

Research Note

An assessment of the tempo effect for future fertility in the European Union by Joop de Beer

Abstract:

The average number of children per woman in the Member States, as measured by the total fertility rate (TFR), currently equals 1.5. In eleven Member States the TFR is even 1.3 or lower. Since 1980 the average TFR had declined by 0.4 children per woman. During the same period the mean age at childbearing has risen by 2 years to 29 years. This Research Note addresses the question how likely a recovery of fertility is, particularly in the Member States where fertility is below average due to the so called tempo effect, i.e. women having more births at advanced age.

Low fertility is the main cause of the ageing of the population. If fertility rates would rise, this would moderate the tempo of the ageing process, albeit only in the long run. Thus policies aimed at raising fertility may be one answer to ageing problems, in addition to other policy options, such as admission of labour migrants and increase of labour force participation of women, migrants and elderly people. This Research Note does not discuss the pros and cons of alternative policy options. Acknowledging that higher fertility may mitigate the ageing process, this Research Note focuses on the question whether fertility rates may be expected to rise and whether policies can help in stimulating a rise in fertility.

Whereas fertility rates of women aged younger than 30 years have declined since the 1970s, fertility rates of women aged 30 years or older have risen since the 1980s. In recent years the decline in fertility rates at young ages has slowed down in many Member States and even stopped in several countries. As a consequence the decline in the total fertility rate (TFR) has slowed down in most countries or even turned into an increase. In some countries, the rise in fertility at older ages has slowed down, suggesting that the 'recovery phase' is near its end, but in most countries a strong increase in fertility at ages 30 or over is still going on, suggesting that the TFR in most countries may increase in the next years.

Even though one may question whether new policies would be needed to achieve a rise in the TFR, as this is an ongoing trend, nevertheless it may be useful to improve policies to accommodate this trend, in order to stimulate that the recovery of fertility indeed will take place, as it is not certain to what extent fertility rates may increase. Women may not realize their desired fertility if they find child rearing incompatible with their working career. In addition policies may be aimed to stop further postponement in countries in which fertility at young ages is still declining. It may be more difficult to achieve an increase in fertility rates at young ages, as this would require a reversal of a trend that has been occurring for several decades now. Policies aimed at stimulating fertility should include both general economic policies stimulating economic growth and reducing unemployment, and family policies aimed at improving parental leave, child allowance and child care.

This Research Note has been produced for the European Commission by Joop de Beer (NIDI) on behalf of the Demography network of the European Observatory on the Social Situation and Demography. The views expressed are those of the author and do not necessarily represent those of the European Commission.



European Commission
Directorate-General "Employment, Social Affairs and Equal Opportunities"
Unit E1 - Social and Demographic Analysis

Manuscript completed in May 2006



An assessment of the tempo effect for future fertility in the European Union¹

1. Introduction

The Green Paper on demographic change suggests that policies aimed at raising fertility may be an answer to ageing problems

Since the 1970s fertility rates have declined in all Member States. This is the main cause of the ageing of the population in the next decades. In the Green Paper "Confronting demographic change: a new solidarity between the generations" (European Commission, 2005) the Commission states that the low level of fertility may have negative economic and social consequences, e.g. lower economic growth due to a smaller and older labour force, a shortage of people to provide care for the elderly and problems in maintaining the pension system. The Green Paper suggests that policies aimed at raising fertility may be one main answer to these problems: "Europeans would like to have more children. But they are discouraged from doing so by all kinds of problems that limit their freedom of choice (...) The low fertility rate is the result of obstacles to private choices: late access to employment, job instability, expensive housing and lack of incentives (family benefits, parental leave, child care, equal pay)." The Green Paper concludes that "families must be further encouraged by public policies that allow women and men to reconcile family life and work."

Should policies aim to stop postponement or to stimulate recovery?

This raises the question to what extent policies can have an impact on the level of fertility. One main question in assessing the effectiveness of policies is whether policies may influence the tempo effect of fertility only or whether they also can have an impact on the ultimate number of children. Hence the question is whether policies would be more effective if they would be aimed at raising fertility rates of women younger than 30 years, i.e. in stopping the postponement process by lowering the age at first birth, or whether policies should aim at stimulating recovery of postponed fertility, i.e. at more births at an older age. It should be noted, however, that as postponement may have a negative effect on the ultimate number of children, e.g. due to infertility at higher ages or due to break-up of relationships, policies that influence the tempo effect may have an indirect effect on the ultimate number of children.

