



FAMILY POLICY IN INTERNATIONAL PERSPECTIVE

*Ministry of Health, Labor and Welfare
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Presentation outline

- Family policy objectives
- The socio-economic context
- Policy tools
- Challenges and issues



Family policy aims to help parents balance their work and family commitments

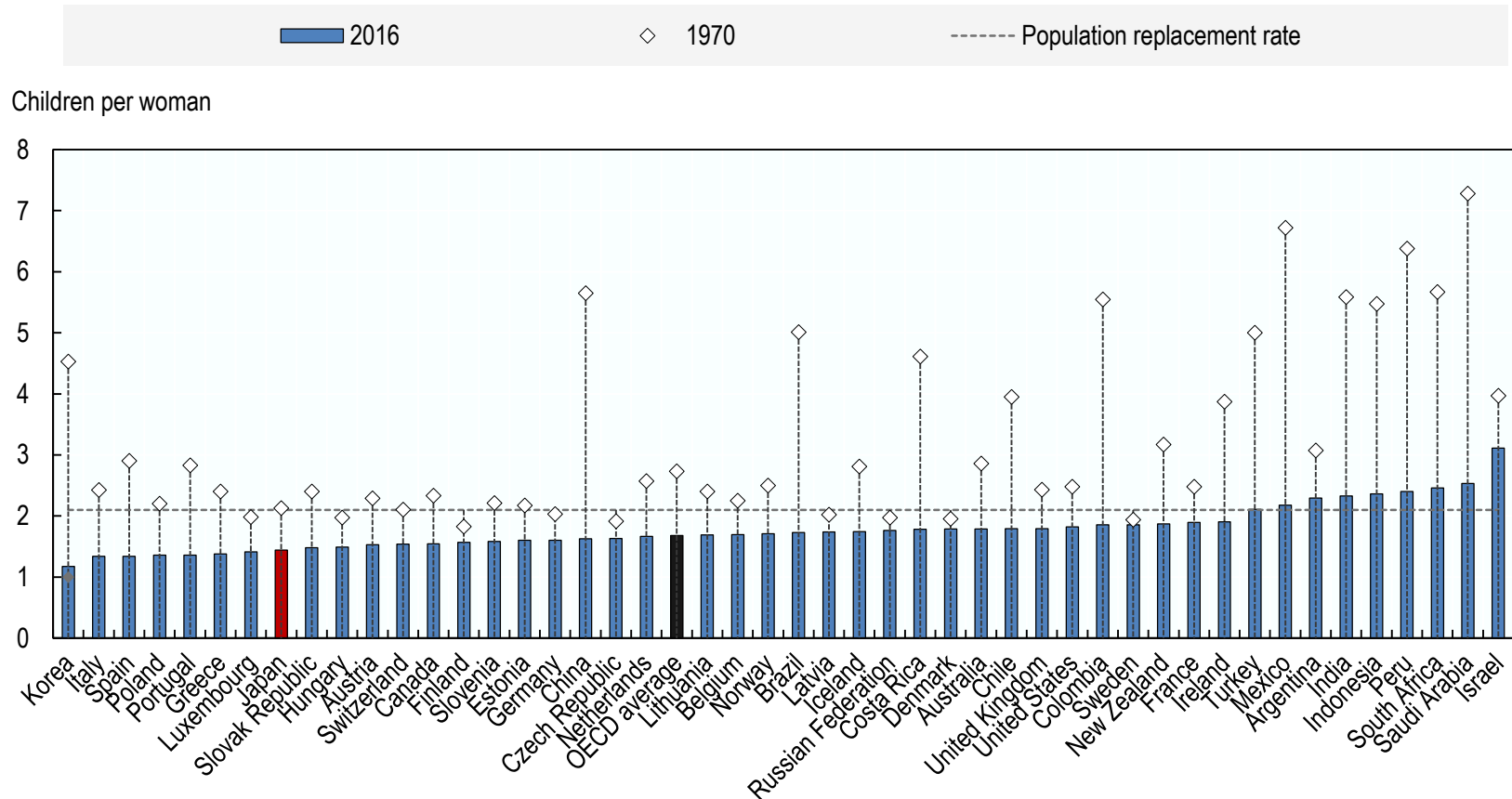
The emphasis on underlying and interlinked objectives varies across countries:

- Enable people to have as many children as they would like at the time of their choice
- Help people to fulfil their labour market aspirations and mobilise hitherto underused (often female) labour supply
- Reduce family poverty and enhance child development
- Enhance gender equality



The changing face of society: birth rates have dropped since 1970...

Total fertility rate, 1970 and 2016 or latest



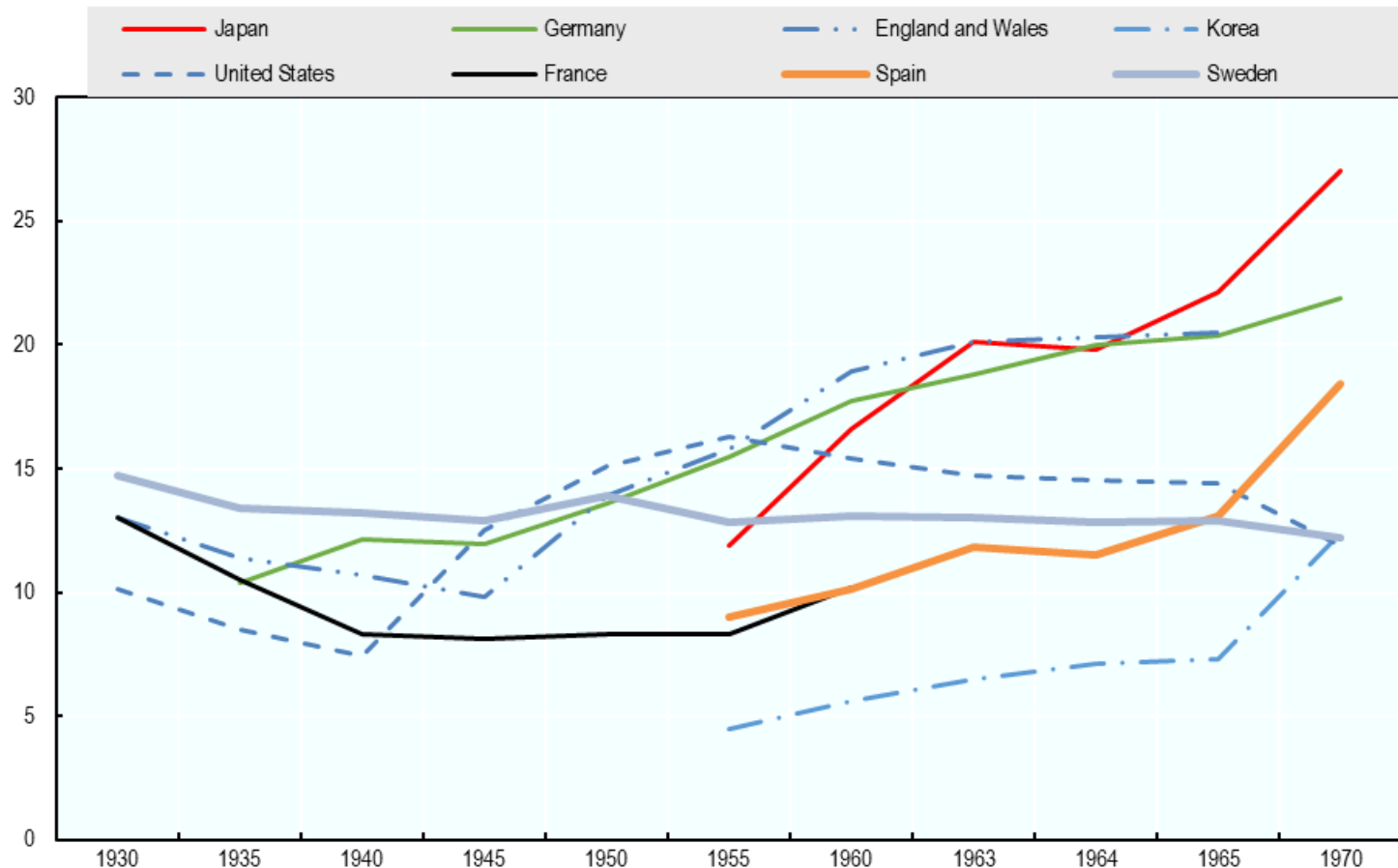
Note: Average number of children born per woman over a lifetime given current age-specific fertility rates and assuming no female mortality during reproductive years. Data for Chile refer to 2015

Source: OECD Family Database, <http://www.oecd.org/els/family/database.htm>



With increasing childlessness being an important factor

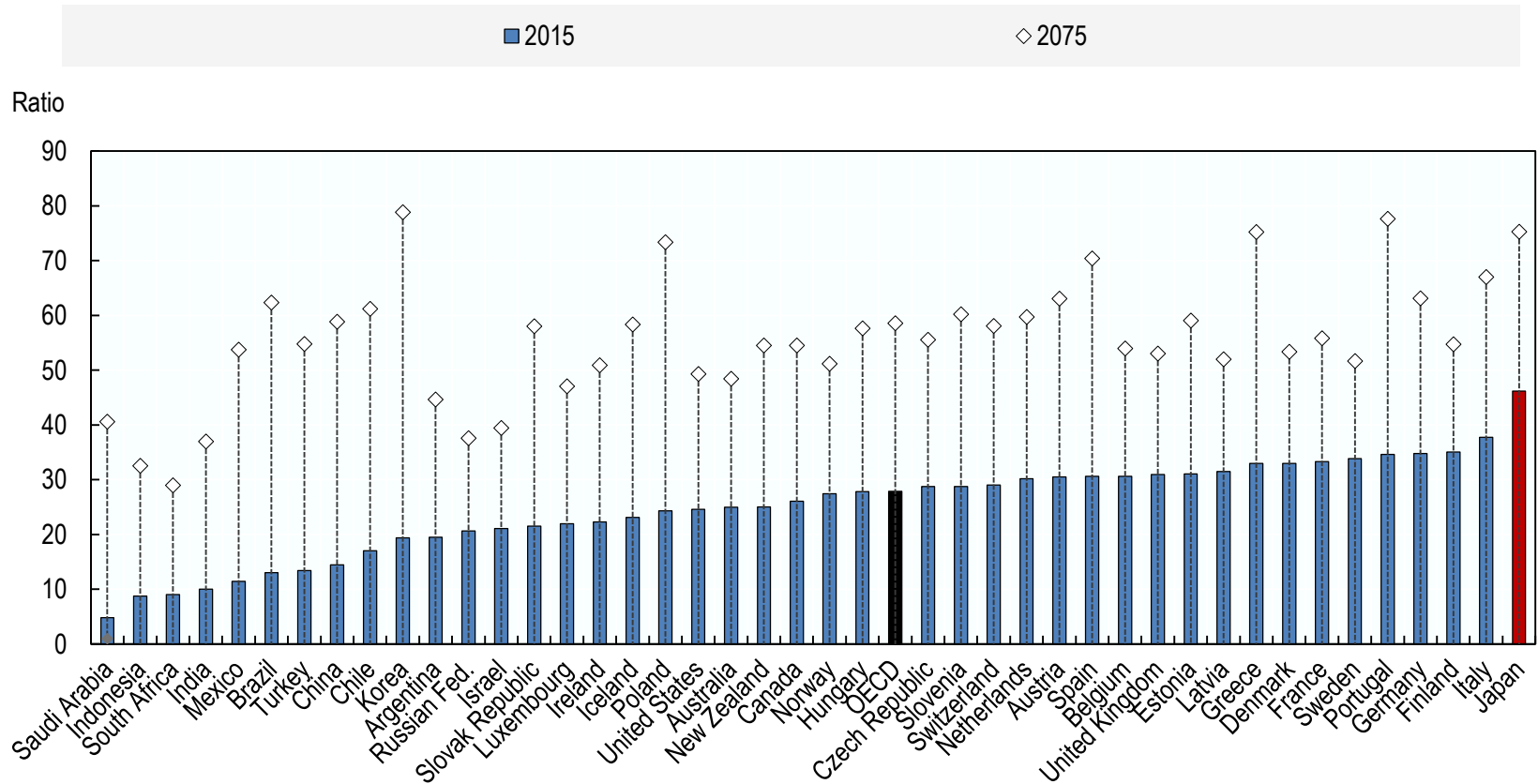
The proportion of women remaining childless (%) up to the age of 45 years





