

Appendices

Fertility Rates, Births, and Population Growth

Immigrants and Newfoundland and Labrador

Demographic Data on Newfoundland and Labrador

Appendix

Fertility Rates, Births, and Population Growth



Fertility rates measure the number of children an average woman has throughout the childbearing years – in order to offset the loss of population due to deaths, a woman would need to have 2.1 children. Birth rates refer to the actual number of children born.

Declining birth and fertility rates are a global phenomenon – half of the world’s countries are currently experiencing below-replacement rates, or fewer births than deaths. By 2050, more than three-quarters of the world’s countries will have fertility rates below replacement levels.¹²

Governments in Canada and beyond have taken numerous measures to enhance the retention of residents and counteract declining fertility rates in the form of public policies that have become popularly known as “family-friendly policies.” Family-

friendly policies represent those public policies that improve the lives of residents and their families. These policies may include:

- Assistance to families through employment supports;
- Efforts to foster welcoming, vibrant, and innovative communities;
- Actions to promote child development;
- Measures to encourage gender equity and diversity in the workplace; and,
- Supports to the family unit throughout the life course.

Efforts to increase fertility rates through various family-friendly policies have demonstrated some mixed results. For example, two neighbouring states in Europe with comparable spending in social programs have differing outcomes in increasing fertility rates: Social programs to help raise fertility rates in Germany have achieved little over the last two decades, while the French fertility rate has been increasing steadily, and will soon reach replacement rates. Granted, the nature of the social programs in the two countries differs, as will be explained below. In the middle of the spectrum are Nordic states (Denmark, Finland, Iceland, Norway, and Sweden), which have not raised their fertility rates, but neither have they seen their fertility rates decline, despite the dramatic downward trend in the rest of Europe – Researchers cite generous and consistent maternal and parental leave provisions, publicly funded child care, and child allowances as responsible for supporting the stable fertility rate. It is also important to note that the Nordic policies have been in place for a long time – for example, Sweden has had a version of its family-friendly policies in place since 1934. While the fertility rate in Sweden has fluctuated, especially during high unemployment periods, it has nevertheless stabilized.

Germany and France:

A case study

It has been suggested that the German experience has been negative due to the system encouraging mothers to stay at home over being in the labour market – the tax-splitting policy, which states that couples pay tax on half of their combined income, essentially encourages one of the two parents to stay at home.

As one analysis of the policy suggests, “the bigger the income difference between [the parents], the bigger the tax advantage.”¹³ A recent report by the Federal Institute for Population Research, a German government body, concluded that traditional attitudes about women are prevalent in German society and are affecting women’s ability to have children – women who work while raising children are frowned upon in society, which may incite more women to delay having children and having fewer children when they actually do have them.¹⁴

Beginning in August, 2013, the German government will be providing a new program to encourage women to stay at home, a “childcare allowance”, which, along with other benefits, will pay stay-at-home mothers \$330 per month for choosing to forego childcare and for raising their child at home. In a change of policy, to encourage parents to rejoin the workforce, and to support families with young children, the German government will be implementing a policy guaranteeing all parents with very young children (under 3) a childcare space, starting in August 2013.

France has a fertility rate of 2.0, one of the highest in Europe.¹⁵ The fertility rate in the country was in decline for over 30 years until 2000, when it reached 1.89, and has been climbing up since. Research conducted on the French example demonstrates that a number of factors could be responsible for the continued upswing in the French fertility rate:

- An allowance system for all children up to the age of 16 in families with two or more children – children in low income families receive additional financial support as well as childcare;
- Single parents and families with large numbers of children are entitled to significant tax breaks; and,
- The national Labour Code provides access to maternity leave, paternity leave, and additional parental leave, in addition to the option to work part time – parents with a sick child are entitled to additional parental leave.

The tax rate in France is consistent with that of other Western European states, at 44 per cent.