This research note discusses the postponement process and the effectiveness of policies

Section 2 of this research note assesses the tempo effect of fertility by examining to what extent the development of the TFR in the various Member States can be attributed to postponement of fertility. It will be concluded that the various countries are in a different stage of the postponement process. Section 3 discusses the question whether policies can be effective in influencing the tempo and level of fertility. Due to both differences in the fertility trends and in the economic, policy and cultural context, different types of policy are likely to be effective in Northern, Western, Southern and Central Eastern Member States.

¹ The views expressed are those of the author and do not necessarily represent those of the European Commission.

2. The timing of fertility: postponement and recovery

Fertility is low, and in several countries very low

Since the early 1970s fertility rates declined strongly in most Member States of the European Union. In 1970 the average value of the period total fertility rate (TFR) in the present 25 Member States equalled 2.3 children per woman. In recent years the average TFR has fluctuated around 1.5. In all Member States the current TFR is below the replacement level of 2.1 children per woman. In eleven Member States the TFR is even 1.3 or lower. These low values are observed in three regions: Southern Europe, Central Eastern Europe and the two German-speaking countries.

Late fertility is one cause of low fertility

One of the causes of the decline in the period total fertility rate (TFR) is the postponement of fertility beyond the age of 30. To the extent that the current low fertility rates can be attributed to this tempo effect, the low level of the TFR may be temporary and an increase may be expected when there will be a recovery. The question is, however, whether there will be a full recovery. Part of the decline of the TFR may be caused by a decrease in family size preferences (the 'ideal' family size). If postponement and decline of ultimate cohort fertility occur simultaneously, it is difficult to assess the exact size of both causes of change, as both may lead to lower fertility rates at young ages. Moreover, postponement may affect the ultimate level of fertility, as women may adjust their family size preferences downwards when they become older, e.g. due to career experiences, health reasons and instability of relationships. It should thus be noted that family size preferences can change over time. In addition, as infertility increases with age, postponement may lead to problems with conception which can be expected to lead to an increase of involuntary childlessness.

The postponement process has three stages

In all EU countries the decline in fertility rates at young ages started several years before an increase in fertility rates at higher ages. This clearly indicates that at least part of the decline in the TFR can be attributed to postponement. Despite this similar pattern across European countries there are remarkable differences, both in the level of fertility and in the rate of change of the fertility rates.

Usually postponement of fertility is measured by an increase in the mean age at childbearing, preferably the age at having the first child. However, this does not provide information on the stage of the postponement process. We can distinguish three stages. In the first stage of the postponement process the average age at childbearing rises due to a decrease of fertility rates at young ages. In the second stage fertility at young ages continues to decline, whereas fertility at older ages starts to rise, i.e. the recuperation phase begins, and as a result the average age at childbearing continues to increase. In the third stage the decline in fertility at young ages comes to an end, whereas the rise at older ages continues and gradually slows down, and as a consequence the rate of increase in the average age at childbearing continues but will slow down. Thus as the average age at childbearing is increasing in all three stages this does not provide information on the stage of the postponement process. For that purpose, in assessing the tempo effect of fertility we will look at both fertility rates at ages below and above 30 years in order to assess differences in the postponement process between Member States.

Differences in the postponement process in selected countries

The figures show the development of the TFR since 1970 as well as the part of the TFR that is realized at ages younger than 30 and at ages 30 and over². Rather than describing fertility trends in all EU countries in detail we sketch the differences in developments in fertility by showing figures for selected EU countries in the different geographical regions of the European Union. The figures are based on data on age-specific fertility rates that are obtained from New Cronos, Eurostat's electronic

² The choice of the age of 30 as dividing line between postponement and recuperation is justified by the fact that the mean age at childbirth is now clustered around this level (D'Addio and D'Ercole, 2005).

database. As this database does not distinguish age-specific fertility rates by birth order, the figures show fertility rates irrespective of birth order³.

