Can New Fertility Policy Turn the Low Fertility Up in China?

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Extended Abstract

Background

Both Japan and South Korea abolished fertility policy around middle of 1990s when finding that their fertility had reached a relatively lower level, but the trend of fertility decline was unable to be turned over afterwards. China's family planning program has been implemented for just 40 years since 1973. TFR dropped off from 4.54 in 1973 to 1.5 in 2013.

Since 1973, the fertility policies have been adjusted for several times, from allowing couples to have two-child in the beginning of the program, to have only one child started in 1980, and to the policy allowing the couples whose first child is daughter to have a second child in rural areas started in 1984. Since then, the fertility policy had never changed until November 15, 2013, when Central government issued a new policy allowing couples to have a second child if one of them is from one-child family in both urban and rural areas. It has been the first time that the government partly released the fertility policy in China since 1984.

This new policy is a kind of transitional policy, which only allows a small amount of couples to have second child, as the government is afraid of substantial increase in fertility and sudden birth heaping within a short period of time. Next step for further adjustment of fertility policy should allow all couples to have two children without any condition. Whether the second step can be issued depends on the results of implementation of the first step, the current new fertility policy.

Data

For preparing the adjustment of fertility policy, the National Health and Family Planning Commission (NHFPC) conducted a sampling survey of birth desire in August, 2013. The survey sampled 63569 married women aged 15-44 from 29 of 31 provinces in mainland, except for Tibet and Xinjiang regions. The target population for the survey was childbearing women aged 15-44, whose household registration regions belonged to the survey areas, in August, 2013. The sampled data were weighted afterward by the 2010 census, so that the sample can represent the population of married women aged 15-44 with the household registration areas of 29 provinces. In the questionnaire, apart from the general demographic items, some questions were asked such that what a kind of fertility policies is in your household registration areas, how many children by sex do you have, whether you or your husband is from one-child family, do you plan to have a child again if it is allowed by the policy, and when do you plan to have the next child, etc.?

Results

1) The difference between policy required complete fertility and expected complete fertility

The data shows that there were 38.9% of married women aged 15-44 whose household registration area belonged to the areas with one-child policy, 49.3% of them belonged to one and half child policy (i.e. allowing to have a second child if the first child is a girl, otherwise not), 8.5% of them belonged to two-child policy, 0.6% belonged to three and more child policy, and

remaining 2.6% who was unaware of the policy. Weighting by the distribution married women aged 15-44 among the different policy areas, we got the policy required complete fertility, that is, 1.354 (s.e. = 0.00136), which means that the complete fertility should be 1.354 if all couples followed the requirement of the fertility policy in their household registration areas.

Based on current number of children, there were 58.4% of married women aged 15-44 who have only one child, 31.4% with two children, 5.9% with no child, and 4.2% with three or more children. The average parity is 1.346 children (s.e.= 0.00268). As some of married women with current number of children would still have more number of children in the coming years, combining the distribution of population with different policies, we estimated that the expected complete fertility rate was 1.661. This shows that, if policy required fertility rate is 1.354, the non-policy required fertility should be 0.307, accounted for 18.5% of the expected complete fertility.

2) Potential number of women aged 15-44 who meet the requirement of the new policy

From the data, we found that there were 4% families that both of couples were from one-child family; 11% families that one of couples was from one-child family, and 85% families were the others.

The potential women who meet the requirement of the new policy should meet all three conditions below:

- A. One of couples is from one-child family
- B. Couples have only one child now
- C. Couples' household registration area carry out one-child policy, or carry out one and half child policy but now they only have one boy

Based on the data, we found that the proportion of couples meeting the first condition was 11%, the proportion meeting the first and second conditions together was 6.26%, and the proportion meeting the all three conditions was 5.25% (s.e. = 0.0885%).

We could estimate the total number of married women aged 15-44 from 2010 population census, that is, 212.9 million, and then the total number of them who meet the new fertility policy, that is, 11.18 million.

As the fertility policies in different areas, especially for urban and rural areas, are quite different, the areas with more strict policy may have a great benefit from the new policy as it has more number of couples who fit the requirement of the new policy, such as urban areas and areas with only one child policy still.

3) The number of couples who satisfy the three conditions and really want to have second child

In the survey, 50.4% of couples that one of them is from one-child family showed their desire to have the second child, 32.4% of them did not want to have second child, and 17.2% of them are not sure.

We take 50.4% as lower limit and 67.6% (=50.4%+17.2%) as higher limit, and can estimate that the number of couples aged 15-44, who satisfy the three conditions and want to have second child, are from 5.633 million to 7.336 million, which is also the total additional number of births.

4) The timing of delivering the new birth

The data showed that there were 22.4% of married couples, who fit the requirement of the new policy, planning to have the second child next year, 10.6% and 5.7% planning to have baby in subsequent years, and the rest had not decided yet. If we assume that the time for not decided

are the same as the decided, there were 57.9% of couples planning to have the second child next year, and 27.4% and 14.7% planning in the subsequent years. The corresponding number of additional births for the new policy for the next three years should be around 3.262-4.375, 1.543-2.07, and 0.828-1.111 million.

Before 2013, the average number of annual births was around 16 million. If adding the new births produced by the new policy, the total number of births would increase to 19.26 to 20.38 million, which is the highest number of births at the first year after the new policy issued.

The reality

Even though the central government had issued the new policy, as the family planning regulation was drafted and approved by provincial congress, the new policy had to be implemented after the revision of the old family planning regulation in provinces, so that the real implementation of the new policy had to start in 2014. Zhejiang province started implementing the new policy on January 17, 2014, which is the first among all provinces in China. Based on the statistics, there were 3 provinces starting in January, 2 in February, 16 in March, 8 from April to June. Until now, there has been 29 provinces has started to carry out the new policy, except for Tibet and Xinjiang. Until May 31, there were 271.6 thousand women who meet the requirement of the new policy applying for having the second child; and until July 31, there were 480 thousand women applying for the second child, based on the report of NHFPC. It seems that the cases of application are decreasing month by month. If this were true, the cases for applying for the second child would just around one million within the year 2014. The real delivery would be even less than this number. It might mean that the real additional births will less than what we estimated. The fertility may not be clearly increased even though the new policy has carried out.

In order to clearly compare the difference between the estimate and the real results and get more accurate results, we have to keep following the implementation status. More results will be given before the deadline for posting completed papers on the program website for PAA, April 6, 2015.

Tentative Conclusion

China fertility policy should go next step earlier than the government expected, that is, allowing all couples to have second child, no matter how many brothers and sisters the couples have, in case that the fertility would trap into very low level, like Japan and South Korea.