

Private matters, public concern: Procreation issues in Singapore

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“Some may perceive that marriage and family are private matters, and that choices should be left to the individual. However, these can have collective impact on our nation.”

(Family Matters, 2002)

Summary

This paper discusses procreation issues in Singapore through the perspective of state's efforts in influencing fertility trends. It explores the intricacies in intervening with private matters such as marriage and procreation for a state much concerned with the collective impact that such private choices would have on a nation's future. The paper provides a background on Singapore's demographic trends and characteristics. Then it traces the relationship between fertility trends and development of fertility policies from post-war to 2003. Following which social characteristics impacting on fertility decline is examined. The paper then focuses on the 2004 'new package of measures to support parenthood' to examine characteristics of the new package and its potential impact. The paper concludes with further suggestions on population growth in Singapore.

Introduction

As the nation ushered in the Year of the Rooster, Senior Minister Goh Chok Tong publicly expressed hopes for young couples to give birth to more babies in his lunar new year wish (Lianhe Zaobao, 8 February 2005).

This is déjà vu to Singaporeans. In a news report titled “Singaporeans urged to have more children in Year of Monkey” in 2004, he had made the same wish in the same occasion. (Agence France Presse, 21 January 2004).

Such wishes and concerns are exactly what young couples in Singapore can expect to hear from their older family members and relatives as they gather to celebrate lunar new year. Procreation, although a private matter, often attracts well-meaning concerns from family members and relatives – not because of their worries over the impact of low fertility rates on the future of the nation – but more a reminder that parenthood should be a natural progression in one's cycle of life.

The state's concern over individual's decision in procreation, however, moves beyond mere reminders from concerned elders but displays genuine worries of declining fertility rate as a national problem that will have dire consequences on economic competitiveness and social sustainability. Population policies attempting to lift up fertility rate from below-replacement fertility levels have been in place since the 1980s. The 2003 unprecedented low of 1.25 births per Singapore woman, however, sounded a serious alarm to the state which has responded promptly with more baby-seeking policies in 2004. Population policies in Singapore have been of controversial interest to scholars from multi-disciplines. While demographers take interest in the rapid demographic transition and attempt to explain the role of policy intervention in fertility trends; particularly the

success of policy efforts in contributing to the jump of 13.6% in fertility rate over the previous year; feminists and others, on the other hand, often criticize the population policy as yet another evidence of the interventionist or even paternalistic nature characterizing Singapore government (Soin, 1996; Chua, 1997, Deng and Devan, 1995).

There is no lack of publications focusing on fertility behavior and policy responses in Singapore. Among the more recent works, Yap (2003) and Wong and Yeoh (2003) have provided comprehensive overviews of fertility policies from anti-natalist to pro-natalist periods. This paper contributes to the discourses by focusing the discussion on the most recent developments in procreation issues in Singapore. In particular, it analyzes the 2004 new fertility measures in comparative perspective and suggests evidence of a *softer touch* interventionist and responsive approach characterizing the new leadership.

The paper will begin with background information on Singapore's demographic trends and characteristics. This is followed by a section tracing the relationship between fertility trends and fertility policies from post-war to 2003. In the third section, social characteristics such as expanding number of singles, rising age of marriage and high female labor participation rate in Singapore are examined as factors which impact on declining fertility. The fourth section focuses on the 2004 measures to support parenthood before concluding remarks on options to sustain population growth in Singapore.

Demographic trends and characteristics

Singapore, a small city-state in Southeast Asia with land area of 697.1 sq km, is densely populated with 6004 persons per sq km. In 2004, Singapore has a population of 4.24 million¹, of which resident population – comprising Singapore citizens and permanent residents – made up about 82% of the total population².

The percentage of resident population in Singapore varies over the decades. A comparison over the last three decades shows the 1970s as having the lowest number of non-resident population, at 2.9% of total population (Table 1). This convergence in resident population and total population was a result of the then institution of controls governing citizenship registration after the Independence of Singapore in 1965, which prompted large number of residents to register as Singapore citizens. From the 1980s, as multinational firms made inroads into the county, the proportion of foreign population began to rise. The trend continues with successful policy initiatives to attract both low-skilled and high-skilled foreigners to help expand the economy. Since 2000, non-citizens have comprised about one-quarter of Singapore's population. In 2004, there were 350,000 permanent residents and about 800,000 foreigners residing in Singapore. 6,500

¹ <http://www.singstat.gov.sg/keystats/mqstats/indicators.html#population>

² Data on demographic trends and patterns as discussed in the paper refers only to resident population.

foreigner have become Singaporeans in 2003³. Hence foreigners account of much of the population increase and reflects falling fertility rate among the citizens. Foreigners are conspicuous both in low-end labor-intensive work such as construction, manufacturing and domestic work sectors; as well as high-end professional sectors such as engineering, information technology, biotechnology and finance. The expanding presence of foreigners depicts the government's strategy of importing labor to boost Singapore's economic edge in global competition⁴.

The past three decades is also a period witnessing Singapore's demographic transition from a bottom-heavy population pyramid to a middle-aging one as the post-war baby boomers enter their thirties. The extent of transformation, however, differs with different ethnic groups in Singapore. The Singapore population is characterized with three major ethnic groups since early 20th century. Although Malays were the majority in 1819 when Thomas Raffles Stamford founded the then small fishing village of Singapore⁵, large number of immigrants from China and India arrived by the turn of the century and constituted the labor force much needed to expand Singapore in entreport trade. The ethnic make-up since then has remained fairly consistent in proportion.