Southern Europe enters the recuperation stage

In Southern European countries fertility rates of women older than 30 years declined in the early 1970s, due to a decline of ultimate family size. In the late 1970s this was followed by a fertility decline at young ages. This was the first stage of the postponement process. In the late 1980s fertility at age 30 or over started to increase, indicating the second stage of the postponement process, i.e. the start of the recovery. As a consequence, the decline of the TFR slowed down. In recent years the decline in the fertility at young ages has slowed down considerably, indicating the transition to the third stage of the postponement process. As a result the decline in the TFR had stopped or even turned into an increase. Since the increase in fertility rates at older ages has started relatively recently, some further increase may be expected. However, as fertility rates at ages 30 or over are already relatively high compared with other countries, it would seem rather unlikely that a full recovery of fertility will occur, as this would require unrealistically high levels of fertility at ages 30 or over.

Very little recovery of fertility in German-speaking countries

In the German-speaking countries Germany and Austria there has been a considerable decline of fertility at ages younger than 30, but only a rather moderate increase of fertility at ages 30 or over. Although the increase at ages 30 or over has started already some 20 years ago, the increase has been much smaller than the decline in fertility at young ages. As a consequence, the fertility rates at ages 30 or over are much lower than in other European countries. Thus, even though the level of the TFR in Germany and Austria is comparable with that in Southern Europe, the age structure of fertility is different. This suggests that there is only very limited recovery of fertility in Germany and Austria and that the ultimate level of cohort fertility will remain low. Goldstein et al. (2003) note that while in most countries women of all ages still have family size ideals above replacement, young cohorts in Austria and Germany report low ideal family sizes well below replacement level. They suggest, that as both Austria and Germany were also among the first countries to experience declines in period fertility well below replacement levels, it appears that changing actual family sizes are beginning to have an effect on the ideals of the next generation.

Modest increase in fertility in Western countries due to recovery

Among the Western European countries France has a relatively high level of the TFR⁴. In France there has been a gradual decrease in fertility at younger ages. Since the early 1990s the decrease has slowed down, suggesting that the third stage of the postponement process has been approached. Fertility rates at ages 30 or over have risen considerably. As a result there has been a modest rise in the TFR since the mid 1990s. A recovery of the fertility level to close to 2 children per woman seems likely. Even more clearly in the Netherlands the decrease in fertility rates at young ages has stopped since the mid 1990s, whereas the rise at ages 30 or over has continued. Thus the Netherlands definitely seems to be in the third stage of the postponement process. As a result the TFR has risen in recent years, although the level is clearly lower than in France, due to the fact that fertility below 30 has fallen more strongly in the Netherlands than in France. The TFR in the Netherlands seems to move towards a level of about 1.8. The developments in the United Kingdom (not shown in the figure) are to some extent comparable to that in France, although both the fertility rates at young and old ages in the UK are lower than in France, and as a result the TFR is lower. Moreover, whereas the decrease of fertility at ages younger than 30 in France has slowed down, in UK the decrease still continues.

³ If the age at the birth of the first child would have been analysed, a slightly lower age than 30 might have been chosen as dividing line between 'young' and 'old' mothers.

⁴ Ireland (not shown in the figure) has the highest level of fertility among Western European countries, even though the level of the TFR has declined very considerably from 4 around 1970 to 2 in the 1990s.

High fertility in Northern Europe

The Northern European countries have a relatively high level of the TFR. The development of the TFR in Sweden differs from that in other European countries. There was a strong rise in the TFR in the early 1990s, caused by an increase in fertility rates at both young and old ages, which can be explained by the effect of policies on parental leave which favoured short birth intervals. In the mid 1990s there was a strong decline in fertility, mainly at young ages. This may be explained by the economic downturn. Apart from these fluctuations, the long-term trend shows a decline in fertility at young ages and rise at old ages. In recent years the decline at young ages has slowed down, suggesting that Sweden may be in the last stage of the postponement process. The development of fertility in Denmark differs also from that in other European countries as the decline of fertility at young ages stopped in the early 1980s and fertility at ages younger than 30 were rather stable until the early 1990s, which suggests that also Denmark was in the last stage of the postponement process. However, since the mid 1990s fertility at ages younger than 30 has decreased further. The question is whether this recent decrease is caused by a further postponement or whether it may be due to a decline in the ultimate family size. Frejka and Sardon (2004) suggest that the ultimate number of children of cohorts born in the 1980s may be lower than that of preceding cohorts.