The Japanese population is the “oldest” across the OECD and is expected to “age” further

Current and projected demographic old-age dependency ratios, 2015 and 2075



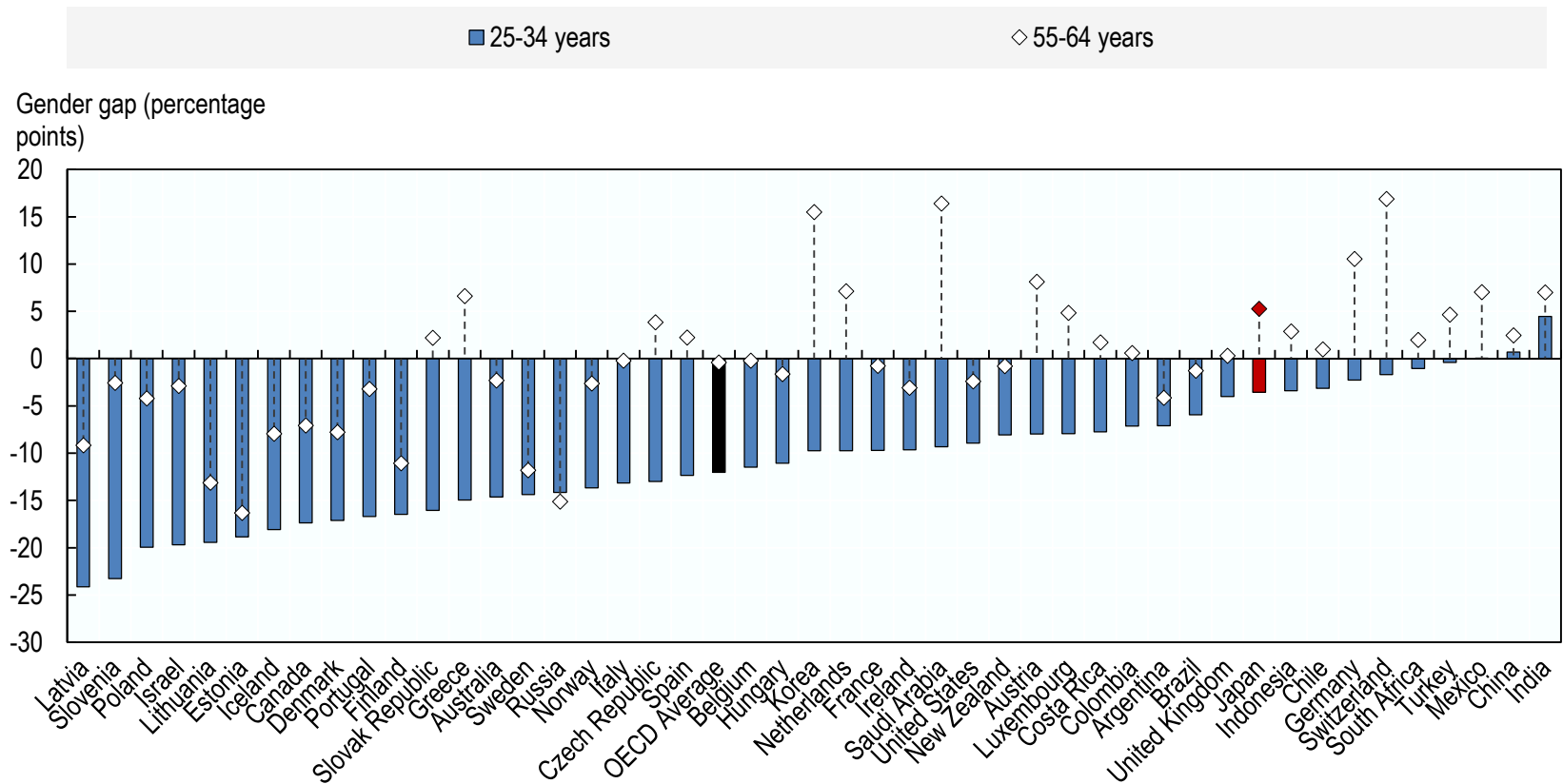
Note: The demographic old-age dependency ratio is defined as the number of individuals aged 65 and over per 100 people of working age defined as those aged between 20 and 64.

Source: OECD (2017), Pensions at a Glance 2017: OECD and G20 Indicators, OECD Publishing, Paris, https://doi.org/10.1787/pension_glance-2017-en.



Young women have overtaken young men in terms of educational attainment

Gender gap (male minus female) in the share of the population that have attained tertiary education, by age group, 2017



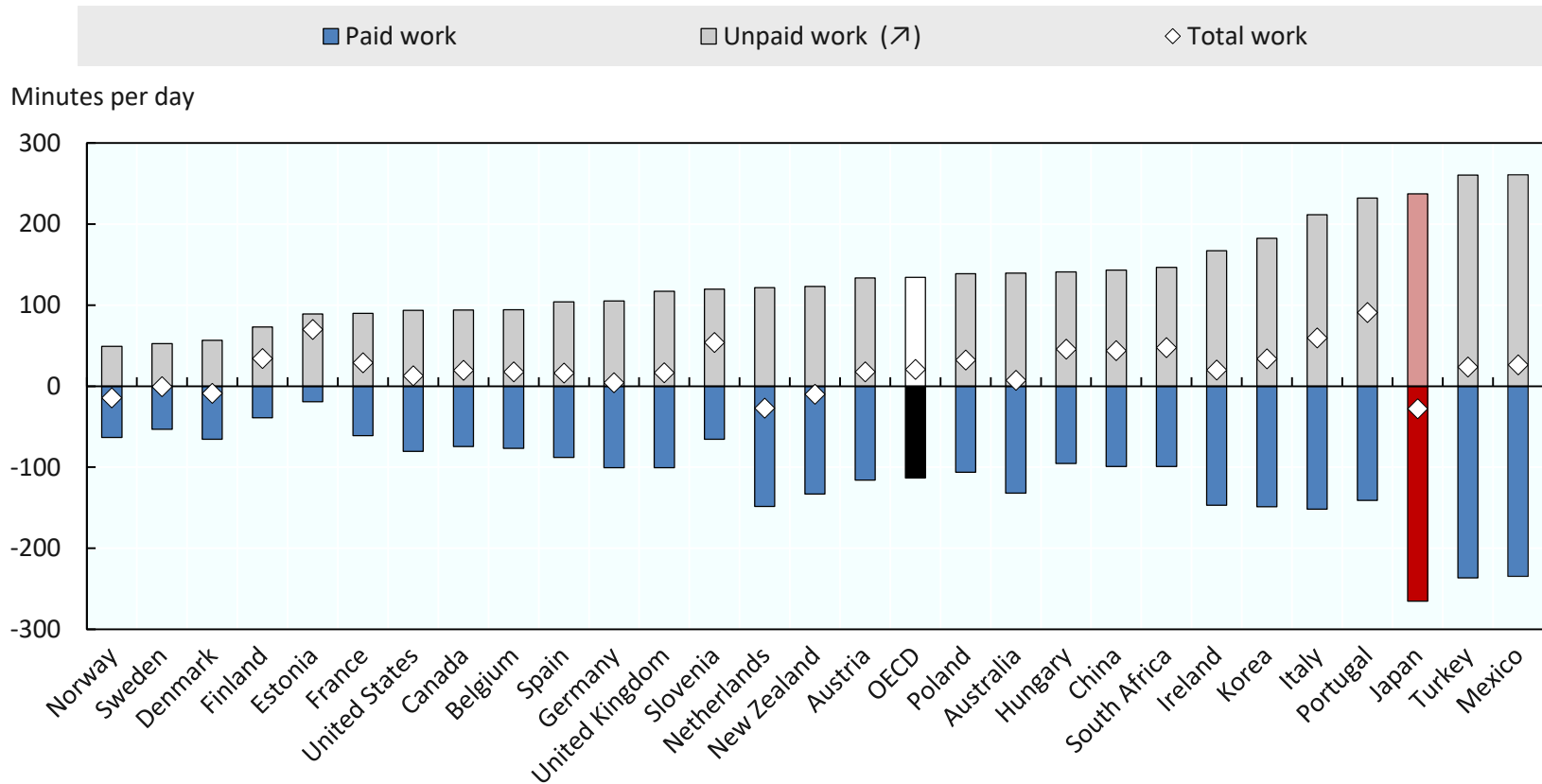
Note: Data for China refer to 2010, for India to 2011, for Saudi Arabia to 2014, and for Brazil, Chile and the Russian Federation to 2015

Source: OECD Education Database, <http://www.oecd.org/education/database.htm>



...but women continue to bear the brunt of unpaid work

Gender gap in minutes spent per day on paid and unpaid work, female minus male, 15-64 year-olds

