

# Taiwan's Strategic Plan for Low Fertility

November, 2024

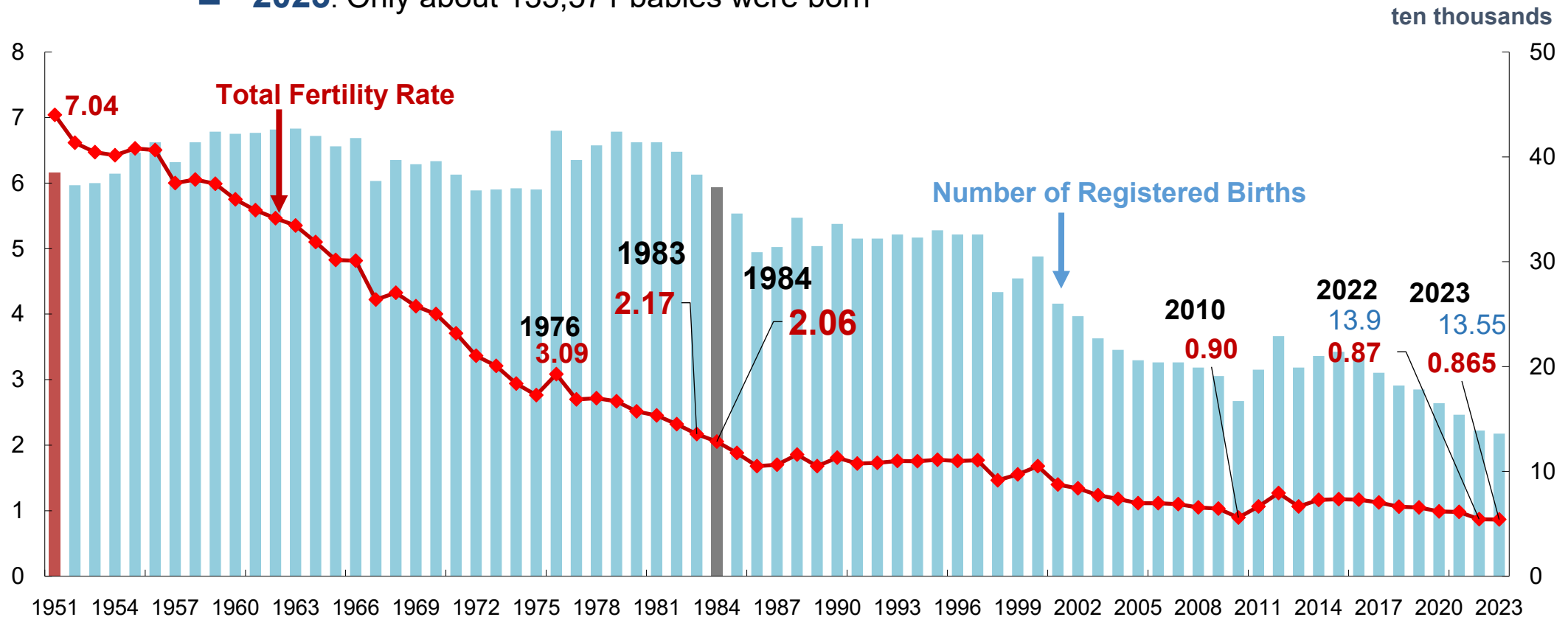
Social and Family Affairs Administration, MOHW

Deputy Director-General  
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# Decline of birth rate in Taiwan



- **Since 1950:** Steep decline in birth rate
- **1984:** Total Fertility Rate (TFR) fell below replacement level of 2.1
- **2010** (Year of the Tiger): TFR hit a record low of 0.9
- 2010-2015: Slight rise, followed by another drop
- **2023:** Only about 135,571 babies were born



# Why is the Taiwan birth rate declining?



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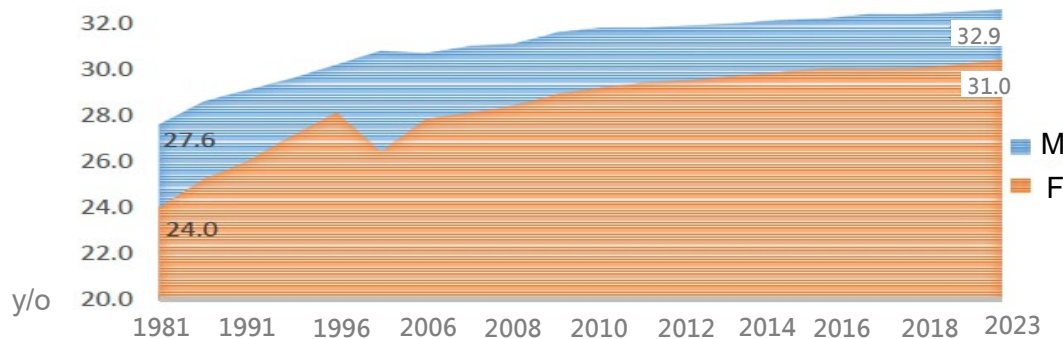
## Postponement of marriage and increased singlehood

