

# **Child Development Co-Savings (Amendment) Bill**

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**Bill No. 17/2016.**

*Read the first time on 14 April 2016.*

A BILL

*intituled*

An Act to amend the Child Development Co-Savings Act  
(Chapter 38A of the 2002 Revised Edition).

Be it enacted by the President with the advice and consent of the  
Parliament of Singapore, as follows:

## Short title and commencement

1. This Act is the Child Development Co-Savings (Amendment) Act 2016 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

### 5 **Amendment of section 3**

2. Section 3 of the Child Development Co-Savings Act (called in this Act the principal Act) is amended —

(a) by deleting the words “under the Scheme whereby the Government will make contributions, to the bank account of a child who is eligible for that arrangement, equal to the contributions made by or on behalf of any parent of the child” in subsection (1)(a);

(b) by inserting, immediately after paragraph (a) of subsection (1), the following paragraph:

15 “(aa) to provide financial assistance for the development of any other child through a co-savings arrangement;”;

(c) by deleting the words “the co-savings arrangement referred to in paragraph (a)” in subsection (1)(c) and substituting the words “a co-savings arrangement”;

(d) by deleting the words “the co-savings arrangement referred to in subsection (1)(a)” in subsection (2)(c) and substituting the words “a co-savings arrangement”; and

(e) by inserting, immediately after subsection (2), the following subsection:

25 “(3) In this section, “co-savings arrangement”, in relation to a child, means an arrangement whereby the Government makes contributions to the bank account of a child eligible for that arrangement, equal to the contributions made by or on behalf of any parent of the child.”.

### **New sections 12KA, 12KB and 12KC**

3. The principal Act is amended by inserting, immediately after section 12K, the following sections:

#### **“Application of sections 12KB and 12KC**

**12KA.** Sections 12KB and 12KC apply to and in relation to a father of — 5

(a) a child who is or was born —

(i) on or after 1 January 2015; or

(ii) before 1 January 2015, despite the estimated delivery date for the mother’s confinement (as certified by a medical practitioner) being on or after 1 January 2015; or 10

(b) a child who is an adopted child, where —

(i) if the child is a citizen of Singapore, the application to adopt the child is or was made on or after 1 January 2015; or 15

(ii) if the child is not a citizen of Singapore, the dependant’s pass in respect of the child is or was issued on or after 1 January 2015.

**Reimbursement of employer by Government for extra leave granted to employee-father, etc.** 20

**12KB.—**(1) Where the father of a child —

(a) is a male employee;

(b) was or is entitled to paternity leave from his employer under section 12H(1) in relation to the child; 25

(c) was or is granted, in relation to the child, leave (continuous or otherwise) by his employer that is in excess of his entitlement to paternity leave under section 12H(1) (called in this section extra leave); and

(d) has taken or takes the extra leave — 30

(i) on or after 24 August 2015; but

(ii) within the window period that would be applicable if the extra leave were paternity leave, the father's employer is entitled to claim reimbursement from the Government for any reimbursable payment made by the employer to the father for the period of extra leave.

(2) In subsection (1), a reimbursable payment by an employer to a male employee is \$2,500, or the total of the following if lower:

(a) the amount of the gross rate of pay which the employer paid to the male employee during so much of the male employee's extra leave —

(i) not exceeding a period of one week; or

(ii) not exceeding the shorter of the 2 periods mentioned in section 12H(1)(b), if the extra leave is in one or more periods;

(b) the contribution, if any, made by the employer under the Central Provident Fund Act (Cap. 36) in respect of the employee's gross rate of pay that is paid as provided in paragraph (a) and which is not recoverable from the employee's wages.

(3) However, where an employer is reimbursed by the Government under subsection (1) for extra leave taken by an adoptive father who is an employee of the employer in relation to a child who is to be adopted, but the child —

(a) is not adopted by the employee within 12 months starting on the date the application to adopt the child is made, or the dependant's pass in respect of the child is issued, as the case may be; and

(b) where the child is not a citizen of Singapore by birth, does not become a citizen of Singapore within 6 months starting on the date the child is adopted by that employee,

the Government may recover as a civil debt the amount of reimbursement from the adoptive father, whether or not an

employee still, and whether or not the child is eventually adopted.

(4) In this section and section 12KC —

“adoptive father” includes a man who applies or who intends to apply to adopt a child in accordance with any written law relating to the adoption of children; 5

“father”, in relation to a child, means a natural father or adoptive father of the child;

“paternity leave” means the duration of leave to which a father of a child is entitled under section 12H(1) to take from his employer in relation to the child; 10

“window period”, in relation to the taking of extra leave by a father of a child, means the period mentioned in section 12H(1)(a) or (b) within which the father of the child must consume the paternity leave for that child. 15

**Claim of self-employed man from Government for extra paternity break, etc.**

**12KC.—**(1) Where the father of a child —

(a) is a self-employed man;

(b) was or is entitled under section 12H(4) to claim from the Government in relation to the child the income he would otherwise have derived from his trade, business, profession or vocation (called in this section trade) during one or more periods mentioned in section 12H(4)(a); 20 25

(c) ceased or ceases, on or after 24 August 2015, in relation to the child, to be actively engaged in his trade for one or more periods that is in excess of any period mentioned in section 12H(4)(a) (called in this section extra break), and takes the extra break within the 12-month period mentioned in that provision; and 30

(d) suffers loss of income because he ceased or ceases to be actively engaged in his trade during the whole or part of the extra break mentioned in paragraph (c),

the father is entitled to claim from the Government the amount of the lost income mentioned in paragraph (d) for all or any period of the extra break, the total of which must not exceed the shorter of the 2 periods mentioned in section 12H(4)(a), or \$2,500, whichever is the lower.

