

# Speech by Senior Minister of State, Josephine Teo, on population at the Committee of Supply

## *Great Place for Families and a Cohesive and Open Society*

I thank members for their thoughtful questions and comments.

It is near to the end of the debate and I started to reflect. On numerous occasions in this debate, members spoke about the “Singaporean Core”. Clearly, it is something we all care deeply about.

In fact, the work of NPTD has very much to do with strengthening our “Singaporean Core”. In promoting marriage and parenthood, we are growing the Singaporean Core from within. Through efforts to keep in touch with Overseas Singaporeans and catalyse integration of new citizens, we aim to keep Singapore cohesive and open, to become stronger as one even as we spread our wings, and as we welcome new members to our Singaporean Family to supplement and expand the core.

Members know by now that I would very much like to share some thoughts on how we can strengthen support for marriage and parenthood, because it is of vital importance that we can grow the “Singaporean Core” from within. But please allow me to start by first giving an update on our efforts to keep in touch with Overseas Singaporeans, integrate new citizens and stay open as a society.

## **A COHESIVE AND OPEN SOCIETY**

### Keeping in touch with Overseas Singaporeans

There are now more than 210,000 Singaporeans living, working or studying overseas for extended periods of time. Ten years ago, it was just 160,000. This is remarkable; 30% more over 10 years. It shows how Singaporeans are increasingly mobile and welcomed by employers and educational institutions internationally.

One interesting result is that we now have more “Singapore Citizens by Descent”. What does this mean? This refers to children born overseas to fathers or mothers who are Singapore Citizens. The only difference with Singaporeans by birth is that they are born overseas. As more Singaporeans work and live abroad, the number of such babies has increased by about 15% in the last 10 years. From 2006 to 2010, the average number of “Singapore Citizens by Descent” was around 1,200 annually. In the first half of this decade, the number was around 1,400 annually, on average.

The Overseas Singaporean Unit, or OSU, reaches out to our Overseas Singaporeans to connect them back to Singapore, through nurturing close-knit, vibrant Singaporean communities overseas. Whenever Ministers have official duties overseas, we make it a point to catch up with our Overseas Singaporeans.

### Gelling as one

Similarly, we must make an effort to help all citizens, the new and the not-sonew, to gel as one. Mr Darryl David asked about this.

As members know, immigration helps us to top up and improve the age balance in our citizen population. Our aim is to prevent our citizen population from shrinking. And what that means is

that we have kept a calibrated pace of immigration. Last year, 20,815 Singapore Citizenships were granted, and this included 1,600 or 8% of those “Singapore Citizens by Descent”. The population of Permanent Residents remained stable; 29,955 new PRs were granted.

By the time they are conferred citizenship, most new citizens have been living here for years, and many have also established family ties with other Singaporeans. In fact, one reason Singapore feels like home to them is the openness and sense of welcome that many Singaporeans generously extend to newcomers. It is not surprising because in many Singaporean families, it is quite common nowadays to have in-laws who are foreigners. More couples these days have wedding receptions in two or more countries because that’s where the family networks extend.

Nonetheless, the Government must do its part to help new citizens deepen their sense of belonging. Therefore, since 2011, all new citizens have been asked to participate in the Singapore Citizenship Journey. This is a programme that reinforces Singapore’s values and norms, and facilitates further involvement in the community. It also properly welcomes new citizens into the Singaporean family.

But it is clearly not enough. New citizens need to get involved in all aspects of local life, such as learning to speak local languages, and some say Singlish also; interacting with their neighbours; adapting to local behavioural norms; and taking an interest in issues that concern their fellow citizens. Most important of all, they must understand our roots as a multi-racial and multi-cultural society, where each community enjoys our common space and interacts respectfully with one another. In fact, they must imbibe it and make it part of their multiracial, multicultural identity.

### Staying Open as a Society

At the same time, Singaporeans have an important contribution to make. Besides reaching out to new citizens and strengthening cohesion, we should stay open as a society to people of diverse backgrounds, which both Mr Darryl David and Ms Rahayu Mahzam spoke about. It goes hand-in-hand with being a society that is open to new ideas and innovation; that is capable of positive change and has the capacity for excellence.