Late postponement in Central Eastern countries

As New Cronos hardly contains time series of age-specific fertility rates for Central Eastern European countries, the figures only show the development of the TFR since 1970 for the Czech Republic and Hungary. However, from information provided by Frejka and Sardon (2004) and Sobotka (2004) it can be concluded that fertility in Central Eastern European countries has been postponed since the second half of the 1990s, i.e. considerably later than in other European countries. As fertility rates at ages 30 or over have as yet hardly increased, the TFR has dropped to very low levels (of 1.2 to 1.3 children per woman). It is rather uncertain to what extent this indicates that Central Eastern European countries are in a rather early stage of the postponement process, and the decline of fertility will be followed by a strong recovery, and to what extent the decline is caused by a strong decline in the ultimate number of children per woman.

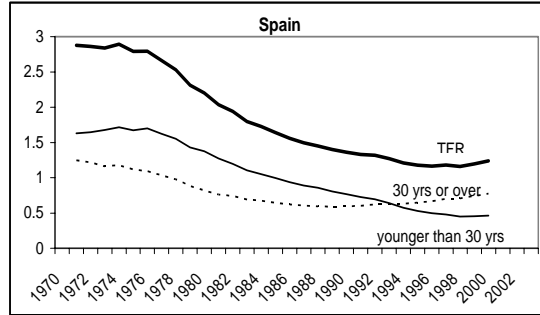
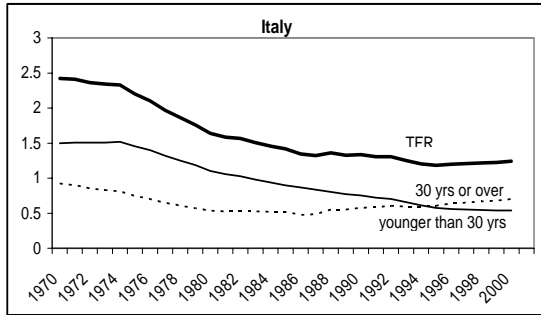
Most countries are in the final stage of postponement

In summary, the decline in fertility rates at ages younger than 30 has slowed down in many European countries and even stopped in several countries. Except for the central eastern European countries, the postponement process in most European countries seems to be near the end of its second or the beginning of its third stage. As a consequence the decline in the TFR has slowed down in most countries or even turned into a slight increase. In some countries, the rise in fertility at ages 30 or over has slowed down, suggesting that the third stage (the recovery phase) is near its end, but in most countries a strong increase in fertility at ages 30 or over is still going on, suggesting that the TFR in most countries may increase in the next years.

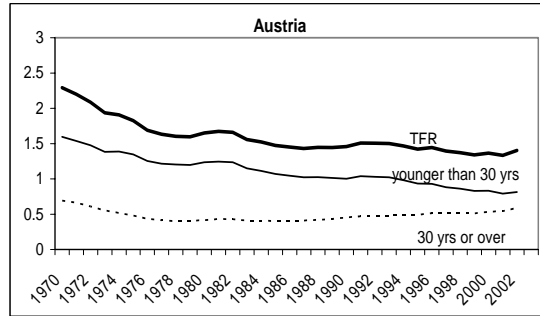
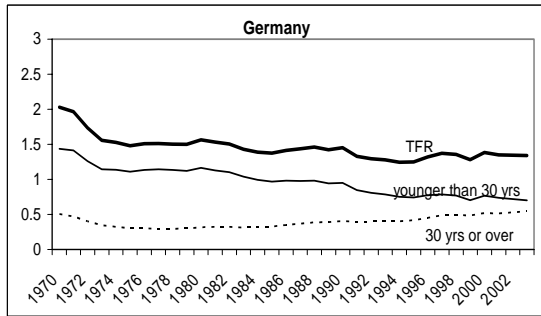
Significant differences in age pattern of fertility

