

# Reaching for the Demographic Dividend

The age structure of a country's population matters. A country whose population consists mostly of young children means that these children have to depend on those of working age. Likewise, as the population ages and the number of elderly persons appreciably increases, the dependence of this group on the workforce rises. By contrast, when people of working age comprise a relatively large proportion of the population, the workforce can generate increasingly higher production and income for the country and its population. This indicates that such a country has made the so-called demographic transition, resulting in what is conventionally referred to as demographic dividend.

Recognizing that demographic transition needs to be observed and planned for to enable the economy to reap the demographic dividend, the Philippine Development Plan 2017-2022 devotes this chapter on it. It spells out the key challenges and corresponding strategies to ensure that as the demographic window opens, more of the country's population will steadily have good health and the right sets of skills to be highly productive. This is a condition that boosts economic growth and poverty reduction. Optimizing the demographic dividend is one of the key strategies to be implemented at the national and sub-national levels, under the national development pillar of *Patuloy na Pag-unlad* or raising the economy's potential growth.

## Reaping the Demographic Dividend

Demographic dividend stems from demographic transition when fertility (birth) and mortality (death) rates decline, such that the age distribution changes to an extent that lesser spending is required to meet the needs of the youngest and oldest age groups. This frees up the resources for investment in economic development and family welfare.<sup>1</sup> Demographic dividend therefore is a benefit, a windfall that is good for the economy and society.

Economies in East Asia (South Korea, Taiwan, and Hong Kong) began to reap this dividend as early as the 1980s, as did Singapore and Thailand in the 1990s, and Indonesia and Malaysia in the early 2000s. What is noteworthy is that, apart from reasonably good economic policies, all these countries have modern family planning (FP) programs beginning in the late 1960s to early 1970s and sustained over time. The Philippines, although it started its FP program in 1969, discontinued the program in the late 1970s due to strong opposition from conservative groups.

The Philippines is therefore only in the first phase of demographic transition characterized by a large proportion of the population in the under-15 years age bracket and with households having a large dependency burden.<sup>2</sup> The shift to the second phase, that is, a bigger proportion

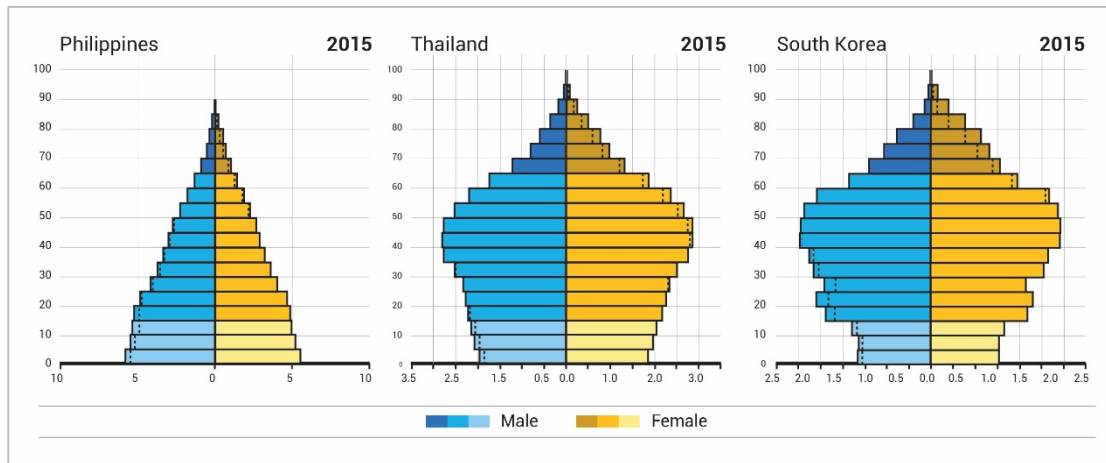
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<sup>1</sup> Ross, John. 2004. *Understanding the Demographic Dividend*: POLICY Project, Futures Group. Retrieved from [http://www.policyproject.com/pubs/generalreport/Demo\\_Div.pdf](http://www.policyproject.com/pubs/generalreport/Demo_Div.pdf)

<sup>2</sup> Mapa, Dennis. 2016. *Demographic Sweet Spot and Dividend in the Philippine: The Window of Opportunity is Closing Fast*. Unpublished manuscript, Quezon City: University of the Philippines School of Statistics

of the working age population vis-à-vis dependents, will depend on how the country manages population growth through the Responsible Parenthood and Reproductive Health (RPRH) Law. *Figure 13.1* shows how the Philippines' population pyramid by age compares with those of Thailand and South Korea.