Newfoundland and Labrador	Nordic countries	Quebec
<p>35 consecutive weeks of parental leave, comprised of 55 per cent of the average insurable weekly earnings, up to a maximum, beginning immediately after the end of the 17-week maternity leave that includes a 2-week unpaid leave period.</p>	<p>Combined parental leaves (maternal leave and leave shared by both parents), ranging from 43 weeks to 16 months. Compensation generally comprises of 80 per cent of earnings (with a maximum) for the first 40-50 weeks of leave</p>	<p>50 weeks of leave with 70 per cent insurable income.</p>
<p>Child care fees are based on family income – they are fully subsidized for parents earning under \$27,480 (net income), and partly subsidized for parents earning above that amount, dependent on the number of children in child care and resultant parent portion required.</p>	<p>Child care fees in Nordic states depend on family income, e.g. Sweden, where parents can be charged up to 3 per cent of family income for the first child, 2 per cent for the second child, and 1 per cent for the third.</p>	<p>Parents are charged a flat rate of \$7 per day.</p>
<p>Families who give birth to a baby or have a child placed with them for adoption on or after January 1, 2008 receive the Newfoundland and Labrador Progressive Family Growth Benefit (one-time, tax-free \$1000 benefit) and the Newfoundland and Labrador Parental Support Benefit (\$100/month for 12 months) for a total of \$2200. Mothers in low income households with children under the age of one receive the Mother Baby Nutrition Supplement of \$810 spread out over the year. Low income households can receive over \$5200 per year in combined provincial and federal child tax benefits and supplements for the first child. Amounts for second and subsequent children vary for certain benefits. Some benefits are income tested and are reduced when income is over a specified threshold.</p> <p>Total annual benefits broken down: \$364 Newfoundland and Labrador Child Benefit, \$1,433 Canada Child Tax Benefit, \$2,221 National Child Benefit Supplement, \$1,200 Universal Child Care Benefit.</p>	<p>Children under the age of 18 receive \$1,500 to \$2,800 per year; children in low-income families receive additional benefits.</p>	<p>Combined federal and provincial benefits for children under the age of 6 provide a minimum of \$1,200 per year.</p>
<p>Currently, parents take family leave in workplaces where employers have such provisions.</p>	<p>A portion of parental leave may be extended to parents with children who are two years old</p>	<p>Parents can take 10 days off per year, without pay – while some employers offer a more generous leave, others may not have the provisions in place.</p>

Investments for the (Uncertain) Long-term

The French example demonstrates that government policies can have a significant role in raising fertility rates, but that the results of those measures may take a long time, often decades, to come into effect. Research on fertility rates supports this view.¹⁶ Research also suggests that communities with fertility rates below 1.5 are at a critical level – it will be more costly and difficult to reverse fertility rates below 1.6 than will be maintaining them at that level.¹⁷ Women who have grown up in smaller families are likely to have small families themselves.¹⁸ This is why the Nordic model is often cited in literature on family-friendly policies – by maintaining the fertility rate, Nordic states are resisting what could be a dangerous decline. Quebec’s parental support policies mirror the Nordic model to some extent:

While the family-friendly policies Quebec has implemented are generous compared to the rest of Canada, their effectiveness can take up to a generation to be noticeable in demographic trends – many of the changes that Quebec’s family-friendly policies seek to address are associated with instilling confidence in women and families to have children while knowing that there are supports in place to ensure they can raise their children without facing significant barriers to their personal and professional development.

Immigration in Newfoundland and Labrador	
Immigration Class	2012
Economic Class Total <small>(includes skilled workers, provincial nominees, other economic immigrants)</small>	526
Family Class Total <small>(includes spouses, partners, children, parents, grandparents, and others)</small>	116
Protected Persons/ Humanitarian & Compassionate Cases Total <small>(includes refugees)</small>	109
Grand Total	751 persons



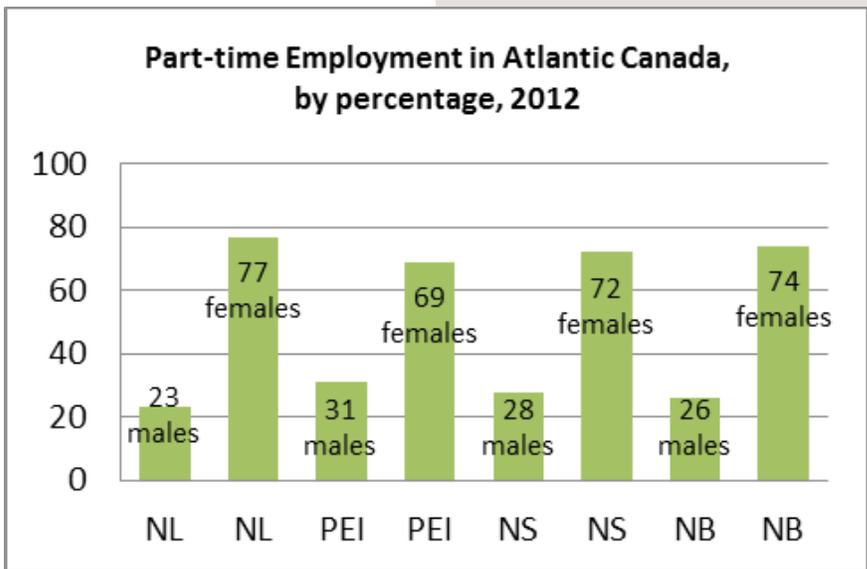
Age and Professional Ambitions

It is possible that the age at which women have their first child is indicative of the changing employment landscape. Findings from a longitudinal study based on the Survey of Labour and Income Dynamics (SLID) information showed that Canadian women who delayed having their first child earned six per cent more on average than women who had their first child earlier.¹⁹ In addition, research suggests that co-habitation and marriage at a younger age “imply a lower level of education and fewer opportunities in the labour market. For women and children not in two-income families, this is often associated with economic hardship and poverty.”²⁰

The perception, therefore, may be that having a child is a professional disadvantage, particularly in the absence of family or community support.



