Our way, not the Nordic way: DPM Wong Incentives don't mean higher birth rates; studies show the boost is attributable to babies out of wedlock

Venessa Lee Today, 1 March 2011

SINGAPORE - More parental leave, especially for dads, and more cash assistance - the calls have come hard and fast for greater help from the State for Singaporeans to have babies, with many holding up the family-friendly policies of the Nordic countries as a model to follow.

But are these views, in fact, based on popular misconception? Addressing such calls in a recent media interview, population czar Wong Kan Seng (picture) pointed to studies that show no conclusive link between improved fertility rates in a country and generous leave policies or state expenditure.

For example, while Sweden and Germany spend a lot on family support - 3 per cent of GDP and 2.8 per cent, respectively - and offer comparable amounts of paid parental leave, Sweden enjoys a total fertility rate (TFR) of 1.9 while Germany's TFR is a lacklustre 1.4.

"The situation is far more complex than what we know," said Mr Wong, who is also Deputy Prime Minister.

In fact, OECD figures show that in places such as Sweden, Denmark and Norway, their high TFR appears due mainly to a phenomenon foreign to Singapore society: Almost as many people having babies out of wedlock as they are within marriage (see table).

Articulating why the "Nordic model" may not be suitable for Singapore, Mr Wong said: "In Nordic countries, many babies are born not within marriages; for Singapore, we don't have that situation, but we do have the phenomenon where more and more of our people are not getting married."

With married couples here having an average of 2.1 children each, it's clear the problem of the TFR, now at a historic low of 1.16, lies in the rising trend of singlehood.

"So you see the social trend changing - more people being single - and that has the greatest impact on our TFR. Plus the fact that we don't have social acceptance of babies born not within a marriage, quite different from Nordic countries," said Mr Wong, who is in charge of the National Population and Talent Division (NPTD).

Among women here aged between 30 and 34, 30.6 per cent are currently single, according to 2010 statistics. Among men, that figure is 43.1 per cent - a nearly 10-percentage-point rise from a decade ago.

Mr Wong said the Government would continue to help provide opportunities for singles to interact, for example, via the Social Development Network.

But it does not, he added, feel the need at this point to review and add to the Marriage and Parenthood package last amended in 2008, though it might do so next year or in 2013.

"We thought \$\$500 million would be incentive enough to increase TFR in 2001 ... It did not improve." An enhanced \$\$800-million package in 2004 "helped a bit by slowing down the decline", and the sum was doubled to \$\$1.6 billion three years ago.

"If we know that putting more resources there, doubling it to S\$3 billion will help, it can be guaranteed - then we may consider. But we also know that putting more money does not guarantee a higher TFR ... There is no magic bullet," he added.

Will more parental leave in future be out of the question? While "not ruling anything out", Mr Wong noted that statistics showed leave policies did not have a significant impact on birth rates. Despite offering generous paid leave, Taiwan has the world's lowest TFR at 0.91. Conversely, even though the United States government offers no paid leave, the country has a high TFR of around 2.1, the replacement rate.

Mr Wong emphasised that a solution was not just a matter of taking what works elsewhere and trying to apply it here - societal context mattered.

What is also clear is that "society as a whole" has to have "a mindset change of how we see marriage and how we see children". "It's not just the Government doing it alone, the individual must feel that he wants to get married," he said. "We can only facilitate, can only help along, and be guided by the social trends."

So what if society one day in future sees more Singaporeans having children outside of marriage - would the Government consider the Nordic model? "Well, when the day comes, we may just do this too. But ... the Government doesn't want to lead social trends in some of these value-loaded issues."

Demographic specialists interviewed by Weekend Today agreed that Singapore society for now was starkly different from Nordic societies, indicating measures that work there might not be applicable here.

"Where they (in Sweden) start from is a pro-individual approach - where individuals are supported in pursuing their aims and lifestyles - it didn't start out as a policy to encourage child-bearing," said analyst Yap Mui Teng, citing research published in 2005 by Germany's Max Planck Institute for Demographic Research.

As for births in those countries occurring outside marriages, Dr Yap, a senior research fellow at the Institute of Policy Studies, said that "although these parents may not officially get married, they are more or less in stable cohabitating relationships ... Sometimes they go on to marry after a child is born."

Focus groups for women's views on parenthood issues

In the eyes of Singaporean women, how can society or the Government make it conducive for them to marry and have children? That's the female perspective a group of women parliamentarians and activists hope to bring to the table, by providing feedback and suggestions to the Government.

The group, formed by Minister in the Prime Minister's Office Lim Hwee Hua, is planning to hold a series of focus group discussions from next month through to June.

Kicking things off with be a session for stay-at-home mums on March 10. Other target groups lined up include unmarried working women, tertiary students, working mothers, those recently married and women with no children.

Minister of State for Environment and Water Resources Amy Khor, who along with other MPs will help lead the discussions, said: "Being working mothers ourselves, we recognise that different segments of society - be it home-makers, young adults or new parents - would have different needs and concerns. Our focus is to draw out their views more deeply, and have more in-depth insights on the challenges that they face in the areas of marriage, family formation and child care."

The group will analyse the feedback and release its findings and recommendations.

Making S'poreans a minority here is the last thing the Government wants.

It is "misguided" to think that the Government is taking the shortcut by importing migrant labour simply to "substitute Singaporeans", said Deputy Prime Minister Wong Kan Seng.

"That's the last thing we want ... We don't want Singaporeans to be the minority in our society. If we could, we would like to depend on our own people to replace themselves," he said.

But with the fertility rate faltering, bringing in foreigners is a measure to grow the economy for now.

Last year, in fact, the number of new permanent residents (PRs) dropped to 29,000, from nearly 60,000 the previous year. While the economic downturn was a factor, it was also a conscious move on the Government's part to tighten the selection criteria, said Mr Wong.

"While you want to admit a certain number as PRs so they can be here on a more permanent basis, it cannot be such a large number that in bad times, they will still be with us ... we do subsidise them in some way."

Mr Wong added: "It doesn't make sense at all for people to think that the Government will bring in foreign labour for the purpose of keeping Singaporeans out, out-competing them, taking away their jobs and so on ... No reason why the Government should do this silly thing. You know that we are not a silly government."