**Figure 13.1 Population Pyramids: Philippines, Thailand, and South Korea, 2015**



Source: [esa.un.org](http://esa.un.org)

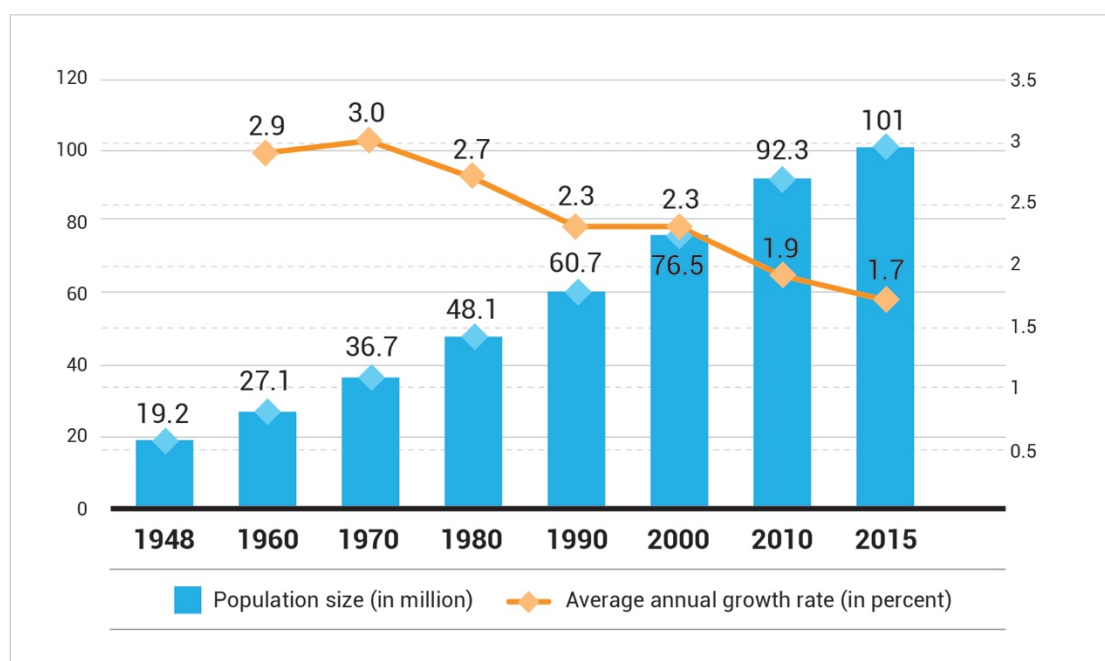
A business-as-usual scenario means that the country needs to wait until at least 2050 to benefit from the demographic dividend, or possibly even miss it altogether. Full implementation of the RPRH law, coupled with adequate investment in the youth's human capital, on the other hand, will enable the country to reap the dividend starting possibly in the 2030s through the 2040s.

## Assessment and Challenges

Several factors associated with changes in the size, structure, and attributes of the country's population affect the prospects for reaping the demographic dividend. These include population growth rates and distribution, health, education, employment, and finances. The country faces a number of challenges in these areas, and they need to be addressed.

**The number of Filipinos continues to increase and the population is unevenly distributed across regions.** The latest Population Census recorded about 101 million Filipinos living in the country in 2015. While the pace of growth is slowing – from 1.9 percent annual growth rate in 2000-2010 to 1.7 percent in 2010-2015 – the population continues to grow significantly, with about 2 million Filipinos added to the population every year. (*Figure 13.2*)

**Figure 13.2 Trends in Population Size and Population Growth Rate: Philippines, 1948-2015**



Source: Philippine Statistics Authority. *Census of Population and Housing 2015*

Regional differences in population size and growth are likewise noticeable based on the 2015 Population Census. Among the 17 administrative regions, CALABARZON (Region 4A) has the largest population with 14.4 million, followed by the National Capital Region (NCR) with about 12.8 million and Central Luzon (Region 3) with approximately 11.2 million. About one-third of Filipinos live in these three highly-urbanized regions, which can now be called a mega-urban regional agglomeration.

**The regional patterns of population growth that drive changes in regional age structures are linked to inequality in opportunities and outcomes.** Economic opportunities are concentrated in a few regions, notably NCR, Central Luzon, and CALABARZON, where social conditions and development outcomes are better than other regions. Their relatively better performance compared with the rest of the regions is a product of geography and initial resource endowments. Public policies also influence the level and range of economic opportunities, the pace of social transformation, and the population movements in response to these economic and social developments.<sup>3</sup>

**Table 13.1 Trends in Population Size by Region: Philippines, 2010 and 2015**

REGION	2010	2015
NCR	11,855,975	12,877,253
CAR	1,616,867	1,722,006
Ilocos Region (I)	4,748,372	5,026,128
Cagayan Valley (II)	3,229,163	3,451,410
Central Luzon (III)	10,137,737	11,218,177
CALABARZON (IVA)	12,609,803	14,414,774
MIMAROPA (IVB)	2,744,671	2,963,360
Bicol Region (V)	5,420,411	5,796,989

<sup>3</sup> Herrin, Alejandro. 2015. *Population, Inclusive Growth and Shared Development: Regional Profiles*. Commission on Population (POPCOM)