(2) However, where any payment has been made by the Government to an adoptive father under subsection (1) for extra break in relation to a child who is to be adopted, but the child —

(a) is not adopted by the adoptive father within 12 months starting on the date the application to adopt the child is made, or the dependant's pass in respect of the child is issued, as the case may be; and

(b) where the child is not a citizen of Singapore by birth, does not become a citizen of Singapore within 6 months starting on the date the child is adopted by that employee,

the Government may recover as a civil debt the payment from the adoptive father, whether or not self-employed still, and whether or not the child is eventually adopted.”.

### **Miscellaneous amendments**

4. The principal Act is amended —

(a) by deleting the words “or 12K” in sections 11(1) and 20(2)(a)(i) and substituting in each case the words “, 12K, 12KB or 12KC”;

(b) by deleting the words “or 12K” wherever they appear in the following provisions and substituting in each case the words “, 12K or 12KB”:

Sections 11(1)(a), (b) and (c)(i), (2) and (6), 12(2)(a), 14(1)(e) and 20(2)(c) and (d)(iii); and

- (c) by deleting the words “or 12K” in sections 14(1)(*dc*) and 20(2)(*b*)(i) and (*d*)(i) and substituting in each case the words “, 12K or 12KC”.

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## EXPLANATORY STATEMENT

This Bill seeks to amend the Child Development Co-Savings Act (Cap. 38A) for the following main purposes:

- (a) to expand the categories of children who may be eligible under the Child Development Co-Savings Scheme (the Scheme) for co-savings arrangement, whereby the Government will contribute, to the bank account of such eligible children, an amount equal to the contributions made by or on behalf of parents of such children;
- (b) to provide that an employer who has voluntarily given extra paid leave to a male employee (who is entitled to paternity leave under section 12H(1)) is entitled to claim reimbursement from the Government for that extra paid leave (of up to a certain duration), if certain requirements are satisfied;
- (c) to provide that a self-employed man, who is entitled to claim loss of income under section 12H(4), and who has lost any additional income when he ceases to be actively engaged in his trade, business, profession or vocation (collectively called trade) when he takes any extra break is entitled to claim from the Government for that lost additional income (of up to a certain duration), if certain requirements are satisfied.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 3 to expand the categories of children who may be eligible under the Scheme for a co-savings arrangement, to children other than children of married women. A “co-savings arrangement”, previously defined in section 3(1), is now placed in a new section 3(3), as such an arrangement can apply to children mentioned in paragraph (a) as well as in the new paragraph (aa) of section 3(1).

Clause 3 inserts new sections 12KA, 12KB and 12KC.

The new section 12KA provides that the new sections 12KB and 12KC apply to and in relation to a father of a child —

- (a) who is or was born on or after 1 January 2015, or before 1 January 2015 although the estimated delivery date for the mother’s confinement (as certified by a medical practitioner) is on or after 1 January 2015; or

- (b) in the case of an adopted child, where the application to adopt the child is or was made on or after 1 January 2015 (if the child is a citizen of Singapore) or the dependant's pass in respect of the child is or was issued on or after 1 January 2015 (if the child is not a citizen of Singapore).

The new section 12KB provides that where a male employee (who is entitled to paternity leave under section 12H) has taken, on or after 24 August 2015, extra leave voluntarily given by his employer (whether given before, on or after that date) in relation to a child, the employer is entitled to claim reimbursement from the Government for that extra leave that is paid leave. The employer may claim reimbursement from the Government for so much of the extra leave that is paid leave not exceeding one week or, if the leave is taken in one or more periods, the total of which does not exceed the shorter of the 2 periods mentioned in section 12H(1)(b). However, no claim for reimbursement may exceed \$2,500.

The new section 12KC provides that a self-employed man, who is entitled to claim loss of income under section 12H(4), and who has lost any additional income when he ceases to be actively engaged in his trade (i.e. takes extra break) on or after 24 August 2015, is entitled to claim from the Government for that lost additional income for such period that he takes extra break. The self-employed man can claim the lost income for the extra break, for a total duration that does not exceed the shorter of the 2 periods mentioned in section 12H(4)(a) or \$2,500 (whichever is the lower).

Clause 4 makes miscellaneous amendments to sections 11, 12, 14 and 20 which are consequential to the introduction of the new sections 12KB and 12KC.

## EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.

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