

# Speech by Minister Grace Fu on population, delivered at the Committee of Supply

## “SHIFTS TOWARDS BALANCED APPROACH FOR SINGAPORE’S POPULATION”

Madam Chairperson, let me start with an overview of the changes in our population in the last one year.

### OVERVIEW OF CHANGES IN OUR POPULATION

Last year, our citizen population grew at a steady pace of 0.9% to 3.31 million through births and immigration. Our total fertility rate (TFR) was 1.19<sup>1</sup>, and we welcomed over 31,000<sup>2</sup> Singaporean babies. This was fewer than in the 2012 “Dragon Year”, but more than 2011, the “Rabbit Year”.

To mitigate the shrinking and ageing of our citizen population, we continued a calibrated approach of granting about 20,000 Singapore Citizenships (SCs) and 30,000 Permanent Residences (PRs) in 2013, to those we assessed to be able to contribute and integrate well into our society. This has kept our PR population stable at about half a million for the last five years.

With the tightening of our foreign manpower policies to slow down population growth, foreign workforce growth in non-construction sectors<sup>3</sup> halved to 3.5% in 2013 compared to 7.1% in 2012. The bulk of the foreign manpower growth was in the construction sector to speed up our major infrastructure projects such as in housing and transport. As a result, our total population growth fell to 1.6% last year. This was the slowest population growth in the past nine years, and almost half the average rate of 3.1% from 2004 to 2012.

As committed in the Population White Paper, we have embarked on a new strategic direction in our population policies to bring about this slower and more sustainable pace of population growth. Our goal is that Singapore continues to be an endearing home, and a good place for Singaporeans to live, work and play.

### CARING FOR SINGAPOREANS

#### (I) Integrated and Holistic Support for Marriage and Parenthood

Caring for Singaporeans remains at the heart of our population policies. In the last few days, the House discussed how we will help our pioneer generation and older Singaporeans. We are also supporting our younger Singaporeans in their aspirations to get married and have children. One of my colleagues in the National Population and Talent Division (NPTD) said this to me recently: “Encouraging people to get married and have children is not about numbers or pushing up our TFR. I encourage others to start their own families because I have enjoyed 11 years of marriage; we have three wonderful children, and I want others to experience that too.” What he said captured the spirit of our work at NPTD.

Our vision for Singapore is one that is supportive of family formation, where employers, relatives,

communities and Government support couples at every step of their marriage and parenthood journeys. A Singapore where care options are widely available and can be used flexibly to help parents with differing needs to balance their work and family commitments; where dads and mums both play important roles in raising children; and where parenthood and family are celebrated and respected throughout society.

We know that the decisions to get married and have children are not easy. This is where families, neighbours, community, institutions, employers and the Government all have a role to play. **Mr Gan Thiam Poh, Mr Lam Pin Min and Mr Dhinakaran** have asked what more can be done.

### *Finding a Life Partner*

First, is to help our singles find a life partner. I have often asked the young Singaporeans during my course of work, whether in my constituency or civil service, if they are single, dating, or seeing someone seriously. Their common responses range from “no time”, “no money”, to “no right person”. I always tell these young colleagues to make time for themselves.

Recently, I met a relative who told me about his worry for his single daughters, two of them, both successful career-wise, out-going and good-looking. When he pressed his daughters to get married, they retorted, “What for?” The answer took him by surprise. But on further reflection, he realised that his daughters, like many in Singapore, were no longer looking to marriage for financial security or companionship. After thinking very carefully, he now takes another approach. He said he is trying to create the environment for his daughters “to find love”. When they fall in love, the rest will follow, he reckons.

Madam, the subject of love does not fit naturally in this House, and neither is it one in which the Government is an expert. But I do think that this relative of mine has a point, and I wish more of us will, like him, be concerned about the future of our children, and help our children in any way that is suitable, whether it is to find love, to find the reason for wanting to start a family with a life partner, or for any other reasons. We need to tell our loved ones that we need to make time for things that matter, not wait for the “perfect timing”, and we have to prioritise and carve out our own opportunities. As a society, we should give our singles the support, encouragement and optimism to find a companion with whom they can build their family and their life together.

### *Housing Support*

For couples who wish to find a place of their own, housing is a common concern that we have been addressing. MND has ramped up the supply of new flats since 2011. Since the Parenthood Priority Scheme was introduced in January 2013 as part of the Marriage and Parenthood Package, almost 10,000 families have benefitted from this scheme. Among them, about half are expecting, or have young children below 2 years old. The Parenthood Provisional Housing Scheme has also helped over 800 families rent flats from HDB at an affordable rate, while waiting for their new flats to be completed. I am happy that these schemes are helping our Singaporeans. We will continue to work with MND and HDB to keep housing affordable and help couples get their flats faster.