According to the 2000 census, the ethnic distribution was 76.8% Chinese, 13.9% Malays, 7.9% Indians, and 1.4% other races. These three major ethnic groups display significant differences in demographic and other socioeconomic characteristics. Among them, Chinese has the highest medium age at age 35, while the Malays have the lowest, at age 29. When comparing child (under age 15) dependency ratio among the different ethnic groups, Malays have the highest ratio of 45.6, Indians 35.4 and Chinese 27.0. Malays also have the lowest mean age at first marriage (22.1 versus Chinese at 24.6, and Indians at 22.7), and larger family size (Table 2). These patterns imply higher fertility rate among the Malays compared to other ethnic groups.

In terms of socioeconomic attainment, however, Chinese as a group is ranked the highest, followed by the Indians and lastly the Malays (Table 3). While general literacy rate is similar for all three groups, only 4.9% of the Malay non-student population have attained polytechnic and university qualifications, compared to 19.6% each in the Chinese and Indian population. Among the workforce, the Chinese and Indian population reported higher percentage in professional, technical and managerial occupations (46.2% and 43.3% respectively), compared to the Malay population (23.4%). The Malays also received lower average monthly household income of \$3148, while the Indians received \$4556 and Chinese, the highest, at \$5219. While other Asian nations may see more regional differences in fertility rates and socioeconomic attainment, in the case of Singapore, ethnic differences have shown to play an important role.

³ <http://app.feedback.gov.sg/asp/pol/pol01d1.asp?id=1181> (policy on foreign talent as citizens, 2004)

⁴ The sections on foreign population in Singapore and policies draw heavily on Wong and Yeoh (2003).

⁵ Singapore was said to have about 150 people then, of which 80% were Malays and the rest Chinese (Saw, 1991).

Babies come, babies go, go, go: Fertility trends in Singapore

Despite distinct patterns among the main ethnic groups regarding demographic and socio-economic characteristics, in general, all three groups concur in falling fertility trends, except during the decade between 1980-1990, where the TFR among Malays reversed to an upward trend while the other two groups continued to fall (Table 4). Between 1980 and 1990, the TFR of Malays have risen 0.5 from 2.19 to 2.69. In the same period, TFR of Chinese dropped 0.08 while the TFR of Indians dropped 0.14. Although all three groups experience a decline in TFR since 1990, the Malays, with higher 'base' and more gradual gradient of decline, have continued to maintain above replacement levels TFR. When the total TFR dropped to a historic low of 1.25 in 2003, TFR among the Chinese reached rock bottom of 1.07, the Indians at 1.36; while the Malays were still at above replacement level of 2.13.

Amidst the general falling fertility trends in Singapore population since 1957, there are small fluctuations in various periods (Figure 1), reflecting the impact of cultural beliefs, economic conditions and government policies on fertility behavior. The following examination of the fertility trends in Singapore is discussed according to the prominent population policies of that period.

'Two is Enough'

Like most countries in Asia, Singapore experienced post-war baby-boom, albeit an extended one; where until mid-1960s, it was still common to have families with five or more children. Curbing the expansion of population – also a result of falling mortality rate due to an improvement in public health – became critical to the state immediately after Independence in 1965. Besieged with problems of unemployment, housing shortages and declining trade economy, the state firmly believed that an anti-natalist population policy would boost economic development and the nation's survival. Through the Singapore Family Planning and Population Board (SFPPB) established in 1966, slogans such as 'stop at two' (children), 'girl or boy, two is enough', 'take your time to say "yes"' (to marriage and having just two children) dotted the streets and public media. Aggressive publicity campaigns also included scenes of an 'unhappy home' with more than the ideal number of children – a messy home with three crying children, a frustrated husband and an upset wife - epitomized the message of 'two is enough'.

The 'two is enough' policy consisted practical incentives and disincentives. While families with more than two children were penalized in various ways, such as non entitlement in maternity leave for women who gave birth to third child and more and extra delivery fees; sterilized parents received benefits in housing allocation, priority in primary school registration, monetary incentives in the form of reimbursement of delivery fees, tax and healthcare benefits. Abortion was also legalized and liberalized.

The active family planning measures combined with socio-economic advancement and changes in family structures to bring about rapid fertility transition. By 1975, TFR has

declined to hit replacement level. It was noted that the speed of TFR decline in Singapore is comparable to the speed of postwar transition in Japan, at -0.25 births per woman per year between 1960 to 1975 (Atoh, Kandiah and Ivanov, 2004:43).

'Graduate mother policy'

While TFR stabilized for a year at replacement level, it continued to decline to below replacement level in 1977 and beyond. The emerging trend of dwindling number of births among higher educated mothers in the workforce when compared to the less-educated mothers resulted in what the then Prime Minister Lee Kuan Yew⁶ lamented as “unintended consequences” of earlier policy changes, in particular, “equal opportunities” to women in education and employment and the banning of polygamy, except for Muslims. With the belief that intelligence is genetically inherited, the then Prime Minister feared that the ‘thinning’ of the ‘talent’ gene pool would lead to a decline in the quality of the workforce and affect the future of Singapore. This has led to the “Graduate Mother policy” introduced to encourage graduate women to get married early and have more children so that the “lopsided procreation” pattern could be corrected. To encourage single graduates to get married, the state set up the Social Development Unit (SDU) in 1984 which to-date, still organizes various activities and outings, computer match-making and consultations to promote love matches among graduates. For higher-educated mothers, policies such as enhanced tax relief and priority registration scheme for primary school admission were introduced to encourage them to have more than two children. On the other hand, women with lesser education were encouraged to stop at one or two children with a sterilization incentive of \$10,000⁷.

