

## FERTILITY AND FAMILY POLICY IN LATVIA

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### ABSTRACT

The aim of this paper is to analyze the relationship between fertility and family policy in order to either prove or deny that fertility rate is strongly related with and by large depends on state's implemented family support system. The analysis is based on data provided by EUROSTAT and various Latvian sources and registers within the area of concern. The approach is different from most previous studies on this topic in Latvia, in that the author provides an exact analysis of Latvian benefit system since Latvia regained its independence (1990) until present-days.

At present, Latvia has one of the most rapidly growing economies among the European Union countries. It was quite different during the first years after Latvia regained its independence, as well as during the period of severe economic crisis which struck Latvia in 2008. Wellbeing of majority of families was seriously affected in different periods of economic development which in turn affected fertility rate.

Almost two decades after Latvia regained political independence, demographic policies, including family policy, remained passive. Some governments declared their intention to implement demographic recovery programs or elaborate pronatalist policy measures. However, the basic triangle "gender-labor-family" changed very slowly. Family policy issues have gained notably increasing importance only in recent years.

It should be emphasized that total fertility rate in Latvia increased from 1.11 in 1998 to 1.59 in 2008. Largely affected by the economic crisis, in 2011 this indicator fell down to 1.34 and then up again in 2014 when total fertility rate reached 1.65 and this was higher than in other Baltic states – Lithuania and Estonia and even exceeded average of total fertility rate in EU-28 in 2013 (1,52).

According fertility forecasts - in the nearest future number of women will decrease by 30% in Latvia. This factor must be taken into account while considering further steps to support fertility because it means that even if birth intensity increases the actual number of newborns wouldn't increase or even would still slightly decrease. Since a relation between fertility and socio-economic situation exists, especially in terms of public expenditures for families and predictability of support measures for families, it is essential to provide long-lasting and supportive family policy. Expenses spent by the state for family support (especially by combining different forms of support) most likely will have a positive influence to the indices of the fertility. In 2013 public financing for family policies in Latvia was 2 % of GDP, and this was increased to 2.25-2.5% of GDP by 2014. - 2015. Most expenditures for children and family support consist of cash benefits and only partly of services and tax breaks towards families. Apparently Latvia seeks to achieve the average OECD and EU level in the areas of subsidized services proportion and social expenditures for family and children. For comparison – the EU expenditures of social security for children and family in 2000 consisted of 2.1% of GDP, in 2008 – 2.1% of GDP and in 2010 – in average of 2.3% of GDP. Results of analysis indicate a definite, positive relation between fertility and improvements of family policy. Nevertheless, attributes such as family status, employment, and the consequences of economic crisis also emerged as having significant role in reproductive plans that affects fertility.