### Average Age of Women at First Marriage

- 1981: 24 y/o
- 2023: 31.0 y/o
- *Delayed by 7 y/o, reducing reproductive years*

### Marriage Rate (Age 15+)

- 1981: 58.61%
- 2023: 49.45%
- *Declined by 8.81%, potentially affecting birth rates*

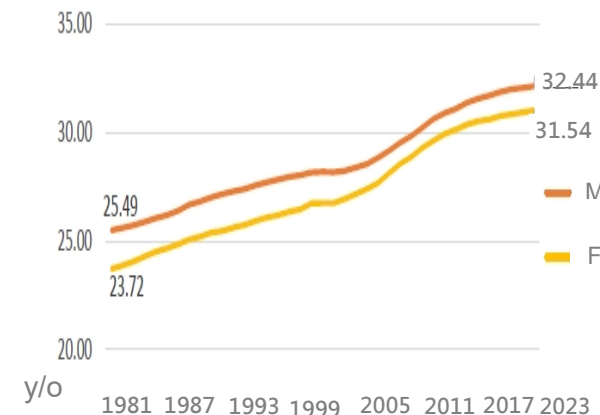


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## Delayed Childbearing Trends

### Average Age of Women at First Birth

- 1981: 23.72 y/o
- 2023: 31.54 y/o
- *Increasing age reduces the number of potential births per woman*



Year	The Ratio of Birth Order for Newborns(%)		
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup> and more
1976	35.0	27.8	37.3
1986	43.3	33.9	22.8
1996	43.0	37.0	20.0
2006	52.7	36.2	11.1
2016	50.9	37.8	11.3
2017	50.5	37.8	11.7
2018	51.0	37.0	12.0
2019	51.4	36.7	11.9
2023	53.43	34.67	11.91

# Why is the Taiwan birth rate declining?



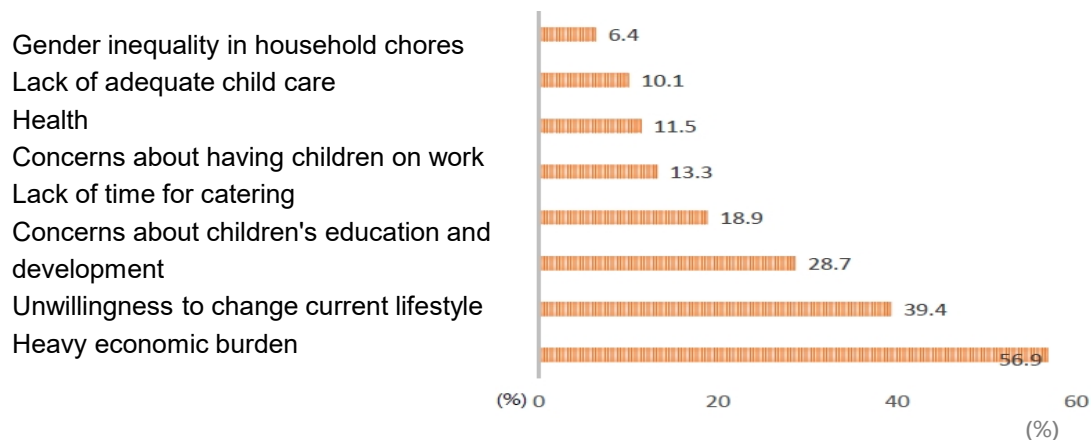
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## Heavy economic burden of raising children

### Top 3 Reasons Women do not want children

(2019 Survey by MOHW)

1. Heavy economic burden
2. Unwillingness to change current lifestyle
3. Concerns about children's education and development



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## Impact of Balancing Family and Employment on Women

### Married women aged 15-64

- 25.45% have quit their jobs due to marriage.
- 17.58% have quit their jobs due to childbirth (pregnancy).
- 68.41% have quit to care for their children.