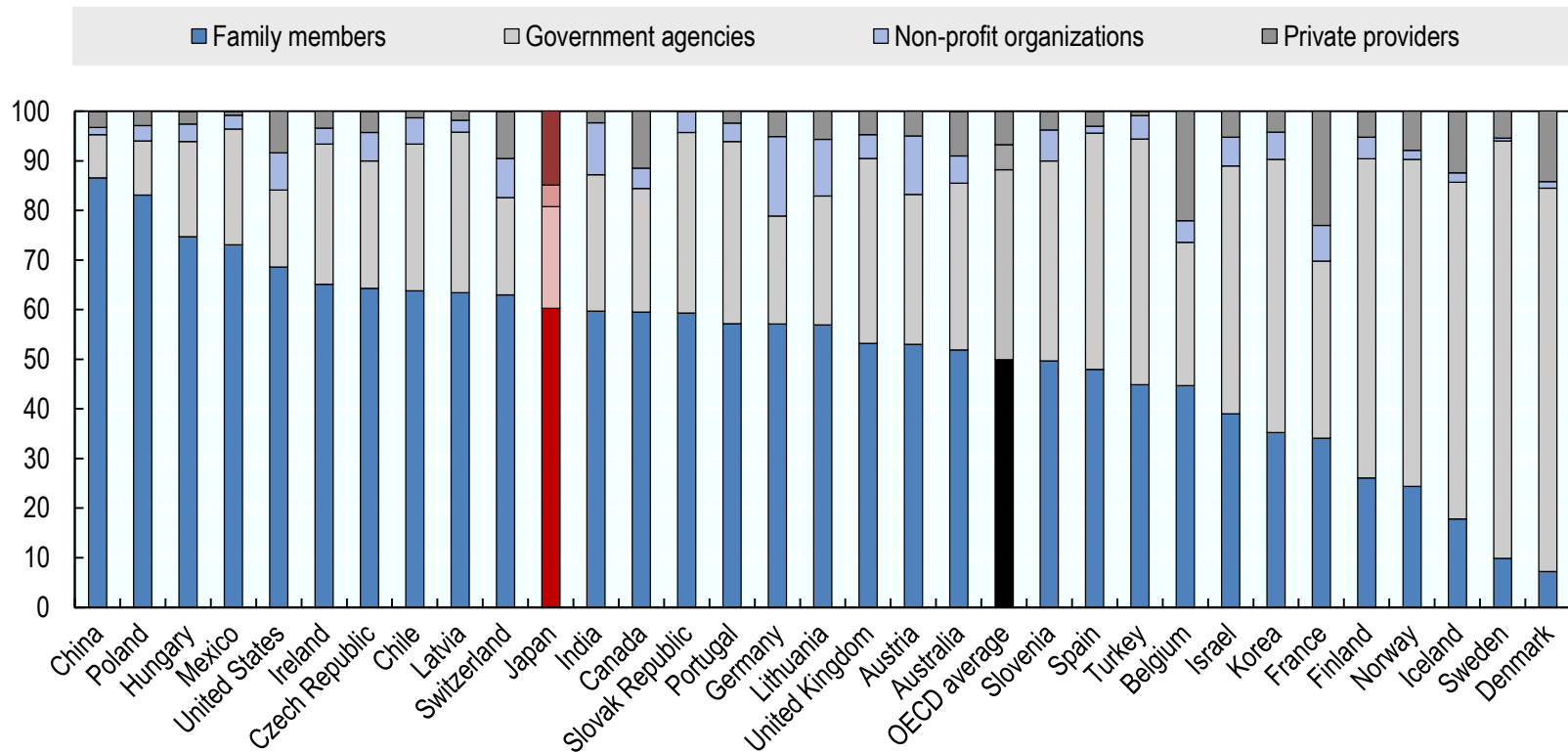


Note: Data for Australia are for 15+ years-olds, for Hungary 15-74 year olds, and for Sweden 25-64 year olds. Reference years vary across countries: Australia: 2006; Austria: 2008-09; Belgium: 2005; Canada: 2010; China: 2008; Denmark: 2001; Estonia: 2009-10; Finland: 2009-10; France: 2009; Germany: 2001-02; Hungary: 1999-2000; Italy: 2008-09; Ireland: 2005; Japan: 2011; Korea: 2009; Mexico: 2009; the Netherlands: 2005-06; New Zealand: 2009-10; Norway: 2010; Poland: 2003 04; Portugal: 1999; Slovenia: 2000-01; South Africa: 2010; Spain: 2009-10; Sweden: 2010; Turkey: 2006; the United Kingdom: 2005; and the United States: 2014. Source: OECD (2017), The Pursuit of Gender Equality: An Uphill Battle, OECD Publishing, Paris, (<https://doi.org/10.1787/9789264281318-en>)



...and in Japan family members are expected to help care for elderly relatives, more than in some European countries...

Distribution of responses to the question "Thinking about elderly people who need some help in their everyday lives, such as help with grocery shopping, cleaning the house, doing the laundry etc. Who do you think should primarily provide this help?", all ages, 2012



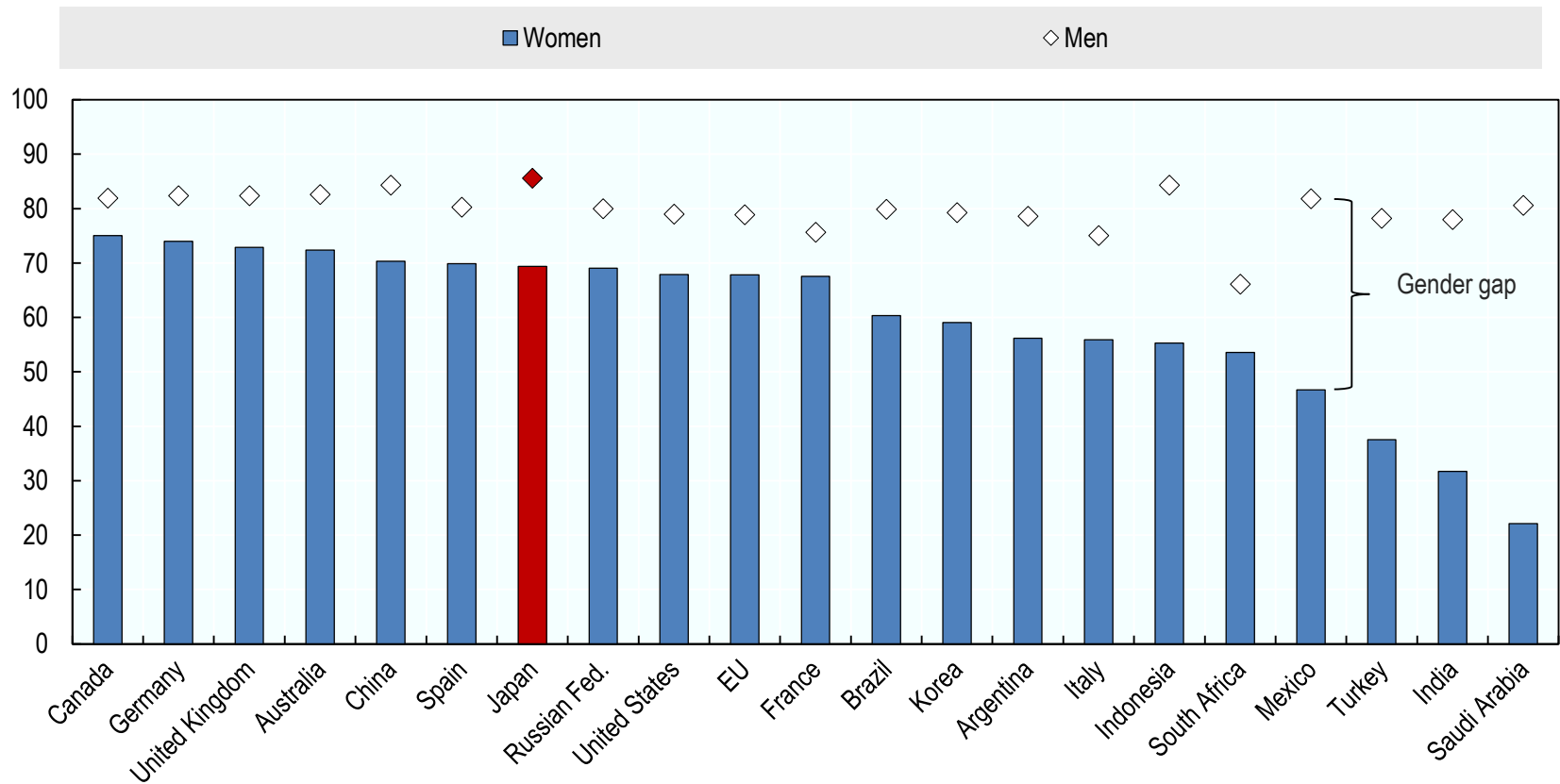
Note: Excluding respondents answering "Can't choose" or "No answer".

Source: OECD calculations based on the International Social Survey Programme (ISSP) 2012, <http://w.issp.org/menu-top/home/>



Gender gaps in labour force participation persist and are wider in Japan than in many European countries

Labour force participation rates (%) by gender, and gender gap in the labour force participation rate (percentage point), 15-64 year olds, 2017 or latest

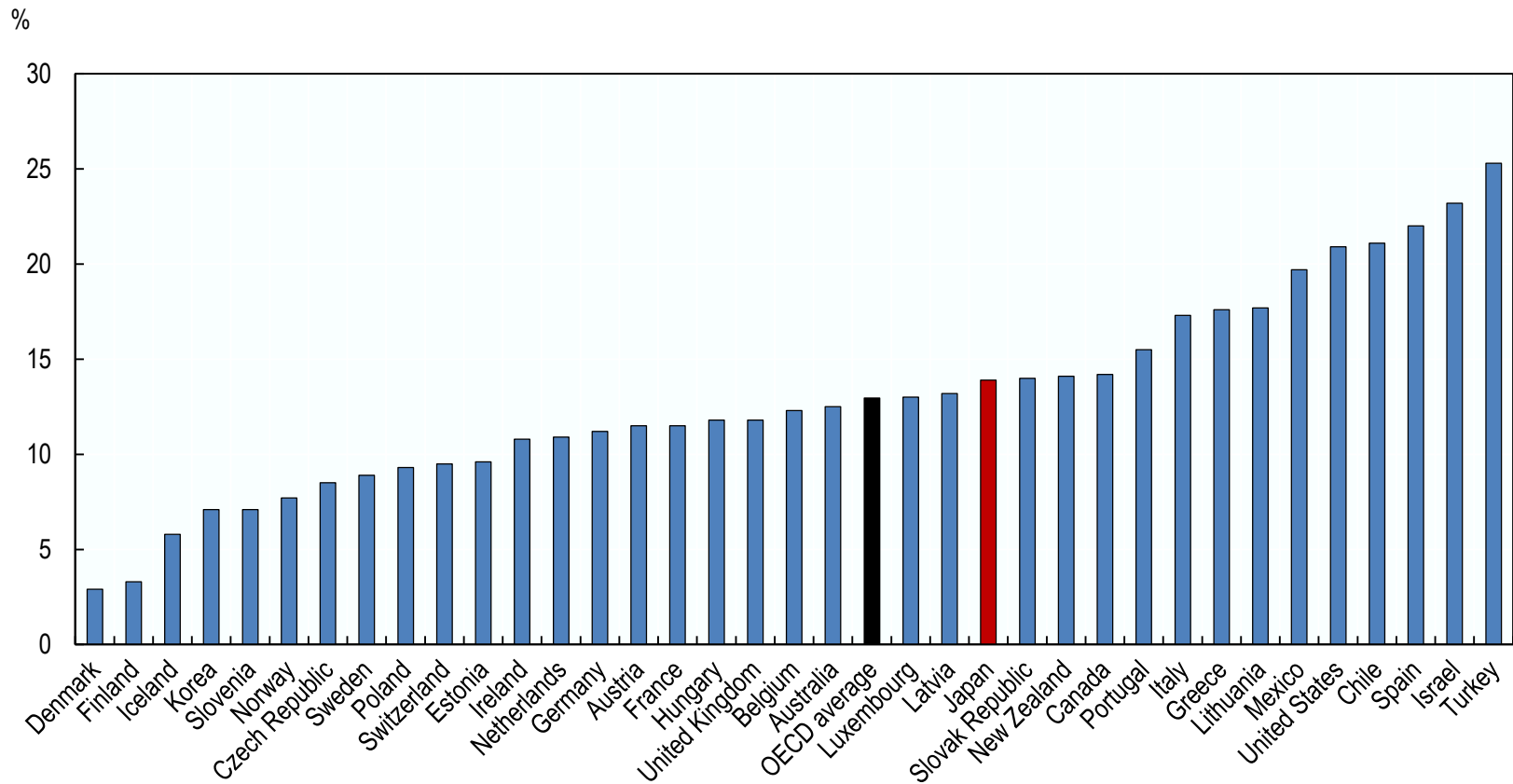


Note: The data refer to: 2016 for Saudi Arabia; 2015 for India; and 2010 for China. The data refer to the population aged 15 and over for India and 16-64 for Spain and the United States.
Source: OECD calculations based on national labour force surveys and, for China, census data; for the Netherlands, OECD Employment Database (<http://www.oecd.org/employment/emp/onlineoecdemploymentdatabase.htm>).



Child poverty in Japan is slightly above the OECD average

Relative income poverty rate (%) for children (0-17 year-olds), 2016 or latest year



Note: Data are based on equivalised household disposable income, i.e. income after taxes and transfers adjusted for household size. The poverty threshold is set at 50% of median disposable income in each country. Data for Hungary, Mexico and New Zealand refer to 2014, and for Chile, Denmark, Germany, Iceland, Ireland, Japan, Korea, Switzerland and Turkey to 2015.

