



Having children. Or not.

Australia's fertility rate is now at an all-time low and is well below replacement level.

RUTH WESTON summarises some of the arguments that have been put forward to explain what might shape people's hopes, expectations and family decisions.

OVERVIEW

Why are we not reproducing ourselves? This question is being pondered in many countries throughout the world and formed a central issue tackled at the *Regional Family Policy Forum* in Singapore in November 2004 (see p. 83 in this edition of *Family Matters*). The switch from concerns about a runaway population explosion across the world to fertility levels in many countries that have fallen well below replacement level and show no signs of "recovery" has taken demographers and policy makers by surprise.

Population replacement in developed countries requires that women have an average of 2.06 babies per each. In Australia, the total fertility rate has fallen from a peak of 3.55 babies in 1961, when the nation was in the grip of a baby-boom period, to an

all-time low of 1.73 to 1.76 between 1998 and 2003. The implications of this fall, outlined below, has generated widespread discussion.

Implications of fertility trends

In earlier times, concerns about the declining fertility rate tended to focus on the need to increase the population – needs that could also be addressed through immigration. After World War II, the message, "populate or perish" was widely promoted. In recent times, however, attention has turned to the fact that Australia's population is ageing as a result of the combined effects of a falling fertility rate and increasing life expectancy. Empirical analysis by McDonald and Kippen (1999) suggests that the capacity for immigration to affect the age structure is quite limited. While the first 80,000 migrants affect age structure, these authors show that as levels of net immigration continue to increase above 80,000, the magnitude of their effect on the age structure of the population diminishes. But what are the consequences of an ageing population?

An important question relating to population ageing is whether or not there will remain a sufficient labour supply to support the elderly, taking into account the fact that the proportional representation of the other main dependent group (those too young to work) is shrinking. The issue is becoming increasingly critical, given that the first of the baby boomers – defined by the Australian Bureau of Statistics (ABS 2001) as those born between 1946 and 1966 – will turn 60 years old in 2006.

Regarding this issue, the Australian Government's *Intergenerational Report* (2002) estimates that the net costs to the Government of an ageing population

"IT'S NOT FOR LACK OF WANTING KIDS"

In collaboration with the Australian Government Office for Women, Department of Family and Community Services, the Australian Institute of Family Studies conducted a major survey in 2004 to explore the decisions that Australian men and women are making about having children. The resulting report, titled *It's not for lack of wanting kids: A report on the Fertility Decision Making Project*, has been published, with the assistance of the Office for Women, by the Australian Institute of Family Studies as No. 11 in its Research Report series. The book is designed for a wide audience including policy makers, practitioners, researchers, and the general public. It is hoped that this work will provide a better understanding of the reasons for the total fertility rate in Australia being at an all-time low. See p. 103 of this edition of *Family Matters* for how to order copies.



will increase, with today's taxpayers probably subjecting tomorrow's taxpayers to a heavier tax load. Some social commentators have argued that such circumstances will create growing resentment between the generations (see Encel 2002).

Demand for services will also change, given the different needs of the burgeoning elderly population and younger generations in such areas as housing, health care, leisure, and education. And while there is considerable evidence that families are the most significant sources of support for the elderly, increasing rates of childlessness, coupled with family breakdown and children pursuing jobs overseas, will mean that many elderly parents will be either "functionally" or "actually" childless (see Rowland 2003; Weston, Qu and Soriano 2003).

In relation to young children, Mackay (2001) has noted that little attention has been given to the difficulties that children may face in the middle of this century, when one quarter of the population will be over the age of 65. According to McDonald (2004), society tends to adjust to such circumstances by becoming increasingly "child unfriendly".

The workforce itself will age, if policies directed towards encouraging later retirement are effective. Thus any wisdom shaped by an accumulation of knowledge will increase, while there will be a relative loss of young adults whose age-related talents often master and produce important technological advancements. Given rapidly changing technology, retention of young adults are important for a country's competitiveness (McDonald 2002, 2004).

