

Ageing Population, Low Birth Rates, Declining Fertility: Impact on Global Business

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Abstract— Global ageing in developed and developing countries alike will dramatically alter the way that societies and economies work. Population ageing generates many challenges and sparks concerns about the pace of future economic growth, the operation and financial integrity of health care and pension systems, and the well-being of the elderly; from the major study published by the United Nations (UN). Aging is no longer the sole province of more developed countries. Longer life expectancy at birth and lower fertility has sharply increased the proportion of elderly in less developed countries. In most non-OECD countries, declining fertility rates will cause labor-force-to-population ratios to raise as the shrinking share of young people will more than offset the skewing of adults toward the older ages.

In this paper I will be discussing about the effects of ageing population, low birth rates, declining fertility and its impact on global business using the Global Fitness Framework (GFF) model developed by Rayment and Smith in 2007 and also compare with another relevant frameworks models and discuss the relevance and importance of the issues that have a direct or indirect impact on individual, society, group as well the global business as a whole, in context the main focus will be on Singapore. Finally the paper will conclude with the recommendation as well suggestions for all the issues with relevance to GFF and actions taking by the government will also be heightened

Index Terms— Global Fitness Framework, Global Business Fitness, National Population and Talent Division, Non-Governmental Organization, Organisation for Economic Co-operation and Development, Total Fertility Rate, United Nations, , World Health Organization

1 INTRODUCTION

The rapid ageing of the world population is one of the major global demographic trends, driven by the reduction of fertility and mortality. The Population Division of (UN) monitors the global, regional and national trends in ageing and its major socio-economic implications. As noted in the Madrid International Plan of Action on Ageing, in most regions and countries of the world the population aged 60 or more is growing faster than younger adults and children, and this has important consequences for the family, the labour market, and public programs directed to different generational groups. (Source: United Nations, Department of Economic and Social Affairs-Population Division)

The number of people over the age of 60 is projected to reach 1 billion by 2020 and almost 2 billion by 2050, representing 22 percent of the world's population. The proportion of individuals aged 80 or over is projected to rise from 1 percent to 4 percent of the global population between today and 2050 (UN Forecast). The elderly are not only growing rapidly in absolute numbers, but have also become substantially healthier. So the nations have to balance between the growing old age populations as well the younger generations; a standard approach to assessing these changes is to assume constant age-specific behavior with respect to employment, consumption, and savings, and to assess the implications of changes in the relative size of different age groups for these fundamental contributors to national income.

Low birth rate has economic consequences, Gary Becker, Nobel laureate and University professor of Economics and of Sociology warns. Changing fertility rates will have a remarkable effect on the economic future of some countries.

"Once a country gets into the 'low replacement fertility club', it doesn't leave - with very few exceptions. Becker said. "This seems to be a very important trend. The questions worth addressing about this are what are the consequences of this for the family, what are the consequences of this for the economy, and what are the consequences of the economy for fertility?" (Chicagobooth, 2009)

For decades, as countries grew wealthier and more urban the world's fertility rate plunge. Though the steepest declines happened first in most of the wealthiest nations like Japan, Italy, Germany, and Spain, even many developing countries have seen their birth rates heading to downward rate. Today, women in more than 60 countries, ranging from Austria, Canada, and Poland to Singapore, Japan, and South Korea, don't bear enough children to keep up the young population growing. In certain countries, women average just one child over a lifetime, less than half the replacement rate. The birth rates drop in many less developed countries hasn't dipped below replacement levels yet, but it's heading there fast. Mexico's rate went from nearly 7 children per woman to 2.3; Egypt's, from just under 7 to 2.72; and India's, from nearly 6 to 2.7. (City-journal, 2010). "China's dependency ratio—the number of children and old people as a share of working-age adults—is rising faster than Europe's, which will surely require scrapping the one-child policy. And China and India will be driven by conflict if the sexual discrepancies the UN projects come to pass. In 2025 China will have 96m men in their 20s but only 80m women? India will have 126m men in that age group and just 115m women." (Source: United Nations releases population projections to 2100, Shannon Buckley 2011)

The most direct consequence of low birth rates is a “vicious circle” of decreasing population. The effect on society is so significant that there will be fewer young adults to care for elderly family members, the workforce will be becoming older and less adaptable, healthcare and pensions will take up an increasing amount of public spending and domestic savings may also shrink.