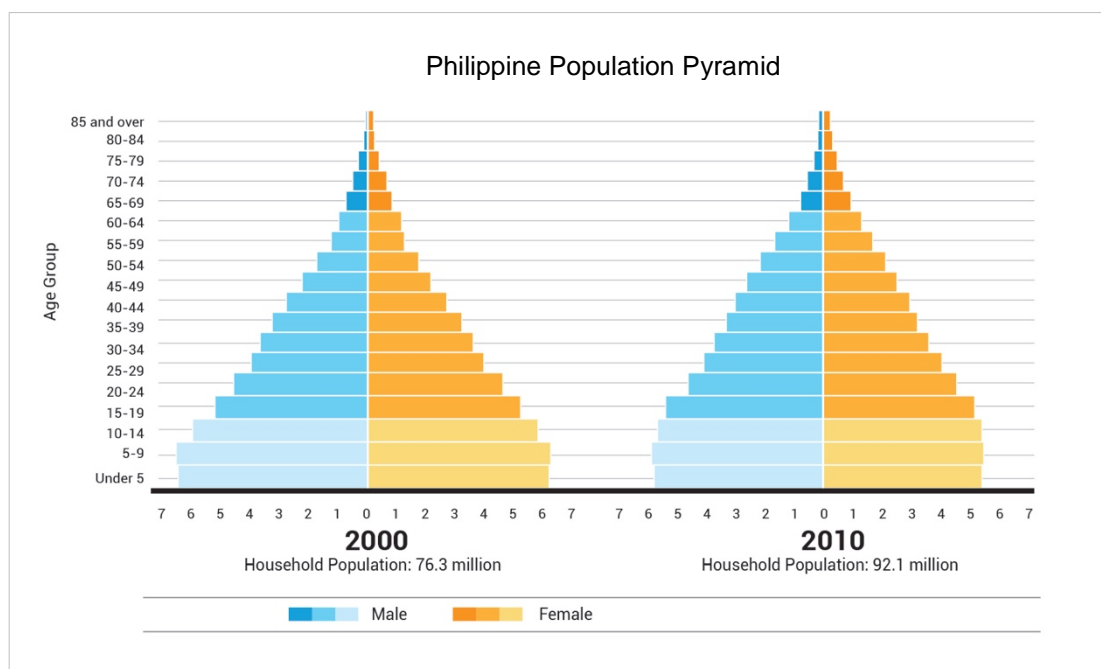
REGION	2010	2015
Western Visayas (VI)	7,102,438	4,477,247
Central Visayas (VII)	6,800,180	6,041,903
Negros Island Region		4,414,131
Eastern Visayas (VIII)	4,101,322	4,440,150
Zamboanga Peninsula	3,407,353	3,629,783
Northern Mindanao (X)	4,297,323	4,689,302
Davao Region (XI)	4,468,563	4,893,318
SOCSCSARGEN (XII)	4,109,571	4,545,276
ARMM	3,256,140	3,781,387
CARAGA (XIII)	2,429,224	2,596,709

Source: PSA, 2015 Population Census

### Young Filipinos continue to form the base of the country’s population age structure.

Based on the 2010 population census, about 33.4 percent or 30.7 million Filipinos were below 15 years of age; 60.3 percent were between 15 to 64 years old (comprising the working or productive ages); and 4.2 percent were aged 65 and over. Having a young population means a continuing increase in population due to the large cohorts of young women who will soon enter the childbearing years and contribute to the fertility level in the country (population momentum). This also explains the large number of young dependents. In 2010, there were about 54 young dependents (14 years and below) and seven old dependents (65 years and above) for every 100 persons of working age (15-64 years old). Since not all in the working ages are engaged in productive labor (i.e., some are studying and others are unemployed), the real (economic) dependency ratio would be much higher than the age dependency ratio.

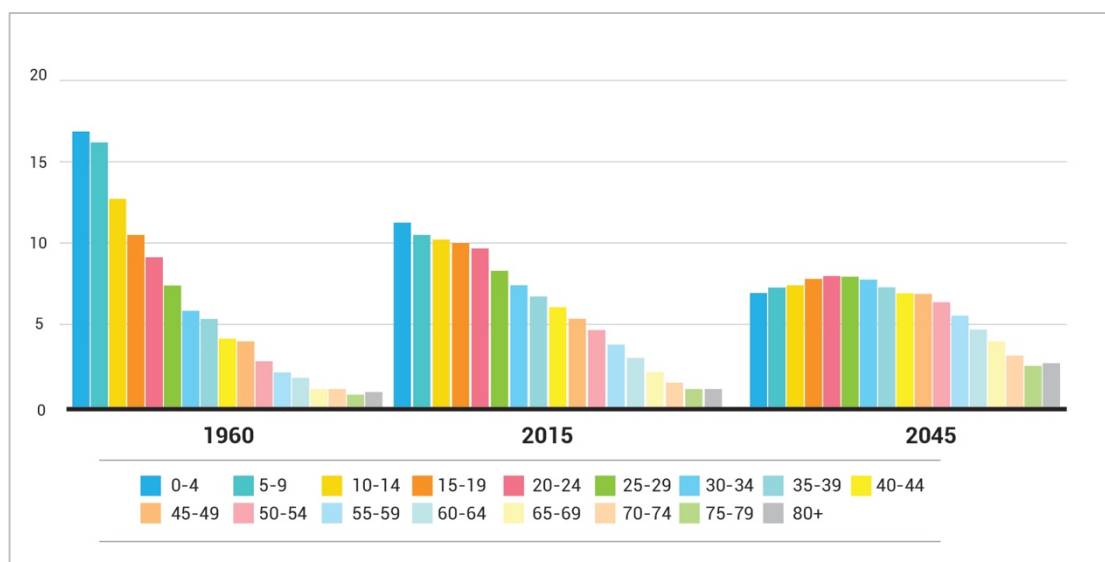
Figure 13.3 Population Distribution by Age Group and Sex: Philippines, 2000 and 2010



Source: Philippine Statistics Authority. Census of Population and Housing 2000 and 2010

**The older population in the country is still a small fraction but slowly growing.** In 2010, Filipinos aged 60 and older accounted for 6.2 percent of the country’s population, almost the same level as in 2000. However, while ageing prevalence in the Philippines may be relatively low, the proportion of the elderly to the total population is expected to reach a double-digit mark in 2020 assuming a moderate fertility and mortality decline. Females, who have a higher life expectancy, constitute the majority (55%) of the elderly population.

