

## The family way

Will the new marriage and parenthood incentive package have its desired effect, or does more need to be done? What is the likely impact on businesses and the economy generally?

**David Low**

**CEO**

**Futuristic Store Fixtures**

THE initiatives dished out mainly target at married couples with young children, with middle to low combined household income. Such initiatives are certainly welcome. We are starting to see a micro-management of the economy in an attempt to calibrate social needs while addressing the country's population challenges. It is difficult to judge at this stage if more is needed since budget allocation plays a big part in coughing up sizeable funds to sustain the marriage and parenthood package. We will have to assess the situation on an all-rounded basis over a period of time.

I reckon these initiatives will have desired effect on parenthood but more so for those who are already parents. We may have to include elements that promote marriage and parenthood before we can comprehensively address low fertility rates. An extension of the Parenthood Provisional Housing Scheme could be made available for couples planning marriage and married couples without children to facilitate early family planning instead of having to join the housing queue for years before they get to have their own home. In addition, instead of benchmarking needs for subsidies based on gross monthly income, there could be tiers of subsidies offered based on disposable monthly income. A young family could possibly have a gross monthly income beyond the income bracket under the enhanced subsidy programme, but the actual disposable monthly income could be way below after taking into consideration financial burdens due to elderly care.

The bumper package shows promising support for pro-family orientation, and such measures enhance a country's stability and thereby confidence level for investors. In the middle to long term, it will certainly create a positive impact on the economy and on businesses.