Writing for TechCentralStation.Com, Pavel Kohout asks, “Where have all the children gone?” specifically in Europe where birth rates have fallen through the floor. By 2020, more than one in four Japanese will be over 65 (Posted: 03 April, 2012, Independent); Singapore is facing the problem of having not enough babies, preliminary estimates show that Singapore’s total fertility rate has dropped to a record low of 1.16 in 2010. This is even lower than the 1.22 in 2009, and well below the replacement rate of 2.1. (Posted: 17 Jan., 2011, channelnewsasia.com)

2 MEANING OF GLOBAL BUSINESS FITNESS

Global issues concern us all. They affect our lives at a local and global level. The term global refers to something that extends over the whole world, and to something that covers a whole group of items. Thus a global approach is one that moves beyond organizational or national boundaries, and is a holistic one that considers the physical, mental and spiritual fitness of individuals, groups and societies. (Smith & Rayment)

The international community is living through some truly momentous times. Technological development, economic prosperity and cultural evolution, all characteristics of globalization, our capacity to tackle a variety of complicated environmental, social and economic problems is greater at any time during last few centuries. The cause of global issues mainly attributed to human activities where the planet earth has been in peril. To survive, human has explored the whole earth and continually exploited the natural endowments indiscriminately; this has led to global threats to humanity.

In today’s scenario, a key issue most of the countries face or talk about currently is on climatic change and global warming. Over-population has caused tremendous pressures on the environmental provisions; natural disasters like mass epidemic threats and livestock killer diseases, volcanic eruption, tsunami, tornado, flood, drought, etc. Apart from the mentioned issues the poor standard of living environment and economic stagnation in Africa and other developing and under developed economies around the world are also the issues of global concern. The issues of global concern also include the rapid decline of demographic trends in developed countries and the conception of religious extremism and radicalization that has recently been linked to terrorist attacks globally; poverty and the wealth gap within and between countries still continue to grow.

It is indispensable to the whole body of mankind to make joint effort from all corners of the globe to resolve the problems and

threats facing the human beings from existence. The origin of these problems and threats can be ascribed to the key anthropological factor, similar forces but aimed towards inverting the situation need to come from human. Everyone is trying to solve the issues in some way or rather whether it may be an Independent government, NGOs, private sector, individuals, societies, and other social communities.

Protecting the environment is a further dilemma as we pursue greater economic wealth for developed and developing countries. A number of other serious issues, such as global pandemics, drug trafficking and people smuggling continue to pose new difficulties for government across the world. How the world deals with these global challenges? However, though we have the capacity and potential to tackle most of those international problems, our ability to do so is hampered by the tools we use to tackle the dilemmas facing the global community. In the current form, our traditional institutions are not capable of addressing the many serious issues facing the global community today, a more intelligent alliance between public institutions, private bodies and civil society is needed. Now thinking about the place of government, civil society and business has to work out how all can work together. The role of Internet technologies in engaging the public is one way of bonding people together. We certainly have ways to put them under greater pressure to solve global issues faster, and better. Progressive politics also should take a direct interest in pushing for such ideas.

Eventually businesses have a key role to play in any strategy to save the global. Consumers, companies, and governments must share a conjoint sense of urgency about the resource. Consumers can and play an important role; most of the responsibility depends on those who command large budgets.

To rescue the global environment involves restraint and responsibility from both consumers and companies should do more and be more responsible with the resources they consume, make more efforts to recycle and process the waste more efficiently, and restrain their appetite for immoderate consumption. In brief, global resources are finite and scarce and need to be carefully frugal, an argument that appeals directly to the traditional virtue of moderation.

Governments of various countries try their own global business models or approaches to solve the seriousness of this global issue. In order to improve GBF, the businesses and governments should have a role to play in “saving the business world”. We should consider what roles can the government of each country of the world; at national or state level administration can play in taking appropriate action on the ageing population, low birth rates, declining fertility. And we also should consider the role of public administration, civil society and business. Therefore, the role of public administrative leaders will appear more important for public business fitness. Every country need to find suitable for their own ways to deal with the crisis, each country has to consider their related plans

and take corresponding measures. Therefore, the government as a leadership who made the correlation decision is very important. Due to the complexity of this issue's, the more need to take deeply and fundamental reform of the government function.