The open-mindedness of young Singaporeans gives us reasons to be hopeful.

Sometime last year, a group of undergraduates at NTU’s Wee Kim Wee School of Communications started a campaign with a simple yet inviting slogan “Come, Let’s Eat”. This initiative brought a great diversity of people together through the universal language of food – one language that we all understand. Singaporeans shared our local flavours at cooking classes. And the foreigners reciprocated by hosting local foodies at restaurants serving their hometown cuisines. At the signature event which they named “Global Potluck”, 80 participants tasted dishes such as Turkish meatballs, German potato salad, and of course, our very own “popiah” and “satay”. Although the campaign lasted just a few months, participants made new friends and still keep in touch through social media.

These ground-up initiatives are modest but sincere efforts by individuals and groups to keep Singapore an open society. The Government provides support through the Community Integration Fund. Since 2009, we have disbursed \$13 million to over 660 projects by about 270 organisations.

But it is really the passion for Singapore, the conviction that we have something special to share, the spirit of generosity and openness that has motivated the organisers to keep the projects going. I want to thank the organisers and urge them to keep up their very good efforts.

### Developing a Strong Singaporean Core even as We Supplement our Workforce

Even with the addition of new citizens and PRs, our population does not fully meet our growing workforce needs. However, instead of growing our population more quickly, we have decided to press on with the restructuring of our economy towards one that is less dependent on manpower for growth. HCP

As a result, the growth of our foreign workforce has slowed considerably. Last year, it was the slowest since the Global Financial Crisis of 2009. Finance Minister Heng Swee Keat and Manpower Minister Lim Swee Say have spoken about the support that Government is giving to businesses to ease the crunch.

Minister Lim also outlined the many measures that the Ministry of Manpower is introducing to help Singaporeans adapt and grow. One such example is the Human Capital Partnership (HCP)<sup>1</sup> with the “triple strong” companies to nurture local talents into regional and global talents through skills transfers. These efforts are aimed at strengthening the Singaporean Core in our workforce, so we can better manage the need to supplement our workforce, and as much as possible, keep them to specific job roles such as those requiring skills that are hard to find among Singaporeans.

At the same time, MOM is stepping up efforts to build a strong Singaporean core in the workforce, and to strengthen our global competitiveness. For example, through tightening work pass applications for employers that are identified to be “triple weak”<sup>2</sup> In addition, through the SkillsFuture initiative led by Minister Ong Ye Kung, we will help Singaporeans stay relevant and participate meaningfully in the workforce at every stage of their lives.

Our vision must be a Singapore that is cohesive and open, where Singaporeans feel a sense of connectedness wherever they are in the world, confident to move forward as one, and at the same time, have the capacity to welcome new additions to our family whether for a period of time or for good.

Such a Singapore will be a worthy place for each one of us to nurture our families in.

## **A GREAT PLACE FOR FAMILIES**

Let me now turn to marriage and parenthood, and how we can grow the Singaporean Core from within. But first let me thank Mr Thomas Chua for sharing with us the story of Xi Xia. He has very poignantly reminded us that marriage and parenthood, birth rates and population are ultimately about economic vitality, our defence capacity, and in the long term, our nation’s survival.

### Stable Marriages and More Births in 2015

First, some good news. Last year, we had 23,805 citizen marriages. This was the second highest in more than a decade, only very slightly lower than the high of 24,037 in 2014. We welcomed nearly 34,000 Golden Jubilee babies, which was the highest in more than a decade, more than even the 2012 Year of the Dragon. Our total fertility rate (TFR) in 2015 was 1.24, slightly above the average TFR of 1.22 in the first half of the decade.

The question on members’ minds is, naturally, can we boost our TFR further? This is not a trivial question as I explained in an op-ed for The Sunday Times recently. Besides researching other countries’ experiences, I have taken a few months to consult people including: parents – some with few kids and others with many, whether they are young or grown-up; young people who have yet to date or marry; and scholars who have studied the subject for years.

