

## The influence of family policies on fertility in France

Policy Brief No. 7

France stands out from many European countries because of its relatively high and stable fertility. Can this be attributed to French family policies?

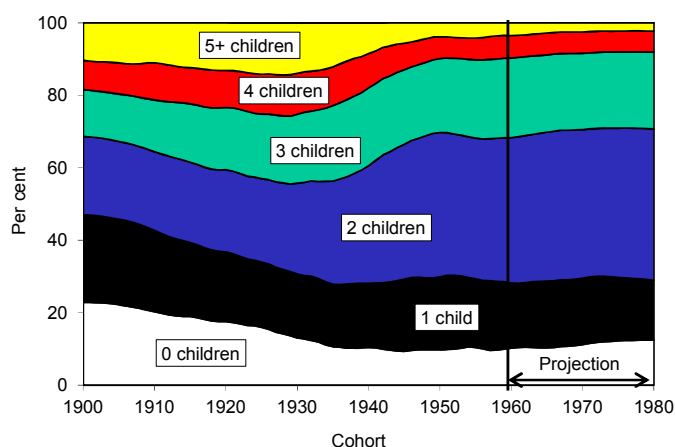
French family policies have evolved over the decades. Today, fertility decisions appear increasingly determined by a family's ability to combine care and support for children with the workforce participation of both parents. Thus, the policy priority has gradually shifted towards a variety of mechanisms designed to help parents balance work and family obligations.

### Stable fertility near replacement level

After a steep decline beginning in the 1960s, France's total fertility rate (TFR) stabilized in the mid-1970s and has remained consistently at around 1.8–2.0 children per women ever since. Fertility has remained fairly stable through the fluctuation of economic cycles, and it has varied with educational level and migration background to a lesser extent than in many other countries. Over their lives, a large proportion of women have two or three children — few have more than three and few remain childless.

The timing of fertility is changing rapidly, however, with childbearing increasingly postponed to older ages. Women's mean age at first childbirth is now above 28. The circumstances surrounding childbearing have also changed, as shown by the sharp rise in non-marital births — from about 6 per cent of all births during the 1960s to 57 per cent in 2012.

**Percentage of women by total number of children, cohorts 1900–1980**



### Public support for families

France has very high public spending on families with children as a percentage of national wealth. Since 2011, couples in civil partnership receive the same tax-based benefits as married couples. A relatively large share of government spending takes the form of tax breaks, which tends to favour households with high incomes. Poor families receive substantial financial support through other means-tested benefits, social assistance and housing subsidies.

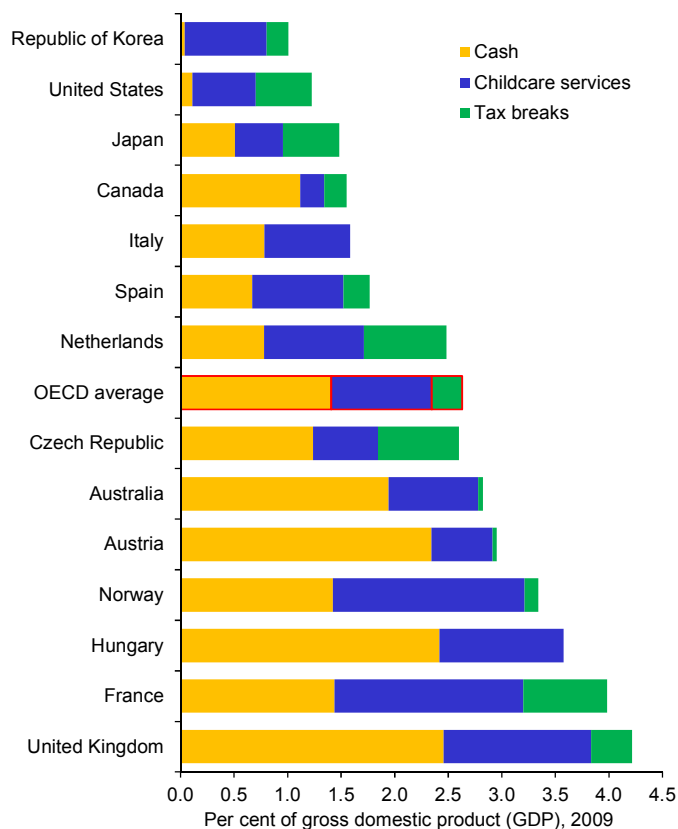
Support for families includes parental leave with a limited compensation for loss of salary, a family allowance and childcare services. A rapid increase in housing costs since the mid-1980s, borne especially by large families, is a growing concern that has so far not been addressed comprehensively, despite the introduction of a family-based housing benefit.

