

# ***Analysis of the Advantages and Disadvantages of the Three-child Policy and Its Impact Forecast***

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**Abstract:** In response to the aging population, China has proposed a new family planning policy, the "three-child policy." On May 31, 2021, the Decision on Optimizing the Fertility Policy to Promote Long-term Balanced Population Development pointed out that China's fertility policy should be further optimized, which included that a couple can have three children. On July 20th, 2021, "the Decision of the Central Committee of the Communist Party of China and the State Council on Optimizing the Fertility Policy to Promote Long-term Balanced Population Development" was announced. On July 21, the "Notice of the Office of the National Medical and Social Security Bureau on Doing a Good Job in Supporting the three-Child Policy and Maternity Insurance" was announced. On August 20, 2021, the Standing Committee of the National People's Congress passed a decision on the revision of "the Population and Family Planning Law". The revised law advocates marriage of the right age, good prenatal and postnatal care, and that a couple can have three children. However, it is a great challenge to women, so whether this policy can be effectively improved and implemented will depend on the current social and political development situation. This paper will analyze the "three-child policy" from both advantages and disadvantages to predict its impact. This is beneficial because it can reduce the aging of the population and promote social and economic development. The disadvantages are the harm to women, physical influence, psychological pressure and social tolerance towards women, and whether the company will reject female employees.

**Keywords:** three-child policy, population policy and economic change, female employment

## **1. Introduction**

China is the most populous country in the world. With the increase of population, there is a surplus of labor force, which can not solve the problems of inadequate housing, food and clothing and full employment. The faster the population growth, the shorter the economy. Such a situation will gradually affect China's economic development and prevent the whole country from changing from poverty to wealth in a short time. The poverty has led to the development trend of the Chinese government, which wants to effectively control the momentum of China's excessive population growth.

Therefore, after the five population symposiums held by the central government in 1980, a temporary policy was put forward, "the one-child policy. On September 25, 1980, the Central Committee of the Communist Party of China issued an open letter to all Communist Party members

and the Communist Youth League members, pointing out: "In order to make China's population less than 1.2 billion by the end of this century, a couple should be encouraged to have only one child." In 1982, the family planning policy was officially incorporated into the Constitution. In addition, a reward was issued. Article 27 of the Population and Family Planning Law of the People's Republic of China stipulates that during the period when the state encourages a couple to have one child, couples who voluntarily have only one child if they voluntarily have only one child for life, they will be issued with the Honorary Certificate of Only Child Parents. From a national perspective, This has not only alleviated the poverty of hundreds of millions of people, but also reduced the pressure of population on resources and environment, and made an important contribution to accelerating China's demographic, economic and social transformation. From the family level, parents have more time and experience to cultivate a child. From a social perspective, the nation has never seen so many women in college. Because of the steady growth of China's economy and the government's strong investment in education in the past 30 years, the proportion of women taking over and inheriting family businesses has increased, and Chinese women have become the generation with the highest education level in Chinese history.

Yet China's economic prosperity has raised hundreds of millions of people from poverty of which 100 million young people are studying in universities. Both the young and the old can pursue their own goals. The fertility rate has been reduced due to China's socio-economic and cultural changes, which in turn increases the pressure of China's development. The related documents pointed out that "to promote balanced population development, adhere to the basic national policy of family planning, improve the population development strategy, fully implement the policy of one couple having two children, and actively carry out actions to cope with the aging population." On January 1, 2016, the first paragraph of Article 18 of the revised Population and Family Planning Law of the People's Republic of China stipulates: "The state encourages a couple to have two children.", which is a symbol of the end 35 years of one-child policy which. Fully liberalizing the second-child birth is conducive to optimizing the population structure, increasing the labor supply, alleviating the pressure of population aging, improving the family's ability to resist risks, increasing the future labor supply and alleviating the support burden of the elderly. This is conducive to expanding domestic demand and stable economic growth, stimulating social vitality, enhancing innovation ability and international competitiveness.