The short answer to this question is “yes, I believe our TFR can go up, but if and only if the whole of Singapore society gets behind this effort.”

I am optimistic because aspirations for marriage and parenthood remain very strong. However, there is no silver bullet, no single policy intervention, not even a set of policy interventions that will boost TFR. We need the collective efforts of the whole of society, by which I mean employers, co-workers, community organisations, and businesses all being supportive, in words and in deeds.

Ultimately, people now marry and have kids because they want to, not because they have to. This being the case, it is my belief that there are three important elements that help individuals decide in favour of marriage and parenthood, and that is, when they feel that these are achievable, enjoyable and celebrated. Let me elaborate.

#### #1 – Ensuring Marriage and Parenthood is Achievable

I found a strong sense of responsibility among young Singaporeans that was admirable. They want to have stable jobs and build up some financial resources before settling down. And actually that is achievable in Singapore. Our unemployment rate has been among the lowest in the world, consistently. Employment levels are high across all age groups. Income growth may have moderated as our economy matures, but it is still positive. With the efforts we are making to restructure industries and update skills, good jobs and income growth remain within reach, including for future generations.

A second important factor for young Singaporeans is home ownership. Thankfully, we have an extensive public housing programme that has kept home ownership affordable. Many young couples are able to own their first marital homes through the BTO programme, something unheard of in most cities. The majority of those who purchase BTO flats in non-mature estates do not pay anything out of pocket for their mortgage instalments. That's a great help to family finances.

Mr Melvin Yong and Mr Saktiandi Supaat have asked if we could shorten the average waiting time for BTO flats. Waiting times for BTO flats are currently about three to four years, depending on the design and site constraints of the project. HDB builds flats ahead of orders, but in a measured way. The Government understands Singaporeans' aspirations for home ownership, and MND will continue to focus on helping young couples own their first home.

HDB also introduced the Parenthood Provisional Housing Scheme (PPHS) in 2013 for couples waiting for their flats to be completed. PPHS offers HDB flats at below-market rental rates. About 1,800 families have benefited from the PPHS, which were the first homes for 270 babies! PPHS flats have been offered in a range of mature and non-mature estates. Currently, we have about 150 PPHS flats available for application in Tiong Bahru and Jurong. Thus far, the supply of PPHS flats has been sufficient to meet demand and we will continue to monitor the take-up rate.

There are also measures to help families live closer to each other for caregiving support, a point Mr Louis Ng raised. He mentioned the 3Gen flats. The priority for BTO housing to couples who want to live with or near to their parents has also been offered. Resale flats are another option, and with the new Proximity Housing Grant for those buying a resale flat near their parents, couples can enjoy up to \$90,000 in housing grants for their first home. And I think we saw in the papers today that more than 2000 families have benefitted from the Proximity Housing Grant.

Another key factor is quality childcare that is accessible and affordable, as noted by Ms Tin Pei Ling and Mr Leon Perera. Parents want to have peace of mind knowing that their children are well looked after while they work. They also want their children to socialise and learn.

MSF, ECDA and MOE have been working jointly to increase childcare provision. More than 30,000 childcare places have been added since 2013, most of which are in HDB estates. There will be 10,000 more by the end of next year, especially in the newer estates. This will help to improve accessibility and make it closer to homes. About 30% of childcare centres are also

located near workplaces. Childcare subsidies are available to all parents and additional means-tested subsidies are available to help lower and middle-income families with childcare costs.

However, there are gaps that we can plug. For example there are parents with infants and who have no family support. I thank Ms Tin for the creative approaches that she has suggested, for example the online directory and linking up aunties in the estates to the parents who need infant care support. NPTD will study these ideas together with MSF.

Our goal is to improve childcare provision so all parents who need it can access and afford it. This is the way for couples and even singles to see that their aspirations for parenthood are achievable. Much progress has been made, and I know Minister Tan Chuan-Jin is fully committed to this goal. Similarly, Minister Ng Chee Meng and MOS Dr Janil are also doing their best to support this effort in the MOE.

Mr Darryl David made important points about giving parents a sense of support throughout their parenting journeys. In particular, we will give greater support to new parents in the year before and after the birth of their babies.