Source: OECD Income Distribution Database, <http://www.oecd.org/social/income-distribution-database.htm>



- Policy tools



Family-friendly policy tools

Time supports:

- *Leave for working parents* caring for a young child or dependent; entitlements to *flexible* and/or *reduced working hours*

Financial supports:

- *Cash transfers* such as birth grants, income support during leave, child allowances, etc. *Fiscal benefits* such as child tax allowances and credits

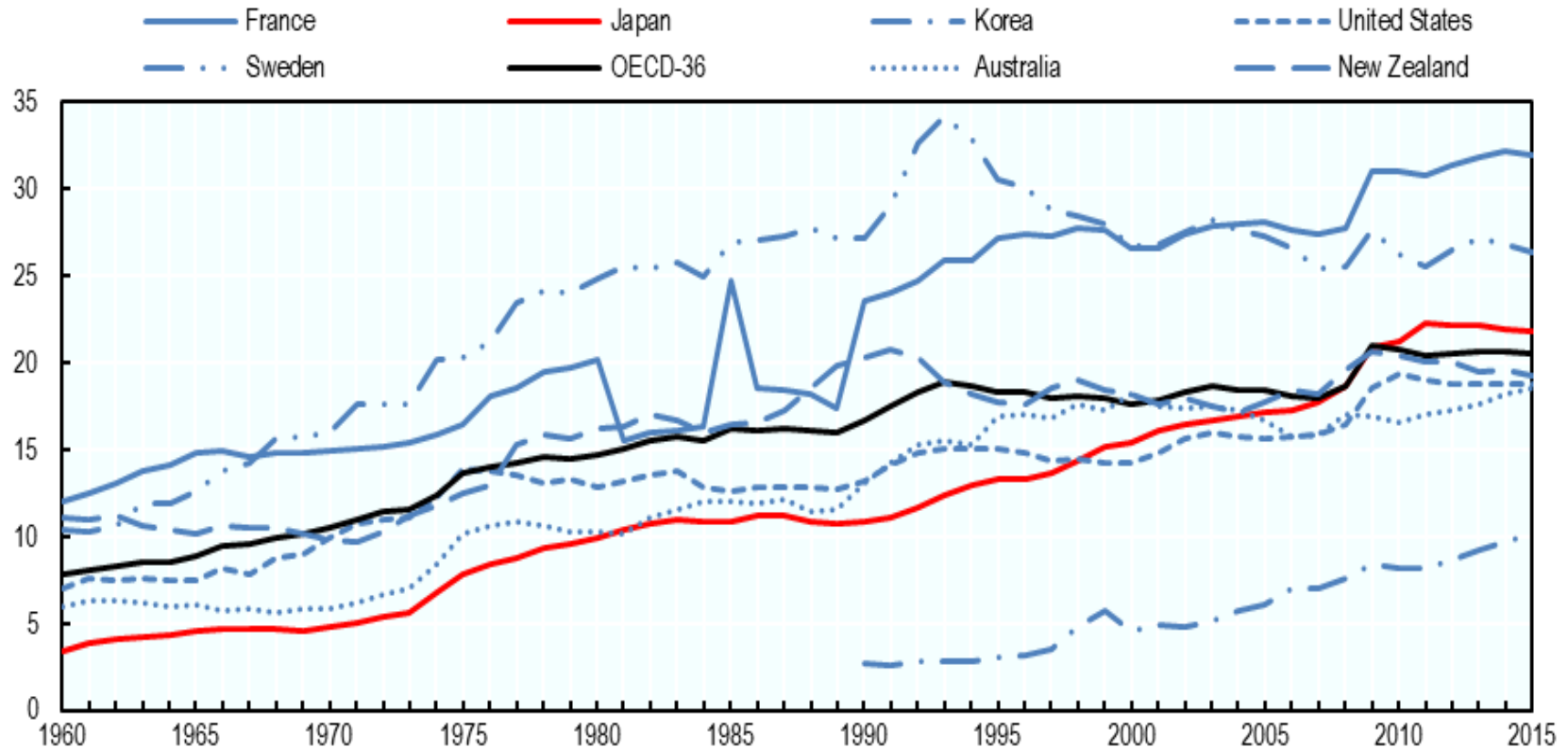
In-kind support, services:

- *Earmarked support* to parents, *subsidies to providers* and/or *direct provision* of childcare and out-of-school-hours care services and a range of family support services



Public social spending in Japan has increased steadily and is now above the OECD average

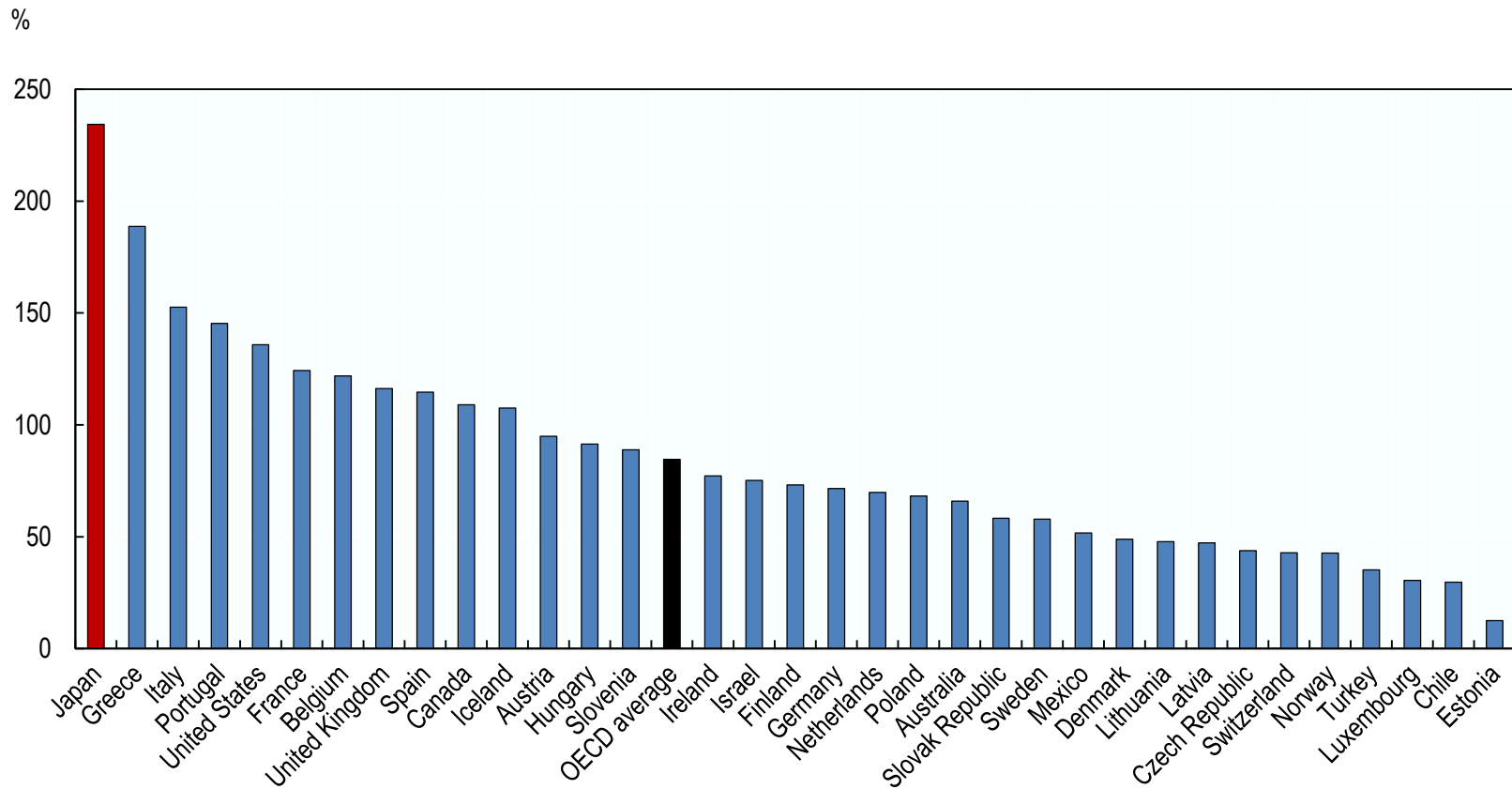
Trends in public social protection spending as a percent of GDP, 1960-2015





Fiscal space for public investment is limited

Gross general government debt as a % of GDP, 2017 or latest



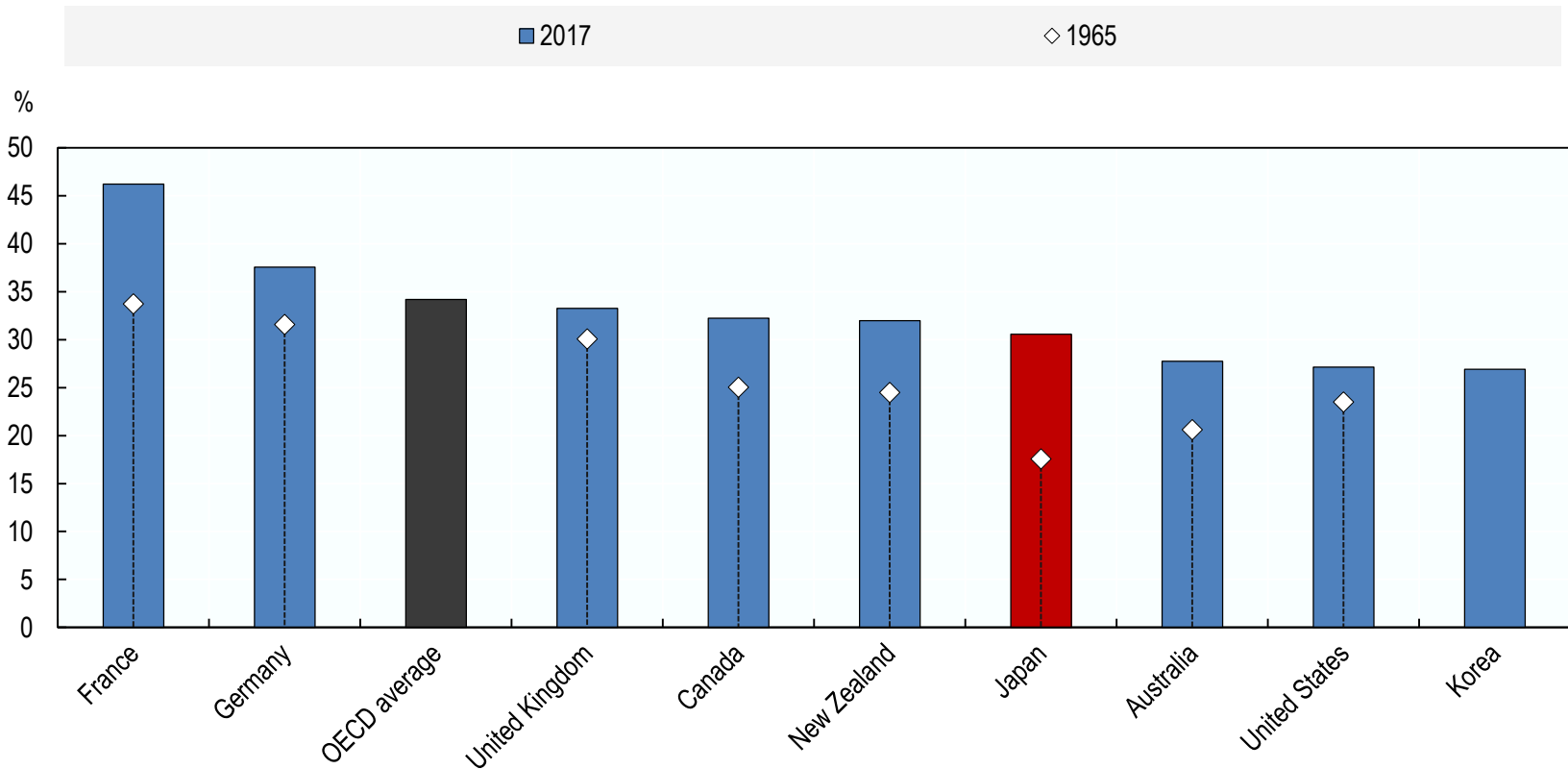
Note: Data for Iceland refer to 2013 and for Israel and Mexico to 2016