In spite of these similar developments in many European countries there is important variation between countries. For example, there are significant differences in the level of fertility of women aged 30 or over. In several countries fertility rates of women aged 30 or over are higher than those of women younger than 30. For example, in the Netherlands the TFR equals 1.75, of which 1 child per woman is realized at age 30 or over. In France and the northern European countries fertility at ages 30 or over is also relatively high, at a level of about 0.9 children per women. In southern European countries fertility at ages 30 or over is slightly lower (between 0.6 and 0.8), but it is still rising considerably. In contrast, in Germany fertility at ages 30 or over equals only 0.5, whereas the fertility at ages younger than 30 is as low as in the Netherlands. Thus, in Germany and Austria there is much less recovery than in other European countries. Goldstein et al. (2003) suggest that the two-child family, one boy and one girl, which has long been considered the ideal family structure in Western European countries is no longer the ideal of young generations in Germany and Austria. They assume that sub-replacement fertility ideals have emerged as a natural consequence of a history of low fertility. Young cohorts have witnessed below-replacement fertility for their entire lives. They expect that other countries will soon follow the German-speaking countries and that ideal family size in Italy, Spain and Greece will drop below replacement in the next two decades.

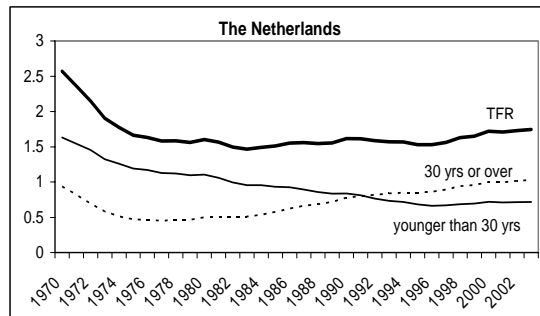
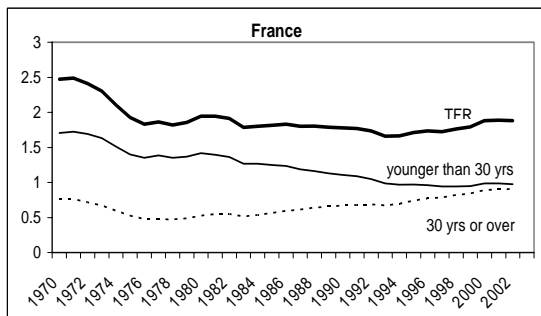
Southern European countries



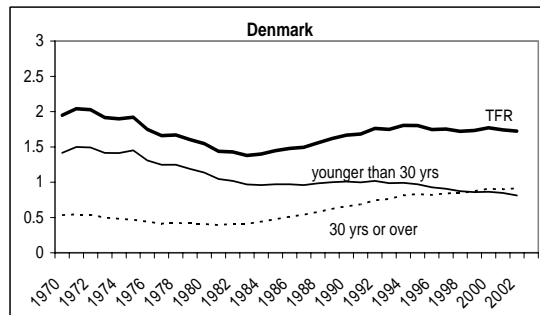
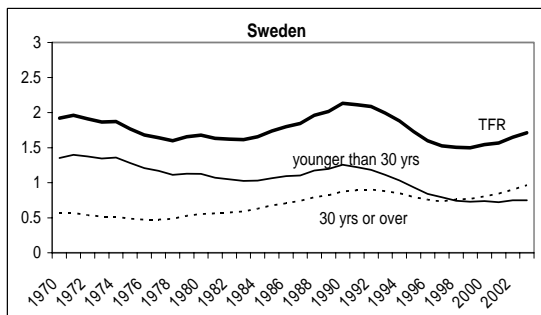
German-speaking countries