Survey by Directorate-General of Budget, Accounting and Statistics (DGBAS), 2016

### Difficulty

Balancing family and employment

### Effects

- Influences willingness to have children
- Affects labor force participation

# What are the impacts?

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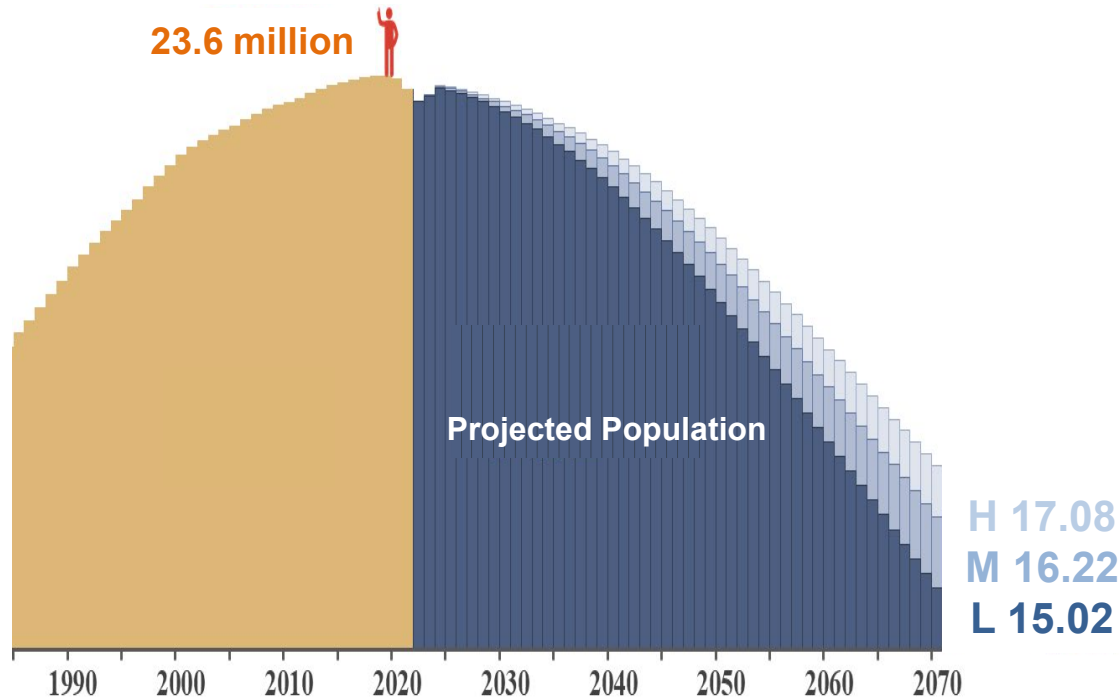
Low birth rate causes **decline and imbalance in population**

## Population Decline

- 2019** Population peak at 23.6 million
- 2020** Deaths surpassed births, leading to negative growth