Minister Heng had announced earlier that we will double the Medisave withdrawal limits for pre-delivery costs from the current \$450 to \$900. As a result, the majority of subsidised deliveries in public hospitals will have their bills fully covered by Medisave, including pre-delivery expenses.

We have also enhanced the Child Development Account or CDA. Previously, parents had to first save into the CDA to receive the dollar-for-dollar matching by the Government. We have introduced the CDA First Step to provide the first \$3,000 into CDAs, without parents having to save first. Parents who deposit savings into their children's CDAs will continue to enjoy dollar-for-dollar matching, up to the remaining Government contribution caps.

These two initiatives complement the other Marriage and Parenthood benefits like the Baby Bonus Cash Gift and parenthood tax rebates and reliefs.

Families are also supported in other areas. Education is of high quality and heavily subsidised from primary to post-secondary and even tertiary levels. An increasing number of student care centres help address the care-giving needs of working parents. MOE has said that all primary schools will have student care centres by 2020, not so far away. More help is also provided to needy families, including through new measures like KidSTART and the Fresh Start housing scheme.

Taken together, there is significant support for marriage and parenthood. As members can see, there are many programmes and initiatives implemented by different agencies that support marriage and parenthood. They show the Government's strong commitment to make Singapore a 'Great Place for Families'. With the additional efforts and resources we are putting in, I hope more Singaporeans will see that marriage and parenthood are achievable. As Ms Tin says, marriage, parenthood and career are not mutually exclusive.

## #2 – Support Parenthood so it is Enjoyable

However, all the above are necessary but probably insufficient.

Mr Vikram Nair asked what we can learn from the developed countries. The example of South Korea suggests that even with abundant resources poured in by the Government, couples may still not want children or have more children. It has to do primarily with the lack of support by employers and co-workers. There are also unhelpful workplace practices and cultures resulting in long hours away from home. In Korea, there is a very strong sense of 'presenteeism', in other

words being present, with the implicit understanding that you do not leave work until your boss has done so. There is also a very prevalent culture of “hoesik”. It literally means staff company dinner; in practice, it means that employees go out for drinks and socialise after work. But this takes time away from family. These are workplace cultures that are not always helpful.

Dr Lim Wee Kiak pointed out child-raising costs continues to be a concern. And I recognise that. But there are several factors at play. Some have to do with lack of family support, and therefore there is a need to pay for help; whereas previously you could always count on your wife who was not working, or mum or mother in law who would stay at home. Some have to do with consumption choices, where parents opt to pay for more than the basics. It could also be due to the tendency to practise an intensive style of parenting which we see a lot of in Korea. In Korea, the parents put a lot of resources in helping the child prepare for school, and even prepare for what happens after school. These contribute to making parenting more stressful and less enjoyable. In the UK, childcare cost is actually not that low, but their TFR is good. Ms Sun Xueling observed that targeting parents’ cost concerns alone will not be sufficient. I agree with that.

Another important lesson is that employers did not implement family-friendly practices out of altruism or charity. Instead, they saw these practices as a competitive advantage, necessary to attract and retain capable staff and helpful for productivity. For example, the Hertie Foundation in Berlin pioneered a Work and Family (Beruf-und-Familie) audit that is endorsed by the German government and adopted in Austria, Hungary and Italy. Audit findings indicate that family-friendly employers with scores in the top quartile had significantly better business outcomes than companies in the bottom quartile: 41% lower absentee rates; 32% higher motivation rates; and 23% higher employee productivity. Therefore, in response to Mr Thomas Chua’s comment, family-friendly practices may in fact complement efforts to improve productivity and we would like to see how this can be strengthened.

Germany’s TFR is however not as high as the Nordic countries and France. Researchers believe it has to do with traditional expectations held in Germany until very recently, that good mothers must stop work to care for their children. This has made it harder for German women to enjoy both career and parenthood, even if they did not face discrimination at work. In contrast, women in the Nordic countries and France do not face similar pressures. They can continue to pursue their career aspirations, which as Mr Saktiandi rightly pointed out, should also be the case in Singapore.

