



Folketingets Socialudvalg
Christiansborg

11. november 2024

Svar på Koreas præsidentielle komité's spørgsmål vedrørende demografi og fertilitet, som Socialudvalget har videreformidlet

Spørgsmål

1. Generally, countries with higher education levels among women have lower birth rates. However, I have noticed that in Denmark, highly educated women have the most children. What do you think is the reason for this?
What is the governance structure related to population policy in Denmark?
2. Is there a difference in birth rates between first-generation immigrants and native Danes in Denmark?
Is there a difference in birth rates between second-generation immigrants and native Danes in Denmark?
What is the future governance structure related to population policy in Denmark?
3. What collaborative measures do you think our committee and the Danish government could consider in responding to the low birth rate and ageing society?

Svar

Question 1 - Generally, countries with higher education levels among women have lower birth rates. However, I have noticed that in Denmark, highly educated women have the most children. What do you think is the reason for this? What is the governance structure related to population policy in Denmark?

In Denmark, there are several measures in place that serve to support families and to allow both parents to remain in the labour market during parenthood. This can lower the potential loss of career opportunities of having children. Both the welfare state, e.g. partly public financed maternity and paternity leave, childcare and education, and the structures of the labor market, e.g. flexible working hours and payed children-sick-days leave, support family life by promoting a work-life balance and thereby making it easier to start and have a family.

A key element is Denmark's generous parental leave policy, which allows mothers 4 weeks leave before expected time of birth, followed by a total of 48 weeks of leave after birth to be divided between the parents. The parents have the flexibility to decide how they want to divide the parental leave after birth, but 11 weeks are

earmarked for each parent. Parents are entitled to parental leave regardless of whether they are employed, self-employed, unemployed, or studying. Some collective agreements give the right to a full salary during parental leave or parts of it. Public funding can cover an amount equivalent to the unemployment benefit level during the full period of parental leave.

The government guarantees day nursery for children older than 6 months, making high-quality, subsidized daycare widely accessible. This policy allows parents, especially mothers, to reenter the workforce sooner without significant economic sacrifice, supporting both family and career aspirations. The average yearly cost in 2023 for day nursery for children younger than 3 is USD 6,300 for parents, and for children 3 years or older the yearly cost is the USD 3,600. In comparison, the average gross household income for couples with children was approx. USD 170,000 in 2023. Additionally, parents can qualify for means-tested additional subsidies and/or siblings-discounts. Against this background, the majority of Danish children are enrolled in a day nursery.

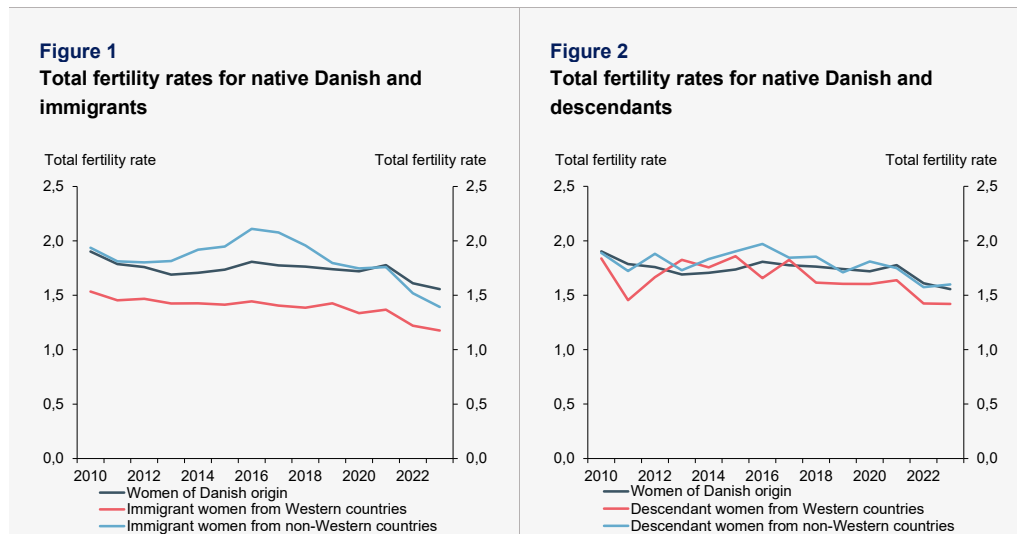
Furthermore, Denmark's social safety net provides financial security through, among other things, universal healthcare, sickness benefits, and unemployment benefits. This comprehensive support mitigates the impact of income fluctuations, helping parents feel secure in providing for their families.

Finally, Denmark's labour market is highly flexible, offering options such as remote work, paid leave for a child's first sick day and flexible hours, which is reflected in the fairly prevalent use of part-time employment. Flexible work arrangements and robust social protections can help parents manage family responsibilities while allowing parents to pursue professional goals, a balance that may be particularly relevant among the highly educated.

Question 2 - Is there a difference in birth rates between first-generation immigrants and native Danes in Denmark? Is there a difference in birth rates between second-generation immigrants and native Danes in Denmark? What is the future governance structure related to population policy in Denmark?

In 2023, fertility rates were higher for women of Danish origin than for both Western and non-Western immigrants, *cf. figure 1*.¹ Historically, however, fertility has been higher among non-Western immigrants than among women of Danish origin, while fertility has been lower for Western immigrants. Meanwhile, fertility rates among both Western and non-Western descendants (second-generation immigrants) have been roughly on par with those of women of Danish origin, *cf. figure 2*.

¹ Western countries include the Nordic countries, EU countries, as well as Andorra, Liechtenstein, Monaco, San Marino, Switzerland, Vatican City, Canada, the USA, Australia, and New Zealand. Non-Western countries include all other countries.



Source: Statistics Denmark and own calculations.

Question 3 - What collaborative measures do you think our committee and the Danish government could consider in responding to the low birth rate and ageing society?

The decision of having children is a highly personal choice, and it is difficult to affect or control through policy adjustments, at least in the Danish context described in question 1.

Fertility rates can affect macroeconomic conditions and public finances through various channels, including costs of childcare and education, as well as the size of the labour force, both in absolute terms and relative to the elderly population. The Danish pension system supports a sustainable fiscal development through occupational pensions plans (quasi-mandatory, fully funded system, covering nearly all employees) and through the indexation of the statutory retirement age to life expectancy, thus mitigating ageing effects on public finances.

However, it is essential to prevent structural factors, like potentially limited labour market flexibility, from unintentionally discouraging people from having children while also addressing the increasing impact of infertility problems. This consideration is also part of the rationale behind the recent expansion of fertility treatments, which now allows childless individuals to access twice as many treatments. Furthermore, from December 1st 2024 families will have the right to receive free public fertility treatment for the second child.