**Figure 13.4 Percent Distribution of Population by Age Group, 1960, 2015, and 2045**

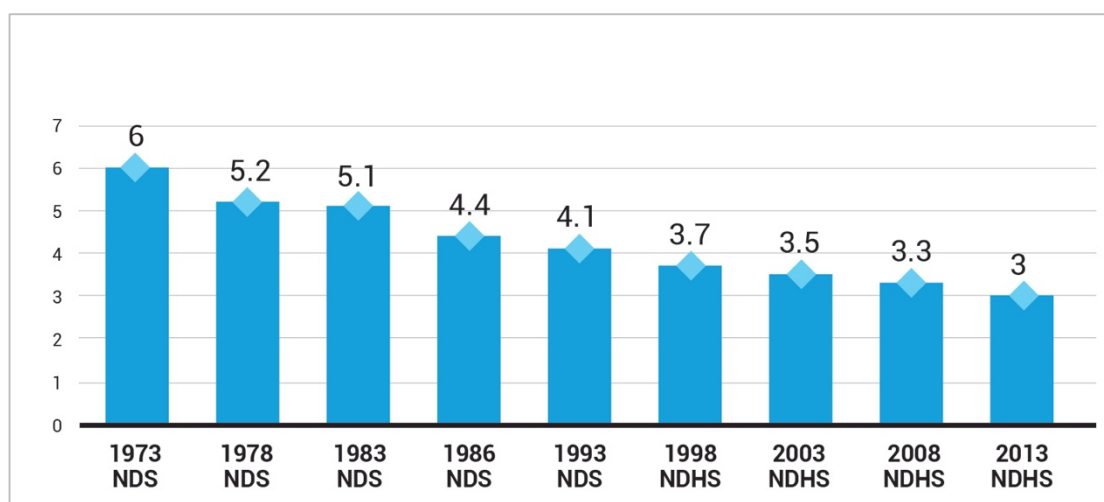


Source: Philippine Statistics Authority. *Census of Population and Housing 2000 and 2010, and 2010-Based Population Projections*

**Albeit slow, the declines in fertility since the 1960s have changed the age structure of the national population** (Figures 13.2 and 13.3). The proportion of the young age group (0-14 years) has declined from 45.7 percent in 1960 to 32 percent in 2015, while the proportion of the working age group (15-64 years) has increased from 52 percent in 1960 to 63 percent in 2015. Further shifts in the age structure are expected as fertility decline accelerates.

**The demographic transition is slow because fertility rate remains high.** The demographic transition is described as a change from a situation of high fertility and high mortality to one of low fertility and low mortality. In the Philippines, the demographic transition is at a stage where mortality is relatively low but fertility remains high. Based on the 2013 National Demographic and Health Survey (NDHS), every woman of reproductive age (15 - 49) has about three children within the duration of her childbearing years given the prevailing age-specific fertility rates in that year. While the actual fertility level reflects a modest improvement from the 1970s level (6 children), it has stagnated since 1996, with the latest figure at 3 children in 2013. More important, the latest TFR is higher by 1 child compared to the replacement fertility level of 2.1 children.

**Figure 13.5 Trends in the Total Fertility Rate:<sup>4</sup> Philippines, 1973-2013**



Source: Various NDS and NDHS, PSA

The current fertility rate in the Philippine remains one of the highest in East Asia (*Table 13.2*). Rich countries that have gone through, and poor countries racing through, the demographic transition and that were able to achieve the replacement fertility rate of 2.1 include Singapore in the mid-1970s, South Korea in mid-1980s, Thailand in 1990, Vietnam and Myanmar in 2006. It is interesting that only three countries in *Table 2* have TFRs of about 3.0 in 2013: the Philippines (3.0), Lao PDR (3.0), and Cambodia (2.9).<sup>5</sup>

**Table 13.2 Trends in Total Fertility Rate: ASEAN and Korea, 1960-2013**

COUNTRY	YEAR						
	1960	1970	1980	1990	2000	2006	2013
South Korea	5.7	4.5	2.8	1.6	1.5	1.1	1.2
<b>ASEAN 5</b>							
Singapore	5.5	3.1	1.7	1.9	1.4	1.3	1.2
Thailand	6.4	5.3	3.2	2.1	1.9	1.9	1.4
Indonesia	5.5	5.4	4.4	3.1	2.4	2.2	2.3
Malaysia	6.8	5.5	4.2	3.7	3.0	2.7	2.0
Philippines	7.0	6.2	5.2	4.3	3.6	3.3	3.0
<b>Rest of SE Asia</b>							
Vietnam	6.1	5.9	5.0	3.6	1.9	2.1	1.7
Myanmar	6.1	6.0	4.5	3.4	2.4	2.1	1.9
Brunei	6.8	5.6	4.0	3.2	2.6	2.3	2.0
Cambodia	6.3	5.8	5.8	5.7	4.0	3.3	2.9