But how will Australia fare if its labour force stagnates or falls in absolute size? According to

McDonald and Kippen (2000), this issue has received insufficient attention. Allied to this problem, there is the concern that, if the fertility rate falls below 1.6 and Australia's current net immigration levels are sustained, then the absolute size of Australia's population will shrink – a trend that will gain momentum over time (ABS 2002a; McDonald 2000a). Of course, for those concerned with the impact of Australia's current population on environmental sustainability, this might seem a welcome prospect.

Another issue, often overlooked in discussions of the implications of the fall in the fertility rate, is that a significant number of people appear to be experiencing dashed hopes and unfulfilled expectations and intentions regarding having children: they initially want to have, and expect and intend having, more children than they achieve (Fisher 2002; McDonald 2000a; see also Weston and Qu p. 10, and Qu and Weston p. 18, in this edition of *Family Matters*).

However, there is some evidence from overseas countries that the fertility aspirations of future generations of young adults will be lower than those of young adults today, for it appears that aspirations are eventually affected by fertility trends. For instance, Goldstein, Lutz and Testa (2003) found that the average family sizes considered to be personally ideal by young men and women in Austria and Germany has fallen to as low as 1.7 children. Nevertheless, the evidence available so far suggests that many people in many developed countries are not achieving their fertility aspirations. Why is this so?

The following section examines reasons for the declining fertility rate. Some of these reasons are clearly evident, and others are more speculative.



Furthermore, some of the clearly evident ones, such as postponement of births, require their own explanations – explanations that in turn have causes that need deciphering. At the base of these layers of explanations is interesting speculation.

Explanations for the decline in fertility

The search for reasons for the decline in fertility is by no means new. In Australia, for instance, a Royal Commission was established in New South Wales soon after Federation to seek explanations for the dramatic fall that had occurred in recent decades (the *Royal Commission on the Decline of the Birth-Rate and on the Mortality of Infants in New South Wales* (the “Mackellar Commission”)).

proportion of women aged 40–44 years who had two children increased from 29 per cent of those born between 1937–1941 to 40 per cent of those born between 1957–1961, while the proportion who did not have any children increased from 9 per cent to 13 per cent. By contrast, the proportion of women who had four or more children almost halved (falling from 28 per cent to 15 per cent).

As suggested above such changing life course and fertility patterns tend to become norms, influencing the expectations and preferences of those entering or currently in their childbearing years. These changing personal views are likely to be further reinforced where friends and siblings adopt these pathways.

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One early but long-held theory explained the decline in fertility in terms of the move from one level of equilibrium in which fertility levels were high to compensate for high mortality, to another in which fertility levels fall as mortality levels fall so that population replacement is achieved (see McDonald 2001a). But as McDonald notes, homeostatic explanations involve such a flexible time frame that they verge on tautology for they suggest that the current imbalance will correct itself eventually – “in the fullness of time”.

Many interacting factors that help explain the fall in fertility rates have been outlined in Weston, Qu, Parker and Alexander (2004). These include advances in reproductive technology (especially the development of contraceptive pill) and life course changes, including delays in those transitions that typically precede childbearing, an overall fall in the formation of partnerships and an increase in their rate of breakdown, along with the increased financial independence of women. Delays in achieving those milestones that typically precede having children restrict women’s potential childbearing years to older ages, thereby further limiting the number of children they could have and increasing their risk of childlessness. According to the Australian Bureau of Statistics (ABS 2002b), the

Behind some of these life course trends are changes in the labour market and the economy. Both large economic downturns and smaller observable oscillations appear to be strongly implicated in fertility trends (for example, Ruzicka and Caldwell 1982; Martin 2003). But if the economic outlook is so important to the fertility rate, why has the rate continued to fall in recent times, when the outlook has been relatively positive?

