

New machine needed, not new tools to boost fertility

The Government announced a major push this week to raise the fertility rate from 1.2 to 1.4. Parents will get more in baby bonuses and parental leave. Health insurance will cover children with medical conditions from birth. Childcare subsidies will be enhanced. Will these measures work?

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Those looking for radical approaches to address Singapore's ultra-low fertility rate are probably disappointed at the recent announcement of the enhanced Marriage and Parenthood package.

The measures to boost parenthood, such as an increase in the quantum of baby bonus, priority housing for families with children, extended medical insurance coverage for congenital disorders and paternity leave, are rather modest steps.

For those already embarking on parenthood, these measures will certainly be appreciated. However there seems to be little in the package which would jolt eligible young Singaporeans into earlier marriage or to embark on immediate parenthood plans.

But then again, policymakers might have concerns if they were to give in to the wish list proposed by citizens and interest groups in recent months to boost the dismally low total fertility rate (TFR).

Longer parental leave arrangements which now can include fathers are likely to be resented by employers. Larger cash transfers to enable parenthood require robust tax regimes. More privileges to parents might disenfranchise childless citizens.

The toolkit available to the Government to impact fertility changes is well known and has been tested for some time now in many developed countries. However, reversing the trend of low fertility requires a more fundamental shift. As demographer Peter McDonald puts it, states which want to boost fertility need "a new machine, not the kinds of tools that are required to keep the present machine moving".

What might this new machine look like in Singapore? Essentially, a philosophical shift in family policy.

Societies, including Singapore, which emphasise the traditional family as the basis for social organisation, want families to support their own members rather than rely on state agencies.

Policies which overly support parenthood as opposed to those which merely facilitate child-bearing, according to this persuasion, will destroy the innate resilience of families. Thus, only small adjustments to mitigate the high costs of parenthood are deemed necessary.

The so-called liberal welfare states where traditional family values are waning focus their efforts on establishing greater equality.

Policies seek to ensure that parenthood will not impinge on the individual's welfare. Thus the career trajectory and the standards of living of those who are parents are not markedly different from those who are not, as these are facilitated through a series of work-life measures and redistributive policies.

Since children are essentially seen as a public good, needed by both parents and non-parents alike in their contribution to national interests, no effort is spared to ensure that children are successfully brought into the world and then cultivated.

Even the otherwise unfettered interests of capitalist enterprise have been reined in to support the greater goal of ensuring sufficient numbers of future citizens to sustain the labour force.

Current research indicates that the liberal states are doing better at increasing their TFR.

Among member countries of the Organisation for Economic Cooperation and Development, those which have a comprehensive set of measures to support working parents with young children - including universal access to high-quality childcare facilities and family-friendly work arrangements - are realising their goals of higher fertility. These successful countries also allocate substantially more of their gross domestic product to family spending.

The newly released enhancements to the Marriage and Parenthood package suggest that Singapore is unlikely to adopt a new machine any time soon.

When parenthood is still seen as a matter of personal fulfilment and therefore the responsibility of the family, and where the concerns of employers are high on the list of national priorities, it will be a long while before any major rehaul to the machinery is made.

Furthermore, few Singaporeans are vested enough to give up the low tax rates they currently enjoy for the longer-term prospect of more citizen children.

Neither are many corporations based here likely to exchange their exacting human resource practices to support the development of a new generation of Singaporean-born workers.

Still, the recent state-led initiatives should be celebrated.

These tools, while considered as baby steps by some, will at least sustain the TFR and keep it from plummeting further until hopefully all of society - state, corporations and families - agree on the importance of what the machine produces and accept the trade-offs.

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