Differential treatment to the educated and lesser- educated women in the policy also implied unequal treatment to different races. As the Chinese were generally the higher educated group; tended to marry later and have lesser children, the policy suggested that Chinese were mainly responsible for the fertility decline and they should produce more children. Some attributed this as a strategy to maintain ethnic balance which would change if the fertility rate of Chinese majority continues to decline (Wong and Yeoh, 2003).

Despite criticisms about the undemocratic nature of the policy, the state continued its implementation with justification that ‘nature is undemocratic’, and to provide special privileges to a particular group is ‘not undemocratic’ because “no one is deprived of any basic rights; some are simply given more”(Chua, 1997:64). Nevertheless, the unpopular policy marking the eugenic phrase of the population policy was soon seriously modified after voters registered their dissatisfaction through significant withdrawal of support for the PAP (People’s Action Party) government at the 1984 General Election (Chua, 1997).

⁶ From the 1983 National Day rally speech.

⁷ This grant is given to women with no ‘O’ levels and below 30 years old. There is a penalty of repayment of the same amount plus interest if they give birth to a third child after receiving the grant. Other conditions included ceiling of \$1500 for combined family income and both parents should not have ‘O’ levels qualifications.

Meanwhile, as if a retaliation to the policy, TFR continued to fall except for the Malays, which began to rise above replacement level after 1983. In 1986, the TFR plunged to an unprecedented low of 1.4 children per women, largely attributed to economic recession in 1985 as well as the inauspicious year of the Tiger, which deterred marriage and childbirth, particularly on the birth of girls.

“Have three or more, if you can afford it”

The falling birth rate and the record low number of birth at 38,000 in 1986, together with the emerging issue of population aging caused partly by a low birthrate, brought to the fore serious implications of population decline on labor supply and economic vitality. In 1987, New Population Policy to promote procreation was launched with the slogan “Have three or more (children) if you can afford it”. Arising from lessons learnt in the previous attempt, the new policy avoided the eugenic overtone and instead appealed to the pragmatism of couples to consider the cost of raising children. A “cautiously pro-natalist” package (Graham, 1995), it provided incentives to encourage married couples to have three or more children, while at the same time continued with benefits to higher-educated mothers. For example, the Enhanced Child Relief introduced under the ‘graduate mother policy’ was modified to entitle mothers with at least 3 ‘O’ level passes (instead of the previous criteria of 5 ‘O’ level passes) to enjoy the benefit (see Appendix A for a list of measures under the 1987 New Population Policy). To encourage mothers to remain in the workforce, there were measures addressing childcare, such as childcare subsidy for children of working mothers in childcare centers, leave schemes and part-time employment for married female civil servants.

On the other hand, unmarried singles, especially higher-educated single women, continued to be the targets of SDU and SDS (Social Development Service for non-graduates formed in 1985). They were constantly reminded of the need to get married and reproduce with publicity posters and media broadcasts carrying messages such as ‘Why Build Your Career Alone? Family Life Helps’; ‘Life Would Be Lonely Without A Family’ (Wong and Yeoh, 2003:12). Soin criticized this as making the women “feel that their unmarried state is socially unacceptable as they are letting the nation down by not fulfilling the national objective of reproducing a “quality” population,’ citing the lack of single woman political candidate as an ‘unwritten penalty’ for these highly-educated single women (Soin, 1996:195).

The encouraging rise of TFR from 1.62 in 1987 to 1.96 in 1988 seemed to signal the success of the new population policy; although factors such as economic recovery, and the auspicious Year of the Dragon in 1988 (according to the Chinese belief) also played a role in boosting procreation. TFR experienced a gradual decline after 1988 and hovered above 1.6 before it dropped to near 1986 level of 1.41 in 2001. Although 2000 was also the Year of the Dragon, with economic uncertainties including unemployment issues and the aftermath of the Asian Financial Crisis in 1997, it failed to perform similar *magic* in attracting a higher number of births.

Baby Bonus

The un-likelihood of any improvement in TFR, as predicted from the declining trends in the 1990s, has driven the state to announce supplementary procreation measures in August 2000. These measures enhanced the 1987 policy measures in terms of benefits to civil servants, childcare subsidy, paid maternity leave for third child and housing incentives (Appendix B). To emphasize the role of public education campaigns, a *Family Matters! Singapore* committee was also set up to work together with the state “to create an environment that is conducive to marriage, families and raising children – by shaping values, attitudes and life choices” (Family Matters, 2002).

The supplementary measures in 2000 was most noted for its new initiatives under ‘baby bonus’ (or the more clearly termed ‘Children Development Co-Savings Scheme’) where state hands out cash gifts to second and third order births for six years, as well as provides annual co-payment into the Child Development Account (CDA) by matching the parents’ contribution dollar-to-dollar into the account up to a maximum of \$6,000 for the first child and \$12,000 for the third child.

However, the supplementary measures with its generous monetary scheme did not bring about a bonus of babies as expected. The failure suggests a change in priorities in young couples and indicates the need to look beyond money matters in tackling procreation issues. In a study of fertility decision-making among Chinese women in Singapore, it was found that for the relatively affluent, well-educated couples, fertility decision are seen as essentially personal choices, largely irrelevant to financial incentives (Graham et.al., 2002). Recognizing the need for a comprehensive approach beyond the current measures, a new Working Committee on Population chaired by then Minister Lim Hng Kiang from the Prime Minister’s Office was set up in July 2003 to look at ways to arrest the falling fertility trends. By then, TFR has already recorded a further slide to 1.37 in 2002 and 1.25 in 2003.

