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**Population Policy Implications of Housing and Household Dynamics: Evidence from  
Nepal's 2021 Census**

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### Abstract

Nepal's National Population Policy 2025 represents a strategic response to declining fertility and slowing population growth, drawing heavily on evidence from the 2021 National Population and Housing Census (NPHC). This paper examines how housing and household dynamics, as revealed by the census, are reflected in the new population policy. Using a qualitative policy analysis supported by census data, the study assesses policy alignment, gaps, and implications for fertility, migration, ageing, and regional equity. The findings indicate that although the policy acknowledges demographic decline, internal migration, and population ageing, housing affordability, changing household structures, and regional housing disparities remain weakly integrated into population management strategies. The paper argues that population policy objectives, particularly pronatalist measures, cannot be effectively achieved without addressing household-level living conditions. The study concludes that integrating housing, settlement planning, and household diversity into population policy is essential for sustainable and inclusive demographic development in Nepal.

*Keywords:* population policy, housing, household dynamics, census 2021, fertility decline

### **Population Policy Implications of Housing and Household Dynamics: Evidence from Nepal's 2021 Census**

Nepal is experiencing significant demographic change characterized by declining fertility, slowing population growth, increasing internal migration, and a rapidly ageing population. In response to these trends, the Government of Nepal introduced the National Population Policy 2025, replacing the 2014 policy. The policy adopts a pronatalist orientation, informed primarily by findings from the 2021 National Population and Housing Census (NPHC), which reports a population growth rate of 0.92 percent and fertility below the replacement level. This reflects a continuing trend toward slower population growth (Hone, 2002). Of Nepal's 77 districts and 753 local levels, 34 districts—many located in hill and mountain regions—and 319 local levels are currently experiencing negative population growth rates, raising serious concerns about sustainable development in these areas.

Nepal's fertility rate began to decline in the early 21st century (Gubhaju, 2007) and has now fallen below the replacement level, currently recorded at 1.94 (NSO, 2025). The replacement rate necessary to maintain population levels is estimated at 2.1 (Demeny, 2015). At the same time, the elderly population aged 60 years and above accounts for 10.21 percent of the total population, indicating a growing demographic shift toward population ageing (Gurung & Shrestha, 2024). The working-age population (15–59 years) constitutes 61.9 percent of the total population, suggesting the presence of a substantial labor force with potential for economic participation (Aaronson, 2006). Furthermore, the sex ratio at birth stands at 112 boys per 100 girls, reflecting a significant imbalance and pointing to persistent issues related to gender bias (Tafuro, 2020).

While the National Population Policy 2025 emphasizes fertility recovery, youth empowerment, and balanced regional development, demographic behavior is closely linked to living conditions—particularly housing quality, affordability, and household composition. Housing plays a critical role in shaping household formation, reproductive decisions, migration patterns, and care arrangements for children and older people. However, population policies in Nepal have historically treated housing as a sectoral concern rather than as a core determinant of demographic change.

With this background, this paper examines the extent to which housing and household dynamics evidenced by the NPHC 2021 are incorporated into the National Population Policy 2025. The study aims to assess policy coherence and identify gaps that may undermine population management objectives. This analysis is justified by the need to align

demographic policy more closely with the everyday realities of households, particularly in the context of urbanization, migration, and social inequality.

### **Review of Literature**

Global demographic research increasingly recognizes housing as both a cause and a consequence of population change (Basten et al., 2014). Housing characteristics, particularly affordability, dwelling size, quality, and tenure security, are widely acknowledged as key structural determinants of fertility behavior and household formation. Rising housing prices and rental costs delay marriage, household formation, and family building, thereby contributing to declining fertility rates (Dettling & Kearney, 2014; Kulu & Washbrook, 2014). Evidence from OECD countries further demonstrates that high housing costs are negatively associated with birth rates, especially among younger adults and renter households (Luci-Greulich & Thévenon, 2014). In addition, smaller or overcrowded dwellings reduce the likelihood of having additional children by constraining living space and increasing economic pressure on households (Clark, 2012).