Working parents who may be placed in situations of significant drains of personal income for choosing to establish a family may be reluctant to have a second child – one such example includes EI restrictions for parental leave, which limit benefits to 55 per cent of pre-leave working income, up to a maximum of \$40,000. Some employers choose to top-up the amount up to 80 per cent of the pre-leave equivalent, but such practices are inconsistent. Academic and policy research on birth and fertility rates in North America points to women’s ambitions to pursue professional development, the perception that having children is a costly venture, and perception of an absence



of social supports in the workplace and the community. These different factors influence women's willingness to have a child.

Newfoundland and Labrador supports to parents with newborns comprise of Newfoundland and Labrador Progressive Family Growth Benefit (one-time, tax-free \$1000 benefit) and the Newfoundland and Labrador Parental Support Benefit (\$100/month EI top-up for 12 months). There are additional supports for mothers in low-income households, such as the Mother Baby Nutrition Supplement.

Part-time work is normally associated with either difficulty in finding full-time work, or in the limited amount of time available to work due to other responsibilities. While Newfoundland and Labrador has a higher female employment rate than the Canadian average, a higher percentage of women than men in this province are working part-time.

There are a number of explanations to the data on the high percentage of women working part-time: Women continue to be primary caregivers to newborn children - anecdotal evidence suggests that women are the primary parents to take parental leave. In provincial data, women appear to be the primary single parents (22 per cent of all families with children are female single parents versus 5 per cent of male single parents), and overall, there are almost three times as many women as men who spend 60+ hours per week looking after children without pay in Newfoundland and Labrador. Women are also more likely to look after children for 15 to 29 hours per week – 1.5 times more women took care of children than men in 2006.²¹

As research suggests, parents-to-be often consider so-called direct and indirect costs associated with having a child:

- Direct costs are direct expenses associated with having and raising a child; and,
- Indirect costs represent income lost due to having a child, i.e. having to care for the child at the expense of working or developing a career.

Couples wishing to have children must reconcile that choice with the career and personal trade-offs they need to make. Indirect costs can discourage couples from having their first child, especially if it means that having a child will lead to fewer professional opportunities. Couples thinking about having a second child are more seriously weighing the direct costs and expenses associated with a possible addition to the family.

Sweden's and Australia's fertility rates appear to have increased as indirect costs decreased due to government interventions.²² Another way of seeing a couple's decision to have a child is related to the perceived risks families take in having a child – pursuit of career and professional ambitions instills security, whereas having a child can instill insecurity due to significant changes a child may bring to the couple's income and future career plans. Due to the transient nature of the current labour market, pursuing job stability and security may require mobility, which also makes couples reluctant to have a child.²³



As we focus on population growth in Newfoundland and Labrador, it is worth noting that supporting fertility and birth rate increases will require significant investments in the medium- and long-term. Making fertility and birth rate investments also means increasing the number of public programs and services for parents and children, adding further pressures to a limited taxpayer budget strained by increasing health spending on seniors' health and well-being. It is also important to note that returns on investments in fertility rate growth are made for the long-term period. Thinking around fertility and birth rate supports will require innovation to balance the changing pressures on the health care system while increasing programs and services to support parents.

Definitions

Birth rate

The number of children born per 1,000 inhabitants.

Ex-patriate

A person who has moved away from their province.

Family-friendly policies

Public policies that improve the lives of residents and their families. These policies may include: assistance to families through employment supports; efforts to foster welcoming, vibrant, and innovative communities; actions to promote child development; measures to encourage gender equity and diversity in the workplace; supports to the family unit throughout the life course.

Fertility rate

The average number of children a woman is expected to have during the childbearing years, generally accepted as the 15-49 years. A fertility rate of 2.1 ensures that the number of children born will be higher than the number of deaths.

Immigrant

A person who resides in Canada, but was born outside of Canada; excludes temporary foreign workers, Canadian citizens born outside Canada and those with student or working visas.

Labour productivity

The amount of goods produced by a single worker in a given amount of time.

Mean age

The sum of ages of all persons, divided by the total number of persons. Also known as average age

Median age

The age at which the two halves of the population are either older or younger.

Natural increase

The balance between the number of births and deaths. If there are more births than deaths, there is positive natural increase, whereas if a population has more deaths than births, then there is negative natural increase.