In Atoh et. al. (2004)’s comparative analysis of low fertility in East and South-East Asian countries, Singapore is among the seven East and South-east Asian countries and areas to have completed fertility transition. Although there is a need to observe further whether “the second demographic transition” as coined by some demographers on the Western societies applies to Asia (Atoh et.al., 2004); in the case of Singapore, at least, more than two decades of below-replacement fertility suggests the need to distinguish fertility transition into first (1960-1975) and second fertility transitions.

Social Characteristics affecting procreation

The fall in fertility rate reflects changes in social trends and individual attitudes. These social characteristics further influence procreation behavior. In the following, social characteristics and trends in relating to marriage and procreation are discussed.

Proportion of singles in the population

The rise in the proportion of singles in the population is common among Asian countries experiencing fertility transition. In Singapore, the proportion of singles among those 30-34 years old has stayed fairly constant in the last twenty years; the singles make up about 20% among the female and about 30% among the male (Table 5). The tendency to delay marriage shows the emphasis on financial stability and personal maturity as pre-requisite for marriage. It also reflects high values given to educational qualifications to succeed in life (Quah, 1998).

Among those singles, women with higher education and men with low education have a higher tendency to remain singles (Table 6). A survey on the perceptions of marriage found that 48% of single women in the 30s think that marriage is desirable, as compared with 80% of single women in their 20s. Only half of the women in the 30s think that married couples should have children, compared with 88% among the 20-something. Women who have settled in their career in the thirties tend to see marriage and having children as opportunity cost. In contrast, single men tend to get more interested in marriage and having children as they get older (Straits Times, 27 Sept 2002). The difficulty of finding suitable wives locally has led more lower educated men to look to neighboring regions for brides. Private matchmaking agencies charging S\$10,000 to S\$16,000 per successful match have facilitated the rising number of such international marriages, mainly with instant brides from China, Vietnam and Indonesia. Recent news report on the success of matchmaking Singaporean men with Chinese women from Kalimantan who can speak Mandarin or Chinese dialects have spurred interest for Indonesian brides alongside Vietnamese brides (*The Straits Times*, 9 January 2005).

Age at first marriage

Along with the reality that there are more singles among those in the marriageable age, they also have the tendency to marry later. The mean age of marriage has risen over the decades, with sharpest increase shown among the Malays and Indians. Chinese (and 'Others' which means other races) has the highest mean age at first marriage, reaching 26.9 in the period between 1991-2000 (Table 7).

While marriage delays was not necessarily a direct cause of the rise in childbearing age in Western society, given the prevalence of cohabitation which increases extra-marital births (Atoh et.al., 2004: 44), in Singapore, as out-of-wedlock birth is uncommon, postponement of marriage has direct impact on the postponement of childbearing, leading to a decline in TFR. The medium age of mothers at first birth and second birth is above 28 and 30 years old respectively over the last decade (Yap, 2003:650). Delayed marriage and pregnancies are also perceived as leading to an increase in miscarriages and infertility among women. While birth rate has fallen, miscarriages have risen 16% in the last decade, from 3,930 in 1993 to 4,574 in 2003 (*The Straits Times*, 28 November 2004).

This explains why much recent policy efforts have focused on encouraging marriage alongside procreation. Besides the more direct matchmaking help available through the Social Development Unit and private matchmaking agencies, in February 2003 and 2004, the state also organized the “Romancing Singapore Festival” to provide a softer approach of encouraging individuals to express love and romance. There were criticisms that such campaigns tried to “engineer love”, “trivialize emotional expression” (Wong and Yeoh, 2003); and *commodifies* romance (Hudson, 2004). However, such a softer approach reflects strategy alternative to the traditional monetary approach towards promoting procreation. It also expresses hopes that people may shun off marriage not because of a change in attitudes, but more of ‘lacking the skills’ in expressing love and romance.

Number of children among married women

Table 8 shows the number of children born among married women. The average number of children has lowered slightly in the last ten years from 2.8 to 2.5. More women have two children and three children, than only one child or none. Among women in the 40-49 age group, family size has remained around 2 and relatively stable for those with secondary education and beyond. For the lesser-educated women in the same age group, family size had declined and converging to the same level as the better-educated women, declining further to 2.2 in 2003 (Heng and Png, 2004:16).

The educational level of mother also affects the number of children born, where there is a tendency for women with higher education to give birth to lesser children (Table 9). Fertility and female education has shown to correlate strongly particularly in countries which are in the midst of the demographic transition (Lutz and Goujon, 2001).

Women’s participation in the workforce

Women make up 50% of the workforce in Singapore. Among the marriage women- especially among the younger age group, it is consider a norm to continue working after childbirth. Although there is a distinct peak of the 25-29 year old age group in labor force participation and a small rise in number among women in 45-49 year old age group (Department of Statistics, 2000), there is however no typical M curve on the women’s labor force participation like that found in Japan or other developed nations. It is observed that if women quit the workforce, they most probably do it when their children enter elementary school, reflecting the stress in educational system, one of the reasons often cited as affecting fertility trends. Table 10 gives a comparison over twenty years on the rise of married women in the labor force. The fall in percentage among the single women over the decade indicates a delay entering the work force due to an increase of women in higher education.

The norm of dual career family

Parallel to the norm for women to continue working after marriage, it is common to have dual couple family in Singapore. Compared to 27% in 1980, 39% of the married couples are both working in 1995 with significant increase found among married women in the childbearing ages of 20-44 years (Cheung, 1999:205). This is further enhanced with higher educational level among the women and the desire for better standard of living, especially when housing and car ownership are expensive in Singapore.