Experiences from East Asian countries illustrate the severe demographic consequences of neglecting the housing–fertility nexus. In South Korea, escalating housing costs combined with labor market insecurity have been identified as major contributors to persistently low fertility levels (Lim et al., 2021). These experiences underscore how structural constraints, rather than cultural preferences alone, shape reproductive behavior. Supporting this perspective, the *State of World Population* report emphasizes that unmet fertility intentions are largely driven by systemic socio-economic barriers, including housing affordability, childcare constraints, and employment insecurity—rather than individual choice (UNFPA, 2025). Together, these findings highlight the importance of integrating housing and living-condition policies with broader demographic and population policy objectives.

In Nepal, fertility decline has become increasingly evident in recent decades and is clearly reflected in the 2021 National Population and Housing Census (NPHC), particularly in highly urbanized provinces such as Bagmati and Gandaki. The census further reveals growing pressure on urban housing, declining household size, increasing nuclearization, a rise in women-headed households, and deteriorating housing conditions among marginalized populations. These household-level dynamics have significant implications for fertility behavior, migration patterns, and population ageing. Without addressing housing affordability, household stability, and settlement conditions, fertility intentions are likely to continue declining, thereby intensifying ageing and dependency challenges.

Despite the growing body of international evidence and the availability of detailed census data, population policy discussions in Nepal have remained largely focused on fertility rates, health outcomes, and labor force participation, with limited attention to housing and household dynamics as structural determinants of demographic change. Research gap: There is a lack of empirical and policy-oriented studies in Nepal that systematically examine how housing and household data from the national census are incorporated into population policy frameworks. This study addresses this gap by linking findings from the NPHC 2021 housing and household analysis with a critical assessment of the National Population Policy 2025.

### **Theoretical and Conceptual Framework**

This study is guided by a structural demographic framework, which conceptualizes population change as the outcome of interactions between demographic behavior—such as fertility, migration, and ageing—and broader structural conditions, including housing, employment, service provision, and spatial development (McDonald, 2000; May, 2005; Basten et al., 2014). Within this framework, housing and household dynamics are understood as mediating factors that translate macro-level structural conditions into micro-level demographic outcomes. Housing conditions shape the opportunities and constraints within which individuals and households make decisions related to family formation, mobility, and intergenerational arrangements.

The effectiveness of population policy depends on the extent to which it integrates household-level living conditions into demographic planning and policy design (May, 2005; UNFPA, 2025). From this perspective, housing and household dynamics are not peripheral concerns but central components of sustainable population management.

### **Methodology**

The study adopts a qualitative, descriptive, and analytical research design. Data sources include:

1. The National Population Policy 2025 and related policy documents;
2. The NPHC 2021 thematic report on housing and household dynamics; and
3. Relevant national and international literature on population and housing.

Data were analyzed thematically, focusing on housing affordability, household structure, migration, regional disparities, and ageing. A comparative policy mapping approach was used to assess alignment between census evidence and policy provisions.

### **Results and Discussion**

The new population policy of Nepal, released in 2025, is the outcome of the lessons learned from previous policies and frameworks such as Population Perspective Plan 2010-

2031 (MoHP, 2010); Sustainable Development Goals 2030 (UN, 2015); Population Policy 2014 (MOHP, 2014a) and National Gender Equality Policy 2017 (MoWCS, 2017).

Additionally, the policy aligns with Nepal's commitments established at international conferences like the International Conference on Population and Development (ICPD) in Cairo (United Nations, 1994) and the Beijing Conference (UN Women, 1995). The policy places population dynamics at the core of national planning and sustainable development, considering various factors such as urbanization, youth empowerment, fertility trends, migration, and the ageing population. It emphasizes meeting the needs and aspirations of the people through a commitment to creating a fair and balanced society (May, 2005). It aims to create an enabling environment for young people to feel secure and supported in building their futures and families. The policy further recognizes the gradual demographic transition (Schoen et al., 2007) in Nepal, including an increasing elderly population, reduced fertility rates, and a significant youth population. The policy as a whole seeks to integrate these challenges into national programs and policies. Highlighting the promotion of gender equality and reproductive rights, the policy includes provisions for gender equality, access to reproductive health services, and equitable development across regions. Emphasizing the importance of data, the policy advocates for evidence-based planning to ensure all segments of the population are included in Nepal's growth strategies (MoHP, 2025). On this backdrop, this paper argues if Nepal is to manage its population effectively in an era of declining fertility and shifting family structures, present housing and household dynamics must be recognized as integral to population policy.