However, in recent years, the rapid aggravation of population aging problem not only reduces labor productivity, but also restricts the adjustment of economic and industrial structure and affects the development of national economy. As early as before the opening of the second child, many parts of China had entered the era of childlessness. However, with the opening up of the two-child policy in an all-round way and the achievement of positive results, the pattern of having fewer children has slowed down. According to the data from the "Seven General Programmes", at present, children aged 0-14 account for 17.95% of the total population, which is higher than 16.6% in 2010. This was mainly due to the substantial growth in the number of births in 2016-2017, but it began to decline in 2018. In addition, about 40% of the population born in recent years have two children, which is actually a relatively high proportion. This means that the main drag on China's low birth rate is that the birth rate of the first child has fallen too fast, and even though the proportion of people born with two children is already very high, it is still unable to contain the negative trend of the overall birth rate continuing to decline. Compared with the current ultra-low fertility rate, the continuous sharp decline in the first-born fertility rate is more worthy of high attention, and the pattern of childlessness may become more prominent in the future. Aging is the trend of global population development, and it is also the basic national condition of our country for a long period of time in the future. According to the "Seven General Programmes", 18.7% of the population are aged 60 or above and 13.5% are aged 65 or above. Moreover, some data predict that from 2020 to

2035, the proportion of people aged 60 and over will increase by 11.9%, and the proportion of people aged 65 and over will increase by 9.4%. In the next 5 to 10 years, there is no doubt that China's population aging level will rise. As a country with a large population, China is also a country with large economic and trade volume. At present, the rapid aggravation of population aging problem not only reduces labor productivity, but also restricts the adjustment of economic and industrial structure and affects the development of national economy. Therefore, the liberalization of the three-child policy will help lengthen China's demographic dividend, boost the number of newborn babies, further solve the problem of childlessness, and gradually ease the impact of aging. It will also play a role in promoting social and economic development [1]. Therefore, on May 31, 2021, the Chinese government decided to liberalize the three-child policy. In order to open up the three-child policy, a number of incentive policies have been issued. In addition to maternity leave, the state also provides spouses with 30 days' maternity leave and 15 days' paternity leave. Female employees may be granted an additional one to three months' leave with the consent of the authorities, enterprises, institutions, social organizations and other institutions which they belong. However, the three-child policy is even more stressful for women who have just entered the workplace.

Moreover, when recruiting, the company will consider your plans to have two or even three children in the future. Capital is designed to create profit and value, and companies are not welfare agencies. Although the state stipulates that women and young mothers who have just given birth can not be discriminated against, in fact, capital can choose to eliminate these women who are about to face the pressure of childbirth when choosing. Therefore, whether the three-child policy can really play a good role can only be discovered with the passage of time. Therefore, the thesis will discuss the three-child policy and its beneficial aspects to society and the three-child policy and its negative impact on society and estimate whether the three-child policy is beneficial to society through information and data [2].

This paper will demonstrate the advantages and disadvantages of the three-child policy. The first part will analyze the advantages of the three-child policy and the second part will analyze the disadvantages.

## **2. The Three-child Policy and Its Social Benefits**

At present, there are two serious imbalance problems in China's population structure. One is the imbalance of population age structure, which is an important manifestation of China's aging society. The meeting pointed out that since the 18th National Congress of the Communist Party of China, the Central Committee of the Communist Party of China has made major decisions and plans to implement the "two children alone" and "the universal two-child policy" according to the changing situation of China's population development and achieved positive results. At the same time, in recent years, the degree of aging is deepening in China, a country with a large population. Further optimization of the birth policy and supporting measures can help improve China's population structure, cope with the aging of the population, and maintain China's human resource endowment advantage. It is estimated that by 2025, China can basically establish an active maternity support policy system, improve the service management system, significantly improve the level of eugenics and child health care services, steadily push forward the construction of universal health care and child health care services, significantly reduce the cost of birth, child care and education, appropriately raise the fertility level, normalize the sex ratio at birth, gradually optimize the population structure and further improve the quality of the population. In terms of overall scale, from 2010 to 2020, China's total population will maintain a low-speed growth. According to the Seventh National Congress of the Communist Party of China, the national population will be 1.41 billion in 2020, an increase of 72.06 million compared with 1.34 billion in the 6th National