A working parent who meets the eligibility conditions is entitled to take parental leave for up to three years after the birth of a child and return to the same or a similar position with the same employer. This leave entitlement could be combined with a fixed stay-at-home allowance amounting to slightly less than one half of the minimum wage. Since husbands often earn more than their wives, father's leave entails a smaller loss of income when the compensation is proportional to their salary rather than a fixed amount. Thus the current format — combining a relatively long period with a low fixed stay-at-home allowance — does little to encourage fathers to take parental leave.

All families with two or more children receive a family allowance. In response to the 2008 economic crisis, the allowance is now paid on a decreasing scale for households above a certain income threshold.

The bulk of spending on childcare services is allocated to preschool education, with free public preschool provided for all children aged 3 to 6. Spending on services for children under 3 is much lower. In 2012, 63 per cent of children in this age group were cared for mainly by a parent (nearly always the mother); 4 per cent were cared for by a grandparent; 18 per cent were cared for outside their homes by an individual childminder; 10 per cent were cared for in a childcare centre (*crèche*); 2 per cent were cared for in their homes by a non-family member (such as an au pair or nanny); and 3 per cent were cared for through other arrangements.

**Direct public spending on families: Breakdown of spending on cash benefits, childcare services and tax breaks in selected high-income countries, 2009**



The stay-at-home allowance clearly encourages childcare by mothers, given that 98 per cent of the beneficiaries are women. Most of these women eventually return to work, usually to the same job and the same hours, but more than one fifth of women who were working full-time before the birth of their child return to work part-time. Women who interrupted their careers to take parental leave suffer a drop in salary after they return to work, amounting to roughly 10 per cent for every year of leave, and this penalty persists over time.

While childcare services outside the home are theoretically accessible from a very early age, actual access remains highly stratified by household income. For the most affluent households, access to heavily subsidized childcare centers enables both parents to continue working. By contrast, women from low-income households often stop working when they have a child, with unanticipated consequences for their future careers.

As of 2007, 68 per cent of young children from the most affluent families were cared for outside the family, compared with only 8 per cent of children from the least affluent families. In other words, the system of childcare support is polarized in a way that reinforces rather than reduces pre-existing inequalities in workforce participation. To counter this trend, a multi-year poverty reduction and social inclusion plan, introduced in 2013, seeks to improve access to childcare places for disadvantaged families through a requirement to reserve 10 per cent of places for children from families below the poverty line.

**What is the impact of family policies on fertility?**

Several evaluations suggest that policies that provide financial support to families or paid leave at the time of childbirth have a positive, but rather limited, impact in fertility. Of all the policies introduced over the years, provision of childcare services appears to be the most effective in encouraging families to have children and women to remain in the workforce.

French family policies provide a diversified system of supplementary resources in the form of money, time and services needed to raise children. The State provides support to diversified types of families with children at ages from early to late childhood. Another key ingredient has been the high stability of family policies, based on strong popular support. This stability gives confidence to families that they will benefit from continuous support from the birth of a child until entry into the school system and beyond. Such confidence creates a favourable environment for the decision to have children.

NOTES

This policy brief was prepared as background material for the United Nations Expert Group Meeting on Policy Responses to Low Fertility. It can be found online at <http://esa.un.org/PopPolicy/publications.aspx>. Queries can be sent to [PopPolicy@un.org](mailto:PopPolicy@un.org).

The brief is based on Olivier Thévenon (forthcoming), *The influence of family policies on fertility in France: Lessons from the past and prospects for the future*. In Ronald R. Rindfuss and Minja Kim Choe (Eds.), *Low Fertility, Institutions, and Their Policies: Variations across Industrialized Countries*. Springer.

The findings, interpretations and conclusions expressed herein are those of the authors and do not necessarily reflect the views of the United Nations or the East-West Center.

Financial support from Korea Institute for Health and Social Affairs (KIHASA) to conduct the research on which this policy brief is based is gratefully acknowledged.