

Conclusions: Towards the creation of a society in which people want to raise children

This white paper has offered an analysis of the anxiety and pressure that the child-rearing generation feels about marriage and parenthood, the expanding income gap amongst young people and the fear that this might become entrenched, and the oppressive burden that child-rearing costs place on household budgets — all set against a backdrop of economic and social change.

Taking one more look at the points that have been raised, we will now consider how these issues should be addressed in the future.

The will to get married and have children has not diminished

The fertility rate continues to fall, dropping to 1.29 in 2004. Not only the tendency to marry later or stay single but also the decline in couples' willingness or ability to have children is factors behind the low fertility rate. However, most unmarried people still want to get married and have children — the will to marry is not actually in decline. And it appears that married people seem to feel that they have gained the psychological benefit of stability by getting married. Regarding the will to have children, the ideal number of children that couples cite is 2.5, a figure that has remained unchanged for the past twenty years. Couples who actually have children report that parenthood has enriched their lives; they have a high regard for child rearing.

Nevertheless, young people tend to stay single, because of the diminishing economic advantages of marriage such as division of labor and economies of scales merits, as well as psychological reasons such as loss of various kinds of freedom. Both married and single people cite the size of the financial burdens of child rearing as a reason for not having children. The actual cost of raising a child, however, has not increased during the past ten years.

The number of young households that cannot afford to have children is increasing

A look at the average income of the child-rearing generation shows that it has hardly increased since the 1990s. A little less than 20% of university graduates are doing part-time jobs or casual work, and this figure has increased sharply in recent years. The annual income of the young people following part-time or casual employment is ¥1.2 million, only around 30% of what their fully-employed contemporaries earn. In particular, the married couples who both have part-time or casual jobs — a group whose number

has increased in recent years — do not earn enough money to have children despite having a 'double income'. And since it is hard to accumulate job skills from part-time or casual work, switching to full-time employment is difficult and the prospects for earning a higher income in the future bleak.

Raising children is a time-consuming process, but the number of young full-time employees working long hours is increasing due to factors such as more overtime or unsocial hours. This means that a lot of couples who are both in full-time employment are finding it difficult to allot enough time to raising children.

The falling fertility rate is linked to the sense of burden surrounding parenthood

The child-rearing generation regards the variety of economic and psychological burdens about marriage and raising children with a sense of apprehension. Whilst on one hand an increasing number of the younger people in the child-rearing generation are in low-income part-time or casual jobs with little prospect of improving their earnings, many of their full-time employee contemporaries have enough money but are being forced to work long hours — the net result is a heightened apprehension among this age group about raising children, which by extension is leading to the falling fertility rate.

Of course marriage and childbirth are ultimately individual decisions. But if the dwindling population leads to instability in the economic and social system and damages the prospects for sustainable economic growth, it will no longer be possible to maintain a harmonious and peaceful situation, in society as a whole or at the individual level. This shows that a recovery in the fertility rate is of considerable importance to the lives of even those who are not directly involved in raising children at the present time, and that the whole of society should offer its support to the child-rearing generation.

The child-rearing generation needs comprehensive support

Now let us take a look at what our analysis suggests can be done to support the child-rearing generation.

Firstly, we need to ensure that the income gap does not become entrenched. In the group composed of young people with low incomes, such as couples who both have part-time jobs, anxiety about future income prospects is a major cause for being reluctant to have children. If an environment in which these young people can break away from this situation is prepared, they will probably be able to expect better a better income in the future, and start to maintain a sense of optimism. This will first of all require redressing the difficulties these people encounter in changing occupations. It is also important that a fairer evaluation of the work done by part-time or casual workers is made in order to avoid the

emergence of wage gaps, differences in pay between such workers and full-time employees that cannot be explained by factors such as years of service, job transfers or whether or not people work overtime.

We also need a variety of new modes of employment and wage structures to be recognized in order to bridge the gap between part-time or casual work and full-time employment people, so that instead of having to choose one of these people can work, for example, as permanent employees with short working hours.

Being able to take part in systematic education and training gives people in part-time or casual work who have often been starved of skill training the opportunity to improve their vocational capabilities, and it could help them to find work as full-time employees. Considering the increasing number of university graduates without any particular job, we should introduce job experience training at an earlier stage of the school curriculum in cooperation with families, local communities and businesses, and provide opportunities to make children think about the meaning of work, and to look at it as an immediate and everyday issue.

Secondly, we need to provide a variety of services to support child rearing on an adequate and affordable basis. Couples should be able to raise their children in cooperation with businesses — so the use of the child-care leave system and the way that men work needs to be reviewed. On the other hand, some couples — particularly those who are both in full-time employment — may be financially wealthy but their long working hours leave them poverty stricken in terms of free time. Because the baby sitters who meet the needs of people in this situation are somewhat expensive, it is hoped that the development of the child rearing support market will lead to a lowering of these costs. The introduction of child rearing vouchers and other mechanisms to support the various needs of families raising children could also be effective.

It is important that an environment is prepared in which women who are ready to return to work after finishing raising children can obtain higher education or specialized education in order to re-enter employment or boost their careers, regardless of their age. As for living environment from the viewpoint of child rearing, by making it easier to move house people will be able to choose layouts and environments appropriate to the growth of their children, and housing costs can be reduced. Supportive measures such as these will hopefully encourage people's volition to raise children and alleviate some of the impediments inherent in parenthood.

Thirdly, the psychological isolation and sense of burden associated with raising children need to be mitigated. The majority of those requiring assistance with child rearing currently turn to their parents for help. The sense of burden associated with

raising children is accentuated amongst those who do not have parents to turn to; a system is needed under which these people can obtain assistance from their immediate community whenever required. Revitalizing the role played by the currently waning relationship between neighbours might be effective. Hopefully these functions would work in tandem with the local administrative services, and communities in which it is easier to raise children will start to be created. A sound financial base is vital for the NPOs and other bodies that will be the central players in this sort of community; we need to nurture a culture that recognizes the value of donating to these NPOs or of actually participating in their activities.

Hopes for the socialization of child rearing

In addition to the above, it is to be hoped that the parents of the child-rearing generation will convey to their children that parenthood is not just a painful and difficult experience, but that it can also be a joyful and enriching time. Hopefully not only the parents of those rearing children but the friends of the parental generation, their colleagues, neighbours and society as a whole will in one way or the other participate in child rearing, or work towards creating a framework in which this is possible. There is great importance in the 'socialization' of child rearing, the process by which the whole of society becomes involved rather than treating the issue as strictly the responsibility of families. Looking at intergenerational transfer through the public sector shows that the current child-rearing generation is shouldering an excessive burden due to pension funding and other factors: the burdens and benefits of taxes and social security need to be adjusted. Measures and policies related to child rearing should be comprehensively upgraded and the economic burden placed on individuals as a result of rearing children must be reduced.

Fortunately the current child-rearing generation still says that the ideal number of children is two or more. Improving the child rearing environment to make this ideal a reality is crucial if we are to achieve a recovery in the fertility rate. The next few years, in which the second baby boom generation (those born between 1970 and 1974) reach their thirties, will be a crucial period. The intensive formulation of policy responses will be vital.