The norm of dual income family deters women from devoting more time to the family, resulting in the trend towards smaller household size. Average household size has decreased from 4.9 persons in 1980, to 4.2 in 1990 and 3.7 in 2000.

Although working part-time and flexi-time are viable options and provided as part of the fertility measures for civil servants, it is still relatively uncommon in practice to the extent that it is considered unwise for a full-time career woman to harbor such thoughts. A short essay in *The Straits Times*, while calling it 'unthinkable' when someone decided to quite full time work for part time post, reveals not only a societal disapproval for non-full time work which will continue to pose a barrier to better fertility rate, but also reflects the norm for childcare by foreign maids and grandparents:

"Going into part-time work, alas, would be career kamikaze, her boss warned. Other colleagues thought her mad, and proffered well-meaning counsel along the lines of 'What's wrong with the maid?'; 'What about your parents?'; 'In-laws?'" (Laurel Teo, *The Straits Times*, 18 February 2005)

A host of factors and social developments have combined to have an effect on procreation in the society. Perhaps figures on abortion among married women would provide a comprehensive overview on reasons for not wanting more babies. Among the women who have gone for abortion, it was found that at least half are married women. In 2001, 7460 married women had abortions, which made up 56.8% of the total cases of 13140 abortions of that year. Besides 4.7% who aborted because of medical complications, 13.2% aborted their first baby because the couples felt unprepared, and 3.2% aborted as a result of the failure in contraceptives (mostly couples with children). Reasons such as "do not want to be burdened by children", "having children as losing competitive edge in workplace", "children is too expensive", "strains in husband and wife relationships", and even personal reasons like "already made plans for holidays" are some reasons cited for the abortion. Although women were required to go for counseling before abortion, only 1 in 50 counseling attempts had been successful. In a more recent news report, among the marriage women seeking abortion in 2003, the proportion which is tertiary-educated increased to more than three folds compared to 1988⁸. Reasons cited for abortion included 'to further career' and among young couples because they have not

⁸ In the same period, abortion figures among married women have declined significantly from 13,165 in 1988 to about 6754 in 2003 (*The Straits Times*, 3 November 2004).

had a traditional wedding ceremony although they were legally married through marriage registration (*The Straits Times*, 3 November 2004). Besides 'saving face' because the couples were not 'socially' married, their decisions to abort also implies growing trend typical among young childless couples who do not feel prepared to enter parenthood. As suggested in a 2001 study on social attitudes towards the family, while majority still agreed that married couples should have children, higher percentage (95%) of married couples above age 30 agreed to the statement than those below age 30 (88%). Among the singles, about 75% in both the below and above 30 year-old concurred (Yap, 2003:650).

The reasons for abortion is a reminder to the fact that conventional approach of handing out financial incentives alone would not suffice; as recognized by the state after the unsuccessful baby bonus measures in 2001. Prime Minister Lee Hsien Loong's 2004 National Day rally speech marked the new direction towards promoting procreation *for own fulfillment and happiness*, playing down the previous paternalistic tone of procreation for national survival:

"This is a matter of values, not of incentives. It's values and priorities, not the financial grants and subsidies, which count. We want people to have babies because you want them and you love them. It's part of a happy family life. It's fulfilling to bring up a child. You can have the most successful career, you can be the richest man on Earth or the most powerful man or woman on Earth, but if you don't have a family and don't have children, I think you're missing something..... It's fulfilling. It's sad if you don't have it. We wish every Singaporean do and have a couple of children, three, if you can..... We are not going to micromanage your lives. I mean, we won't say, have the first one by 25 years old, the second one by 30 years old. It's up to you. What we can do is we'll make it easier for families to marry and to have children. You make the decisions. ." (Prime Minister Lee Hsien Loong, National Day rally speech, 22 August 2004⁹)

The new pro-natalist incentives announced three days after the rally speech (25 August 2004) thus takes on the new spin oriented towards helping Singaporeans to *live a more fulfilling life* by getting married and having children. Termed "New package of measures to support parenthood", it emphasizes the package as not just about helping to increase our birth rate. "It is about making Singapore a great place for families." (*The Straits Times*, 29 August 2004)

Making Singapore a great place for families: 2004 New Package of Measures to Support Parenthood

The long waited new package was launched by the chairman of the Steering Group on Population and Minister for Trade and Industry, Mr Lim Hng Kiang, which emphasized the new *holistic and coherent* approach of the package. When interviewed by media, most people expressed satisfaction with the new package; one single woman MP (member of parliament) even commented that it is by far the most comprehensive

⁹ <http://app.sprinter.gov.sg/data/pr/2004083101.htm>

package and the government would be at wit's end if this still does not bring about more babies.

The new package of measures are grouped under five broad categories addressing broad aspects of parenthood, namely, getting married, having children, raising children, caring for children and work-life balance (Appendix C). Much of the measures are an enhancement to current policies, with a few new schemes. The new package was further enhanced by the 2005 Budget announced on 18 February 2005¹⁰. Under the initiatives for a 'caring and inclusive society', the Budget provided further measures to support families. In summary, the new package and the 2005 Budget initiatives addressed the most common barriers to parenthood – lack of time and money.