Source: OECD National Accounts at a Glance Database, <http://dotstat.oecd.org/Index.aspx?DataSetCode=NAAG>



Tax revenue in Asian OECD countries is below the OECD average

Total tax revenue as % of GDP, 1965 and 2017 or latest



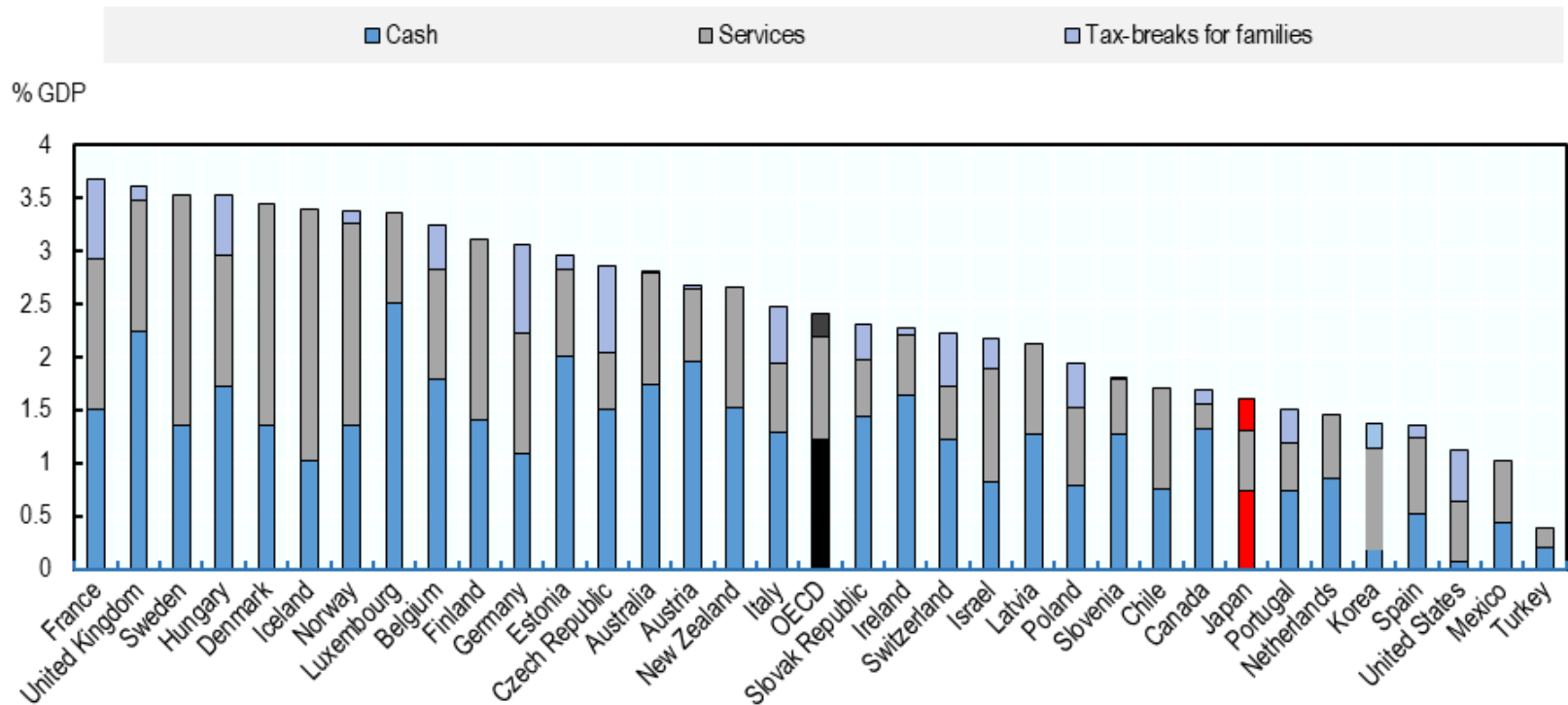
Note: Data for Australia and Japan refer to 2016

Source: OECD Revenue Statistics, <http://www.oecd.org/tax/tax-policy/revenue-statistics-2522770x.htm>



Spending on family benefits in Japan focuses on financial support rather than childcare

Public expenditure on family benefits by type of expenditure, in per cent of GDP, 2015 and latest available

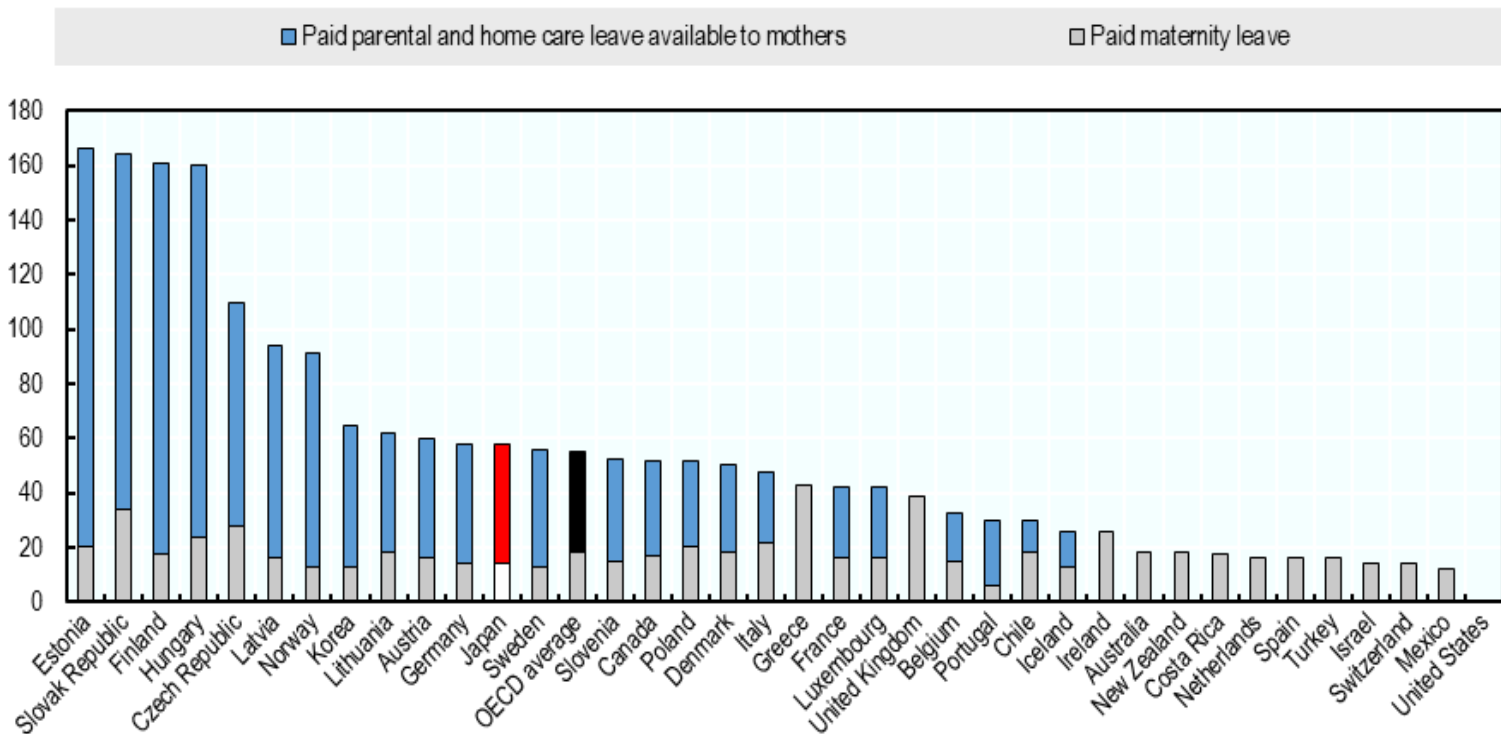


Notes: Public spending accounted for here concerns public support that is exclusively for families (e.g. child payments and allowances, parental leave benefits and childcare support), only. Spending in other social policy areas such as health and housing support also assists families, but not exclusively, and is not included here. Data for cash and services in Poland refer to 2014. For Greece, data on tax breaks towards families are not available. For the Netherlands, data on tax breaks for families are estimated using available information for 2011. For Switzerland, data on tax breaks for families are estimated by the national correspondent.
 Source: OECD Social Expenditure Database (<http://www.oecd.org/social/expenditure.htm>) preliminary update



Mothers' leave entitlements are around the OECD average

Paid maternity leave and paid parental and home care leave available to mothers, in weeks, 2016



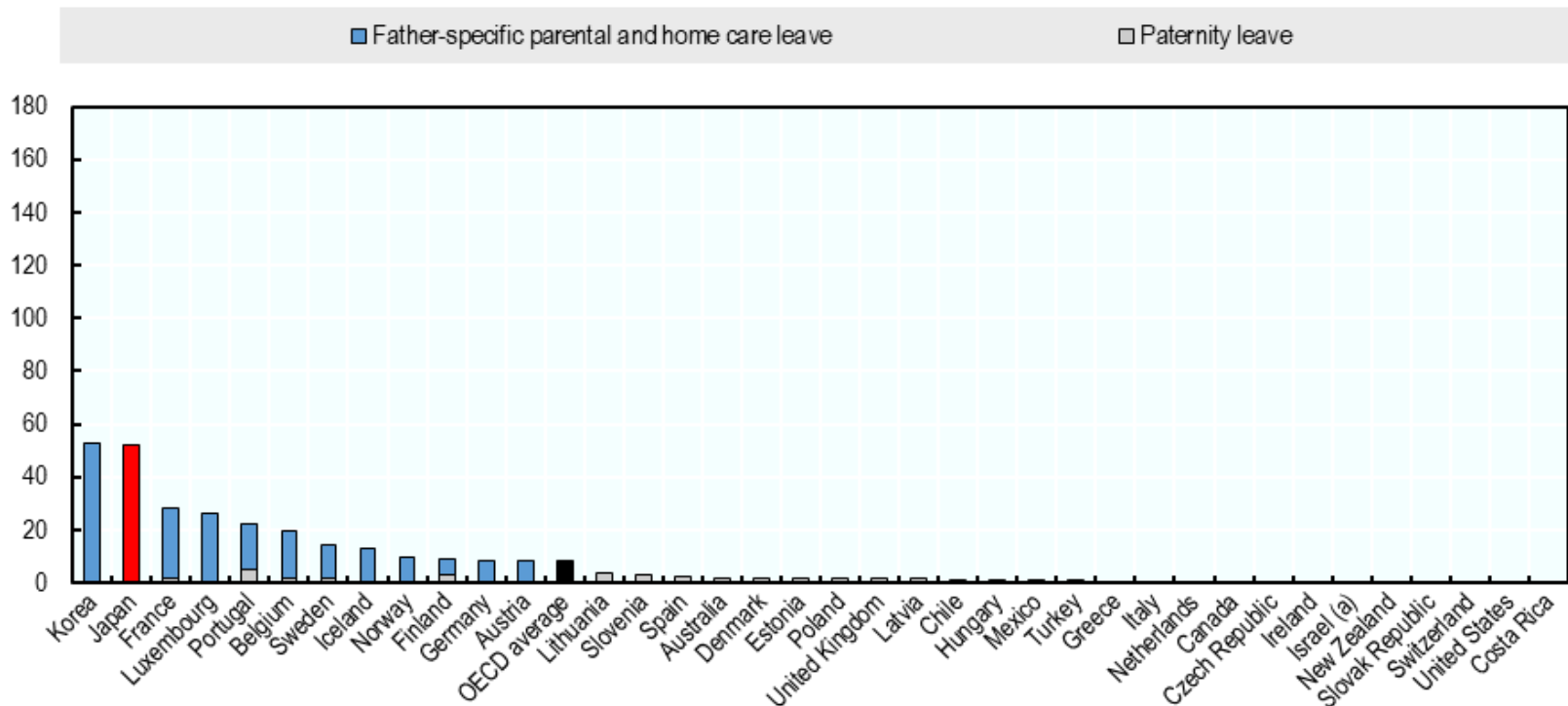
Notes: Information refers to entitlements to maternity leave, and any weeks of paid parental leave and paid home care leave available to mothers. Data refer to entitlements in place as of April 2016. Data reflect entitlements at the national or federal level only, and do not reflect regional variations or additional/alternative entitlements provided by states/provinces or local governments in some countries (e.g. Québec in Canada, or California in the United States).

