> Jones G. Late marriage and low fertility in Singapore: the limits of policy. *The Japanese Journal of Population* 2012;10(1):89-101.

### (3) Provision of childcare subsidies (Cont'd)

<p>HK situation</p>	<p><u>Aged 0 - 3</u></p> <ul style="list-style-type: none"> <li>- No. of places, incl. (i) aided and private childcare centres, (ii) kindergarten-cum-child care centres, and (iii) Neighborhood Support Child Care Project covered about 18% of all infants in 2012</li> </ul> <p><u>Aged 3 - 6</u></p> <ul style="list-style-type: none"> <li>- Kindergartens have limited function on child caring and most provide half-day places<sup>1</sup></li> </ul> <p><u>Informal caring</u></p> <ul style="list-style-type: none"> <li>- 44% grandparents would bear their grandchildren<sup>2</sup></li> <li>- Around 19% families with children employed foreign domestic helpers<sup>2</sup></li> </ul>
<p>Relevance</p>	<ul style="list-style-type: none"> <li>- With increasing labour force participation rate for married women (reached 71% for age group 25 – 34 in 2011), child caring services is necessary to maintain work-life balance</li> </ul>
<p>Potential impact</p>	<ul style="list-style-type: none"> <li>- Motivating women to have live births</li> <li>- Increasing labour force participation rate of women with children</li> </ul>

<sup>1</sup> Planning Department. *Hong Kong planning standards and guidelines. Chapter 3 – Community facilities. August 2011.*

<sup>2</sup> Family Council. *Report of the family survey 2011: preliminary findings. Paper FC 2/2012*

IIIc

## Impact of public spending on family benefits to encourage fertility

Results of cross-sectional analyses on 29 OECD countries

*Based on the OECD family database. Countries included: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom*

# Impact of public spending on family benefits to encourage fertility

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Cross-sectional analysis of 29 OECD countries in 2009

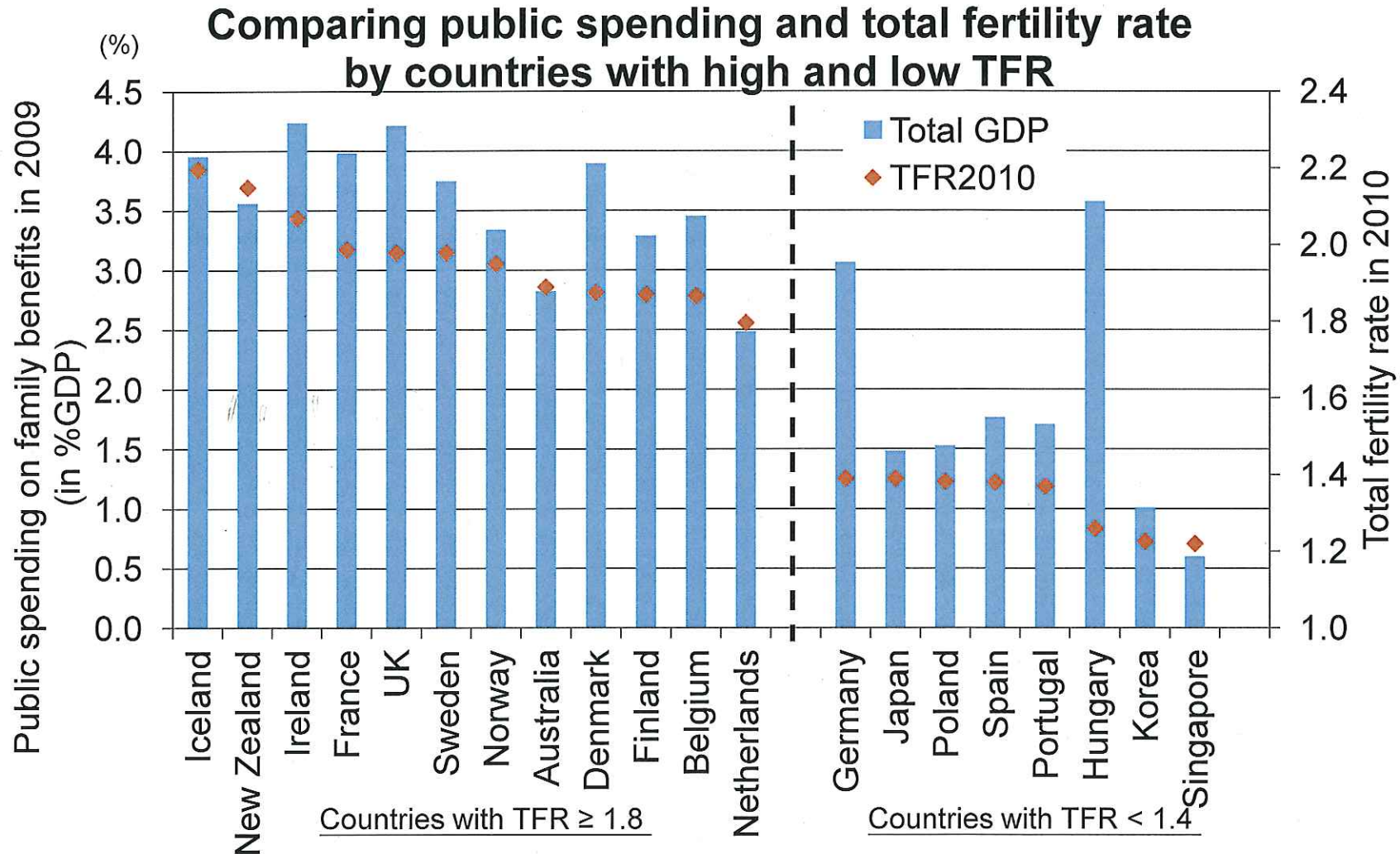
Public spending	Increase in TFR (children per woman) per 1%pt increase in GDP
Services for families with children <sup>1</sup>	0.28 (95% confidence interval: 0.16 to 0.41)
Child-related cash transfers <sup>2</sup>	0.14 (95% confidence interval: 0.04 to 0.24)
Financial support through the tax system	0.09 (95% confidence interval: -0.18 to 0.36)

