

Bonus offered to stimulate baby boom

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The Singapore government is launching ever more unconventional schemes in a desperate attempt to halt its sliding birth rate.

The phenomenon of falling birth rates is not a new problem in Singapore. However, the accumulation of 15 years of falling birth rates has serious implications for the future economic prosperity of the nation.

The current birth rate in Singapore is 1.4 children per woman. This is considerably below the rate of 2.1 children per woman which will sustain the population.

However, the birth rate of Singapore is only slightly below the EU rate of 1.47. Yet it poses a problem as the national population is only four million and could fall below a critical mass threshold within two generations if rates continue to slide. This would create an unbalanced society, creating major problems for the government as falling economic growth is expected to finance an ever expanding service provision for the elderly.

The causes of this slump are complex. With an infertility rate of 18%, Singapore does not significantly vary from the global norm of 10-15%. However the roots of the problem can be found in social factors or so called lifestyle impotency. Singapore is a predominately urban society. This has been linked to high levels of stress which in turn has reduced people's desire for children. Also, with 50% of women in the workforce, birth rates have fallen as women have put their careers before having children. Finally, the cost of living in Singapore is extremely high. Therefore the high cost of raising children combined with the current economic downturn in south east Asia has further reduced birth rates.

The government has responded with social engineering schemes such as matchmaking through its Social Development Service. It has also introduced a 'Baby Bonus' savings scheme where the state saves on behalf of the parents of a child in order to help fund its education. It is hoped this reduced burden on the parents will lead to a surge in newborns. Yet many Singaporeans are sceptical. 70% believe that the government should provide free medical care for mother and baby before birth rates will rise. Many experts also believe that previous state sponsored birth control programmes were too successful in what is a conservative society. If this is correct, Singapore will have to wait for several years until its population finally recovers.