Congress of the Communist Party of China in 2010, a little lower than the expected population of 1.42 billion (2016-2030). In 2020, China's total population growth rate averagely each year dropped to 0.53%, compared with 0.57% in 2010 (Figure 1). With the decline of high fertility rate in the early days of the People's Republic of China, experts estimate that China may usher in a "turning point" in the total population between 2026 and 2030. It is expected that by 2035, relevant laws and regulations will be improved, service regulations will run efficiently, and the fertility level and population structure will be optimized. It is expected that the service level that can provide good education for children and promote all-round development of people [3].

Moreover, the population is closely related to real estate. As the number of children raised increases, there is a need to expand the space for sleep, entertainment and study. The most favorable should be the large-sized apartment with an area of 120 square meters or more. The price and rent of such large-sized apartments may rise, while the sales volume and rental volume of small-sized apartments with an area of 50 to 60 square meters will not be affected. The development and construction of real estate is to make people's living better and more beautiful. A freer population policy has boosted real estate. According to insiders, the "three-child policy" is a big boon for real estate, which will directly increase market demand, especially the demand for large-area apartments and the upgrading of residential service industry. With the full opening up of the three-child policy, people's demand for space and ancillary services has also increased significantly. In the future, large-sized houses and high-school apartments will be more popular. In second and third tier cities, the low cost of living may accelerate the expansion of real estate industry and economic development. Centaline's chief analyst believes that the demographic dividend has entered its final stage, but within 20 years, the trend of large cities gathering will not change. For real estate, it is still in its prime. Especially for the core regional assets and high-quality housing in the study area, the relaxation of the multiple births policy is beneficial to the stability and upward movement of these asset prices [4].

At the same time, the arrival of the "three-child" policy has also set off an irresistible upsurge in the stock market. Judging from the market situation, the concept of three-child stocks rose sharply in the past two days, including baby care, golden hair rabbi, and the shares of Maine rose by nearly 20%. Children's Clothing Co., Ltd. has a two-day trading limit for children's toys, Lego shares, and a bid limit for children's toys. As of the close of May 31, Hong Kong shares rose 17.51%. On June 1, Kangzhi Pharmaceuticals, Aoyang Health and Tongce Medical rose by more than 7%, while Guangshengtang, International Medicine and Xilong Science rose by nearly 5%. At present, in the field of assisted reproduction, the market size has reached 32.2 billion people, but the industry penetration rate is as low as about 8%. It is estimated that the scale of China's assisted reproduction market will reach 45.2 billion in 2023, with huge incremental space. Therefore, expanding the market is a wave of investment opportunities [5].

### **3. The Three-child Policy and Its Negative Impact on Society**

The three-child policy has also brought tremendous pressure on women. From the physiological aspect, it is very easy to cause damage to the pelvic floor muscles of patients after giving birth to a baby several times, causing pathological changes such as uterine prolapse and postpartum vaginal relaxation. Women are pregnant in October. If they have three children, it will take at least six years for women to prepare for pregnancy and give birth. This also means that during this period of time, they may not be able to devote themselves to work and return to society normally. According to social surveys, even though family of origin has given a lot of support, women who have given birth still need to adjust themselves, or find a relatively free job, or return to their families, in order to match their identity as "responsible mothers". However, their husbands do not seem to reflect on themselves all the time. I think it may have something to do with the different emotional structure