<sup>2</sup> Incl. child allowances, public income support payments during period of maternity/parental leaves and income support for sole parent families



# Public spending on family benefits in cash, services and tax measures: country comparison

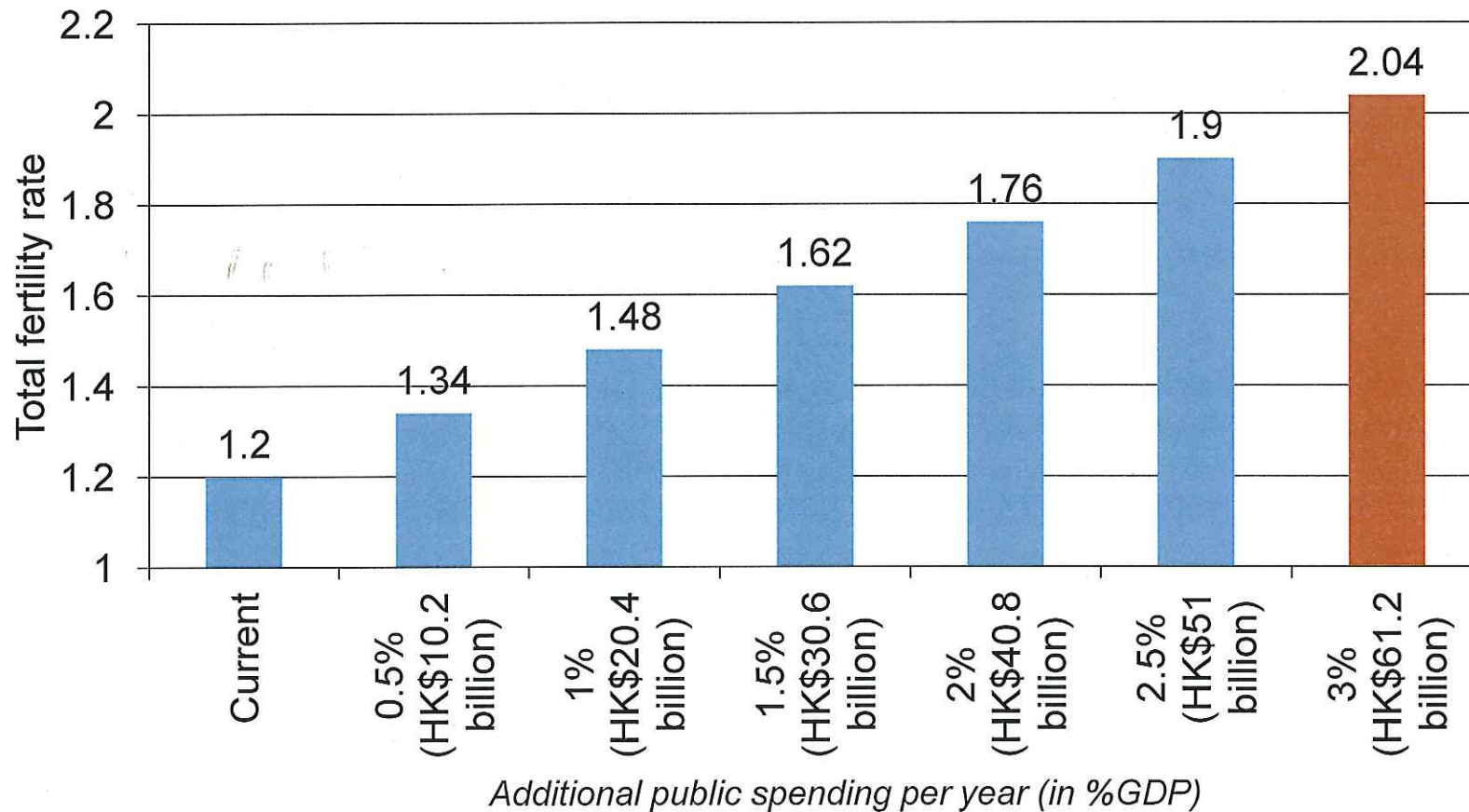
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Sources: (1) OECD Database; (2) Singapore Department of Statistics

# Estimated public spending on family benefits in services and the increase in total fertility rate in Hong Kong

Estimated total fertility rate by increase in public spending on family benefits



(GDP in 2012: HK\$2,040 billion)

# Limitations

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1. Difference in cultural and social welfare structure between Hong Kong and other countries/regions
2. Policies may fit different objectives and may not be applicable in Hong Kong
3. Hong Kong has a low-tax regime; a drastic policy change will be resulted on heavily subsidising family formation and fertility