

Declining fertility: financial constraints or lack of relationships?



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The Minister for Finance has recently highlighted Malta's low fertility rate as a major challenge.

Undoubtedly, Malta's fertility rate is very low. According to the United Nations, Malta's fertility rate in 2025 stood at 1.11 and ranked 224 lowest among 237 countries. The United Nations classifies Malta as a developed economy and a high-income country. Even compared to both these groupings, Malta's fertility rate is somewhat low, as shown in Table 1.

The natural questions that arise are why is the fertility rate so low, and how can it be revived? Firstly, it is noteworthy to mention that data from the United Nations, illustrated in Table 1, shows that the fertility rate drops both as the rate of economic development increases, as well as when income is higher. Therefore, one can conclude that the trend decline in Malta's fertility rate reflects its evolution in economic development and income growth over recent decades, as with other such countries.

However, for several years, various Maltese governments were not exactly inactive in implementing measures aimed at easing the financial burden of parents with dependent children, and that at the same time encourage them to remain active in the labour market.

One could list several measures over the years. Apart from no fees for education in public schools and for healthcare, there are also unrestricted child

	Total Fertility Rate 2025 (births/woman)
Development Group	
Least Developed Countries	3.83
Least Developed Regions	2.35
Least Developed Regions (excluding least developed countries)	2.01
More Developed Regions	1.46
Income Group	
Low income countries	4.38
Lower middle income countries	2.51
Middle income countries	2.09
Upper middle income countries	1.48
High income countries	1.47
Malta	1.11

Source: United Nations

allowances, free childcare facilities, free school transport, no fees on examinations, stipends to students at higher secondary and tertiary level of education, maternity and paternity leave, and rights to reduced hours of work, all free from any means-testing, as well as favourable parent income tax rates.

Besides, there are also benefits to young couples to purchase their first home in the form of grants on the deposit for the purchase of a dwelling, and lower tax on such transaction. Additionally, the interest rate on mortgages in Malta has come down from over 5% in 2007 to less than 3% since 2014, being currently also among the lowest in the euro area. Several of the measures highlighted above do not even feature in several developed economies.

Yet despite all these support measures, the fertility rate continued to decline, which suggests that financial constraints are generally not the prime driver for this overall drop in fertility. There are clearly other considerations at play.

Apart from artificial insemination and surrogacy, the birth of a child more commonly arises from a relationship between a male and a female. It is therefore, as yet, essential that heterosexual relationships are formed for the procreation of children. A decline in the number of such relationships would consequently generate lower fertility rates.

Table 2 gives a picture of demographic trends arising from

the past four population census carried out in Malta, focussing specifically on females born in Malta aged 18 to 36 representing the cohort where childbearing should be at its peak, as usually childbearing after the age of 36 falls dramatically for females, while males usually remain fertile considerably longer.

In 1995 the number of females aged 18-36 with resident minors accounted for almost two-thirds of total females for this age cohort. By 2021, this category of females became a minority of 43.6%. Significantly, Table 2 shows that whereas in 1995 married females of this age cohort with resident minors accounted for almost half of females of this age cohort, by 2021 this fell to less than 20%.

The flipside to this is that the number of single females aged 18 to 36 without resident minors more than doubled from almost 23% in 1995 to 48% by 2021, becoming a relative majority. Table 2 also shows that

the impact of separations and divorce on fertility appears to be very limited as the share of this marital status of females remained modest, declining to almost 2%, and after 2005 there is also a trend decline in separated/divorced females both with and without resident minors. Incorporating non-Maltese born females in this analysis would only further accentuate, especially in 2021, the share of single females without resident minors, reflecting trends in migration where singles are more dominant.

Housing affordability is often cited as a factor to the decline in fertility. Nevertheless, despite the rise in house prices, population census conducted by NSO show that in 1995 single person households aged less than 30 accounted for just 0.4% of all households, while in 2021 this share increased sharply to 5.1%. Similarly, the share of single-parent households with dependent children more than doubled from 1.3% to 2.9% of all households.

While further financial support to parents or additional parental leave may encourage some couples to consider adding another child, it is unlikely that this will have a material impact on the fertility rate. Clearly, there is a need for more research on why females in Malta aged 18 to 36 are increasingly choosing to remain single before attempting to reverse such trend in fertility. The focus here is on females only because generally the biological constraint on procreation is significantly more binding for them than for

males. But of course, ultimately it takes two individuals to build a meaningful relationship.

A possible reason for this increase in young people choosing to remain single, which is a phenomenon in the developed world, is that people tend to spend more time communicating online (including, in recent years, remote working), where studies abroad suggest that this adversely impacts social skills. Research also shows that the use of dating apps tends to make people more judgemental, jumping from one profile to another, without enabling them to build good communication skills to establish long-lasting relationships.

Additionally, the increase of scams, fraud, abuse, crime, and bad experiences from online relationships, with such stories running daily on social media, appears to be making youngsters more cautious in committing themselves into a relationship.

Studies also show that people choose to be single because of the freedom to build their careers; preference towards friendships rather than dating, as monogamy is losing its appeal; and to travel, especially with the democratisation of international air transportation. Research shows that singles are expressing a higher level of satisfaction in being single than in the past, suggesting that societies are increasingly embracing the values of more individualism, personal autonomy, and acceptance of diverse relationships, including prolonged singlehood, which are less likely to be conducive to procreation.

To conclude, financial measures, additional parental leave, or more remote working are no magic wand that would reverse the decline in fertility rates, as the challenge involves a cultural shift, particularly in the use of technology in our daily lives, and how humans connect with each other, though clearly more research in this field is needed.

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	1995	2005	2011	2021
Singles	39.6	51.4	59.4	70.5
without resident minors	22.8	32.0	37.8	48.0
with resident minors	16.7	19.4	21.6	22.5
Married	58.8	45.0	37.3	27.6
without resident minors	10.7	11.2	9.8	7.7
with resident minors	48.1	33.8	27.6	19.9
Separated/Divorced	1.6	3.6	3.3	1.9
without resident minors	0.4	0.9	0.8	0.6
with resident minors	1.2	2.7	2.5	1.3
Fertility Rate	100.0	100.0	100.0	100.0
	1.8	1.4	1.4	1.2

Source: Population Census of Malta (NSO)