Several authors have implicated the globalisation of the economy and associated labour market changes of the last two decades. Low skilled yet relatively high paid jobs for early school leavers have virtually disappeared, having been replaced by jobs entailing fixed-term contracts and part-time or casual hours, thereby providing limited economic security (Kohler, Billari and Ortega 2001; McDonald 2000b, 2001b; Saunders 2001). McDonald (2001a) also argues that this era of job insecurity has been accompanied by a strong economic cycle of “booms and busts” and rising or fluctuating house prices which not only lead young adults to invest in their education and career development, but also encourage couples to maintain dual incomes.

Inextricably linked with these broad structural forces are the considerable costs of having children, some of which reinforce the need for educational and career development. At the same time, several authors have suggested that, since the introduction of child labour laws, the benefits of children have been restricted to psychosocial ones – benefits that do not accumulate as family size increases (Kağıtcıbası 1997; Kohlmann 2002).

The costs of having children may be conceptualised as direct or indirect, financial or non-financial, and known or unknown. To some extent, direct financial costs tend to be reinforced by improvements in living standards, for these may lead yesterday's luxuries to become today's necessities. Indirect financial costs include reduced earnings and potentially curtailed careers when caring for children takes precedence over paid work – a situation that is most likely to be experienced by women, with those with high education typically having the most to lose (McDonald 2000a).

Indirect non-financial costs, on the other hand, include any lost or diminished opportunities for social relationships and mental stimulation and prestige linked with giving up paid work or substantially reducing work hours.

While many direct non-financial costs of having children have been suggested in the literature, one of the central set of costs that has received much scrutiny concerns the difficulties experienced by parents in managing both paid work and family responsibilities. Although several policies have been introduced to facilitate worker's fulfilment of their caring responsibilities, access to such work benefits appears to vary both within and between organisations (Gray and Tudball 2001), and workers may be reluctant to use benefits if they feel that doing so may jeopardize career advancement or cause problems for others at work (Galinsky 1999; Marshall and Barnett 1993).

In addition, some authors maintain that parents nowadays are more likely than parents of the past to invest much time and energy in providing their children with experiences that they feel will enhance their children's emotional development and educational achievement (for example, Allan, Hawker and Crow 2001). Consistent with these observations, Australian time use surveys suggest that parents are investing more time in fewer children (Bittman 2002). This approach to parenting may be seen as a direct non-financial cost to the parents, although the longer-term benefits for their children may loom large.

Regardless of whether or not prospective parents feel that they must devote much time and energy into maximising their children's life chances, parenting involves a substantial loss of freedom and autonomy. But several authors have argued the society has become increasingly individualistic. According to

this argument, there is now an enhanced emphasis on achieving self-realisation, autonomy, and freedom from the bonds of traditional forces than in the past – an approach to life that is incompatible with parenting (see Coleman 1999).

Other changing societal values that have been proposed in the literature and that may translate into perceived costs of parenting include a greater emphasis on the part of those born in the 1970s on keeping their options open (Mackay 1997), society's increased intolerance of children, and the diminished value that is attached to parents, especially mothers (Crittenden 2001).

As noted above, costs may also be known or unknown. McDonald (2000a) points out that financial and psychosocial costs of having children can be difficult to decipher, and that negative "unknowns" themselves encourage individuals to err on the side of caution and thus discourage them from having children. For instance, people may decide against having children because of uncertainties linked with the labour market and economy (for example, job stability, housing prices, interest rates, or chances of returning to paid work should they take time off to care for a child). Some couples may worry about the possible disruptive effects of a child on their relationship, the possibility that this child may follow worrying pathways through life or be harmed in some way, and the difficulties in coping with raising a child. Kohler et al. (2001) maintain that some of these uncertainties can be reduced if childbearing is postponed, but such a strategy limits the number of children a couple can have and increases the risk of childlessness.