Source: OECD Family Database (<http://www.oecd.org/els/family/database.htm>)



Japan and Korea have the longest paid parental leave periods reserved for fathers

Paid paternity leave and paid father-specific parental and home care leave, in weeks, 2016

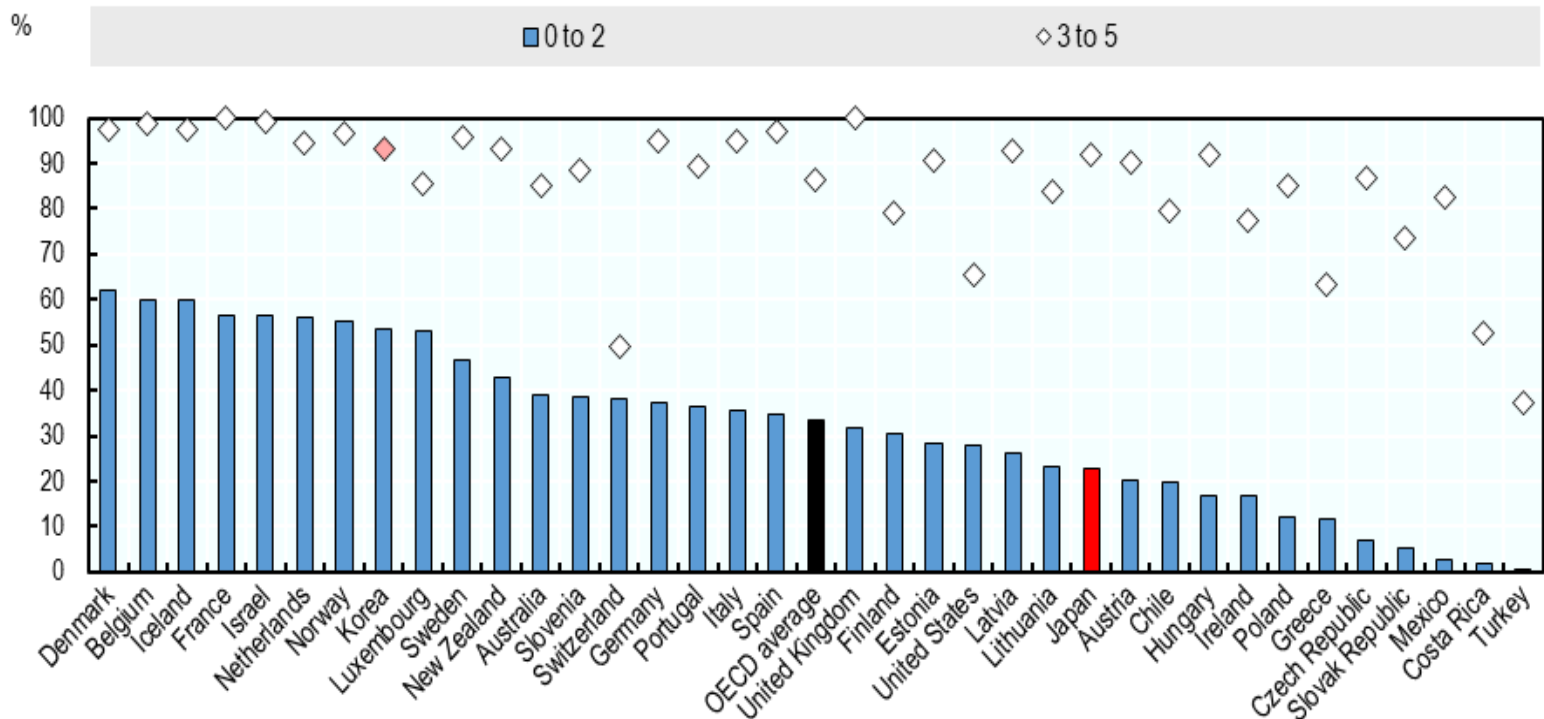


Notes: Note: Information refers to entitlements to paternity leave, 'father quotas' or periods of parental leave that can be used only by the father and cannot be transferred to the mother, and any weeks of sharable leave that must be taken by the father in order for the family to qualify for 'bonus' weeks of parental leave. Data refer to entitlements in place as of April 2016. Data reflect entitlements at the national or federal level only, and do not reflect regional variations or additional/alternative entitlements provided by states/provinces or local governments in some countries (e.g. Québec in Canada, or California in the United States).
Source: OECD Family Database (<http://www.oecd.org/els/family/database.htm>)



Childcare participation in Japan is just below the OECD average

Percent of 0- to 2-year-olds enrolled in early childhood education and care (ECEC), and percent of 3- to 5-year-olds enrolled in ECEC or primary education, 2016 or latest available



Notes: For 0- to 2-year-olds: Data generally include children enrolled in early childhood education services (ISCED 2011 level 0) and other registered ECEC services (ECEC services outside the scope of ISCED 0, because they are not in adherence with all ISCED-2011), but exact definitions differ across countries. Data for the United States refer to 2011, for Switzerland to 2014, and for Japan to 2015. For 3- to 5-year-olds: Data include children enrolled in early childhood education and care (ISCED 2011 level 0) and primary education (ISCED 2011 level 1). See OECD Family Database (<http://www.oecd.org/els/family/database.htm>) Indicator PF3.2 for more detail. Source: OECD Family Database (<http://www.oecd.org/els/family/database.htm>) preliminary update



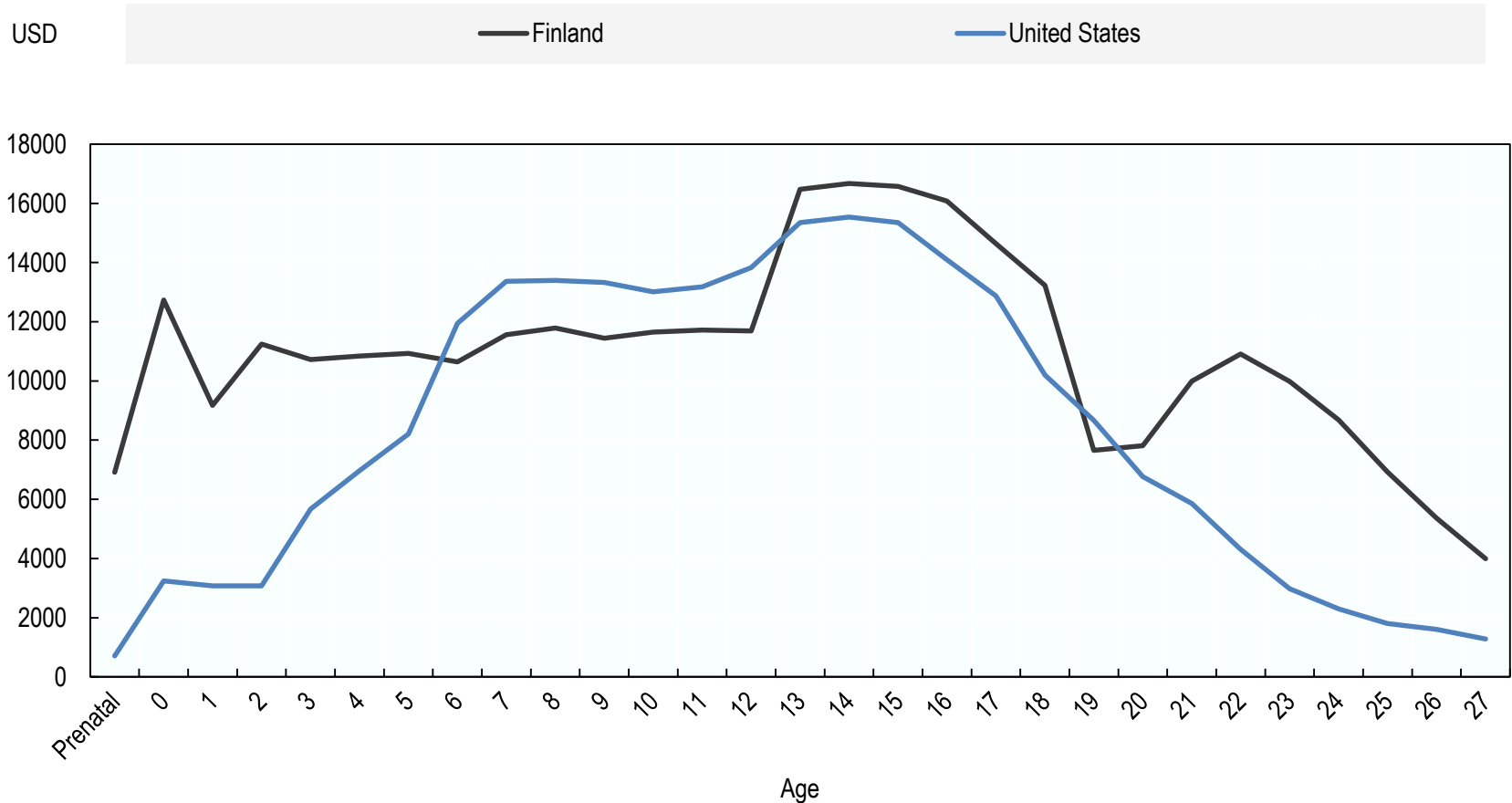
But it takes time to change behaviour

- In Sweden, the one-month father quota was introduced in 1995 and now it is three months. In 2016, 45% of leave takers were fathers but mothers took well over than twice as many leave days.
- In Germany, the proportion of children with a father using leave increased from 20.8% for children born in 2008 to 35.8% for those born in 2015.
- In January 2016 in Korea the “daddy month” was extended to three months. The male share of parental leave users increased from 5.6% in 2015 to 8.5% in 2016.
- In 2014, France introduced a father-specific parental leave benefit for at least 6 months, but payment rates are low at about 16% of average earnings. In December 2016, only 4.4% of recipients were men.
- In Japan, around 3% of employed men whose spouse had given birth between Oct 2014 and Oct 2015 had started or applied for parental leave by Oct 2016.



