

Baby bonus has had little impact so far

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One positive trend is the rise in the number of first-time parents

A RECORD \$230 million was given out by the Government in baby bonus payments last year, up from \$55 million just five years earlier.

But there was no corresponding increase in the number of Singaporean babies born.

Figures from the National Population Secretariat show there were only 32,423 citizens born last year.

That was just 129 more than in 2003, the year before the Government extended the Baby Bonus Scheme to include the first and fourth child.

Non-citizens, who are not eligible for the payouts, fared better on the baby front.

The 7,403 non-citizen babies born last year represented an increase of 2,212 from 2003.

The Baby Bonus Scheme aims to encourage Singaporean couples to have babies by easing the financial burden on parents.

Introduced in April 2001, the scheme has undergone two major revisions - in August 2004 and again last year - with bigger carrots being dangled each time to prospective parents.

Since Aug 17 last year, fifth and subsequent children were entitled to bonus benefits too. Cash payments for the first and second child were also increased.

Dr Yap Mui Teng, a fertility expert at the National University of Singapore's Institute of Policy Studies (IPS), said the latest revisions to the scheme and the fact that it is retrospective in nature, could have led to the record bonus payouts last year.

The first child, for instance, may now get up to \$10,000 from the Government, up from \$3,000 earlier. The scheme is administered by the Ministry of Community Development, Youth and Sports (MCYS).

When asked how successful the scheme was given that the rise in foreign births has outstripped that of locals, an MCYS spokesman told *The Straits Times* that more time was needed to 'assess the efficacy of the scheme'.

Singapore is facing one of the worst baby droughts in the world. The total fertility rate (TFR) - or the number of children a woman is expected to have - fell a notch, from 1.29 to 1.28 last year. Only South Korea and Hong Kong have lower TFRs than Singapore. To replace itself, a population needs a TFR of 2.1 or higher.

While the TFR may have flagged a bit, take-up rates for the Baby Bonus Scheme have been increasing. About 19,000 new Child Development Accounts (CDAs) were opened last year, up from 14,000 in 2004.

CDAs are savings accounts parents can set up in their children's names, with the

Government matching deposits dollar for dollar, subject to a cap of between \$6,000 and \$18,000, depending on the birth order of the child.

The money can be spent on childcare, education and medical expenses. Parents can open a CDA any time before a child's sixth birthday.

Although the number of Singaporean babies born remains low, family and fertility experts see some signs of hope.

Sociologist Paulin Straughan, for instance, was pleased to note the sharp rise in the number of first-child births among citizens - from 13,969 in 2003 to 15,129 last year.

'A common suspicion of the Baby Bonus Scheme is that it speaks to converts or those who have already decided to have children,' said Associate Professor Straughan, a Nominated Member of Parliament.

She sees the rise in the number of first-time parents as proof that the scheme is helping to change mindsets and encouraging many couples to have at least one child.

The next step is to help the new parents to grow their families and have two or more children - though data from 2003 and last year show that fewer are opting to do so.

Prof Straughan was not surprised at the rise in the number of foreigners giving birth, given that there are more foreigners here.

'Besides, in first-world countries such as the United States, it is the immigrants who are boosting fertility rates,' she said.

So what more can be done to encourage more Singaporeans to have babies?

Rather than increase the payouts, Prof Straughan believes that what parents really need is more 'flexibility and latitude' at the workplace.

'We need more enlightened employers who know that granting parents time off for pressing childcare needs may actually produce happier, more productive and loyal workers,' she said.

She speaks from experience, as supervisor of a 'very fertile' office. Four of the five women who work under her at the National University of Singapore had children in recent years and none has quit her job.

The women - all young mothers - willingly cover for each other when one has to be away on an emergency. They also hire temporary staff when necessary.

'Mothers need to be more vocal about asking for help at work when necessary,' she said. 'Too many are worried about offending the singles.'

She concedes that productivity may be hit in the short term as more working mothers take time off to tend to children.

'Bosses need to decide whether they should insist on short-term returns to productivity at the cost of the long-term stability of Singapore.'

Dr Yap from the IPS agreed that more can be done at the workplace, and women need to see that they will not pay a heavy penalty in terms of career advancement if they choose to have babies.

Only then can more educated and career-driven young women be persuaded to have children.

Indeed, balancing career and family is what many women find tough.

Insurance agent Mun Wai Ping, 34, who has two children under two, said she finds it hard to handle the emotional stress and frustration of juggling her two roles when her children fall ill.

'I know this is just a passing phase. But it's hard to keep turning down my clients when they request to meet up with me,' said Madam Mun.

She and her university professor husband Ben Leong, 35, are entitled to about \$7,000 in Baby Bonus cash payments, which are especially useful for paying their older daughter's childcare fees.

In addition, they can receive up to \$6,000 for their younger girl's CDA, if they match the amount.

But they are not planning Baby No. 3. 'At this moment, I think I have reached my limit juggling work and children,' she said.

The Baby Bonus Scheme has been a godsend for Mrs Anandhi Raghavan, 33, who works as a trainer in a daycare centre, and her hospital safety officer husband Ragavan Nair, 36.

They have three children aged seven, two and six months. Their eldest daughter was born before the scheme was extended to first-borns in 2004, but they told The Straits Times that the \$9,000 they received as cash gifts for the birth of their younger children has enabled them to better manage both career and family.

It has allowed them to get paid help with domestic chores so that when she is home, Ms Anandhi can spend her time with the children.

It has also allowed her to take part-time courses in counselling in the hope of getting a better job.

On Tuesday evening, baby Haridaren developed a raging fever and had to be taken to hospital. The bill, after multiple tests, was nearly \$400.

Mr Ragavan said: 'The baby bonus is allowing us to make use of the best kind of medical care. Later, it can help with their education.

'That's more than we ever asked for.'