This brief review suggests that the factors explaining the fall in the fertility are complex and often mutually reinforcing, with one of the most fundamental being postponement of first births and consequent shortened childbearing years, and increased risk of having no children at all. The factors appear to include broad technological, structural, cultural and social changes, shifting pathways of friends and associates, changes in personal financial and life course circumstances, and shifts in the beliefs and values of prospective parents and others.

However, there is a great deal of controversy about the existence or relative importance of some issues, such as increasing individualism and the significance of women's employment in decisions about having children. Little is known about some issues, such as men's contribution to childbearing decisions and the impact on future childbearing of disagreements between partners. Furthermore, the nature and relative importance of forces deterring couples from having children will vary somewhat for different sub-groups in the population, and understanding some of these sub-group differences is a long way off.



Fertility Decision Making Project

The *Fertility Decision Making Project*, a collaborative project of the Australian Government Office for Women (Department of Family and Community Services) and the Australian Institute of Family Studies, was designed to examine ways in which some of the potential broad social forces suggested in this review may be translated into the decisions individuals make about having children – the “micro-level” dynamics of their everyday choices.

The broad aim of the study was to enhance understanding of the reasons underlying the fertility

changes; reasons for not wanting any children; and the apparent influence of each partner’s aspirations on the other’s expectations.

Throughout this analysis, particular attention was given to the ways in which views on having children varied according to age, gender, parenting status, relationship status, educational level, and employment status. The project culminated in a report entitled *It’s not for lack of wanting kids: A report on the Fertility Decision Making Project*, submitted to the Australian Government Office for Women, Department of Family and Community Services.

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decisions of men and women in their key childbearing years, both as individuals and couples.

A national randomly selected sample of 3201 men and women aged 20-39 years (61 per cent women; 39 per cent men) were interviewed by telephone in early 2004. In addition, the partners of 313 of those interviewed by telephone completed a mailed questionnaire.

Key issues examined in the survey included the nature of fertility aspirations and expectations, and the importance individuals attach to various costs, benefits and risks when considering having children. The latter considerations covered such issues as: the ability to afford a first or additional child; parenting capacity; each partner’s age, job security, and time and energy for career; the impact of a child on the couple relationship; the possibility that the child might be difficult to raise; having someone to love; adding purpose and meaning to life; and having time for leisure and social activities.

Regarding aspirations and expectations, the project examined the level of fit between the number of children considered personally ideal and the number of children expected; how close respondents in their late thirties were to achieving their ideals and expectations; reasons behind any mismatch between ideals and expectations; perceived changes in family size ideals over time, and associated reasons for any

Articles in this edition

The Institute is pleased that the Australian Government Office for Women provided permission for three articles based on separate chapters of the above-mentioned report to be published in this edition of *Family Matters*.

Central questions behind the article by Weston and Qu, “*Dashed hopes? Fertility aspirations and expectations compared*” (p. 10), concern whether or not respondents expect to have the number of children they would like to have, and reasons behind any mismatch between aspirations and expectations.

On the other hand, in their article, “*Family size: Men’s and women’s aspirations over the years*” (p. 18), Qu and Weston focus on perceived changes in aspirations over time and reasons offered by men and women for any apparent changes.

Finally, Parker and Alexander in their article “*Factors influencing men’s and women’s decisions about having children that people consider important in thinking about having children*” (p. 24) examine the importance that men and women attach to various factors, some of which are outlined above as possible reasons for the fall in fertility.



Like most other forms of human behaviour and reasoning, fertility decision making is complex and multifaceted and therefore requires diverse analytic perspectives. In particular, research needs to take into account both the external forces at play and people's subjective perceptions of risks, constraints and opportunities that influence their aspirations and decisions – and the close but complex links between these different levels of social reality.

The *Fertility Decision Making Project* attempts to improve understanding of this complex behaviour by emphasising the importance of people's subjective experience in their decision making process. Even small conceptual advances may help to take the Australian population closer to being one that replaces itself.

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