### **Key Findings Relating to Housing and Households Based on the 2021 Census**

A detailed analysis of housing and household dynamics using data from the 2021 National Population and Housing Census (NPHC) has recently been undertaken by the National Statistics Office, providing unprecedented evidence on living conditions, household composition, and regional housing disparities in Nepal (Khatiwada & Lamichhane, 2024). This census-based thematic analysis offers critical insights for population policy formulation, particularly in a context of declining fertility, accelerating urbanization, and increasing internal migration. A comparative review of the key recommendations emerging from the NPHC 2021 housing thematic report and the provisions of the National Population Policy 2025 reveals several important gaps. Table 1 summarizes these areas of convergence and divergence; however, a closer discussion of these findings highlights the extent to which housing and household dynamics remain under-integrated into population policy.

**Table 1**

*Key Recommendations by The NPHC 2021 Housing Thematic Report and The Status of Reflection in the 2025 Population Policy*

Recommendation of the housing and household dynamics report	Address in Population Policy 2025	Gaps
Affordable housing for marginalized/women-headed households	1. The policy mentions “balanced population growth, reproductive health, gender equality” in general terms.	1. It does not clearly include housing affordability or specific housing schemes for vulnerable households as part of the population policy. 2. There is no detail on housing support aligned with fertility, migration, or household structure issues.
Infrastructure & amenities in housing (water, sanitation, etc.)	2. The policy focuses more on demographic structures, fertility, and age composition; these are health/service provision dimensions, but are less explicit on housing infrastructure	3. Specific policies around improving housing quality (materials, resilience, amenities) are under-emphasized. Yet these affect living conditions, fertility decisions, migration, etc.
Resilience, disaster/climate safe housing	3. The policy does not appear to emphasize disaster-risk reduction in housing or resilience measures directly tied to population policy	4. Considering Nepal’s hazard profile (earthquakes, climate vulnerability), this is a significant gap as housing safety impacts population stability (e.g. migration, displacement).
Regional equity in housing and services	4. The policy mentions districts with negative growth, age structure, etc., indicating	5. There is less discussion on population policy about how housing disparities across

	awareness of uneven demographic trends.	regions contribute to migration, out-migration, or restraints to family formation.
Household structure dynamics: shrinking household size, nuclearization, women-headed households, migration effects	5. The policy does reference demographic changes (fertility, young structure, elderly proportion). Gender equality is included. But specific reference to household size, changing family structures, migrant households, etc., is less visible.	6. Without attention to household structure, policies may miss critical levels: for example, how smaller households affect care needs, housing demand, service pressure, or how migration separates families.
Local governance & implementing housing policies	6. Population policy is likely a national framework; it may delegate certain responsibilities, but specifics about municipal/local level planning are less available.	7. Implementation may suffer if local capacities or responsibilities are underdefined. 8. Effective housing & household policy needs strong local implementation.

### **Housing Affordability and Vulnerable Households**

One of the most significant findings of the NPHC 2021 relates to housing affordability, particularly among marginalized and women-headed households. The census highlights that a substantial proportion of households, especially in urban and peri-urban areas, reside in inadequate or insecure housing conditions, which directly affect household stability and family formation. While the National Population Policy 2025 emphasizes balanced population growth, reproductive health, and gender equality in broad terms, it does not explicitly incorporate housing affordability as a population concern. The absence of targeted housing support mechanisms for vulnerable households represents a critical gap, as housing insecurity is closely linked to delayed marriage, lower fertility intentions, and increased migration, particularly among younger populations.