World population grew to 7.06 billion in mid-2012 after having passed the 7 billion mark in 2011. Developing countries accounted for 97 percent of this growth because of the dual effects of high birth rates and young populations (See Figure 1). Conversely, in the developed countries the annual number of births barely exceeds deaths because of low birth rates and much older populations. By 2025, it is likely that deaths will exceed births in the developed countries, the first time this will have happened in history. (Population Reference Bureau, Fact Sheet: World Population Trends 2012 by Carl Haub).

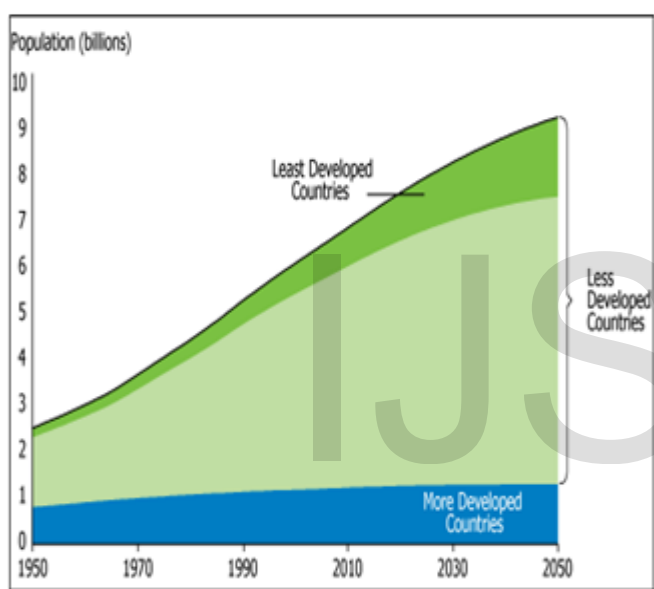


Figure 1: (Source: United Nations Population Division, World Population Prospects: The 2010 Revision, medium variant (2011))

From an economic standpoint, this long term demographic outlook is sobering—and in some respects, perhaps even troubling. As we enter a new century, a very different but no less powerful demographic trend is transforming the world's population profile. If the Twentieth Century's revolutionary trend was the "health explosion", with radical and pervasive reductions in mortality, the Twenty First's looks to be a "fertility implosion": a dramatic, far-reaching and as yet unremitting global reduction in birth rates from previous "traditional" levels. This low-fertility revolution is pregnant with implications, so to speak, for both our demographic and our economic future. (American Enterprise Institute, Nicholas Eberstadt 2011).

3 THE ELEMENTS OF GLOBAL FITNESS FRAMEWORK

3.1 The Outline of the Elements of GBF

Dr. Jonathan Smith and John Rayment proposed a new

approach to leadership, which takes, into account the bigger picture and works across boundaries. They call it the GFF. The framework can be used to guide and inform analysis and decision-making. The frame uses the concept of fitness to consider the fitness for purpose of individuals, groups and societies. Fitness for purpose is considered by looking at strength, stamina and suppleness - terms commonly used for physical fitness, and increasingly for mental, but rarely previously applied to spiritual dimension. (Alchemyformanagers)

The GFF provides a model covering the range of issues identified as relevant to global leadership. The axes of the GFF cover three aspects as shown in Figure 2.

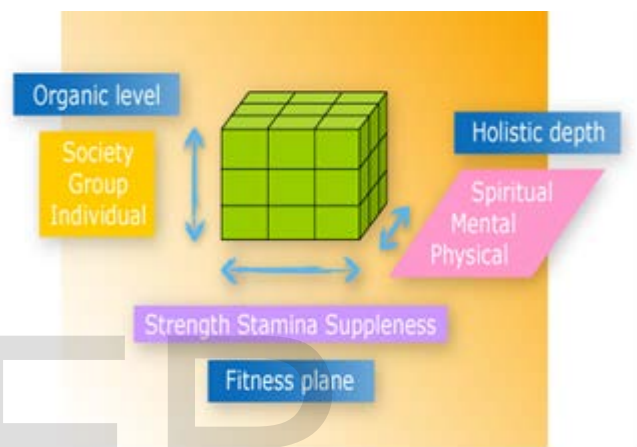


Figure 2: GFF

[Source: <http://www.alchemyformanagers.co.uk>]

1. **Organic level** - relates to whether an individual, group, or society is being considered;
2. **Fitness plane** - examines strength, stamina and suppleness;
3. **Holistic depth** - considers physical, mental and spiritual aspect.