Making time for family

Longer maternity leave of 12 weeks instead of the previous 8 weeks for working mothers of Singapore Citizen babies. This scheme enhances the Baby Bonus package in 2001 which has extended maternity leave of 8 weeks to the third child. Previously, the third child was only given a Further Tax Rebate in lieu of maternity leave (Appendix B). In the new package, employers will continue to pay for 8 weeks of maternity leave taken for the first and second child, while the state will pay for the additional 4 weeks for the first and second child, and the entire 12 weeks for the third and fourth child, subject to a cap of S\$10,000 per 4 weeks. The extension in maternity leave was on 1 October 2004. For mothers of Singaporean babies born during the period 1 August 2004 to 30 September 2004, the state would also pay the extended maternity leave if it is given by their employers, subject to a cap of S\$10,000 per 4 weeks.

Childcare leave (new) where working parents with any child below 7 years of age will be eligible for 2 days of employer-paid childcare leave per year, from 1 Oct 2004.

Five-day work week in civil service. It is relatively common for many private companies to opt for five-day work week in the recent years. The implementation of a five-day work week in civil service will widely encourage the norm of such practice in all companies and organizations.

WoW! (Work-life Works!) Fund (new) to provide financial support to companies to develop and implement family-friendly work practices, such as flexible work arrangements for staff. This hopes to encourage a healthy balance between work and family life. While the fund is new, encouraging a work-life balance has been an on-going effort by the Ministry of Social Development, Youth and Sports.

More financial support for family

¹⁰ http://www.mof.gov.sg/budget_2005/budget_speech/index.html

HDB (Housing Development Board) top-up grant for singles who have earlier received a CPF (Central Provident Fund) grant given to singles above age 35 when purchasing a resale flat. This scheme provides a top-up to singles in this group who marry so that they receive similar CPF family housing grant as others.

Enhanced use of Medisave. Medisave, a compulsory medical savings scheme under CPF, has rigid rules regulating withdrawal. The approved use of Medisave payment for birth related expenses reduce out-of-pocket payment for couples.

- *For 4th and Higher Order Births and Pre-Delivery Expenses*

Under the 1987 New Population Policy (Appendix A), Singaporeans can use their Medisave to pay for the delivery expenses of up to the third child. The new package liberalizes the use of Medisave to pay for pre-delivery medical expenses in addition to delivery expenses, for all their children¹¹. The Medisave Maternity Package allows the use of Medisave for maternity expenses such as consultations, ultrasounds, tests and medications, up to a limit of S\$450. With the relaxation of Medisave rules, the relief for delivery and hospital expenses (since 1987) was terminated.

- *For Assisted Conception Procedures*

The previous withdrawal limit of S\$4000 per treatment cycle of Assisted Conception Procedures for couples who face difficulty conceiving is raised to S\$6000, S\$5000 and S\$4000 for first, second and third treatment cycles respectively (limited to maximum of 3 treatment cycles) .

Enhanced Baby Bonus. Baby bonus was first introduced in the supplementary measures of August 2000 for second and third child. The enhanced scheme under the new package extends the bonus also to the first and fourth child. The cash paid out is also given over 2 years instead of 6 years in the earlier scheme. In addition, the monetary sum has increased for second and third (and fourth) child. The accelerated disbursement of the cash component over 2 years helps defray higher cost needed for baby care.

As the bonus is a co-savings scheme which requires parents to save at the same time into the Child Development Account to enjoy a dollar-to-dollar matching from the state, there were feedback from parents that they were sometimes unable to save up to the maximum limits in each year. As a response, the 2005 Budget liberalizes the co-savings portion of the Baby Bonus, where parents can now have the flexibility to save more in years when they can afford to. The 2005 Budget also allows a more liberal use of the bonus beyond pre-school payments to include health insurance and early-intervention programs for special-needs children. In addition, to benefit more children, the 2005 Budget announces

¹¹ Couples may use Medisave for their fifth and subsequent child if they have combined total of S\$15,000 in their Medisave accounts.

a one-time S\$100 top up of edusave account to every eligible primary and secondary school student.

Tax benefits. Tax rebates and relief have become standard features indispensable in fertility measures, at least in the Singapore context.

The new **Parenthood Tax Rebate** and **Working Mothers' Child Relief** replace the Special Tax Rebate, Enhanced Child Relief and Further Tax Rebate in place since the 1987 New Population Policy. The Parenthood Tax Rebate removes the age limit and qualifying time limit required in the Special Tax Relief. The new Working Mothers' Child Relief removes educational requirement of previous relief and raises the ceiling for the relief although it has noted to be minimal in resultant tax savings when compared to the former Further Tax Rebate of S\$20,000 for the third child and S\$40,000 for the fourth (*The Straits Times*, 1 September 2004).

The Steering committee responded to public feedback on retaining better benefits from the old tax incentives by putting in place transitional arrangements for mothers whose children were born in 2004¹². These transitional measures provide young mothers who have their second child in 2004 before age 29 the higher of the Parenthood Tax Rebate or the Special Tax Rebate. Mothers with third or fourth child born in 2004 will benefit from the Further Tax Rebate as well as the Working Mother's Child Relief. (http://www.iras.gov.sg/ESVPortal/resources/marriage_parenthood.pdf)

Grandparent Caregiver Tax Relief is a new addition in the basket of tax relief where a working mother can apply for a relief of S\$3,000 if the child (below 12 years and Singapore Citizen) is being cared for by his or her grandparents. Although introduction of the relief raises questions of whether grandparents will benefit from the relief at all, it ascertains the state's position on harnessing family support beyond nuclear family structure in caring for family members.

Infant Care Subsidy takes into consideration the high cost of infant care. Parents of Singapore Citizen infants, aged 2 to 18 months and attending licensed infant or child care centres, will receive an infant-care subsidy of up to \$400 per month. Infant care places are still limited now, with about 450 available in 31 of the 671 childcare centres. The Ministry targets to increase the supply to 6,000 places by 2008 (*The Straits Times*, 4 September 2004).