In Nordic countries, policy aims to provide a continuum of supports, whereas elsewhere supports increase when children go to primary school

Public spending on family benefits and education by age, USD PPP per capita, 2015



Notes: OECD estimates based on the OECD Social Expenditure Database, <http://www.oecd.org/social/expenditure.htm>, and the Age-Spending Profile methodology outlined in OECD (2011) Doing Better for Families

Source: OECD Family Database, <http://www.oecd.org/els/family/database.htm>



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- Some challenges and issues



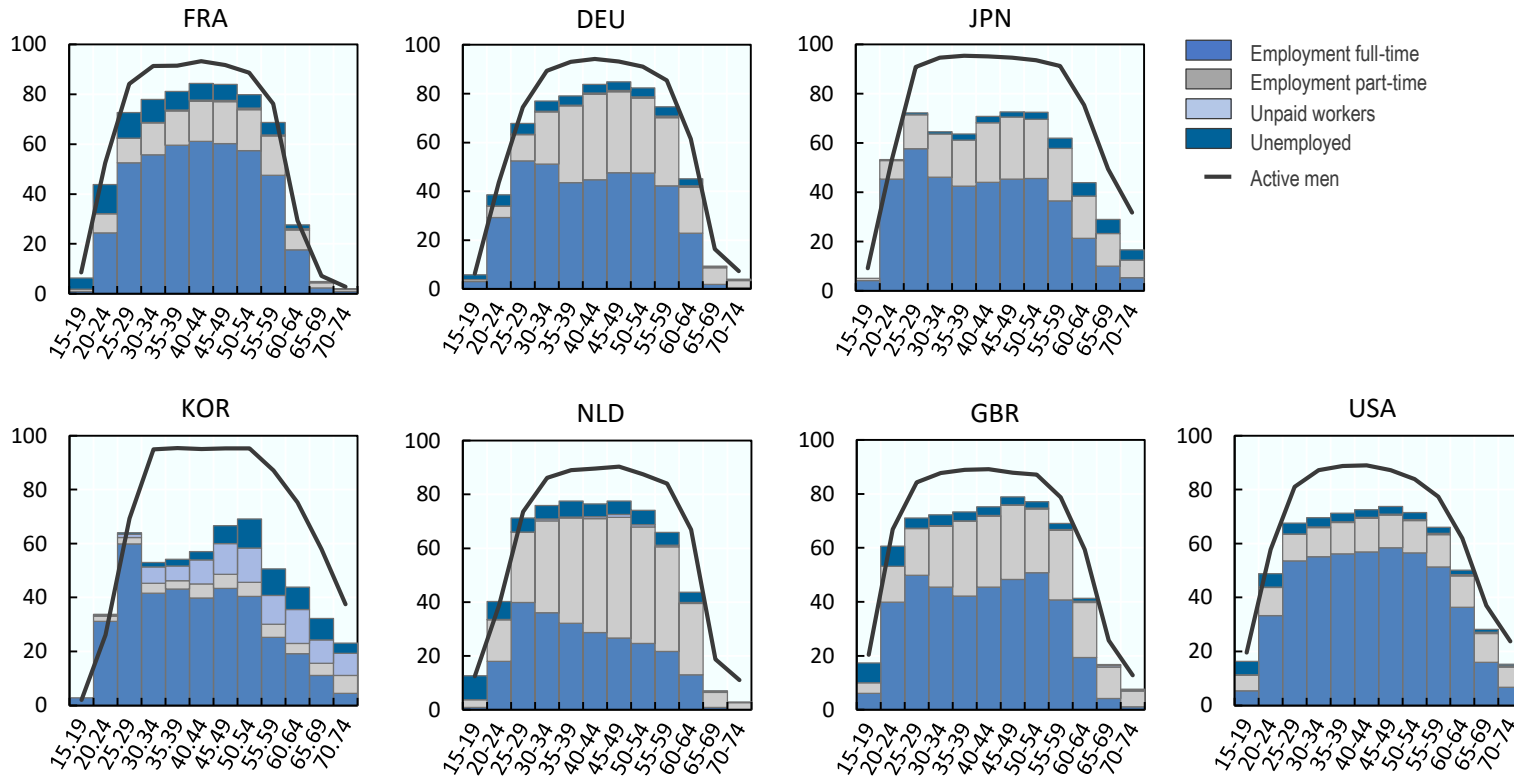
Issues and barriers for families to achieve their desired work/family balance:

- Changing attitudes toward mothers in work
- Issues around formal day-care, out-of-school hours care, Juku, and the cost of education.
- Housing costs
- The tax/benefit system and financial incentives to work for both parents
- How to attract and retain increasingly highly qualified women in a dual labour market
- Workplace cultures, long working hours and networking “after hours”



Motherhood continues to affect labour market participation

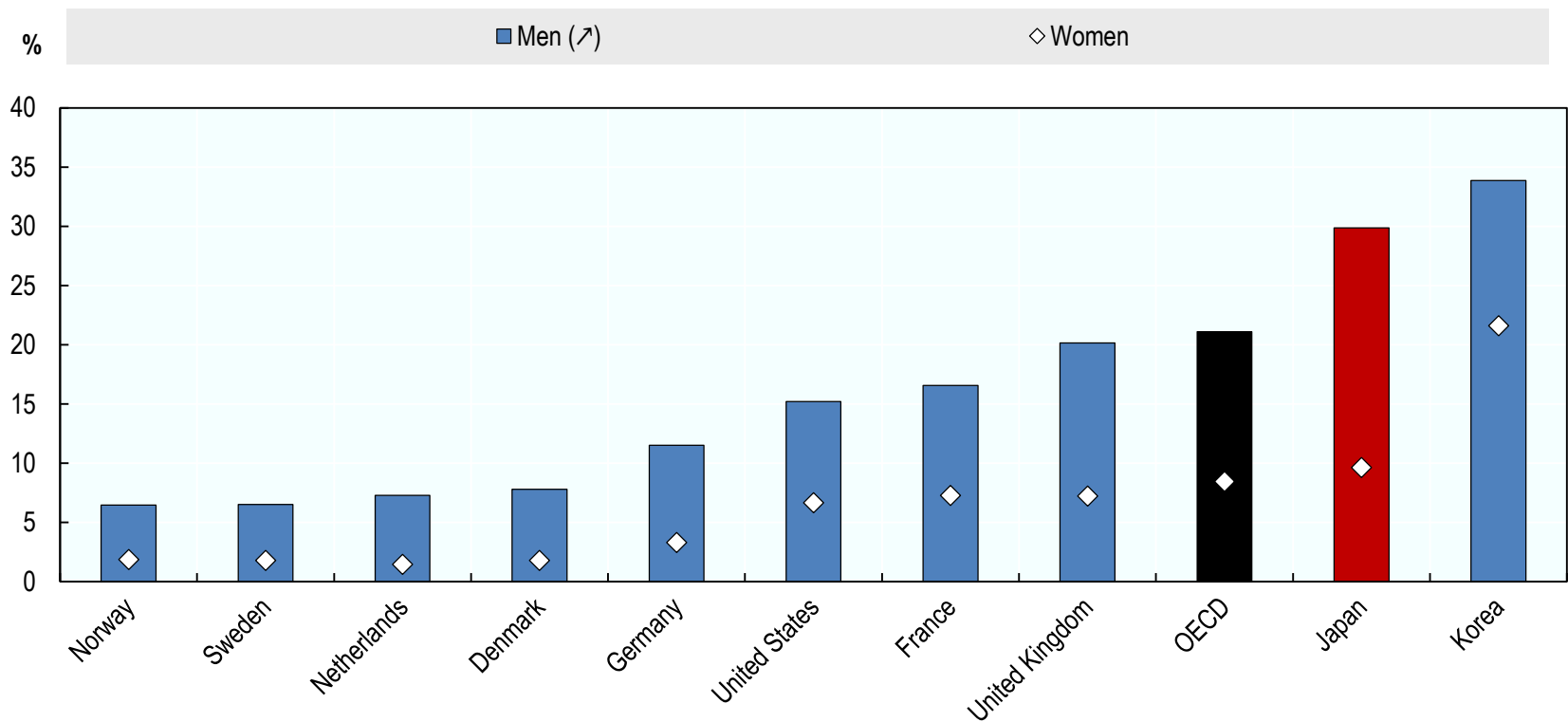
Labour market activity status of women and men, by five-year age group, 2015 or latest year





Workplace cultures in European countries are often more family-friendly

Percentage of employed with usual weekly working hours equal to or greater than 50 hours per week, by sex, 2017



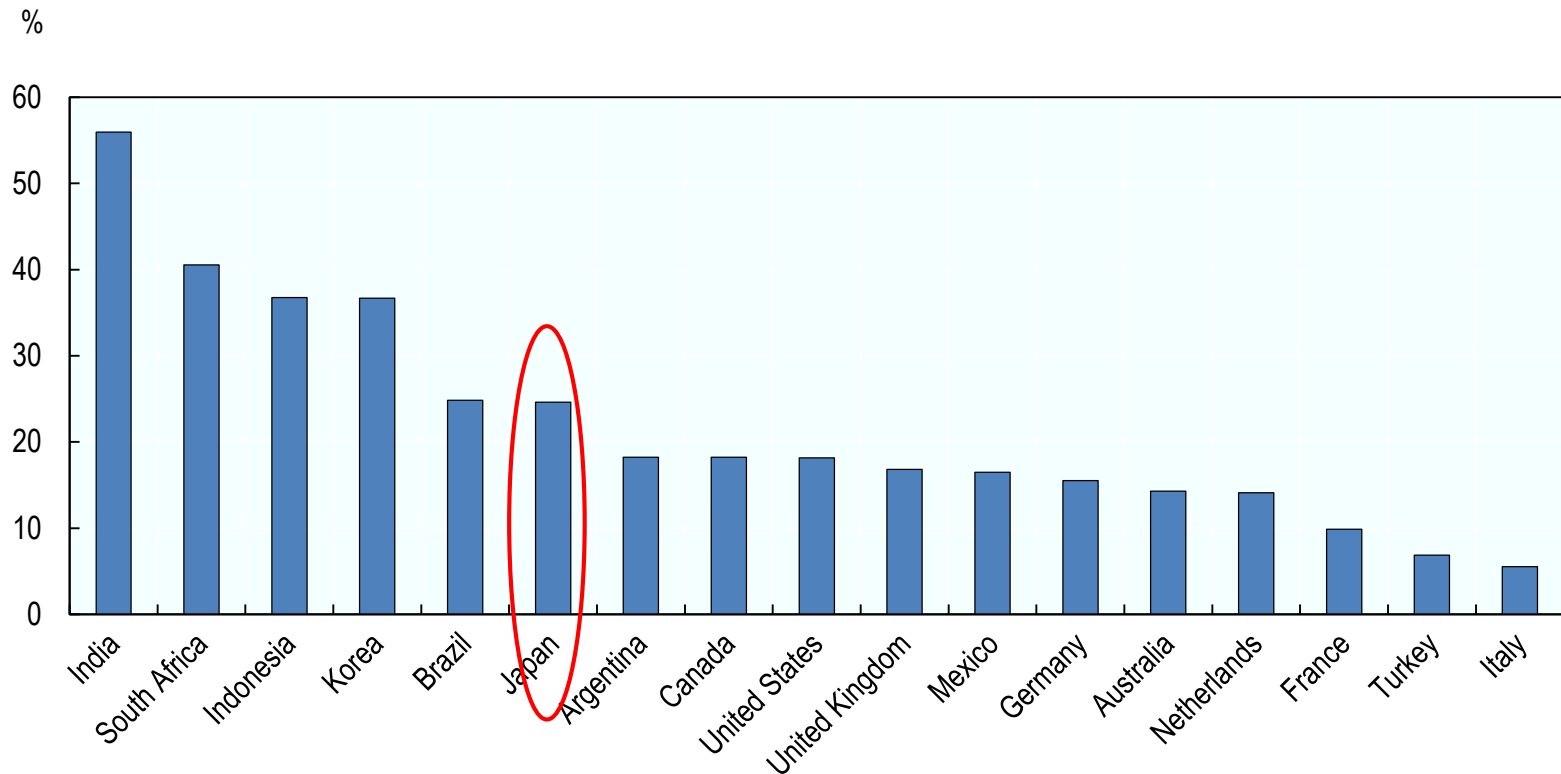
Notes: Data refer to usual weekly working hours in the main job only, except for Japan and Korea (actual weekly working hours in all jobs). Data for Japan refer to actual weekly working hours equal to or greater than 49 hours per week

Source: OECD Working Hours Database



Women still earn considerably less than men

Gender gap in median earnings, full-time employees, 2016 or nearest available



Note: The gender wage gap is unadjusted, and is calculated as the difference between the median earnings of men and of women relative to the median earnings of men. Estimates of earnings used in the calculations refer to gross earnings of full-time wage and salary workers. However, this definition differs from one country to another; see the OECD Employment Database and OECD (2017) for more detail. Data for Argentina, Brazil, France, Indonesia and Turkey refer to 2014, and for India and South Africa to 2012.