Thus, each of the 3 aspects has 3 elements, giving a total of 27 individual cells. The GFF's modular nature enables users of the framework to home in on a particular cell, core or slice. Sample Focus Points are shown in Figure 3 below.



Figure 3: (Source: <http://www.alchemyformanagers.co.uk>)

The illustration shows some of the possible focus points:

Focus 1 - the cell, in this example representing physical suppleness of an individual; there are 27 such cells in the framework;

Focus 2 - the core, in this example covering physical, mental and spiritual stamina of a society; 27 such cores are available;

Focus 3 - the slice, in this example covering physical, mental and spiritual fitness of a group; nice such slices exist.

Any combination of the above foci is possible, giving tremendous flexibility.

The above section has considered physical, mental and spiritual facets as representing holistic depth, but many researchers include emotional as a fourth facet, often relating physical to the body, mental to the mind, emotional to the heart and spiritual to the soul. Emotions are an important consideration in the holistic depth of individuals. (Smith & Rayment)

3.2 Reflecting on GBF: Ageing Population, Low Birth Rate and Declining Fertility

Ageing population, low birth rate and declining fertility are interacted and interconnected. At *organic level*, the factors of the individual, group and society relates to the each woman who gives birth, families and the whole society, then further the global dimensions. The world population is now “getting older”, not only as a result of unprecedented improvements in life expectancy, but also as a result of low birth rate resulting very sharp declines in fertility. The fact that fertility, and not mortality, has been the driving force in population ageing. It is easy to confuse population ageing with individual ageing, especially in light of the dramatic increase in life expectancy and healthcare.

At *spiritual level*, global networks should appeal to universal values, and seek to resolve global problems in the spirit of global citizenship. The most informed global multilateral body might take the lead facilitators on each network with representatives from civil society and business also helping to facilitate.

First of all, increase of proportion of the elderly has affected both dependency ratio and aging index from nations to the world. The Straits Times (April 7 2012, Singapore) takes a look at the aging world on World Health Day (2012), the global campaign led by the WHO to raise awareness of key health issues. According to the research, in Singapore, the proportion of residents aged 65 and over rose from 7.2 per cent in 2000 to 9.3 percent in 2011, See Figure 5.

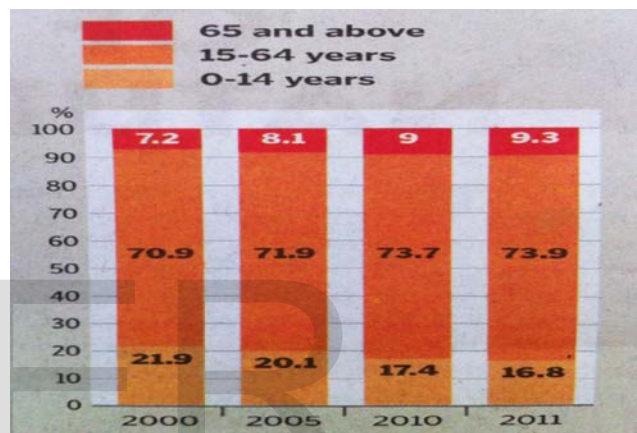


Figure 5: Age composition in Singapore (Source: The Straits Times, April 7 2012, Singapore)

This led a sharp drop in old-age support, See Figure 6.

Year	Elderly Citizen	Citizens in working-age band of 20-64 years of age	Ratio
1970	1 icon	13.5 icons	13.5
2000	1 icon	8.4 icons	8.4
2011	1 icon	6.3 icons	6.3
2015	1 icon	4.8 icons	4.8
2020	1 icon	3.6 icons	3.6
2025	1 icon	2.6 icons	2.6
2030	1 icon	2.1 icons	2.1

Declining Old-Age Support Ratio

Figure 4: Source Department of Statistics, Singapore

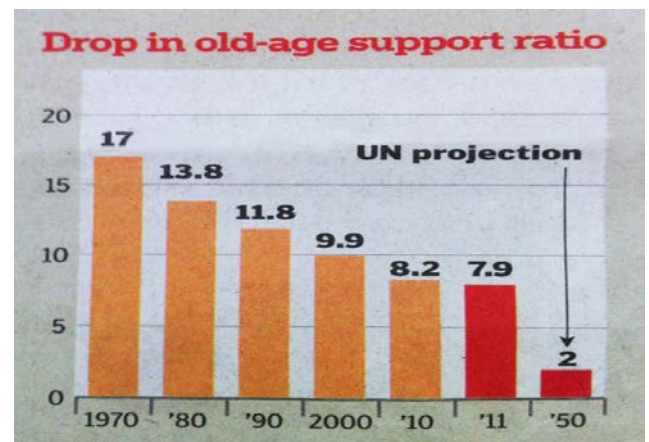


Figure 6: Drop in old-age support ratio in Singapore (Source: The Straits Times, April 7 2012, Singapore)