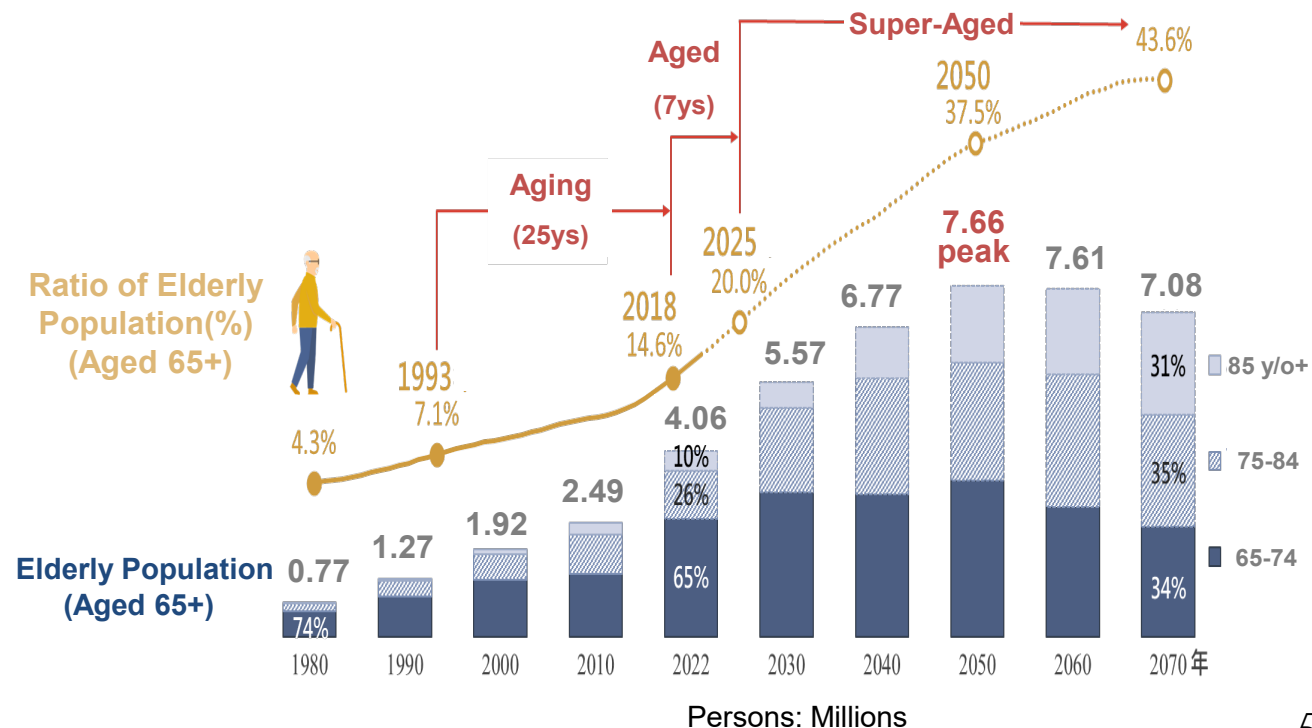
Population peaked in 2019

23.6 million



## Aging Population

- 2020** Elderly (65+) make up 16.0% of population
- 2025** Projected to reach 20%, "Super-Aged Society"



Source : National Development Council

# What are the impacts?



2

## Decrease of students impedes school education development

### School-Age Population(Ages 6-21)

Sept. 2020 Approximately 3.58 million

### Projected Decrease in 20 Years

- **Down** by 850 thousand to 1.28 million
- **By 159<sup>th</sup> (2070) Academic Year**
  - Junior/High School: **50.4%** reduction
  - University: **57.7%** reduction

### Impact on Education System

- Insufficient Enrollment
- School mergers
- School closures

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## Shrinking of labor force decelerates the economy growth

### Working-Age Population (Ages 15-64)

- Peaked in 2015, began to decline in 2016.
- Projected to decrease from 17.29 million in 2020 to 8.64 million by 2070.

### Graying of the workforce

**2020** 42.1% were aged 45-64.  
**2070** projected to rise to 48.1%.

### Impact of Rapid Population Aging.

- A labor shortage across various industries.
- Significantly Affecting Economic and Social Development

# What are the impacts?



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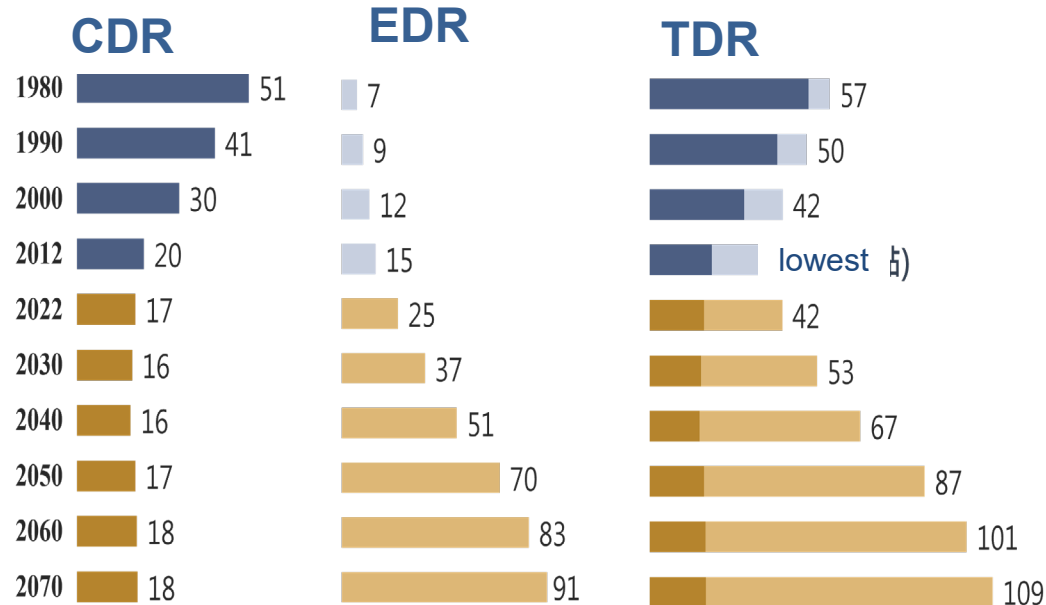
## Burden of aging population weighs on fewer income earners

