Cohort and Period Fertility: Aiming for Consistent Projections

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Presentation for TPAM
Agenda

- How period and cohort fertility are related
- Historical experience
- The future, according to SSA
- Improving consistency?
How period and cohort can differ systematically

Example: each cohort sums to 100%, with a shift to older motherhood.

The result: period total fertility dips until postponement ends

<table>
<thead>
<tr>
<th>Period</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Older (&gt; 30)</td>
<td>50%</td>
<td>50%</td>
<td>52%</td>
<td>54%</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>Younger (≤ 30)</td>
<td>50%</td>
<td>48%</td>
<td>46%</td>
<td>44%</td>
<td>44%</td>
<td>44%</td>
</tr>
<tr>
<td>Period Total</td>
<td>100</td>
<td>98</td>
<td>98</td>
<td>98</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

*Period total depressed  Recovery*
Historical Experience

- Postponement for last 50 years
- Depresses period TFR
- Current difference about 0.2 children

Source: HFD
SSA's future projection, for cohort fertility
SSA projection assumes period and cohort fertility converges quickly.
The future, according to SSA (1)
Is further postponement likely

Source: HFD
Consistency:

• SSA assumes fall in cohort TFR, but no postponement (seems inconsistent)

• Alternatives:
  – Cohort TFR stays same (2.2), but there is more or less continuous postponement. PTFR $\rightarrow$ 2.0
  – Cohort TFR falls (2.0?), and there is continuous postponement PTFR $\rightarrow$ 1.8 to 1.9
Conclusion

• My opinion is that SSA should consider incorporating postponement into the "rationale" for the fertility assumptions

• Doesn't necessarily change assumptions (Can still project PTFR = 2.0 if CTFR stays high)

• But need to lower PTFR if they really think CTFR will fall