

Mixed reactions to enhancements in benefits for parents

Though the measures will create a happier workforce, preparations need to be made, says an employer on the introduction of longer paternity leave.

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More grants and longer paternity leave were among the measures announced by Prime Minister Lee Hsien Loong in his National Day Rally speech on Sunday (Aug 23), in a bid to boost the country's low birth rate.

The measures included increasing the Baby Bonus amount and extending it to all children, increasing the Medisave Grant for Newborns, and an additional week of paternity leave.

While couples have welcomed the measures, some employers have had mixed reactions.

Ms Norhalawati Abdul Gani, who gave birth to her first child in March, said she welcomes the measures, especially the increased Medisave Grant for Newborns, which will help with medical bills. The 28-year-old is back at work after 16 weeks of maternity leave.

"It will help in terms of preparing for their future," she said. "We never know when they will get sick, or if they will need additional financial help, for example, if an accident occurs."

The increased grant will be enough to pay for MediShield Life premiums for the child until the age of 21.

"I think that's a very long commitment and maybe it will help allay the concern with costs," said Dr Yap Mui Teng, a principal research fellow at the Institute of Policy Studies. "Because hospitalisation is really, I think, quite a low incidence in Singapore - given our good healthcare system - so maybe there are other concerns of parents."

"For example, they may need help with special needs kids. For example, some commitment to help the kids who have to see more specialists or going to therapy."

Prime Minister Lee also announced that the Government will pay for an additional week of paternity leave. This means fathers will get two weeks of paternity leave, up from one week. This will be rolled out first on a voluntary basis.

Employers like Mr Nicholas Goh, the CEO of Verztec Consulting, said such family-friendly measures will help create a happier workforce, but preparations need to be made.

"In terms of manpower crunch and resources wise, it's a matter of how you allocate existing resources and how you hand over the duties properly before you go on paternity leave," said Mr Goh. "It's a matter of embracing good teamwork within the team, and helping each other."

Verztec Consulting, a communications consulting firm, employs 50 staff, of which about 40 per cent are men.

Some firms are heartened to hear that the Government will pay for the extra week of leave, although they still have concerns.

Said President of the Association of Small and Medium Enterprises Kurt Wee: "The cost of an employee more than just a wage - more than just an annual wage or a monthly wage. Employees have a lot of peripheral costs - office space, admin support, HR, finance support - and in small and medium-sized enterprises, where operations and manpower are lean, they might feel a bit of impact."

Mr Wee hopes the Government can strike a balance between having pro-family policies and creating a pro-business environment.