### A significant increase in the dependency ratio

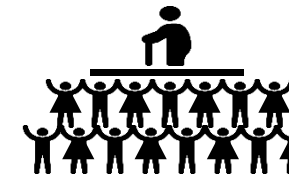
- Child population declining, elderly population rising.
- Dependency ratio was lowest at 34.7 in 2012.
- Projected to rise to 109 by 2070 due to increasing elderly population.

### The elderly support burden keeps increasing

- 1980** 15 working-age adults supported 1 elderly person.
- 2022** Ratio dropped to 4.0:1.
- 2070** Projected to decrease further to 1.1:1.



**1980**  
14.8 : 1



Working-age to elderly ratio  
(15-64 : 65+).

**2022**  
4.0 : 1



**2030**  
2.7 : 1



**2070**  
1.1 : 1



Results from 2022 onward are medium projections.

Source : National Development Council

# How does the government respond?

## Strategic Plan for Low Fertility (2018-2024)

### Cross-Departmental Collaboration on Boosting Birth Rate

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#### Full support for First 6 care

- Affordable, accessible and quality child care and early education
- Ease the economic burden of parents

MOHW / MOE

2

#### Balance work and life

- Support working parents with:
  - maternity leave (8 weeks)
  - parental leave (3 years, including 6 months of paid leave at 80% of salary)
  - Flexible working hours
- Encourage both public and private sectors to provide child care services at working places

MOL / MOE / MOST /  
Directorate-General of Personnel  
Administration

3

#### Ensure the rights of the child to health and safety

- Promote Health care for mothers and children.
- Prevent child abuse and neglect.
- Help the child with special needs

MOHW

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#### Supplementary measures

- Tax exemption and deduction for raising children
- Priority to the newlyweds and families with minors to rent social houses and offer subsidies.
- Encourage shared parental responsibility through gender equity education.
- Child and family friendly public facilities.