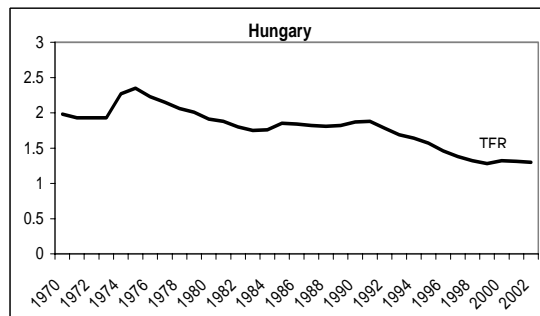
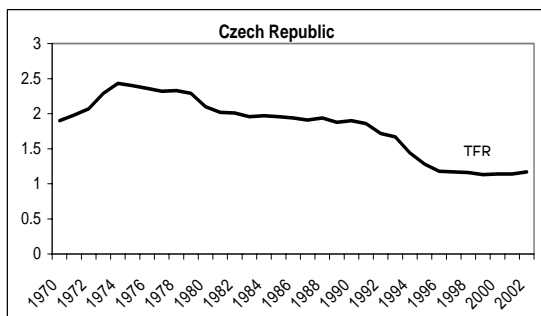
Western European countries



Northern European countries



Central eastern European countries



Source: Eurostat, New Cronos

Also differences in family size

In addition to differences in the timing of fertility there are also differences in the distribution of family size. Data published by Frejka and Sardon (2004) show that the low fertility in Italy and Spain can be explained by the relatively high percentage of women having only one child rather than by a high percentage of childless women. In contrast, in the Netherlands and the UK the percentage of women remaining childless is higher than the percentage having only one child. In Northern European countries the percentage of childless women tends to be higher than in Southern Europe, but at the same time also the percentage of women having three children is higher. Thus one may conclude that if women, for whatever reason, do not have the 'ideal' family size of two children, in Southern Europe they often have only one child, whereas in Northern and Western countries they often do not have children at all. However, if women in the latter countries do have children, they often have at least two children. One explanation of the relatively high percentage of women having only one child in Italy despite the culture of strong family ties is that the desire to become a parent is already satisfied by having one child, whereas the low attention towards the compatibility of parenthood with work explains why families are small.

3. Implications for policy

One cause of the decline in fertility in the Member States is postponement. If the decline in the period total fertility rate would be caused completely by postponement, a recovery would be expected. Indeed, as the preceding section showed, in many countries the decline of the TFR has slowed down or even has turned into an increase due to an increase in fertility rates at ages 30 or over. However, it is questionable whether there will be complete recovery. This may give scope to policies aimed at both stimulating women to have their children at a younger age, thus reversing the postponement trend, and at stimulating recovery of postponed births. In both cases, the policies would primarily address the timing, or tempo of fertility.

General economic policies or family policies?

In order to assess the potential effectiveness of policies one should look into the causes of the postponement and decline of fertility. Women's increased level of educational attainment and labour force participation are often mentioned as causes of both the postponement of fertility and the decline of the number of children. In all European countries women are studying longer and attain higher levels of education. This has postponed the transition to motherhood. Moreover higher educated women generally have higher incomes, which makes the choice of becoming mother harder. However, as paid maternity leave and parenthood allowances encourage fertility, there does not need to be a negative relationship between work and fertility at the national level (Billari, 2005). Comparisons among European countries show that since the 1990s the negative relationship between the total fertility rate and female labour force participation rate has been reversed. Countries with relatively low TFR's are those with relatively low levels of female labour force participation. Esveldt and Fokkema (2005) state that one explanation is the high level of economic uncertainty in southern and central eastern European countries. In southern European countries high youth unemployment, job instability and high housing costs result in late home leaving, late union formation and consequently late child bearing (De Sandre, 2000). In the central eastern European countries the economic crisis and the rise of unemployment cause young people to be worried.

Differences in family policies are another explanation of the low fertility in southern and central eastern European compared with northern European countries. The southern European countries have low levels of state support for families with children (Esping-Andersen, 2002). In central eastern European countries many pronatalist policies of the socialist period were not continued, e.g. child allowances and parental leave were reduced and child care became more expensive.

As both explanations seem to be valid, policies aimed at stimulating fertility should include both general economic policies stimulating economic growth and reducing unemployment, and family policies aimed at improving parental leave, child allowances and child care.

Will flexicurity help?

One new type of policy approach is flexicurity which promotes a combination of flexible labour markets and a high level of social security. An important feature of this approach, originating in Denmark, is to promote flexible types of employment, such as part-time work, and paid leave schemes, such as parental leave. However, Jepsen (2005) argues that even though flexicurity can improve the situation of women as fixed-term contracts and part-time work become more secure and it makes transitions between paid and unpaid work less costly, it tends to reinforce the current gender roles due to the uneven distribution of the provision of unpaid care and hence the reconciliation of work and family will continue to be one of women. Thus she concludes that it is not enough to have an inclusive social security system and she argues that positive incentives for men to provide unpaid care are needed.