Source: OECD Employment Database, <http://www.oecd.org/employment/emp/onlineoecdemploymentdatabase.htm>, and OECD (2017), *The Pursuit of Gender Equality: An Uphill Battle*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264281318-en>.



Equal Pay International Coalition (EPIC)

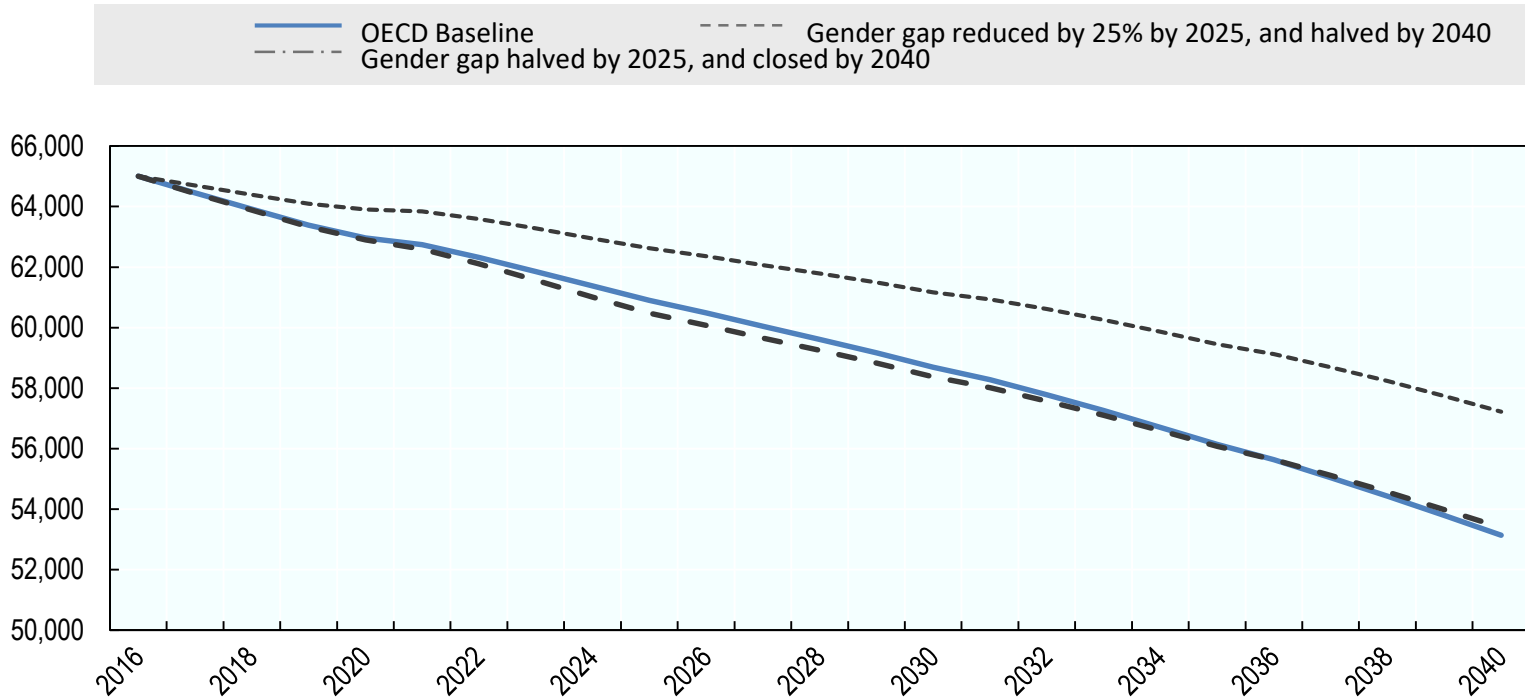


- A multi-stakeholder partnership to work together to achieve the **UN Sustainable Development Goals (SDGs)**, in particular target 8.5 which calls for equal pay for work of equal value by 2030.
- **Activities:** Research and data collection, advocacy, knowledge sharing, capacity building, technical advisory services, data analysis and monitoring.
- **Analytical reports** include:
 - OECD (2018), *Is the Last Mile the Longest*;
 - OECD (2018) *Employment Outlook – Starting Close, Ending Far*
 - ILO (2018), *Global Wage Report 2018/19 – What lies behind pay gaps*
- **EPIC website:**
<https://www.equalpayinternationalcoalition.org/>



Fully closing the gender participation gap could help counteract the looming labour force decline

Projected total size of the labour force (15-74 year olds) under different scenarios, Japan, thousands, 2012-2025



Note i) The “baseline” scenario: both male and female labour force participation rates are projected based on average entry and exit rates for each five-year age group. ii) The “25-by-2025 (G20 target)” scenario: female participation rates are projected so that the 2012 gap between male and female participation rates within each five-year age group falls by 25% by 2025, and 50% by 2040. iii) The “50-by-2025” scenario: female participation rates are projected so that the 2012 gap between male and female participation rates within each five-year age group falls by 50% by 2025, and 100% by 2040.

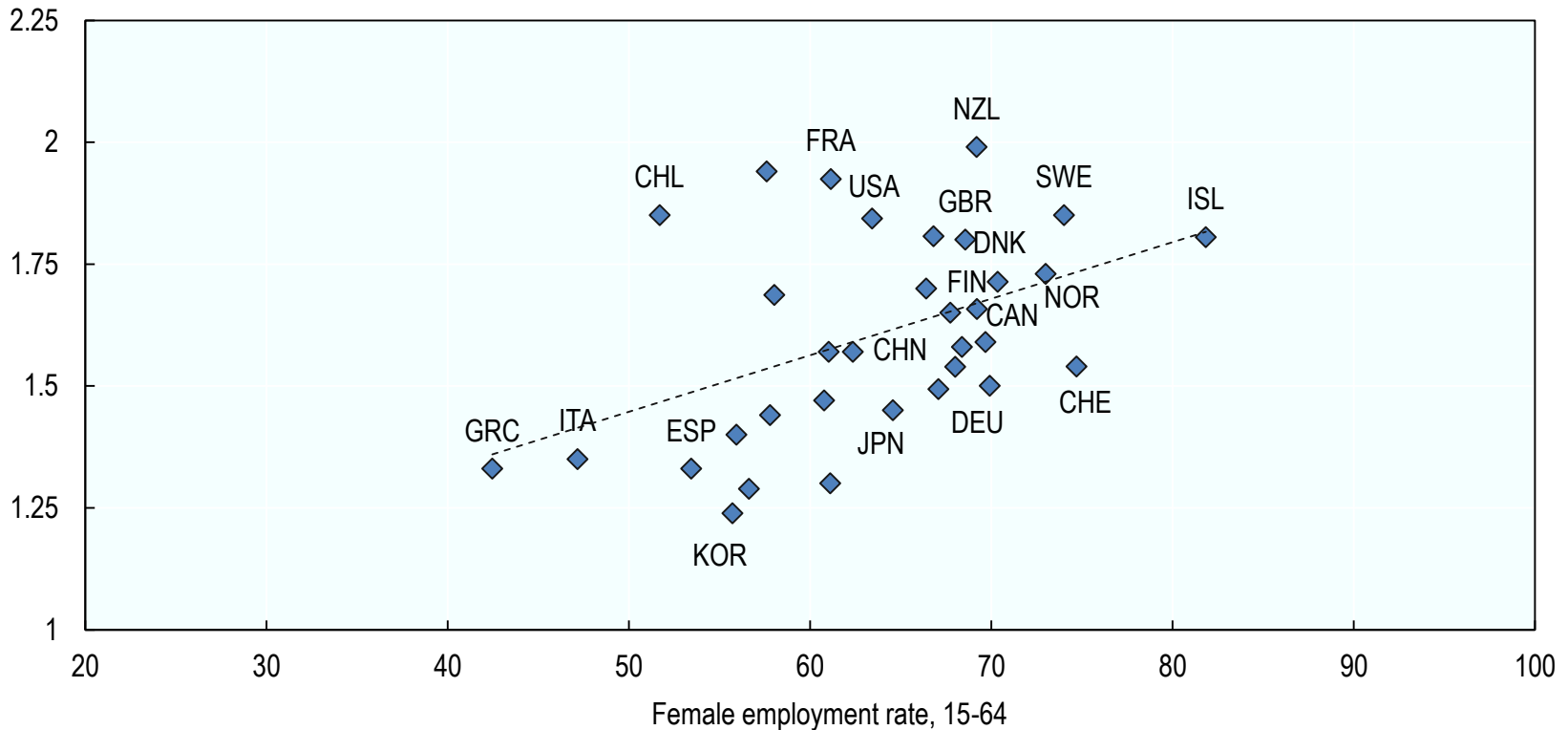
Source: OECD estimates based on the OECD Population and Demography Database and the OECD Employment Database



Countries with the highest fertility rates are among those with the highest female employment rates

Female employment rates (15-64 year olds) and total fertility rates, 2015 or latest available

Total fertility rate



Notes: OECD countries plus China. Israel, Mexico and Turkey are excluded as outliers. Data for Canada refer to 2013, for Chile to 2014, and for China to 2010.

Sources: OECD Family Database, <http://www.oecd.org/els/family/database.htm>, and OECD Employment Database, <http://www.oecd.org/employment/emp/onlineoecdemploymentdatabase.htm>.



The public policy approach

- Work/family outcomes result from many different factors including: family and gender norms, labour market instability and segmentation, housing constraints, the organisation of education systems and workplace practices policies
- A change in one area will not have a large effect if not accompanied by changes in the other areas affecting work-life balance
- There are no quick fixes and generating change requires a stable public policy effort so that parents can rely on it
 - Sustain investment in childcare, as part of a continuum of supports for working parents
 - Equal financial incentives to work for both parents
 - Address issues around the cost of education and housing, with preliminary evidence suggesting that housing cost exert downward pressure on fertility rates.



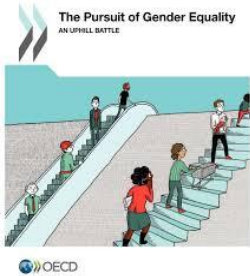
Changing workplace cultures

There is no one-size fits all and change will take time to materialise

- Limit prevalence of long working hours
- Performance related pay
- Make workplace cultures conducive to use of maternity and parental leave
- Stimulate father's leave, e.g. increase payment rates for short periods – a few months, not a year
- Integrate “mother returners” in regular employment and improve job quality opportunities
- Leadership is important: encourage change from the top



Further information



OECD (2017) *The Pursuit of Gender Equality: An Uphill Battle*:
oe.cd/gender2017

OECD (2017) *Dare to Share: Germany's Experience Promoting Equal Partnership in Families*: oe.cd/dts



OECD (2018) *Is the Last Mile the Longest? Economic Gains from Gender Equality in Nordic Countries*: doi.org/10.1787/9789264300040-en

OECD (2019) *Society at a Glance: Asia/Pacific 2019*:
https://doi.org/10.1787/soc_aag-2019-en



OECD Family Database:
www.oecd.org/els/family/database.htm

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