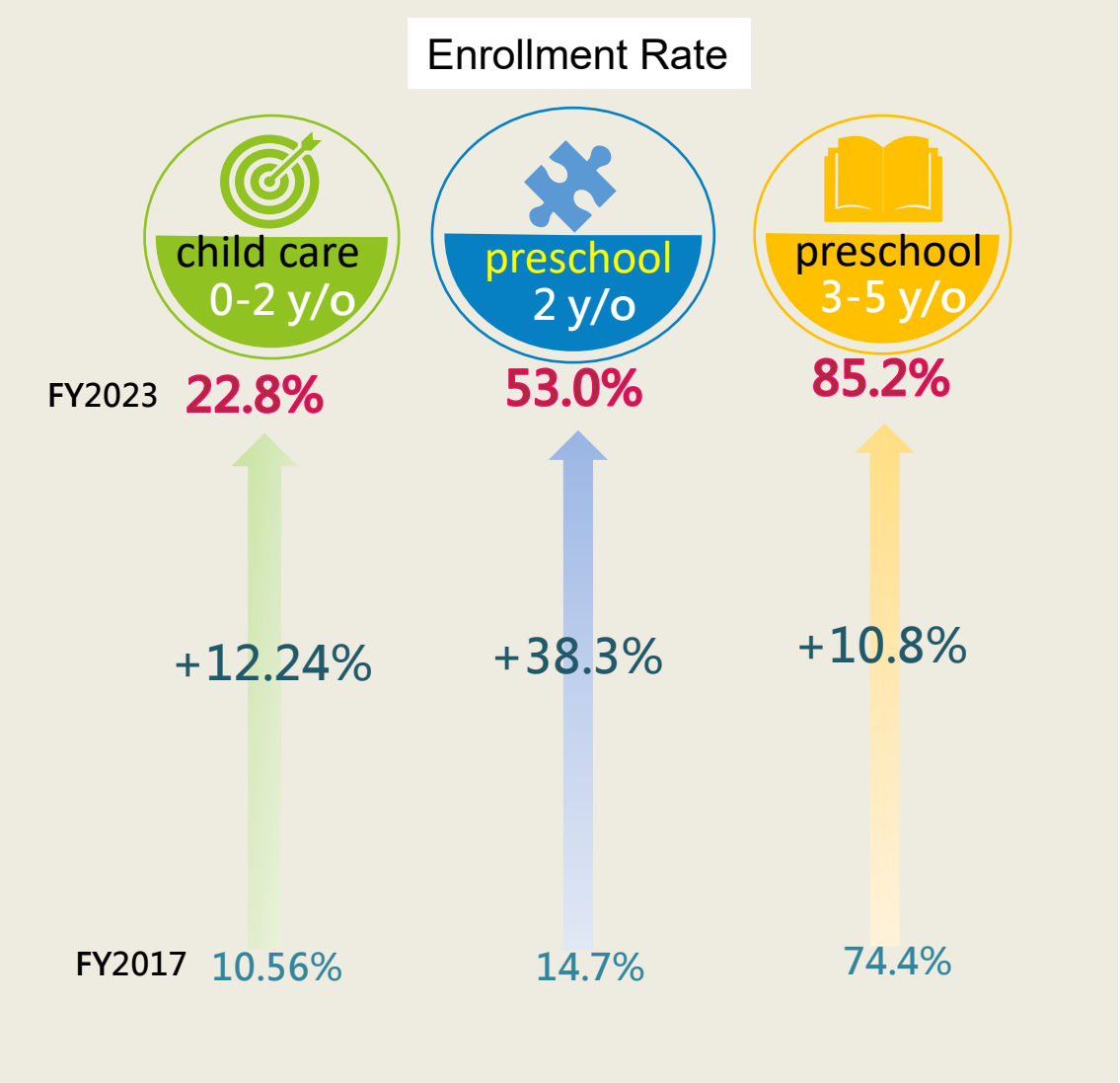
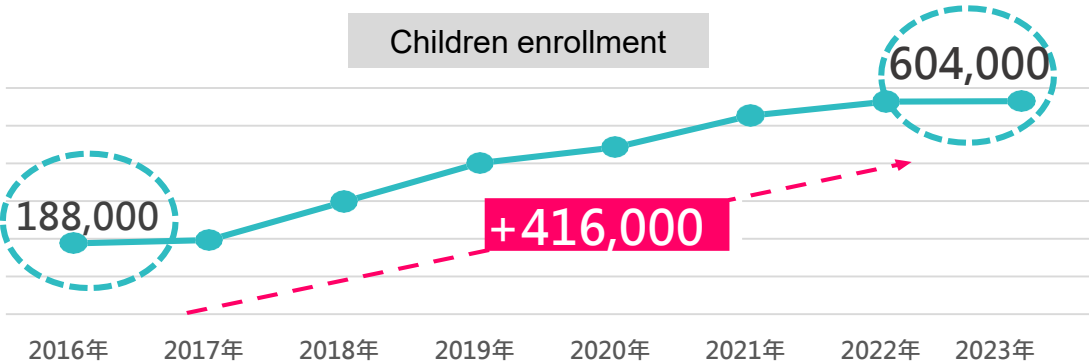
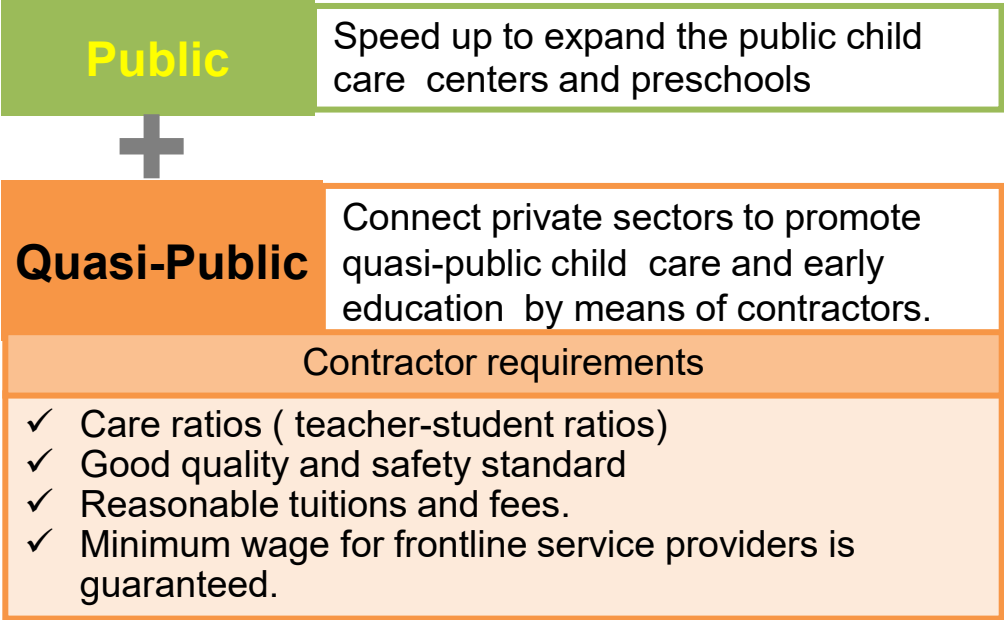
MOF / MOI / MOE /  
Gender-Equity Administration