Temporary Foreign Worker

A foreign worker who is contracted to work for a given employer, in a given position, for a temporary, set period of time.

Acronyms

PPGS

Provincial Population Growth Strategy

SLID

Survey of Labour and Income Dynamics

TFWs

Temporary Foreign Workers

LMO

Labour Market Opinion

NLPNP/PNP

Newfoundland and Labrador Provincial Nominee Program

MCP

Medical Care Plan

CMA

Census Metropolitan Area

1. These findings are based on a Provincial Nominee Program retention rate evaluation conducted by Citizenship and Immigration Canada for 2000-2008.
2. Atlantic Canada Opportunities Agency. Rural Youth Study, Phase II: Rural Youth Migration – Exploring the Reality Behind the Myths, Malatest, R & Associates, 2002. Retrieved at: www.publications.gc.ca/collections/Collection/A22-272-2002E.pdf
3. Statistics Canada. Rural Youth: Stayers, Leavers, and Return Migrants. Richard Dupuy, Francine Mayer, and Rene Morissette. 2000. Retrieved at: www.statcan.gc.ca/pub/11f0019m/00152/4193592-eng.pdf
4. Ibid.
5. Conference Board of Canada. Provincial Outlook 2013 – Long-term Economic Forecast: Economic Performance and Trends, 2013.
6. The Statistics Canada definition of immigrant is as follows: "Persons residing in Canada who were born outside of Canada, excluding temporary foreign workers, Canadian citizens born outside Canada and those with student or working visas."
7. Statistics Canada. Education Indicators in Canada: An International Perspective, p. 68, 2012.
8. Department of Foreign Affairs and International Trade. Economic Impact of International Education in Canada: Final Report, Roslyn Kunin and Associates, July 2009.
9. Prior to this change, TFWs could receive up to 15 per cent less in wages than the local workers.
10. Chamie, Joseph. The Choice: More Immigrants or Fewer Citizens, Yale Global Online, 4 March, 2013. Retrieved at: www.yaleglobal.yale.edu/content/choice-more-immigrants-or-fewer-citizens
11. Family-friendly policies represent those public policies that improve the lives of residents and their families. These policies may include: assistance to families through employment supports; efforts to foster welcoming, vibrant, and innovative communities; actions to promote child development; measures to encourage gender equity and diversity in the workplace; and, supports to the family unit throughout the life course.
12. United Nations Population Division. World Population Prospects, 2010. Retrieved at: www.esa.un.org/unpd/wpp/Analytical-Figures/htm/fig_8.htm
13. Der Spiegel. Study Shows Germany Wasting Billions on Failed Family Policy, March 2013. Retrieved at www.spiegel.de/international/germany/study-shows-germany-wasting-billions-on-failed-family-policy-a-881637.html
14. Bundesinstitut für Bevölkerungsforschung. (Keine) Lust auf Kinder? Geburtenentwicklung in Deutschland, December, 2012. Retrieved at www.bib-demografie.de/SharedDocs/Publikationen/DE/Download/Broschueren/keine_Lust_auf_kinder_2012.pdf;jsessionid=72F51897DC-260DC551C950604C1836CA.2_cid284?__blob=publicationFile&v=15
15. Iceland and Ireland lead with marginally higher rates.
16. Lutz, Wolfgang and Vegard Skirbekk. Policies Affecting the Tempo Effect in Low-Fertility Countries. Population and Development Review 31.4 (Dec. 2005), pp. 703–723.
17. McDonald P. Sustaining Fertility through Public Policy: The Range of Options. Population, 57.3 (2002), pp. 417-446. Retrieved at www.persee.fr/web/revues/home/prescript/article/pop_1634-2941_2002_num_57_3_18402
18. Lutz and Skirbekk, 2005.
19. Drolet, 2002.
20. Beaujot Roderic and Don Kerr. Emerging Youth Transition Patterns in Canada, Investing in Youth: Evidence from Policy, Practice and Research. Policy Research Initiative, Ottawa.
21. Statistics Canada. "Population 15 years and over by hours spent looking after children, without pay, by sex, by province and territory (2006 Census)."
22. McDonald, P. Sustaining Fertility through Public Policy: The Range of Options, pp. 424-425.
23. Ibid.
25. Locke, Wade and Scott Lynch. "A Survey of the Attitudes of Employers in Newfoundland and Labrador toward the Recruitment and Employment of New Canadians and International Workers," Harris Centre, Memorial University, 2005. Retrieved at: www.mun.ca/harriscentre/reports/research/2006/immigration_final_report.pdf
25. Office of Immigration and Multiculturalism.
26. Includes Newfoundlanders and Labradorians who have returned to the province.