At the levels of *holistic depth and fitness plane*, it may be the case that physical and mental fitness are no longer crucial to personal survival, and that high levels of physic and mental comfort coupled with relatively low fitness levels are causing

levels are low drives and fitness in terms of producing offspring. Perhaps spiritual fitness may become the decisive factor.

The world population is now "getting older", the problems caused from organic level - individual aspect, but also related to fitness plane and holistic depth, they are interacted and interconnected each other. As lives lengthen, people are vulnerable to certain illnesses, like mental illnesses, sensory impairments, incontinence, etc. In Singapore, today, 20,000 residents aged 60 and above are living with dementia. This will increase to about 53,000 by 2020 (Strait Times, 2012). According to the paper, the growing numbers shown by 2030, one in five will be 65 years and above; the population's median age rose from 34 years in 2000 to 38 years in 2011. This trend has affected the size and proportion of the working age population (15-64years). This also bring about the decline of the size of the population of the newly entering working age, the working age population would be accordingly aging. This undermines the productivity of the individual, group, society, further the nation. The decline is reflected on fitness plane, i.e. strength, stamina, suppleness and holistic depth, i.e. physical, mental, and the spiritual from organic level, i.e. individual, group and society.

Aging population requires adaption to the problem of long-term care of the elderly. In Singapore, in order to meet the needs of the growing numbers of aging population, senior activity center's will serve more seniors; day-care and rehabilitation services will triple their capacity; number of nursing home beds for seniors without family support will be increased by 70 per cent; more home caregivers will serve 10,000 patients, up from 4,000. (Strait Times, 2012)

In sum, people aged 65 or above usually have different needs and behaviors than younger individuals. How does the fewer young support the high ratios of elderly? As they grow older, they are likely to be less productive due to health issues. Older individuals tend to work and save less, representing that they offer less labor and capital to economies. They also require more health care and, in many countries like in Europe, rely on social pensions for a large part of their income. As older populations become larger and politically stronger, adopting certain policies, such as cutting health and pension benefits, will prove difficult. How would the world economy cope with less money and more expenses?

Still, a lot of discussions and effects on the topic of ageing population, low birth rate and declining fertility are being talked in the forums and world communities and their impact on the world business.

4 USE OF RELEVANT MODELS AND FRAMEWORKS

Solving global problems requires global objectives and leadership, within a suitable decision framework. Rayment says in his global fitness framework; depicts the cells as

separate and unique; all aspects of humanity are in fact interconnected and influence each other. Many of global issues are extremely urgent and potentially life-threatening on a global scale, the GBF framework has a positive inclusive definition of spirituality and enables leader, analysts and researches to assess the physical, mental and spiritual fitness of individuals, groups and societies to perform their roles in solving the problems facing humanity.

To solve global problems optimally, we need to consider the individuals, groups and societies affected, and how they gel together, or react to each other. The modular nature, or helicopter vision, of the model allows analytical researcher, decision makers and leaders to home in on the particular cell, core or slice of the framework relevant to their needs, but then have the option of summing these individual outputs to provide a holistic overview. (Smith & Rayment).

We argue that many of these global issues have, at least in part, been caused by the paradigm in which business have operated from for hundreds of years, there is need for us to move towards more sustainable business models that will be a win-win situation, not just for an organization's long-term growth prospects but also for the environment. Many organizations, such as the Prince of Wales International Business Leaders Forum (IBLF) and the World Business Council on Sustainable Development (WBCSD), are helping business leaders to think deeply about the role of business in society. These collective initiatives on the part of global business are crucial, on a planet that is increasingly stressed. Sustainability movement has created major new institutions and exchanges worldwide and it also had an implication on carbon taxes to national markets and associated currencies.

The participation of business in tackling these urgent global issues is by no means philanthropic. Business must be an equal partner with governments and non-governmental organizations if we are ever to achieve a greater balance across the economic, social, and environmental dimensions of sustainability. Government can create policy infrastructure that stimulates sustainable growth. NGOs are skilled at early identification of issues and priorities, and facilitating communication among often-disparate parties. Business has the resources and expertise to active solutions that are self-sustaining through the application of business models. By working together and taking each other's interest into account, become a formidable force for the betterment of the planet.