Source: Cited in Mapa, 2016

**Poor and less-educated women have more children than they want.** Overall, Filipino women have one child more than what they wanted. However, poor and less-educated women tend to have two children more than what they want. The difference between the actual and

<sup>4</sup> Fertility rate refers to the number of births per 1000 women of reproductive age (15 to 44 years)

<sup>5</sup> Mapa, Dennis. 2016. *Demographic Sweet Spot and Dividend in the Philippine: The Window of Opportunity is Closing Fast*. Unpublished manuscript, Quezon City: University of the Philippines School of Statistics.

wanted number of children among the poor and less educated and among those in the upper socioeconomic categories as shown in *Table 13.3* remains large and untenable.

**Table 13.3 Actual and Wanted Fertility by Education and Wealth Index Quintile**

BACKGROUND CHARACTERISTICS	TOTAL FERTILITY RATE (CHILDREN)	TOTAL WANTED FERTILITY RATE
<b>Education</b>		
No education	3.8	3.0
Elementary	4.6	3.1
High school	3.3	2.3
College	2.1	1.7
<b>Wealth Quintile</b>		
Lowest	5.2	3.3
Second	3.7	2.5
Middle	3.1	2.2
Fourth	2.4	1.9
Highest	1.7	1.4
<b>Total</b>	<b>3.0</b>	<b>2.2</b>

Source: National Statistics Office. 2013. *National Demographic and Health Survey (NDHS)*

Closing the gap between the actual and wanted fertility rates means enabling women to exercise their reproductive rights. However, the challenge seems huge because poverty continues to constrain poor and uneducated women who have higher actual and wanted fertility rates.

**The number of girls getting pregnant and giving birth for the first time at a young age has been increasing.** Another significant driver of high fertility in the country is the increasing teenage pregnancies or young age at first birth. Early initiation of childbearing lengthens the reproductive period and subsequently increases fertility. Based on the 2013 NDHS, the median age at first birth is 23.5 years. More than one-fifth of women in the country give birth before reaching age 20. Moreover, the 2013 Young Adult Fertility and Sexuality Survey<sup>6</sup> conducted by the Demographic Research and Development Foundation (DRDF) noted an increasing proportion of adolescents aged 15-19 who have begun childbearing – from 6 percent in 2002 to 13.6 percent in 2013.

**Women having more children than they wanted indicates a high unmet need for family planning.** The high fertility level especially among poor women is mainly because of the low level of access to family planning commodities such as contraceptives. Only a third of women belonging to the lowest wealth quintile use modern contraceptives (33 percent modern contraceptive prevalence rate). More than 21 percent of these poor women have unmet need for family planning (i.e., they intend to limit or space their children but are not using any family planning method). Only 16 percent of women without education are using modern family planning methods and a high 24 percent have expressed unmet need for family planning.

<sup>6</sup> Demographic Research and Development Foundation (DRDF). 2013. *Young Adult Fertility and Sexuality Survey (YAFSS)*



**Table 13.4 Contraceptive Prevalence Rate and Unmet Need for Family Planning by Background Characteristics: Philippines, 2013**

BACKGROUND CHARACTERISTICS	CONTRACEPTIVE PREVALENCE RATE (MODERN METHOD)	UNMET NEED FOR FP
<b>Education</b>		
No education	16.1	23.5
Elementary	36.1	17.9
High school	40.1	17.8
College	35.9	16.4
<b>Wealth Quintile</b>		
Lowest	33.0	21.3
Second	40.3	16.7
Middle	41.4	15.5
Fourth	39.1	16.1
Highest	34.0	17.9
<b>Total</b>	<b>37.6</b>	<b>17.5</b>

**There are legal barriers to the full implementation of the Responsible Parenthood and Reproductive Health Law.** While the RPRH Law has been enacted and affirmed as constitutional, the full implementation of the law is blocked by a temporary restraining order (TRO) on the distribution of implants and certification / re-certification of modern artificial FP commodities. The TRO affected the access of people, particularly of the poor because national and local governments are constrained in providing the widest range of free FP commodities and services. If not lifted immediately, the TRO will cause the non-availability of most of the modern FP commodities starting 2018.

**Inequities remain in nutrition and health outcomes.** While there have been major improvements in the health conditions of Filipinos as indicated by increasing life expectancy rates and low mortality and morbidity rates, inequities remain across regions, population and income groups. Among the regions, conflict-affected and disaster-prone areas experienced poorer health outcomes. ARMM lagged in most health indicators<sup>7</sup> and regions exposed to multiple hazards (i.e. Zamboanga Peninsula and CARAGA<sup>8</sup>) fared worse in some indicators compared to the national average.

Disparities in nutrition and health outcomes are evident across income classes. Families in the lowest wealth quintile suffer from a higher prevalence of underweight children and higher infant and under-five mortalities. This has implications on the quality of human resources in the future. Likewise, population with little to no education also have poorer health outcomes, because they lag behind in nutrition and health indicators.