I agree with Mr Saktiandi and Ms Tin that discrimination against pregnant women or parents is not acceptable. In 2013, we enhanced legal protection for pregnant women against retrenchment or dismissal without sufficient cause. Beyond legislation, the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) has also stepped up efforts to promote fair, responsible and progressive employment practices.

I also agree with Ms Tin and Mr Desmond Choo that flexible work arrangements help employees better manage work and family commitments, and as a result they make parenting a more enjoyable process. MOM offers businesses the Work-Life Grant, which provides up to \$160,000 to support companies in piloting, implementing and sustaining flexible work arrangements. The take-up of the Work-Life Grant is improving but I think more can be done. We support Mr Choo’s suggestion, in particular to work with the tripartite partners to explore how flexible work arrangements can be promoted in a more targeted manner in different sectors.

We should also support and show understanding towards nursing mothers, a point Mr Alex Yam has made. SMS Dr Amy Khor had spoken about the health benefits of breastfeeding. However, a 2011 survey<sup>3</sup> showed that only 1% of mothers in Singapore have been able to sustain exclusive breastfeeding to the six-month mark. This is much lower rate than in other developed societies, including Australia (18%), South Korea (11%) and Taiwan (50%). During my focus group

discussions with parents, many shared that they would like greater employer and community support for breastfeeding.

One enlightened local company Yang Kee Logistics is a good example. Breastfeeding mothers enjoy the privacy of a nursing room. Employees can also use a specially designed Children's Corner if they need to take the children to work, for example, when a childcare centre is closed for the day. Ahead of legislation, fathers already enjoy two weeks of paternity leave, and an extra two days to spend more time with their newborns. Yang Kee is not a big company - they have about 250 employees.

When parents feel supported by their employers and co-workers, they tend to enjoy parenthood more and therefore be more motivated to have more children. Their single colleagues too, take the cue and will likely be more favourable towards marriage and parenthood.

The wider community plays an important role too. Mr Alex Yam shared his difficulties about changing diapers. Therefore, we hope there will be more developers of shopping malls and commercial buildings that will improve facilities for parents. They can take advantage of BCA's Accessibility Fund which provides 40% of the construction costs of family-friendly features. But after they build these facilities, I agree with Mr Yam that the buildings must open them and let people use them. Mr Saktiandi talked about the ease of travel on public transport for young parents, and indeed LTA introduced the priority lanes which will apply to pregnant women as well as families with children in strollers. But I do agree with him that we should do more in this area.

Ms Sun Xueling suggested having more child-friendly community spaces and self-help community groups for parents. I recently came across an online support group called Daddy Matters. The group told me "sometimes we just need a listening ear and to share tips". Indeed, parents' best coaches and confidantes are often other parents. So I hope there will be more of such organic support groups.

One aspect of my investigations was puzzling. France, the UK and the Nordic countries all provide strong support for parents. But even then, their TFRs differ. Among them, France has consistently had the highest TFR of nearly 2. The UK, in which childcare is less organised and state support less generous than in the other countries, has a sustained TFR of 1.83. This is higher than the average TFR in Finland and Denmark of about 1.7 where childcare is actually very well organised and fully supported. For reasons that are not completely understood, it seems that there are other factors that influence TFR, such as historical, geographical and other socio-economic factors. Another factor could be the way society values and celebrates families and children that make people want to have kids.

Respected sociologist and former NMP Assoc. Prof Paulin Straughan once observed that "no one is going to give you a prize for getting married and having kids!" She believes this explains why some people are not taking proactive steps to find a partner, to settle down and start families. I therefore

fully support calls by Ms Sun and Mr Alex for a whole-of-society effort to foster positive mindsets toward marriage and parenthood, and shaping supportive social norms.

Those of us who have had the privilege of being parents know how transformational the experience is. There are indeed many sacrifices parents make – sleep, personal time, freedom, and stretch marks – to name a few. But nothing quite compares to the joy of holding your own child, the knowledge that you gave life, and the relationship with a precious human being. And as Mr Alex Yam and Mr Darryl David have pointed out, fathers feel these emotions just as strongly as mothers do.