Ageing population brings both opportunities and challenges for sustainable development. We should formulate a population policy that cannot only control growth of population, but can also prevent excessive aging population to realize coordinated development of aging of population and economy. We should establish and make perfect the old-age security system in which the progress of aging of population fits with the level of economic development. We should develop and employ human resource of the elderly and

transform aging of population as a pressure to a motive.

A business model draws on a multitude of business subjects, including economics, entrepreneurship, finance, marketing, operations, and strategy. The common reason for aging population is both the mixture of combination of declining birth rates, declining death rates. In one way the aging population has increased a lot of opportunities for organizations that provide goods and services to elderly population and, will have a positive effect on pharmaceutical industry.

Is aging population a systemic risk? To tackle the issue, new challenges are facing to risk management? In managing aging risk, first step is to begin with: drawing up a retirement plan by activities; reengineering of processes, one possible solution might be creating shift works for elderly people, housewives and unemployed persons, etc., who need to work part time, companies could design jobs and shifts to suit the workers requirement, this would in turn make the companies to change their long-term strategy and functional structure of the organization if needed. This methodology on risk management suggested might spark off a higher awareness of the issue of aging population.

5 RELEVANCE AND IMPORTANCE

5.1 Relevance of Ageing Population and Low fertility

Ageing population due to declining fertility, which caused by low birth rate. The fact of ageing population, low birth rate and declining fertility affects population structure. Age structure affects lots of parts of society, the environment and economy when population changes. These effects are in turn all inter-connected in one way or another. The relevance of the global issues can be considered in many aspects.

The rapid process of fertility decline and population aging due to the rapid demographic transition has substantially affected individual, group, society, and the whole world. Japan is already witnessing a slow economic growth due to this demographic imbalance. The same now is replicating in other countries. Countries will have more ageing population and declining young population owing to low fertility rates. For example, Singapore, is hence seeking more immigrants to balance the demographic ratio while Singapore's total fertility rate fell to 1.16 (Posted: 21 Jan, Gen321). Economic impact ranges from pressure on providing care and health facilities but also pension systems in individual, group and society dimension on organic level, also within which are interacted and interconnected on fitness plane and holistic depth.

Both the supply and demand functions that related to the human activities will be affected with changes in the age structure. There is urgent need and steady shift is required to facilitate the services for dependent sectors of the population, which applies to the both younger age group and the elder age group. Life expectancy increases so more retired people will be in the family unit. For example, a woman aged 50 may

living with her mother and grandmother.

Aging of population will finally cause insufficient labor force and aging of working age, and affect improvement of labor productivity. Physical strength of elderly labor force falls gradually into a decline. With declining numbers of births contributing to new labor force entrants, lacking of continued contributions by way of external migration the work force will become an increasingly smaller proportion.

Aging population affects international competition for migrants as well as the internal migration. Internal migration operates at local level but with national consequences. The interaction of outflows and inflows is most important for an area, the characteristics of outflows and inflows differ, cause different effects on age structure. Consider the case of Singapore, should Singapore be able to increase the Total Fertility Rate (TFR) to 2.1, the citizen population size would be stable even if no new citizens (immigrants)? According to Singapore National Population and Talent Division (NPTD, April 2011) released a paper illustrating five scenarios based on certain assumptions about future demographics trends over a projected period.

Consider the Scenario A is a hypothetical scenario where we assume that our citizens begin to replace ourselves from this year. This means that Singapore's TFR is assumed to be 2.1. Scenarios B to E assume current TFR of 1.2 but with different levels of intake of new citizens each year. See Table 1.

Table 1: Summary of scenarios, (Source: NPTD, April 2011)

Parameters	Scenarios				
	A	B	C	D	E
	Replacement TFR 2.1	No immigration, current fertility	15K new SC, current fertility	20K new SC, current fertility	25K new SC, current fertility
TFR (per female)	2.1	1.2	1.2	1.2	1.2
Number of citizenships granted (per yr)	0	0	15,000	20,000	25,000

As more citizens retire and fewer enter the working-age band of 20-64 years, the number of citizens of working ages will start to shrink. At current TFR and without immigration, the size of Singapore working-age citizen population will shrink drastically. (See Scenario B in Table 2). This effect is mitigated by immigration. Immigration will slow down the decline of citizens in the working-age band. An inflow of 25K new citizens per year would keep the size of Singapore working-age

citizen population relatively stable (See Scenario E in Table 2).