## Service provisions

## Affordable, accessible and quality child care and early education





Cash payments

Ease the economic burden of parents

Subsidies Now Accessible to All

Not limited to families with an income tax rate below 20%.

Subsidies Now Extend from Age 2 to under Age 6

Children are entitled to receive subsidies from birth until under age 6

More births, more benefits

Additional Subsidies for Second Child and Beyond

93.65 billion NTD in 2024

Benefiting 958.7 thousand children

Nearly 100% of children under 6 receive government subsidies

		Per month	1st child	2nd child	3rd child and beyond
Child Rearing Allowance (For children not enrolled in daycare or school)			NT\$ 5,000	NT\$ 6,000	NT\$ 6,000
Child Care	Public		NT\$ 7,000	NT\$ 8,000	NT\$ 9,000
	Qausi-Public		NT\$ 13,000	NT\$ 14,000	NT\$ 15,000
Preschool	Public		NT\$ 1,000	Free	Free
	Non-Profit		NT\$ 2,000	NT\$ 1,000	Free
	Qausi-Public		NT\$ 3,000	NT\$ 2,000	NT\$ 1,000

Childcare costs per child:  
5-10% of disposable income  
(3,500-8,000 NTD)

Monthly Tuition Fees Paid by Parents



## Pregnancy

Paid leave for  
Prenatal check-ups

**7 days**

Paid leave for  
accompanying wife  
to prenatal check-  
ups and childbirth

**7 days**

## Child Birth

Maternity leave

**8 weeks**

## Parental Care

### Parental Leave

- Parents can take parental leave until their child reaches 3 years old
- Maximum duration of parental leave is **2** years
- Receive **80% of salary** as parental allowance for up to **6 months**

### Flexible Working Hours

Working parents in small businesses (less than 30 workers) can reduce one hour of work and adjust schedules with employer consent to accommodate childcare needs

### Worker-Friendly Childcare Facilities

Encouraging businesses to establish breastfeeding rooms, childcare facilities, and measures.

# Ensure the rights of the child to health and safety



## Friendly Health Measures for Childbearing

1. Create a safe environment for pregnancy and childbirth
2. Ensure healthy birth and growth for newborns
3. Assist infertile couples in achieving their desire to have children

### In Vitro Fertilization (IVF) Subsidies

**Start from July, 2021**

- ❑ For infertile couples under 45 years old
- ❑ As of the end of September 2024, 89,667 cases received subsidies, resulting in the birth of 22,203 newborns



## Improving children's health care

- 1 Develop a comprehensive perinatal health care system
- 2 Establish an emergency medical network divided into levels and zones
- 3 Enhance care quality for severe and rare diseases
- 4 Form professional transport teams for children with severe diseases
- 5 Design a platform for difficult-to-diagnose pediatric diseases
- 6 Train pediatric medical care professionals
- 7 Develop a dedicated pediatrician system
- 8 Promote parenting guidance services for vulnerable families



## Ensure the rights of the child to health and safety



### Early Intervention for Children with Developmental Delays

- Community-based therapy service resources
- Quality early intervention services

### Preventing Child Abuse and Neglect

- Big data analysis for identifying high-risk children and families
- Early intervention service programs
- Regional medical integration centers for child protection
- Multi-Agencies network cooperation mechanisms

### Child and Youth Future Education and Development Accounts

- Aimed at low-income families and long-term placement children
- Government and parental contributions of up to NT\$15,000 annually each, totaling NT\$540,000
- Savings intended for higher education, vocational training, employment, or business ventures starting at age 18

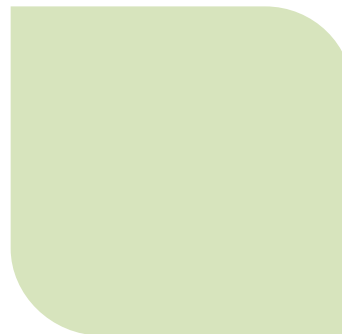


## Housing

- Newlyweds and parents with underage children are prioritized for social housing rentals and housing subsidies.
- Since 2018, unborn children are also considered part of the household.