We must as a society continue to celebrate parenthood, celebrate having babies and celebrate families. It is in this spirit, that I am announcing some enhancements to our parental leave provisions.

We will **legislate a second week of paternity leave for all fathers of Singapore citizen children born from 1 January 2017**. So if you start now, there is good time. In addition, we will **increase flexibility for couples in caring for their newborns by increasing shared parental leave from 1 week to 4 weeks, for citizen children born from 1 July 2017**. As with the current one week of shared parental leave, the four weeks will be shared from the mother's maternity leave. With the enhancements to paternity leave and shared parental leave, fathers will be able to take up to 8 weeks of leave<sup>4</sup> – about 2 months – in the baby's first year.

To support couples who adopt, we will **increase adoption leave for adoptive mothers, from the current 4 weeks, to 12 weeks for infants younger than one year old**. This will be effective for children adopted **from 1 July 2017 onwards**. Adoptive fathers will also be able to share 4 weeks of their spouse's adoption leave.

I'm aware that even as parents-to-be cheer these leave enhancements, some businesses, including SMEs, with higher concentrations of male staff may have concerns, as Mr Thomas Chua and Mr Desmond Choo have highlighted. In fact, the Association of Small and Medium Enterprises has also shared concerns with us. It is also out of concerns for businesses and the employability of parents that we assess Mr Louis Ng's suggestion for extended childcare leave, or to peg a parent's childcare leave entitlement to the number of children, to be impractical for now.

We have timed this round of leave enhancements to give employers some time to adjust and plan. In addition, the Government will fully fund the enhancements to the paternity and shared parental

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We hope employers that are in a position to do so, start to extend paternity leave even before legislation kicks in so that parents of children born earlier can also benefit. As I shared earlier, the extra benefits should be thought of as important and powerful signals to your employees about your commitment towards family-friendly practices.

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## Conclusion

Madam Chair, this is the first time during COS that I'm wearing the NPTD hat.

I have chosen to focus on two main aspects of our work: how we can promote marriage and parenthood so we can grow the Singaporean Core from within; and how we keep Singapore cohesive and open, where Singaporeans feel connected and confident, as we supplement and expand the core.

Our overall vision for Singapore is a sustainable population that enables all our citizens to enjoy a good standard of living, for this generation and long into the future. It starts with making sure that Singapore is a “Great Place for Families” so that marriage and parenthood are **achievable, enjoyable and celebrated**. But it does not end there. The continued story of Singapore and all of

us who have chosen to make it our home is best described by former DPM Mr S Rajaratnam. He said: “Being a Singaporean is not a matter of ancestry. It is conviction and choice.”

Our vision requires conviction and choice. It will take all of our collective efforts to build on our Pioneers’ legacy, to keep Singapore our best home - Cohesive and Open, and a Great Place for Families. I invite you to be a partner on this journey.

<sup>1</sup> The programme aims to (a) help companies tap on SkillsFuture to strengthen the Singaporean Core at all levels in “triple strong” companies, and (b) help these companies bring in foreign talent with the expertise to strengthen and transfer capability to our local PMETs.

<sup>2</sup> Companies that (a) have significantly lower percentage of Singaporean employees compared to industry norms, (b) do not have firm commitment to nurture and strengthen Singaporean core for the future, and (c) whose absence will not significantly affect the development of our economy and society.

<sup>3</sup> By Health Promotion Board

<sup>4</sup> Comprising 7 weeks of paid leave (2 weeks of Paternal Leave, 4 weeks of Shared Parental Leave and 6 days of childcare leave), as well as 1 week of unpaid infant care leave.

<sup>5</sup> Regarding adoption leave, the Government will fund 8 weeks and employers will fund 4 weeks, for the first two children. The Government will fund the full 12 weeks for the third and subsequent children. This is similar to the arrangement for Maternity Leave.

[Summary of support measures for marriage and parenthood - Infographic \(1mb, pdf\)](#)

[Details of key initiatives to support Singaporean families - Factsheet \(342kb, pdf\)](#)