### *Refining Financial Support*

Mr Lam and Mr Dhinakaran gave suggestions on improving the financial support given to parents, including more help with medical expenses.

Our approach here is to provide the best support, both broad-based and targeted, to help defray the costs of raising a child, while not undermining the principle that raising a child is ultimately the responsibility of the family, of the parents. This is why we enhanced the Baby Bonus cash gift last year, to further defray some of the expenses arising from having a newborn. We also have the Baby Bonus Child Development Account (or CDA), where savings deposited by parents are matched dollar-for-dollar by the Government. This money can be used for child development needs including child care, kindergarten and healthcare expenses. We recognise that the primary responsibility for the care and development of a child rests with the parents, and we encourage parents to save for their child's future by co-saving with them. To help parents have more time to save into and use the CDA, we extended it so that parents have 12 years to co-save into their children's CDA, up from 6 years previously.

Specific to healthcare costs, each citizen newborn receives a \$3,000 Medisave Grant, which helps to offset the costs of the child's hospitalisation, outpatient expenses and MediShield premiums. Many of the recommended childhood vaccinations can also be obtained free at the polyclinics, while parents who choose to vaccinate their children at private clinics can use their Medisave. We have also extended MediShield coverage to congenital and neonatal conditions diagnosed from 1 March 2013. Under the Medisave Maternity Package, couples can also tap on their Medisave funds to pay for pre-delivery and delivery expenses.

### *Infant and Child Care*

I thank **Mr Gan** for sharing Taipei's strategies to improve the accessibility and affordability of child care. I recently visited the Nordic countries to see how they supported families too. And we do review and consider the policies of various countries and societies in order to pick the best options for us. People in the Nordic countries have more children than Singaporeans on average, and more of the mothers are working. One of my key takeaways was the integrated support provided to parents, in terms of the comprehensive and high-quality child care services and options available at each stage of the child's life. From the moment the newborn arrives to when he or she completes primary school, there are options to support parents' needs to balance work and family.

Singapore already has many elements of such support. And we have the advantage of a strong family culture and networks, where grandparents and relatives also view child-raising as a family affair. Nevertheless, it is worthwhile taking a leaf from other countries, and studying what more we can do to further support working parents.

Over the past year, the Early Childhood Development Agency has significantly enhanced child care subsidies, helped to set up new child care centres, and appointed three new Anchor Operators for the early childhood sector. ECDA is also working to strengthen the manpower supply and improve the attractiveness and professionalism of the sector. These moves support our goal of giving parents more good quality and affordable options, both with caring for and developing their children. In this year's Budget, we also enhanced the Kindergarten Fee Assistance Scheme (or KiFAS) to provide more fee assistance to lower- and middle-income families, and expanded it to cover all Anchor Operators and MOE Kindergartens. The Minister for Social and Family Development will be providing more details in his speech on our efforts in this area.

## *Balancing Work and Family*

Workplaces and employers, too, have to play their part. We must foster a workplace environment and culture that supports family goals, and celebrate employers' efforts in doing so.

We introduced paternity and shared parental leave to encourage fathers to become more involved, and spend more time bonding with their newborn.

When children fall sick, or need to attend medical check-ups, parents need to take time off work. We extended child care leave last year to help parents through days like these. Both dads and mums can use their extended child care leave so they can be there for their children.

I would also like to call on employers to do more to implement and sustain flexible work arrangements, and take advantage of the Work-Life Grant under the Marriage and Parenthood Package. I visited OCBC Bank recently to learn about their family-friendly workplace practices, and was very heartened to hear that they had introduced pro-family measures such as paternity leave, family leave, and an in-house child care centre, even before some of these were legislated in the Marriage and Parenthood Package enhancements last year. OCBC told me that it was in its interests to have these family-friendly benefits to attract and retain talent.

Out of the over hundred children that were enrolled at the childcare centre at OCBC, about 80% belonged to children of OCBC staff. What they did was that they allowed a commercial space to be converted into a child care centre, sacrificing commercial rental; but they thought that it was a useful staff retention tool, and a welfare service for their employees, to have the space converted into a child care centre. Of the children that belong to OCBC staff, 40% actually belong to male staff, which means that the men who were working in OCBC were also taking care of their children, ferrying and picking them from the child care centre and so on. So it is quite heartening to see that the men are taking on a greater role, though not quite 50:50; but I think it is very encouraging.

I happened to visit OCBC on Valentine's Day, so the child care centre actually arranged for the children to visit their parents at their workplace, to give them a card, a nice flower, and a cookie. It is a very good way of engaging the staff, and I can imagine that the staff that benefitted from this would be loyal and committed to the workplace. The management of OCBC told me this was one of the reasons why some star female bankers decided to stay on with the bank, because they felt that this was a bank that cared. So I agree with Members that companies that invest in the facilities and policies that engage staff and allow staff to balance both their work and life choices, will be rewarded in the long-term. OCBC topped a list of the most attractive employers in the banking and financial services sector last year<sup>4</sup>.