## Public Facilities

- Parking spaces and restrooms dedicated for parents with children
- Child-friendly discounts or benefits for public transportation and cultural/educational/recreational facilities



## Tax Incentives

- Dependent exemption: NT\$92,000 per children.
- Preschool children deduction: Starting from 2024, the deduction will range from NT\$150,000 to NT\$ 225,000 depending on the birth order.

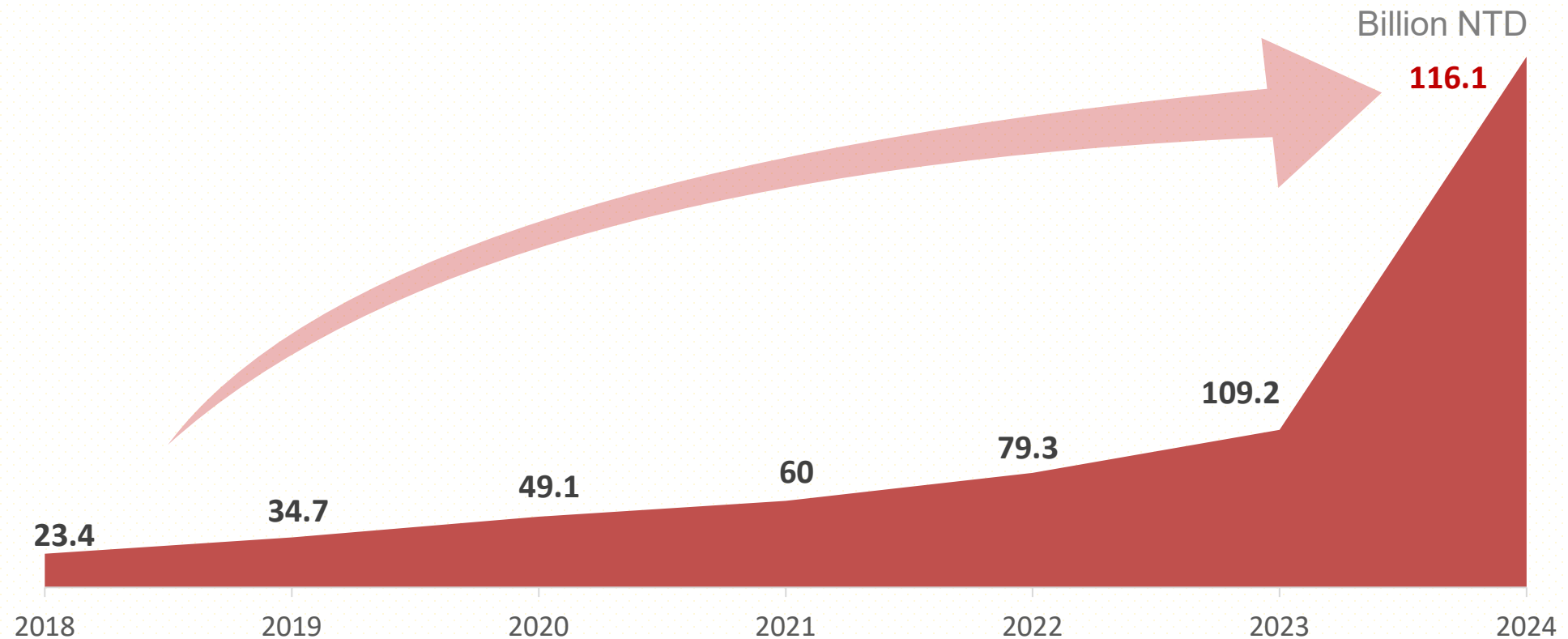
## Encouraging marriage, parenting, and family education

- Promote matching events for singles.
- Advocate minimalist wedding concepts.
- Strengthen family and parenting education.

# Funding Growth

Central Govt. Funding: NT\$**116.1** billion, 2024

Increase of NT\$**92.7** billion since 2018



## Conclusion

- Based on the experience of OECD countries, “no single magic bullet” is likely to reverse recent declines in fertility rates.
- Government needs to take a **multi-pronged approach** to address the issue.
- All departments have to work together to promote comprehensive measures aimed to families, children, labor markets, economic growth and society at large.

Encourage more young couples

To be willing to have children, and be able to raise them.