Foreign Domestic Worker Levy Concession. Government levy on foreign domestic workers has been a contested topic in Singapore, especially as the levy has risen to as much as 140% of a domestic worker's starting salary in the recent years. It is also unclear how the sizable revenue collected from 140,000 domestic workers have benefit families (Lim, 2000). The levy concession of a reduction of \$95 from the current \$345 for families with Singapore citizen children below 12 years or with older parents or grandparents above 65 years is first such help towards of family with foreign domestics

¹² http://fcd.ecitizen.gov.sg/family_baby_package.htm

help. It is expected that about one in two families employing domestic maids will benefit from the levy concession.

In 2005 Budget, there is a general reduction of maid levy by S\$50 a month, which further reduces the levy for families with children or parents/grandparents over age 65 to \$200¹³. While on the one hand, it is recognized that the dependency on maids should be regarded as a stop-gap solution to families, cheaper cost of employing one has the likelihood of encouraging the dependency of foreign domestic workers even when unnecessary.

Medical benefits extended to children of female civil servants is another contested issue first raised in the Parliament in 1982. There were subsequent appeals for the state to consider providing medical benefits to children of female civil servants by female MP, Nominated MP and the women's activist groups in 1993 but was turned down for the reason that Singapore is a patriarchal society where men is the head of the household (Lee et.al.,1999). As the Finance Minister stated squarely, "...It is his responsibility to look after the family needs, including their medical needs. That is how our society is structured. It would be unwise to tamper with this structure." (*The Business Times*, 12 November 1993).

The change that came a decade later brought the gender discriminated policy to a happy closure and signals a big step towards gender equality.

Pro-family, Pro-people: Characteristics of the new package

Since its inception, the S\$300 million-a-year new package in 2004 has attracted much ground support and interest. Its pro-family approach - emphasizing on making Singapore a great place for families is complemented by its pro-people strategy, where "we have taken the approach of asking what we can do to help Singaporeans at each stage or aspect of their journey as parents". This shows new direction in policy making quite different from the attitudes that have been characterizing policy making in Singapore - known to take the approaches of elitist, paternalistic, and high degree of intervention justified by using the rationale of pragmatism and realism (Soin, 1996:193).

The new package, besides reflecting a new direction in leadership, also indicates an impact of women politicians in policymaking. The six-member steering committee consisted of two women¹⁴. In Prime Minister Lee's national day rally speech where he announced the medical benefits for children of female civil servants, the three single women MPs were mentioned, "they are all watching me carefully and the reality is changing". Since the last General Election in 2002, there has been a jump of women MPs

¹³ The levy reduction is to help offset the higher monthly wage of S\$280 (compared to the previous S\$240 to new domestic maids from Indonesia, a major source of domestic maids in Singapore). The higher wage is introduced due to higher requirement for maids to be at least 23 years old and with at least 8 years of school education. Previously, the only criteria was to be at least 18 years old.

¹⁴ Mrs Lim Hwee Hua who is Minister of State for Finance and Transport, and Dr Amy Khor who is mayor of South West CDC.

in Parliament from 4 to 10 members, comprising a mix of married and single women. The diversity added new ideas and influenced policymaking decisions in positive ways.

The new package also explored internet conveniences in garnering feedback, thereby created a friendly and effective environment for public to respond and experience a sense of involvement in the nation's policymaking. Feedback unit, a machinery in place since 1984 to gather feedback from members of the public also played a role in recommendations and response.

In short, the new package reflects the following features in tune with the direction towards a softer and subtle interventionist and responsive approach.

(1) Consultative and responsive

The new package consolidated feedback and public consultation from Singaporeans. As noted by the chairman of the Steering Committee, it has gathered 1,600 public emails, 380 telephone calls and 650 media stories and letters, on top of focus groups and tripartite panel comprising employee union representatives. After the package was announced, it continued to solicit views from the public. Between August 25 to 3 September 2004, it has received 11,074 calls to its hotline and 1,015 email messages giving comments and queries. The Parenthood website where the measures were outlined recorded 78,791 hits (*The Straits Times*, 8 September 2004). There were also letters sent to the Prime Minister, panel members and the media, showing keen public contributions towards national policies which will impact on the individuals.

The Committee considered the feedback and responded swiftly by 8 September 2005. In days after receiving the feedback, transitional tax rebates were already in place for children born in 2004. Arising from public feedback, the baby bonus scheme was further revised in 2005 Budget to provide flexibility for parents to save and to utilize the funds. Instead of a defensive attitude towards the policies formulated, the responses adopted an open attitude. For example, in queries to a lack of paternity leave, the response suggests possible inclusion in the future, as 'the government will monitor the situation and suggest areas for improvement in future.' The consultative and responsive mode encourages further feedback and contribute towards building a sense of ownership in policy decisions among the public. This may translate to more responsiveness towards the call for procreation.

(2) Generous and accommodating

The new package has relaxed the more cautious and condition-laden attitudes characterizing earlier fertility policies. While the 2000 baby bonus scheme was announced in August, it only came into effect in April 2001, disregarding benefits to babies born between August and April. In contrast, the enhanced baby bonus in the new package adopted a generous approach; most of the schemes in the new

package started on 1 August, with implementation not only with immediate effect, but also a pleasant surprise to those included between 1st and 25th August. It even accommodated children who were born prematurely but whose estimated date of delivery was on or after 1 August 2004.