**Access to education has been uneven and completion rate is low.** Acquiring new knowledge and skills allows the workforce to become more productive, thereby increasing their incomes and improving their quality of life. Thus, education is a critical input in optimizing the demographic dividend.

<sup>7</sup> ARMM lagged in under-five mortality, contraceptive prevalence rate, proportion of births attended by health professional, births delivered in a health facility, and proportion of population with access to safe water based on the 2013 National Demographic and Health Survey.

<sup>8</sup> In infant and under-five mortality, proportion of births attended by health professional, and births delivered in a health facility based on the 2013 National Demographic and Health Survey.



While enrolment rates have improved (*see also Chapter 10*), access to education and keeping children in school remain to be a challenge. FLEMMS 2013 data showed that 11.5 million of 6- to 24-year-olds are not in school. Marriage was cited as one of the reasons for not attending school among 16 to 24 years old. Across regions, out-of-school children and youth was most prevalent in Mindanao, particularly in ARMM, SOCCSKSARGEN, and Davao.

Meanwhile, data on highest educational attainment showed that of the 81.9 million population in 2013, only 20 percent have completed secondary education. There were slightly more females than males finishing high school. Regional data showed that ARMM has the lowest proportion of high school graduates, followed by Zamboanga Peninsula and SOCCSKSARGEN.

**Youth unemployment is extremely high.** Unemployment rate among 15-24-year-olds is more than twice the overall unemployment rate. In addition, the share of youth not in education and not in employment in the total young working population is 22.1 percent (*see also Chapter 10*). This has serious implications, as the demographic dividend will largely depend on a productive working-age population.

**Saving rate in the country is low.** The country's gross national saving-to-GDP ratio stands at 29.9 percent as of the third quarter of 2016. Capital accumulation facilitates economic growth, which will be an important factor in maximizing the demographic dividend, and even creating a second demographic dividend. However, saving behavior is quite shallow. The BSP estimates that only 22 percent of adults have a formal savings account.

## Strategic Framework

To achieve the overall PDP goal of laying a strong foundation for inclusive growth, a high-trust society, and a globally-competitive knowledge economy, the country's potential growth must be increased. This will be done by accelerating the demographic transition of the country into the low mortality and fertility levels that can facilitate the shift in the population age structure to a point where the working age population comprises the bulk – also called the demographic window of opportunity. Once the demographic precondition of this phenomenon is reached, the country will aim to maximize its potential dividend for economic growth.

### Targets

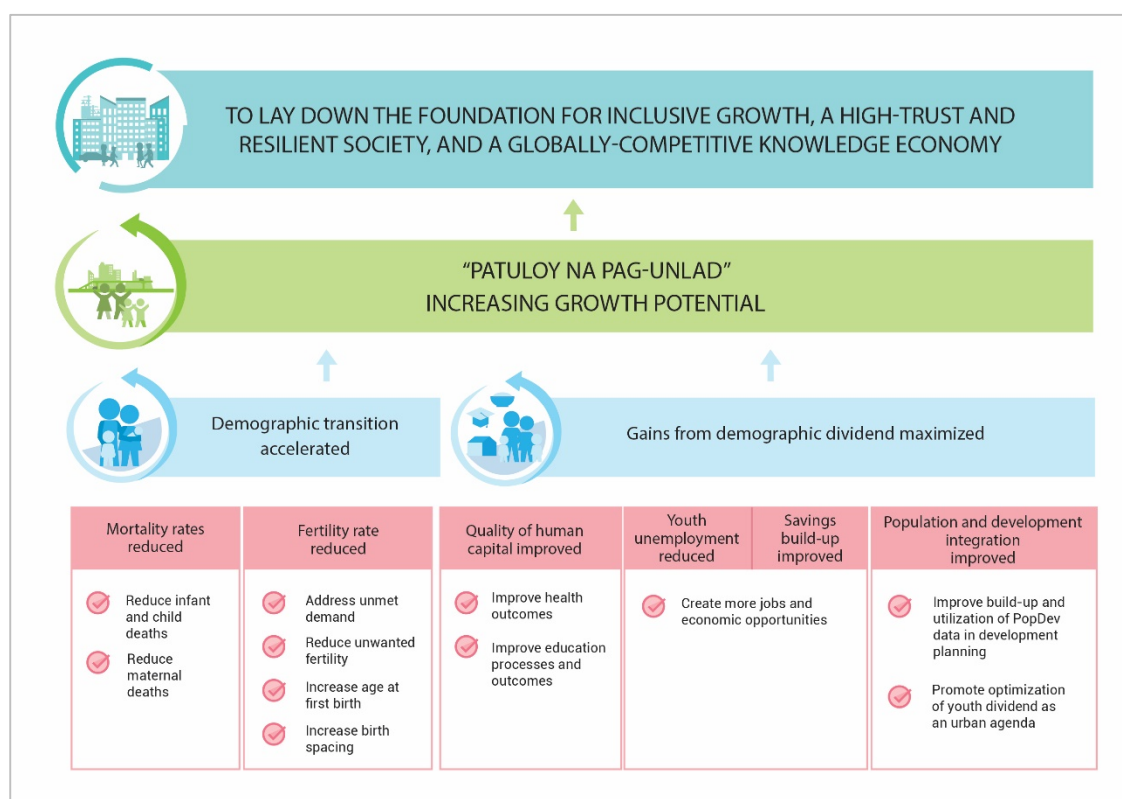
*Table 13.6* shows the indicators and targets for the plan period 2017-2022 to maximize the demographic dividend.