### **Housing, Infrastructure and Basic Amenities**

The NPHC 2021 further documents substantial disparities in access to basic housing amenities such as safe drinking water, sanitation, and durable construction materials. These deficits are more pronounced among poorer households and in rapidly expanding urban

settlements. Although the population policy addresses health and service provision as part of demographic management, it does not sufficiently link these concerns to housing infrastructure. This omission is important, as inadequate housing amenities directly influence health outcomes, quality of life, and decisions related to childbearing and migration. The lack of explicit policy attention to housing quality undermines efforts to create supportive environments for households, particularly in urban areas experiencing demographic pressure.

### **Housing Resilience and Disaster Risk**

Nepal's vulnerability to earthquakes, floods, and climate-related hazards makes housing resilience a critical population concern. The NPHC 2021 underscores the prevalence of structurally vulnerable housing, especially in rural, hill, and informal urban settlements. Despite this evidence, the National Population Policy 2025 does not explicitly integrate disaster-resilient housing within its population management framework. This represents a major policy gap, as unsafe housing contributes to displacement, out-migration, and long-term population instability. Incorporating climate- and disaster-resilient housing into population policy would strengthen both demographic sustainability and human security.

### **Regional Inequality in Housing and Services**

Census findings show stark regional disparities in housing quality and service access, particularly between urban growth centers and depopulating hill and mountain districts. The population policy acknowledges uneven demographic trends, including negative population growth in several districts, but it does not adequately address how regional housing inequalities drive migration and constrain family formation. Without targeted interventions to improve housing and services in lagging regions, population decline and spatial imbalance are likely to intensify. The lack of an explicit regional housing strategy within population policy weakens its goal of balanced regional development.

### **Changing Household Structures and Composition**

The NPHC 2021 highlights significant changes in household structures, including declining household size, increasing nuclearization, growth in women-headed households, and the separation of families due to labor migration. While the population policy recognizes demographic changes related to fertility decline and population ageing, it pays limited attention to household-level dynamics. Ignoring these shifts risks policy blind spots, particularly in relation to care needs for children and older people, housing demand, and social protection. Population policies that do not account for household diversity may fail to respond effectively to emerging social and demographic realities.

### **Local Governance and Policy Implementation**

The census evidence underscores the importance of local-level housing and household interventions, given Nepal's federal governance structure. While the National Population Policy 2025 functions as a national framework and introduces mechanisms such as Population Impact Assessments, it provides limited guidance on the roles and capacities of provincial and local governments in addressing housing and household issues. Weak articulation of implementation responsibilities may constrain the effectiveness of population policy, as housing and settlement planning are primarily local-level functions.

The analysis shows that the National Population Policy 2025 acknowledges major demographic challenges such as declining fertility, youth migration, and population ageing. However, housing and household dynamics receive limited explicit attention.

The policy lacks targeted measures for affordable housing for young and marginalized households, despite evidence that housing insecurity affects fertility decisions. Changing household structures—such as nuclear families, women-headed households, and elderly living alone—are not adequately addressed. Regional housing inequalities, particularly in depopulating hill and mountain districts, are recognized indirectly but not translated into concrete policy interventions. These gaps weaken the policy's pronatalist and population-balancing objectives. International experience suggests that population recovery strategies are unlikely to succeed without parallel investments in housing and household stability.

### **Conclusion and Policy Implications**

This comparative analysis of census-based housing recommendations and population policy provisions constitutes a central contribution of this paper. By systematically linking household-level evidence from the NPHC 2021 with population policy design, the study demonstrates that housing and household dynamics are not peripheral but fundamental to effective population management. The findings suggest that without explicit integration of housing affordability, household diversity, and regional settlement issues, population policy objectives—particularly those related to fertility recovery, migration management, and ageing—are unlikely to be fully realized.

The National Population Policy 2025 is a timely and ambitious response to Nepal's demographic transition. However, findings from this study suggest that insufficient integration of housing and household dynamics limits its effectiveness. Population policy must move beyond aggregate demographic indicators to address the living conditions that shape household behavior.

Integrating housing affordability, settlement planning, household diversity, and climate-resilient housing into population policy would strengthen demographic outcomes and promote social equity. Future policy revisions should explicitly link population management with housing and local-level development planning to ensure sustainable and inclusive demographic development in Nepal.

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