

# Executive summary

**OECD countries have been experiencing a long-term decline in the total fertility rate (TFR).** There was a temporary halt in the decline during the 2000s, but it has since trended downwards again after the great financial crisis of 2007-08. The TFR fell to just 1.5 children per woman in 2022, on average across the OECD, well below the “replacement level” of 2.1 children per woman. Among OECD countries in 2022, the TFR was highest in Israel with 2.9 children per woman followed by Mexico and France with 1.8 children per woman. The TFR was lowest in Italy and Spain with 1.2 children per woman, and particularly in Korea at an estimated 0.7 children per woman in 2023. The decline in the TFR went hand in hand with an increase in the age at which mothers have their first child, which increased from 26.5 years in 2000, on average across the OECD, to 29.5 in 2022.

There is a **broad trend towards increased childlessness across the OECD**, but the strength of this trend varies. Comparing the cohort fertility of women born in 1935 and 1975 shows that the incidence of permanent childlessness at least doubled in seven OECD countries; permanent childlessness concerned 23% and 24% of women of the 1975 cohort in Italy and Spain respectively and 28% of women of the 1975 cohort in Japan.

**Economic considerations have an effect on family formation.** Key economic variables, such as household income, how it is split between parents, the cost of childcare and housing, can all affect whether to have children, when to have them, and how many children a family may have. The increased direct and indirect cost of children will have contributed to the falling fertility rates but changing preferences among younger people towards having children may also play a role.

Over the past decades, **women have increased their educational attainment and strengthened their labour market participation**, which has increased their opportunity cost to having (more) children. If women have to choose between work and family, then some will choose (more) children and thus limit their labour force participation while others will choose paid work and fewer or no children. However, when women are able to combine work and family life this leads to better economic outcomes and higher fertility rates. This helps to explain why women’s employment rates that were negatively linked to fertility in the past, are now positively associated with fertility.

**Policy has become more focused on supporting the reconciliation of parental work and family commitments.** Countries like Denmark, France, Norway, Hungary and Sweden offer a continuum of support of paid parental leave provisions and Early Childhood Education and Care (ECEC)-systems that are well aligned, but at the price of about 3% of GDP or more on family benefits. In many of these countries, however, the TFR is now only around the OECD average, so work and family policies on their own are not enough to explain the decline in fertility rates in these countries and cross-national variation.

Increasingly, **concerns about the cost of housing have come to the fore as a barrier to having (more) children**. The increase in housing cost since the late 1990s has been considerable in most OECD countries. Private education costs can also establish a barrier to having (more) children, as in Korea, but this does not play a role across all countries in the OECD.

**Results from OECD-wide regressions** found positive associations between TFRs, employment of men and women, public spending on parental leave and ECEC, and to a lesser extent financial support to households. The regressions also found a clear negative association between TFRs and housing costs, and the unemployment rate as an indicator of labour market conditions. However, much of the variation in fertility trends is not explained, which could point to a growing role of perceived insecurity, and societal attitudes and norms.

**The recent rapid succession of global crises**, e.g. COVID-19, increasing climate issues, the Russian war of aggression against Ukraine, may have spread a feeling of uncertainty and unpredictability, and increased labour market and housing insecurities which may complicate young people’s transition to parenthood.

Recent years have also been marked by **a change in attitudes towards parenthood**. Both young men and women increasingly find meaning in life outside of parenthood, and there is a broad movement towards an increased acceptance of not having children. At the same time, the normative demands on what it means to be a “good” parent have increased, and the changing balance in costs and benefits of having a child – both financial and non-financial – drives decisions to have fewer, if any, children today than in the past.

The best approach for countries that are concerned about fertility rates remains to **promote more gender equality and fairer sharing of work and childrearing**. This involves providing family policies that help the reconciliation of work and family life, but policy must also have a greater focus on the costs of children, especially housing costs. However, because of changes in preferences for children, it is unlikely that such policies will enable countries to approach replacement fertility rates again.

It would also be prudent to consider how **general policy** can be adapted to a “low-fertility future”. Any increase in fertility rates today would only translate into a larger working-age population 20 years down the line. Such a policy – that goes beyond family policy and the scope of this chapter – 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.



**From:**  
**Society at a Glance 2024**  
OECD Social Indicators

**Access the complete publication at:**  
<https://doi.org/10.1787/918d8db3-en>

**Please cite this chapter as:**

OECD (2024), "Executive summary", in *Society at a Glance 2024: OECD Social Indicators*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/73e5872b-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.