Many employers like OCBC who pitch in to make a positive difference in their employees' family lives reap the benefits of more engaged, motivated and productive employees. As we tighten our labour market, employers who adopt family-friendly practices will be able to attract and retain good employees who want to achieve both family and work goals.

Going forward, we will continue to look into how we can improve the way we provide parents with greater flexibility and enable fathers to play an active role in taking care of their children. We want to help parents balance the needs of their children and their work, and we need the active

partnership of employers to be successful.

Overall, we have received encouraging feedback that the various support measures have given parents a greater peace of mind. The decision to have a child is a responsibility that goes beyond a financial one, and involves nurturing and caring for the child. We will continue to look closely at the needs of parents, take in feedback and suggestions, and refine our support as needed.

To all aspiring and existing dads and mums, as with anything in life that is worthwhile, you need to plan and create your own opportunities. We, as family members, friends, employers and the community, will be there to encourage and support you every step of the way as you embark on this challenging but immensely fulfilling marriage and parenthood journey.

## **(ii) Support for Singaporean Families with Foreign Spouses**

**Mr Lim Biow Chuan, Mr Png Eng Huat and Ms Tin Pei Ling** spoke about Singaporean families with foreign spouses, and asked if more could be done to support these families. Our approach here is for Singaporean families to be stable ones, and able to care for and support their family members.

To support the family and the foreign spouses as they settle in and integrate, we have a range of immigration facilities for foreign spouses, including the Long-Term Visit Pass (LTVP), and the Long-Term Visit Pass-Plus (LTVP+) introduced in 2012, which enable the spouses to be employed and have access to some benefits, and over time, progress towards naturalisation as PRs and citizens.

Various factors are considered when we assess applications from foreign spouses for PR or citizenship. These include the length of stay in Singapore, duration of marriage, whether the couple has Singaporean children from the marriage, and whether the Singaporean sponsor will be able to support the family. So like for like, the family that **Ms Tin** has described - stable marriage, with Singaporean children, stayed in Singapore for a long period of time - would stand a better chance than one that is newly married or does not have children.

Where the foreign spouse does not yet qualify for PR or citizenship, he or she could be granted an LTVP or LTVP+ to enable the couple to reside together in Singapore. The LTVP+ carries healthcare and employment benefits. LTVP+ also provides greater certainty of stay. It is valid for a longer period, 3 years in the first instance and up to 5 years for subsequent renewals.

I would like to assure **Mr Png** that we take into account whether there are compassionate grounds when we consider applications from foreign spouses. In this particular case, I think **Mr Png** was referring to a family member of a foreign spouse who has become a Singapore citizen. We have the stipulated response time of 6 weeks as stated on the ICA website. But for some cases, more time could be taken due to inadequate documentation, or reasons of concern. For applications like these, ICA would usually take a second look and perhaps could have taken more time than usual. But I have many experiences with ICA's application process, when it was indeed a truly urgent matter. For example, to support a newborn in a family or a critically ill parent, they do take an urgent review of the application and grant it expeditiously.

Aside from immigration facilities, we also have programmes available to help couples build a

strong foundation for their marriage, and help foreign spouses better integrate into Singapore society. We recognise the key role that Singaporean spouses and extended family members play in ensuring the integration of new foreign spouses into our society. Family members are best placed to introduce foreign spouses to our way of life and to help foster in them a strong sense of Singaporean identity.

## **REMAINING OPEN TO IMMIGRATION**

**Mr Faisal bin Abdul Manap** suggested granting citizenship to stateless individuals. Most stateless individuals who are 65 years and older are PRs. We will consider their citizenship applications on a case-by-case basis. **Mr Faisal** also asked about the circumstances leading to a person being stateless. It could be that this person has been staying here for a prolonged period of time, and this resulted in the lapse of his citizenship in his home country. He therefore no longer has a country in which he is a citizen. In other cases, for example one I have personally come across, a child was brought in and granted citizenship on the basis of being a child of a Singapore citizen. It was later found not to be the case, and the citizenship was revoked on the basis that the reason for which it was granted was not valid. The circumstances leading to persons being stateless are quite complex and could vary, and it could involve documentation lapses or lack of proper records. We need to treat these individuals on a case-by-case basis, and review the circumstances leading to the person being stateless.

**Mr Zainal Sapari** suggested requiring PRs to renew their status every five years. We already have a system which makes sure that our PRs continue to have strong links to Singapore. PRs are issued with a Re-Entry Permit (or REP) valid for a maximum of 5 years, allowing him to travel in and out of the country. To renew their REPs, PRs granted on economic grounds must show that they remain gainfully employed and are contributing to Singapore, while those granted on the basis of family ties must show that their roots are in Singapore and they continue to have valid family ties here. PRs who travel out of or remain outside of the country without a valid REP could lose their PR status.

