Parliamentary reply by Minister Grace Fu on effective date of enhanced Baby Bonus and Medisave grant for newborns, and extension to cover citizens born on or after 1 Jan 2012

TWELFTH PARLIAMENT ORAL ANSWER TUESDAY, 5 FEB 2013

Ms Tin Pei Ling:

To ask the Prime Minister how is the effective date of the enhanced Baby Bonus and Medisave grant for newborns in the Marriage and Parenthood Package determined and if it can be extended to cover all Singapore citizen children born on or after 1 January 2012.

Minister Grace Fu:

The enhancements to the Marriage and Parenthood Package were announced on 21 January 2013. Many of the enhancements are effective from January 2013. These include the enhanced co-funding for Assisted Reproduction Technology treatment, alignment in accouchement fees, and the Government-Paid Maternity Benefit which took effect from 1 January 2013, as well as the Parenthood Priority Scheme and Parenthood Provisional Housing Scheme which were launched in HDB in the last week of January.

The Government also encouraged employers to voluntarily grant the new and enhanced leave measures to their employees from 1 January 2013, and employers will be reimbursed by the Government if they do so. In other words, if they voluntarily do so before the legislation is passed; we will also honour and give them the grants that we have promised. These include Paternity Leave, Shared Parental Leave and the extended Child Care Leave.

To be inclusive, the Government has exercised flexibility for the enhanced Baby Bonus Cash Gift and the new Medisave grant for newborns to apply to births on, or after 26 August 2012. So, although we announced the package in January, we decided to make the Baby Bonus Cash Gift and the Medisave grant, effective on or after 26 August. This was the date of the National Day rally when these enhancements were first mentioned.

We recognise that couples wish to receive as much support as possible and may be disappointed that they have missed these start dates. However, we seek the public's understanding that we have to specify the start dates because this is important for us to have administrative efficiency when we make public announcements.

While we have tried to be as inclusive as possible, whichever start date is chosen, there will always be some who will marginally miss the start date. Those who do not qualify for the enhancements will still be eligible for the existing benefits under the Marriage and Parenthood package. These include the existing Baby Bonus Cash Gift and Child Development Account co-savings, tax benefits, the foreign domestic worker levy concession, as well as existing leave provisions, such as the 16 weeks maternity leave and childcare leave of six days per year for parents with children aged 0-6.

Parents of children born before 26 August 2012 can also benefit from the extended childcare leave of two days per year for children aged 7-12 years, and the enhanced infant care and childcare subsidies.