**Table 13.5 Plan Targets to Maximize the Demographic Dividend**

INDICATORS	BASELINE (2016)	ANNUAL PLAN TARGETS 2022
<b>Sector Outcome 1: Accelerate demographic transition</b>		
Reduced crude death rate		
Reduced Total Fertility Rate (children)	3	2.1
Reduced proportion of adolescents who have begun childbearing	13.6%	6%
Increased contraceptive prevalence rate for modern FP	37.5%	65%
<b>Sector Outcome 2: Maximize gains from the demographic dividend</b>		
Maternal mortality ratio per 100,000 live births	114 <sup>9</sup>	90
Under-five mortality rate per 1,000 live births	27 (2013)	22
Prevalence of stunting among children under 5	33.4%	20%
Reduced youth unemployment	11%	8%

## Strategies

**Figure 13.6 Strategic Framework to Maximize the Demographic Dividend**



<sup>9</sup> WHO, UNICEF, UNFPA, World Bank Group, and the United Nations Population Division Estimate

The following strategies will be pursued to speed up the demographic transition and maximize potential gains from the demographic dividend:

#### **Subsector Outcome: Mortality rates reduced**

To attain a low rate of mortality that can facilitate demographic transition, the government will pursue a sustained universal health care program. The focus will be on lowering mortality rates, which are currently highest among infants, young children, and women. Other health strategies will also be done to reduce mortality rates. *See Chapter 11.*

#### **Subsector Outcome: Fertility rates reduced**

To lower the fertility level, the country's population management and reproductive health policies and programs will be strengthened. The main strategy will be to assist couples and individuals to achieve their desired family size within the context of responsible parenthood and informed choice in order to achieve population outcomes that are facilitative of economic growth.

***Address unmet demand for family planning and unwanted pregnancies.*** The government, together with all stakeholders, will collectively aim to attain zero unmet need for modern family planning, mainly through the full and aggressive implementation of the Responsible Parenthood and Reproductive Health Act (RA 10354), the Magna Carta of Women (RA 9710), the National Population Policy (PD 79, s. 1972) and other relevant national interventions that promote the reproductive rights of Filipinos. Demand-generation strategies including advocacy for increased local government counterpart resources and funding will be intensified to ensure improved access of all Filipinos to the widest range of family planning methods.

Attention will also be given to the improvement of the socio-economic conditions of poor women in urban communities and geographically isolated and disadvantaged areas (GIDAs), including indigenous women. As women are generally the poorest of the poor and at the same time key actors in the development process, eliminating social, cultural, political and economic discrimination against them is a requisite for development, which involves: eradicating poverty; promoting sustained economic growth in the context of sustainable development; ensuring quality family planning and reproductive health services; and achieving balance between population, available resources, and sustainable patterns of consumption and production.

Men's involvement and civil society and private sector engagement will likewise be encouraged to mobilize all stakeholders in the promotion of universal access to modern family planning methods. Service delivery networks for maternal and adolescent health and family planning will be strengthened to ensure the continuum of reproductive health care, particularly family planning.

***Increase the age at first birth.*** Strategies to increase the age at first birth or maternal age will be anchored on the promotion of age-appropriate and comprehensive sexuality education among adolescents. This approach will enable them to exercise responsible sexuality to prevent early pregnancies. Reproductive health education will be pursued in curricular and extra-curricular modalities in schools, communities, and workplaces. Communication strategies for responsible sexuality education will use social media and other online networks to reach out to various segments of young people, especially the adolescents.

In compliance with the reproductive health law, age-appropriate reproductive health services, including family planning, will be provided to sexually-active adolescents and those who had their first birth in order to prevent unwanted repeat pregnancies. For this purpose, information and service delivery networks for adolescent health and development will be established and strengthened at the local level to ensure a continuum of care for young people.

The role of parents, teachers, and adults in guiding their adolescent children toward responsible sexuality will also be strengthened through institutionalized capacity-building. Partnerships with civil society organizations and youth organizations will be strengthened for a more coordinated implementation of adolescent health and development interventions.

***Increase birth spacing.*** Proper birth spacing of three to five years will be promoted to lower fertility levels among women. Proper birth spacing likewise facilitates the demographic dividend in households and among individuals. With birth spacing that results in lower fertility, women have greater chances of productively participating in the labor force and in human resource formation activities such as education and training. They can spend more of their productive years in gainful or paid employment. Moreover, parents with fewer young dependents are more able to invest in the formation of their children, who comprise the future human resources of society. The promotion of birth spacing will be integrated in the promotion of reproductive health and family planning interventions.