Family friendly policies

Many governments are reluctant to formulate explicit pronatalist policies as there is a widespread feeling that the government should not intervene and influence the private decisions of partners about their own fertility (Esveldt and Fokkema, 2005). However, all EU countries have, to some extent, policies that are aimed at improving possibilities to combine work and family, e.g. by providing child care, maternity and parental leave, flexible working hours for mothers of young children, and the right of re-employment after maternity leave. In addition, there are policies aimed to improve the ability of families to cope with the expenses of children, e.g. child allowances, tax deductions and housing subsidies. Even though the explicit aim of these policies is to improve the well-being of families with children and to allow couples to combine work and child rearing, the effect may well be that it increases the level of fertility.

Differences in policies among European countries

Even though all EU countries have some family-friendly policies, there are major differences between Member States in policies affecting the choice to become a parent (Gauthier, 2005). For example, whereas some countries provide paid parental leave up to three years, in other countries paid leave is restricted to the period immediately before and after childbirth. Also child care provisions differ widely. The proportion of children aged 0-3 years attending day care ranges from almost zero in the Czech Republic to two thirds in Denmark (Gauthier, 2005). For children aged 3 and over differences are much smaller, as the majority attend day care before mandatory school age.

Assessing the effectiveness of policies on the level of fertility

In reviewing the empirical literature on the effect of policies on fertility Gauthier (2005) concludes that there is a positive – albeit very small – impact of cash benefits on fertility. On the basis of analyses at the aggregate level she suggests that a 25 percent increase in family allowances would result in an increase of 0.07 children per woman. However, analyses at the micro level show mixed results. Furthermore, policies may affect the timing of fertility rather than the level of cohort fertility. Gauthier stresses that it is difficult to assess the impact of policies on fertility, as it is difficult to disentangle the impact of policies from other determinants of fertility.

On the basis of cross-country comparisons D'Addio and D'Ercole (2005) conclude that total fertility rates are higher in countries with wider childcare availability, lower direct costs of children, higher part-time work availability and longer leaves. Economic changes may have a strong influence on fertility. The most important example is the economic crisis in the transition countries (Sobotka, 2004). As economic trends and socioeconomic policies are interrelated, it is difficult to identify their separate effects on fertility. The business cycle also explains fluctuations in fertility, but they are unlikely to have long-term effects. Another complication in assessing the effectiveness of policies on the basis of comparisons among European countries is that there may be a relationship between practice and attitudes (Billari, 2005). There is a negative correlation across countries between the share of individuals agreeing that young children suffer if their mother works and the share of children aged 0-3 attending day care. Different day care attendance may be caused by different preferences. However, it is also possible that individuals adapt their attitudes to the availability of day care.

Effects of policies may be mainly temporary

Esveldt and Fokkema (2005) suggest that policies are likely to be most effective if they are directed at young, childless people and, to a lesser extent, at one-child families. Older voluntarily childless people are often convinced that they do not want to have children ever. Parents having two children are generally not inclined to change their intentions. However, childless people are the least easy group to be persuaded by policy measures. "The decision to become a parent has much more far-reaching consequences (e.g. irreversible changes in life style and consequences for other life domains, lifelong responsibility for others, give up hobbies) than the decision of having an additional child." Thus one should not be overly optimistic on the impact of policies. Policies are likely to be more effective in influencing the timing of fertility than the number of children, i.e. the effects will be mainly temporary.

Tempo policies

Disentangling the effects of policies on the timing and level of fertility is not straightforward, as changes in the timing of fertility may have an effect on the ultimate level of fertility. The more women are delaying childbearing, the higher the chances are that the ultimate number of children per woman will be lower, e.g. due to infertility, health problems and break-up of relationships. Thus policies aimed at achieving higher fertility at a young age may lead to a higher ultimate level of fertility. Lutz and Skirbekk (2004) argue that policies aimed at lowering the age at which young men and women finish their secondary or tertiary education without lowering the average level of educational attainment may reverse the trend toward later childbearing.

