

Parliamentary reply by DPM Teo Chee Hean on decline in Total Fertility Rate

THIRTEENTH PARLIAMENT OF SINGAPORE
WRITTEN ANSWER
MONDAY 19 NOV 2018

Miss Cheng Li Hui: To ask the Prime Minister with regard to our total fertility rate (TFR) (a) whether it is a concern that the figure has fallen to 1.16 in 2017; (b) whether the Government's pronatalist policies have been working; and (c) what further measures are necessary or are being considered by the Government to arrest the decline in TFR and to raise it in the long term.

Mr Teo Chee Hean (for the Prime Minister):

The Government takes the issue of our low total fertility rate (TFR) seriously. While marriage and parenthood are ultimately personal decisions, a persistently low TFR can have far-reaching implications on our economy and our society.

The decline in our TFR in recent years is in part due to a demographic shift. A relatively large cohort of young Singaporeans, many of whom are children of "baby boomers", are just entering the peak childbearing ages of 25-39. Many of these "echo baby boomers" are not yet married or have not yet started having children. This is consistent with our survey results, which show that while the vast majority of young Singaporeans want to marry and have children, they often have other life goals as well. Some decide to delay marriage and parenthood, in order to fulfil other aspirations like establishing a career or travelling the world first.^[1] Whether or not they eventually marry or have children will have a significant impact on our TFR.

Therefore, we must continue to support young Singaporeans and families to achieve their marriage and parenthood aspirations. In formulating our policies, we have studied the experiences of different countries (including the United Kingdom (UK), Germany, France, Denmark and East Asian countries such as South Korea). The elements that have made a real difference in raising birth rates include: (a) support for work-life through adequate parental leave, childcare and flexible work arrangements; (b) societal norms that embrace children and families, and encourage shared parental responsibility in raising children; and (c) support to defray the costs of raising children.

Singapore's marriage and parenthood policies aim to provide support in similar areas. We have invested significant resources and progressively enhanced the Marriage and Parenthood (M&P) Package over the past 17 years to provide support at each stage of the marriage and parenthood journey.

To enable parents to better manage their work and family responsibilities, we have enhanced parental leave measures and strengthened support for childcare and flexible work arrangements:

On parental leave, today, working couples can take up to 20 weeks of paid parental leave and two weeks of unpaid leave in their child's first year.

On childcare, the Government is committed to ensuring that every parent who wants a preschool place for their child will be able to have one, to give parents peace of mind that their children are well taken care of. ECDA has been steadily enhancing the provision of affordable and quality infant and childcare, with 40,000 more places to be added in the next five years. ECDA is also reviewing the preschool subsidy framework to improve affordability for parents.

We also encourage companies to adopt family-friendly practices such as flexible work arrangements and have launched the enhanced Work-Life Grant earlier this year, as well as a Tripartite Standard on Flexible Work Arrangements in 2017, to support companies in doing so.

To foster a stronger culture of shared parental responsibility, we have improved leave support for fathers to play a more active role in caring for their children. Last year, we made the second week of Paternity Leave mandatory, and increased Shared Parental Leave from one to four weeks. In total, fathers can take up to eight weeks of leave in the child's first year.

We have also enhanced our policies to address concerns about costs of raising children. From the Baby Bonus Cash Gift, Child Development Account (CDA) and MediSave Grant for Newborns, parents can receive up to \$18,000 per child for the first and second child, \$26,000 per child for the third and fourth child, and \$32,000 per child for the fifth and subsequent child.

We also understand that many couples aspire to own their homes before they start a family. HDB has worked to provide couples with faster access to housing. Last week, it launched the first batch of 1,100 Build-To-Order (BTO) flats with shorter waiting times of two to three years from point of application. Another batch of 2,000 such flats will be launched in 2019. HDB has also introduced a new flexibility earlier this year to allow deferment of income assessment for housing loans and grants till before keys collection, for young couples who are studying or, in the case of the male, serving National Service.

Together with our heavily subsidised education, public housing, and healthcare systems, these measures in our M&P Package seek to provide strong support for those who decide to marry and have children. We will continue to study ways to better strengthen this support.

We are mindful that no silver bullet or single policy intervention alone will boost birth rates. As the experiences of other East Asian societies (e.g. South Korea) have shown, encouraging couples to have children requires more than a package of support measures. For a decisive increase in our TFR over the longer term, mindset shifts among couples and the support of the whole of society are critical.

We must continue to encourage young Singaporeans not just to value but to prioritise marriage and parenthood as important life goals. As employers and co-workers, we can foster more progressive workplace cultures where employees, including young parents with caregiving needs, are supported in managing their work and family responsibilities. As a community, we can extend a helping hand or word of encouragement to young Singaporeans as they navigate through their marriage and parenthood journey. It is with such collective efforts from the whole of society that we can build a more family-friendly environment where marriage and parenthood are Achievable, Enjoyable and Celebrated.

[1] The 2016 Marriage and Parenthood Survey indicated that 83% of single Millennials (aged 21-35) want to get married, and 92% of married

Millennials want at least two children. However, the same survey showed that half of the single Millennials (54%) indicated that they wanted to focus on their career and studies before marrying. 77% said that travelling was an important life-goal.