In enhancement of maternity leave, although the extension in maternity leave was legislated on 1 October 2004, mothers of Singaporean babies born during the period 1 August 2004 and 30 September could still enjoy the extended maternity leave paid by the state (cap of S\$10,000 for 4 weeks) if it was given by their employers.

Parallel to its pro-family focus, adoptive mothers can receive paid leave of up to 4 weeks (up to S\$10,000 from the state) if their employers grant them leave to spend time to bond with their adopted infant.

(3) Removal of 'old' biases

A turning point in history of gender equality in the new package is the endorsement of gender equality through provision of medical benefits to children of female civil servants. This is a reversal from the unpopular paternalistic approach of the earlier decades in policymaking. In addition, the package significantly reduces the *conditions* to receive benefits, such as removing age criteria and educational qualifications of mothers in the revised tax incentives. This reflects an inclusive manner in formulating policy to benefit the widest group of population possible.

(4) Focus on Singaporeans

The new package emphasizes investment on Singaporeans, and specifies the aim of 'building a core of Singapore citizen for the next generation'. Such emphasis of giving recognition to Singaporeans may prompt them to take procreation matter seriously. Although there could be dissatisfaction from some permanent citizens, who may once enjoyed tax relief such as Enhanced Child Relief which has now been replaced by Working Mother's Child Relief claimable only by mothers of Singapore citizen children, the new package may well influence more permanent citizens and foreigner to take up citizenship to enjoy the benefits.

Along with positive responses and strong support shown in feedback of the measures, there is also anticipation on concrete outcome. The media has reported an increase in new visits by pregnant mothers in hospitals and maternity clinics; and a 30 to 37% jump in hospitals interviewed on couples seeking fertility treatments to conceive (*The Straits Times*, 11 February 2005). In a climate of relative uncertain economy, where average unemployment rate has doubled from 2% a decade ago to more than 4% in 2003, any increase in birth rate will have to be attributed largely to the success of the policy.

Although generally perceived as a comprehensive policy supporting the growth of strong families, the less covered issues/population in the new package reflect the need for continuous fine tuning of the pro-family policy to stay relevant with changing social dynamics. One of these 'missing' groups is *fathers* who have asked for paternity leave to recognize their contribution in childrearing. Another 'missing' group is the special needs children, whose parents should be given more financial help, among others. Lastly, although the new package has taken into consideration grandparents in maid levy concession and grant, working grandparents should also be granted childcare leave if they have grandchildren below age seven. Conversely, under the pro-family rubric, the childcare leave could be renamed family care leave to expand to all family members who can take leave to care for other members in the family.

Conclusion

The continuous fall in birth rates prevalent in the industrialized nations have become a dilemma to many societies, which sees more babies as a solution to population aging, adequate labor force and sustainable development. In Singapore, government's efforts in promoting procreation has so far resulted in a series of disappointments, particularly in the last two decades or so of below replacement level of TFR. It is estimated that if TFR remains at 1.5 without immigration or emigration, Singapore's resident population will dwindle from 3.2 million to 2.7 million in 50 years (Lien, 2002). However, the future is not necessarily pessimistic.

In proposing a new concept of population balance, Lutz (2002) challenges the perception of a birth rate of below replacement rate as problematic. He asserts that beyond pure demographic analysis, a model of fertility rate around 1.5 to 1.6 can still be considered optimal if the fewer children receive higher education and thus yield higher productivity. If we accept his views, the state will thus need to focus more on continual investment on education and policies that favor child raising to maintain a new optimal level in population balance.

Moreover, immigration has long been an on-going component to population growth in Singapore. When the nation faced its first unprecedented low of 1.4 in TFR in 1987, the immigration policy relaxed in 1989 to allow inflow of permanent residents to supplement the resident population growth. As a result, the number of new permanent residents increased 3 fold from 9000 in 1988 to an average of about 25000 in the 1990s (Cheung, 1999:200). As the 2000 Census has shown, the largest groups of permanent residents are in their 20s and 30s, who belongs to the productive and reproductive group. Along with other foreigners such as expatriates, professionals and foreign workers, the non-citizen population has stabilized at about one quarter of the total population in the recent years. Singapore, voted as one of the most livable cities in the world, will continue to rely on migration to maintain its competitive edge in global economy. If there is an attractive only-for-Singaporeans pro-family package in place, it will further lure permanent residents and foreigners to consider making Singapore a permanent home for themselves and their descendents.

Finally, adoption as one means to population increase has also been explored considerably in the recent years. The Ministry of Community Development, Youth and Sports offers a comprehensive guide to prospective adoptive parents. Besides putting in place a system to make legal adoption easier, it is time to recognize changes in family formation and partnership, where not only married couples, but unmarried individuals with a desire to become adoptive parents should also be provided the means and opportunity to do so. The consistent low TFR among women in Singapore is less due to procreation of marriage women, who has shown to produce an average of two children eventually, but more a result of eligible single women who remain unmarried and hence childless. Although pro-family, the state is known to have an 'Asian family' model and an 'ideal' conjugal relationship of the dual-parent family (Wong and Yeoh, 2003) rejecting deviations from it. However, the reality is traditional family system is increasingly seen as a component that is 'rather unfavorable to partnership formation in the age of women's emancipation' (Atoh, Kandiah and Ivanov, 2004: 54). While the state continues with 'romancing Singapore' campaigns, speed matchmaking through Social Development Unit and other means to promote marriage, personal choices in alternative forms of family formation should also be recognized as a diverse form of contribution towards population growth.

Meanwhile, let's hope that the new package to encourage parenthood will lead to pleasant surprises for senior minister Goh Chok Tong in the Year of the Dog and beyond.

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