Potential effect of policies

On the basis of the Population Policy Acceptance Survey conducted between 2000 and 2003 in 14 countries, in which respondents were asked whether they would consider to have a(nother) child if certain policies would be improved, Esveldt and Fokkema (2005) estimate that the potential policy effects on the average number of children per woman would range from less than .1 in countries like Italy, Austria and the Netherlands to about .2 in central eastern European countries. These seem considerable effects, but Esveldt and Fokkema emphasize that one should be careful in interpreting these results as these estimates are based on intentions rather than actual behaviour. However, they mention various reasons why policies can be effective: there is a gap between desired and realized fertility; a considerable number of people still have doubts whether or not they want a(nother) child; among those who do not have child intentions, many give reasons that may be affected by policy (e.g. high costs of children). A considerable percentage of people state that they would have the intended child sooner or would reconsider to have another child if policies would be improved.

What may work in one country may not work in another

Effectiveness of policies is likely to differ between European countries. As noted in section 2 in Austria and Germany there is a very low level of fertility of women aged 30 or over, indicating that there is very little recovery. The decline in fertility at young ages seems to be caused by a decline in average family size rather than by postponement. Goldstein et al. (2003) suggest that a history of low fertility may lead to a decline in ideal family size. "Low family-size ideals may create a momentum of their own, making it more difficult for pro-natalist policy makers to raise fertility levels in the future." They suggest that their conclusion may also apply to southern European countries, but as there are clear differences in the development of fertility between German-speaking and southern European countries one may question that conclusion. Esveldt and Fokkema (2005) conclude that no single policy intervention can reverse low fertility in the whole of Europe. "What may work in one country may not work in another, because of a different social and economic context and family policies in the past." In some countries parental leave and child care facilities may be improved, whereas in other countries financial measures may have the highest potential. For example, Esveldt and Fokkema would suggest the German, Austrian, Dutch and Finnish government to improve parental leave and child care facilities to persuade childless people to become parent. In central eastern countries they would suggest general measures to stimulate economic growth, particularly focused on reducing unemployment, increasing incomes and providing affordable housing.

No simple recipe, but policies are likely to have effect

The conclusion must be that there is not one simple straightforward answer to the question whether policies can be effective in influencing the timing and level of fertility. Even though there is postponement of fertility in all Member States, there is considerable variation in the level of fertility. To some extent the differences may be explained by the fact that countries are in different stages of the postponement process, but it seems more likely that to an important extent differences in both the timing and level of fertility among European countries are rather persistent. For example, it seems very unlikely that fertility in southern Europe and in the German-speaking countries will rise to the same levels as in northern European countries. Moreover, empirical studies attempting to assess the effectiveness of policies on the level of fertility do not yield overwhelming evidence of substantial effects. However, this does not imply that one should conclude that policies have no impact at all. First, there is ample evidence that the general economic situation has an important effect on the level of fertility. Thus policies improving economic growth, decreasing unemployment and improving the availability of suitable houses are likely to have a positive effect on the level of fertility. Moreover, comparisons among European countries suggest that policies stimulating the combination of work and children may have a positive influence on both labour force participation of women and the level of fertility.

Policies may be more successful in accommodating ongoing trends rather than in reversing trends

As policies may be more effective in stimulating trends that are already on their way than in reversing trends, it is important to note that in most Member States there is a clear tendency of recovery of postponed fertility. In most countries fertility rates of women aged 30 or over are rising. In many European countries there seems to be room for a further increase, as the level is still considerably lower than in a country like the Netherlands. Thus one may expect that total fertility rates may rise during the next years. Even though one may question whether new policies would be needed to achieve this rise, as this is an ongoing trend, nevertheless it seems useful to improve policies to accommodate this trend, in order to stimulate that the recovery of fertility indeed will take place, as it is not certain that this will happen, since women may not realize their desired fertility if they find child rearing incompatible with their working career. In addition policies may be aimed to stop further postponement in countries in which fertility at ages younger than 30 is still declining. It may be more difficult to achieve an increase in fertility rates at ages younger than 30, as this would require a reversal of a trend that has been occurring for several decades now.

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