PR applicants must demonstrate their commitment to contributing and sinking roots in Singapore. Those who exclude their sons from their PR applications in order to avoid serving NS will not be assessed favourably. ICA may also revoke the PR status of persons who have been convicted of offences and sentenced to a jail term.

We have provided information and statistics pertinent to immigration where possible, and will continue to do so. However, with regard to **Mr Faisal's** specific request on the number of applications from Malays or certain racial groups, we have explained in this House previously that, because of the sensitivities involved with source countries, we have not made such information available in detail to the public. But we do from time to time provide the profiles of our new citizens and PRs on a broad basis. If you would like the information, please look out for the periodic publications by the Department of Statistics (DOS), and by NPTD.

## **SEIZING OPPORTUNITIES, MANAGING CHALLENGES**

We have all along been open to people who seek out opportunity in Singapore, as a place of great promise, and they bring their skills, ideas and investments that have helped us develop quickly as a nation.

If we were to close our doors to foreigners, we will be shutting ourselves out to opportunities and innovation that is available to open and globally-connected cities. Our spirit of openness must therefore continue, as it enables us to capture opportunities, and helps Singaporeans attain good jobs and a high standard of living. We must connect ourselves with the world and be open to the flow of people, knowledge and resources. This applies to everyone who is interested in contributing to Singapore, including Malays, whom **Mr Faisal** referred to.

While we benefit from being open, we face challenges similar to other global cities. Singaporeans are concerned with being displaced. The greater diversity of people could lead to social tensions from cultural differences. The potential to leverage on growth is also not evenly distributed, leading to pressures on equity and fairness in our society. The greater density of people could lead to crowded spaces and discomfort if we are not able to plan well for it. On top of these, we need to uphold a strong sense of national identity, as we are both a city and a state.

We have been taking steps to address these challenges. We remain committed to having Singaporeans as the core of our workforce. We will continue to support local enterprises and ensure that Singaporeans are considered fairly for jobs. We are working with employers to provide opportunities for Singaporeans to upgrade, and to create inclusive and progressive work environments through measures such as Work Pro. The Fair Consideration Framework introduced recently will also help ensure that Singaporeans are considered fairly for jobs.

We have made the commitment to keep the ethnic proportion within our citizen population stable. So in reply to **Mr Faisal**, in 2030, the Malay citizen proportion will remain similar to what we have now.

The National Integration Council has worked with partners in our schools, workplace and the community to promote greater mutual understanding and respect among our people. We have reached out to improve the quality of interactions between Singaporeans, new immigrants and foreigners. The Council also supports ground-up initiatives from community, civic groups and individuals, leveraging on a wide variety of platforms, including sports and the arts.

A silver lining from the Little India riot is that we have employers who are now more focused on integrating or introducing workers to the practices and social norms in Singapore. I have a resident who is a project manager at a construction site, and he tells me that now, every day, besides safety briefings, he will also spend some time to advise his workers to observe social norms such as not littering, spitting and loitering in the void decks. I think that examples like these show that our employers are also doing their part, and we encourage more of them to pay attention to integration initiatives.

In debating the Population White Paper here in Parliament last year, the Government committed to ensuring that the benefits of our policies flow to Singaporeans. We have seen Singaporean wages grow as job opportunities are created, and also improvements in the way we support and care for our people, including in important areas such as healthcare and education, as well as increased support for low- and middle-income households.

We also committed to resolving the current infrastructure strains, and planning and investing in infrastructure ahead of demand. We have coordinated efforts to build new infrastructure at a faster pace, and are on track to provide more accessible public facilities, green spaces and higher transport connectivity. **Mr Inderjit Singh** asked what has changed in terms of the way we plan. I

think in terms of our long term planning, such as the URA Master Plan, the planning process remains the same. But I would say that our population growth is now being watched closely and regularly at a very senior level, to make sure that we keep within the planning parameters. So that is the assurance that we would like to give to Members of this House, that we are looking at how to moderate the growth of our population and we are taking concrete steps in that direction.

## **BUILDING A SHARED FUTURE TOGETHER**

This transformational journey will take time, and is not without its challenges. As the pace of population growth slows, we must strike a delicate balance between concerns over the inflow of foreigners, and Singaporeans' social, economic and infrastructure needs. We have and will continue to plan ahead to balance the trade-offs. This is a journey we can all work together to achieve, to build a shared future and a place we can proudly call home.

Thank you.

<sup>1</sup> Preliminary estimates.

<sup>2</sup> Preliminary estimates.

<sup>3</sup> Excluding Foreign Domestic Workers

<sup>4</sup> Randstad Award 2013: Most Attractive Employer (Banking & Financial Services)