

Qualifying date for enhanced Marriage and Parenthood Package moved to 17 Aug 08 to benefit more Singaporean babies

The Government has decided to extend the qualifying date for the Baby Bonus and other measures in the enhanced Marriage and Parenthood (M&P) Package to **17 Aug 2008**, the date of Prime Minister Lee's announcement at the National Day Rally. This move is made in response to appeals from expectant mothers and fathers whose babies are due before 1 Jan 2009. While the expectant parents understand that the relevant Government agencies need time to put in place the necessary legislative and administrative changes to implement the new measures and policies, they have requested for the Government to make special provisions for them so that they can also benefit from the enhanced M&P Package.

With this extension, parents of babies born on or after 17 Aug 2008 will qualify for the benefits in the enhanced M&P Package, subject to the following:

- Actual payment of the enhanced Baby Bonus and subsidies will only be made after the necessary legislative and administrative changes are completed;
- Employers will be encouraged to allow their eligible staff to claim the additional maternity, infant care and childcare leave provisions and extend the enhanced protection to pregnant employees from 17 Aug 2008; if they do so, the Government will pay for its share of the additional leave to be taken. When the necessary legislative and administrative changes are completed, employers will be required by law to provide the relevant leave options to eligible employees;
- Parenthood Tax Rebate (PTR) will still apply to all eligible citizen births from 1 Jan 2008; the enhanced tax reliefs (i.e. Qualifying Child Relief/ Handicapped Child Relief and Working Mother's Child Relief) can be claimed for income earned in 2008.

Government co-funding for assisted reproduction technology (ART) treatment will be effected from 17 Aug 2008. These changes will further improve what is already a comprehensive and enhanced M&P Package by including more parents and babies in its coverage.

In announcing the change, DPM Wong said: "The Government wishes to reiterate its commitment to support and assist citizen couples who wish to get married and have children in Singapore. While it wishes to be as inclusive as possible, there is a need to start the new measures at a specific date. In considering the feedback from some expectant parents and moving the qualifying date to the time of announcement on 17 Aug 2008, more couples will now be able to benefit from the enhanced M&P Package. The Government hopes that employers would be able to do their part and support the enhanced leave provisions even though these will only take effect when the laws are amended. The Government aims to do this by October 2008."

Summary Table

A summary table showing the various measures in the enhanced M&P Package and the revised qualifying date, where applicable, is attached for easy reference:

Measure	What it means	Qualifying date
Parenthood Tax Rebate (PTR)	Working parents can claim the PTR of \$5,000 for the 1st child, \$10,000 for the 2nd child, and \$20,000 per child for all subsequent children	1 Jan 2008
Qualifying Child Relief (QCR) and Handicapped Child Relief (HCR)	Working parents can claim \$4,000 per child under the QCR or \$5,500 per child under the HCR	Year of Assessment 2009
Working Mother's Child relief (WMCR)	Working mothers can claim the WMCR at 15% of their earned income for the 1st child, 20% for the 2nd and 25% per child for all subsequent children	Year of Assessment 2009
Enhanced Baby Bonus	<p>Parents can get a cash gift of \$4,000 for the 1st and 2nd child, and \$6,000 for the 3rd and 4th child</p> <p>Savings to the child's Children Development Account will be matched dollar for dollar up to \$6,000 for the 1st and 2nd child, up to \$12,000 for the 3rd and 4th child, and up to \$18,000 per child from the 5th child onwards</p>	17 Aug 2008 ¹
Subsidies for centre-based infant care and childcare	Working mothers will enjoy a monthly subsidy of up to \$600 and up to \$300 for infant care and childcare respectively	17 Aug 2008 ¹
Extended maternity leave	Working mothers can enjoy longer maternity leave of 16 weeks	17 Aug 2008 ²
Paid childcare leave	Working parents will get six days of paid childcare leave per year per parent if one has a child aged below seven years old	17 Aug 2008 ²
Unpaid infant care leave	Working parents will get six days of unpaid infant care leave per year per parent if one has a child aged below two years old	17 Aug 2008 ²
Enhanced protection for pregnant employees	Employees will still receive maternity leave benefits if they are dismissed without sufficient cause within the last six months of pregnancy or retrenched within the last three months of pregnancy	17 Aug 2008 ²
Government	Government will co-fund 50% of ART treatment received	17 Aug

Co- Funding for Assisted Reproduction Technology (ART) Treatment	at the public hospitals, up to \$3,000 per treatment cycle, for a maximum of three cycles per Singaporean couple	2008
---	---	------

¹ Payments will take effect after relevant legislative and administrative changes are completed.

² Employers will be encouraged to start this from 17 Aug 2008 and the Government will pay for its share of the leave provisions; upon completion of relevant legislative and administrative changes, they will be required to do by law.

Background

The enhanced M&P Package was announced by Prime Minister Lee Hsien Loong at the National Day Rally on 17 Aug 2008 and unveiled to the media on 19 Aug 2008 by Deputy Prime Minister Wong Kan Seng in his capacity as Chairman of the National Population Committee (NPC).

Under the enhanced M&P Package, Singaporean couples would be able to claim the higher Parenthood Tax Rebate (PTR) if their children were born on or after 1 Jan 2008. Together with other Singaporean couples whose children were born before 2008, these parents can also claim the enhanced tax reliefs for income earned in 2008. This would result in substantial tax savings for working couples with children as announced by DPM Wong and elaborated by Finance Minister Tharman Shanmugaratnam at the media conference on 19 Aug 2008.

In terms of the Baby Bonus and other measures in the enhanced M&P Package, such as the extended maternity leave, new infant care leave and additional childcare leave, and the increased infant care and childcare subsidies, the implementation date was originally set at 1 Jan 2009 to enable the relevant legislative and administrative changes to be carried out.