### **Subsector Outcome: Quality of human capital improved**

Optimizing the increasing labor force for more productive economic output requires a quality human resource. Thus, it entails the improvement of health, education, and total wellbeing of the human capital. *See Chapter 10.*

***Improve health outcomes.*** Increased investments in health initiatives can significantly support human capital formation or development by ensuring that children are healthy when they go to school, that members of the labor force are productive, and members of the family can enjoy the fruits of their labor. The government will therefore: (a) guarantee services that will provide care at all life stages; (b) ensure the accessibility of these services in functional delivery networks; and (c) sustainably finance these services through universal health insurance.

***Improve education processes and outcomes.*** An educated and skilled labor force is an equally important requirement for the optimization of demographic dividend. Reforms in the basic and higher education curriculum were done to adapt to current realities. The K to 12 curriculum integrates lessons on sexuality education to help students make informed choices and decisions on issues that affect their well-being. Meanwhile, the new general education curriculum in higher education aims to develop learners' intellectual competencies, personal and civic competencies, and practical skills.

Given the growing labor force, more investments for the improvement of educational services and facilities will be made. Without substantive investment in education, the lack of schools and teachers will significantly affect the quality of education and, eventually, the quality of the labor force.

Interventions to address issues on education will be simultaneously implemented with the initiatives to address population issues. Improving the education of girls, especially at the secondary level, helps delay marriage and prevent teenage pregnancy. Women who marry later tend to have fewer children than those who marry at a young age.

### **Subsector Outcome: Youth unemployment reduced**

***Create jobs and economic opportunities.*** The optimal use of a large and quality human resource is a critical strategy for maximizing demographic dividend. For this, job creation in the industrial, agricultural and service sectors will be facilitated by the government, in collaboration with the private sector. This will be done through the establishment of a more favorable climate for expanded trade and investment that is environmentally sound; greater investment in human resource development; development of democratic institutions; and good governance. Special effort will be made to create productive jobs through policies promoting efficient and, where required, labor-intensive industries, and transfer of modern technologies.

In support of the administration's thrust to create one million new jobs annually, the government will pursue initiatives through major employment-promoting strategies: (a) employment generation; (b) employment preservation; (c) employment facilitation; and (d) employment enhancement. Programs supporting employment generation have been pursued to directly or indirectly create new employment opportunities in the domestic labor. Employment programs for the youth will also include support to young parents as part of social protection. Improving the living wage of young workers, especially those with young children to support, will be prioritized.

### **Subsector Outcome: Savings build-up encouraged**

The government will assist couples and individuals in achieving their desired fertility intention as part of responsible parenthood. As financial capacity is important, the government will encourage savings build-up at the micro-meso-macro levels. With fewer children, couples can save more from the expenses for the health, education, and total well-being of children. Early pregnancy has economic implications particularly on savings. Financial inclusion strategies such as the efficient delivery of microfinance and micro-insurance products and services will be implemented. *See Chapter 15.*

### **Subsector Outcome : Integration of population and development (PopDev) strengthened**

There is general agreement that persistent and widespread poverty and serious social and economic inequities have a significant influence on, and are in turn influenced by, demographic parameters such as population growth, structure and distribution. To ensure that demographic dynamics particularly those related to demographic dividend are considered in sustainable economic and other development initiatives, the integration of population factors in all development initiatives will be promoted.

***Establish and utilize population and development data in planning and program formulation.*** Demographic data needed for planning and formulating appropriate interventions to optimize demographic dividend will be strengthened at all levels. The use of population data will be promoted particularly in planning interventions in health, education, employment, infrastructure, and economic development. Development strategies will reflect the short-, medium-, and long-term implications of, and consequences for, population dynamics as well as patterns of production and consumption. Specific strategies will include the following:

- Capacity building of national, regional, and local government institutions in establishing and utilizing a demographic and socioeconomic database in development planning. This includes strengthening the local survey systems for demographic and socioeconomic data to be conducted by local population and planning offices. The survey systems will support local development planning and program development initiatives.
- Improving the knowledge base on population and development interrelationships through continuing research and studies
- Building public awareness and political commitment to address population issues that have implications on development concerns

***Promote optimization of youth Dividend as part of urban agenda.*** The prospect of demographic dividend is more pronounced in the urban areas because of youth migration to cities. Because internal migration is economically-motivated, urban areas remain the main destination of migrants because of the perceived availability of economic opportunities in the cities (pull factor). Cities usually receive the bulk of new entrants to the labor force and the concomitant pressure to employ these workers.

As such, initiatives to optimize demographic dividend entails improving the capacities of cities to employ the vast human resources that they receive. This involves a review of urban management initiatives to integrate strategies for the optimization of demographic dividend as an urban agenda. Such agenda, nonetheless, will be pursued within the framework of an integrated and interdependent urban-rural development. Demographic interventions will also be developed to address the declining number of human resources in the rural areas.

## Legislative Agenda

Legislative support will be required for the effective implementation of the strategies.

***Table 13.6 Legislative Agenda to Maximize Demographic Dividend, 2017-2022***

LEGISLATIVE AGENDA	RATIONALE
Institutionalization of Local Population and Development Policy	A cohesive policy for addressing population and development at the local level is needed.
National Policy on the Prevention of Teenage Pregnancy	There is a need for comprehensive policy to address the alarming levels of teenage pregnancy.
Strengthening of the National Population and Development Policy	A comprehensive policy for population and development needs to be mainstreamed to address the fragmentation of government efforts and initiatives for population and development.