

Brief comments on “An Analysis of the Lowest Total Fertility Rate in Hong Kong SAR.”

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Hong Kong has the lowest TFR in the world, so its experience give us important lessons and policy implications. This well-written paper quantitatively decomposes the reduction in TFR in Hong Kong, based on reasonable and elegant methodology. Among others, this paper introduces a new summary measure, WTMFR, to grasp fertility among married females and identifies three driving forces to reduce TFR; that is, 1) a declined portion of married couples, 2) delayed marriage, and 3) reduced childbearing within marriage. In what follows, I make four comments on the discussions in the paper.

First, the methodology of decomposing the forces to reduce TFR and WTMFR is very tractable and reasonable. Indeed, we can apply it to the case of Japan and make some comparisons between Hong Kong and Japan. I find that a reduction in WTMFR in Japan is entirely due to trend away and delayed marriage and that lowered marital fertility is not a serious problem, in contrast with Hong Kong with lowered fertility among married females. Cross-country comparisons, based on this methodology of decomposition, would help identify both general and country-specific factors that cause lower fertility.

Second, I wonder whether decomposition of TFR and decomposition of WTMFR can be combined with each other. Both of them are very instructive but done separately. Also, information about relative importance of the above-mentioned three factors would be very useful if available. Tentatively, we can interpret the ratio of TFR/WTMFR as the proxy of pre-marital factors. It would allow us to decompose a change in TFR into pre- and post-marital and factors and obtain the relative size of contributions from the three forces.

Third, relevance of distinction between pre- and post-marital factors depends on the proportion of childbirth out of wedlock. In fact, this distinction presumably makes sense in Hong Kong (with the share of extra-marital birth being 8%) and Japan (2%) and most of other Asian countries. But the observed positive correlation between the

share of extra-marital birth and TFR indicates that the case does not hold in other areas especially in Europe. The authors mention “more women are financially independent and getting marriage is not high on the priority list.” This is really true and common among most industrialized countries, but why TFR is lower in East Asia than in Europe and US? Probably social norm is a key; stickiness to reproduction via marriage makes in East Asia trend away from marriage or delayed marriage directly lead to low TFR.

Finally, policy debates in Hong Kong are of another interest. The authors are skeptical of any change in the tendency for late marriage and low aspiration to have children. It sounds quite reasonable, but Hong Kong will inevitably force rapid population shrinking and aging. There should be serious policy debates regarding childcare support or immigration policy.