between men and women, or it may be the result of socialization. It seems that women are more likely to feel guilty and reflect on themselves. Even the only child with high education will think that the child cannot leave his mother at the age of 0-3. Our interviewees, including the moms around me, still have a lot of career breaks for half a year or one year, but they return to work after they feel that they cannot adapt to the life at home. Unless there is sufficient economic capacity to ensure the humanization of relevant supporting policies, the worries can be relieved. Otherwise, many women's employment rights and interests will be sacrificed, as well as a series of problems brought about by the employment rights and interests, which will increase women's employment burden. However, according to China's National Bureau of Statistics, the average number of children that women think is ideal is very low, only 1.8. This means that even most women will not consider having a second child [6]. Women's pelvic floor muscles are located at the bottom of the pelvis, just like a meat bag covering the uterus, and other organs. During pregnancy and childbirth, pelvic floor muscles will be continuously stretched, tearing muscle groups, leading to pelvic floor muscle dysfunction and even urinary incontinence, organ prolapse, etc. Some data studies show that the prevalence of urinary incontinence among Chinese women is over 20%. In fact, the hormones secreted by the body during pregnancy will loosen the joint ligaments of the pubic symphysis, which is the body's preparation for in-place childbirth. Some studies show that at the end of pregnancy, your pelvis will generally thicken by 5 mm. During production, the pelvis can move up to 1.5-2CM. If you have three children, your health will definitely be too much [7].

Because of the family's economic pressure, raising a child requires a lot of expenses. The first thing to do is to get married, buy a house, buy a car, decorate a bride-to-be wedding, which Yu, who has just entered the society, said later that this threshold had been crossed without the support of his parents. With the support of the parents, the next step is to give birth to a child, a mother-in-law milk powder and so on. After that, they began to train their children, go to school, interest classes, and spare-time classes. It is estimated that one child needs to spend one million and three children need to spend three million. Plus all kinds of mortgage loans and car loans. This is already very difficult for an ordinary family, let alone three. According to the Zhejiang Provincial Bureau of Statistics "Research Report on the Development of Care Services for Infants under 3 in Zhejiang Province", this can be explained. In the survey data, 57.3% of the parents who have been entrusted with child care think that the cost of care is high and the economic pressure is great. 6.1% of the parents reported that the average monthly total cost of childcare was 6,000 yuan or more, and 65.1% of the parents reported that it was 2,000-6,000 yuan. However, many people now earn as little as 5,000 or 6,000 yuan a month and have to pay more than half of the cost of raising a child. It can be seen that families nowadays do spend a lot of money on raising children [8].

Under the three-child policy and the policy of delaying retirement, the biggest worry of many young and middle-aged people is whether they can keep up with their health. Because of the heavy and fast life in the modern city, for the people from the 80s to the 90s, who are old at the top and small at the bottom, and in recent years, the trend of "three highs" is obviously younger and the trend of depression is increasing. According to the data from Baidu Encyclopedia, China's life-long prevalence rate of depression has reached to 6.8%. At present, about 100 million people in China suffer from depression. Approximately 280,000 people kill themselves each year and 40% of them suffer from depression. Under such circumstances, company executives die young, young people suffer from major diseases at work, and sudden death due to depression is common. If one intends to have three children, regardless of the pressure brought by the women's health and the pressure brought by the men's work, if one's health does not keep pace with this, it will not only bring a heavy burden on the family: raising children, supporting the elderly, working and other undertakings will become empty words.

The decrease in fertility rate is influenced by factors such as age structure, people's conception of fertility and fertility policy. In addition, the fertility rate is closely related to the level of household income. Research shows that in a society with relatively stable economy, the birth rate and the family's economic income level show a U-shaped curve, that is to say, people with special wealth and no money are willing to have a large number of children, while the so-called middle class will have fewer children.

#### 4. Summary

The introduction part of this paper introduced the Chinese government's birth policy towards the aging population and social and economic coordination over the years. This paper analyzed this birth policy from two aspects. The first part analyzed the three-child policy and its beneficial aspects to society, and the second part analyzed the three-child policy and its negative impact on society.

Therefore, the three-child policy has both advantages and disadvantages. Although it can further solve the problem of childlessness and gradually ease the impact of aging, it will also play a role in promoting social and economic development. However, as a result, young professional women will face more pressure. Choosing whether to focus on raising children or working has become an important contradiction for women. Despite the cost of parenting, workplace requirements and tolerance for women need to be improved. However, the fact is difficult to change in a short period of time. Perhaps the best solution is for women to take care of their families while they are on maternity leave. In this way, both men and women can take leave if they want to have children, and discrimination against women in the workplace may be reduced. Women's career development ability is relatively less affected.

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