With our increasing life expectancy and low fertility rates, the proportion of citizens aged 65 and above has continued to rise from 10.4% in 2011 to 11.1% in 2012 as shown in the Table 3.

Table 2: Number of working-age citizens (20-64 years) ('millions) (Source: NPTD, April 2011)

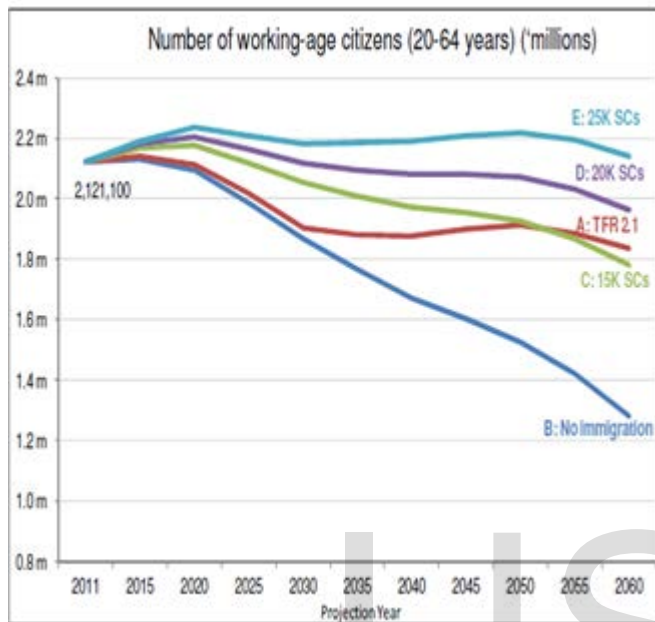
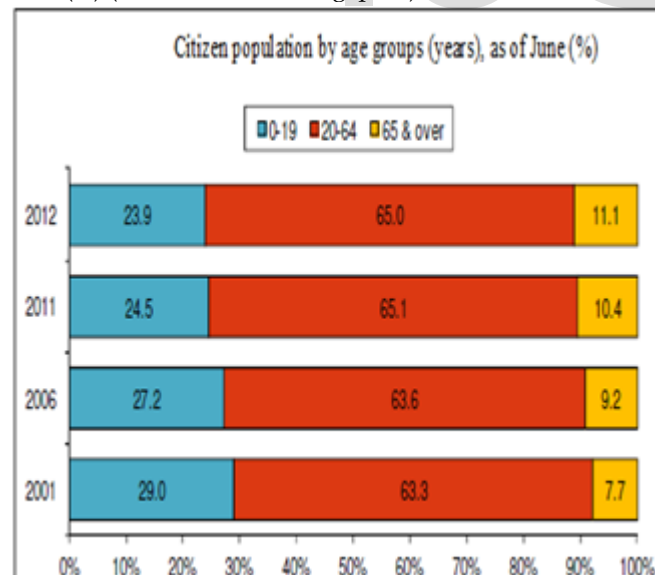


Table 3: Citizen Population by age groups (years), as of June 2012 (%) (Source: NPTD, Singapore)



To some extent ageing population is rapidly becoming more diverse represents on social activities. Not only people getting older, but also the requirements on social, cultural and economic rations are changing accordingly. The elderly may increasingly tend to have some other needs for specific cultural and social activities, such as access to religious

facilities or peer groups, which not yet currently catered for among elderly care services. The care services will take new challenges. Identifying, defining and planning for appropriate care for ageing population will become a crucial policy consideration for the government in future.

Increase of the total number of retired people and expenditure of retirement pension will influence expanded reproduction, which is unfavorable for sustainable development of social economy.

Ageing population is also unfavorable for social stability. Due to decreased tolerance of physical activities and degenerated intelligence, it's necessary that the ability of self-support will reduce and independence on others will be aggravated, and they will become a weak group of the society.

5.2 Importance of Ageing Population and Low fertility

The ageing of populations is a direct consequence, first and foremost, of falling rates of birth.

These issues need to be considered when decision making and developing policy relating to the distribution of social needs. To summarize, policy approaches to low fertility need to be derived from an assessment of a country's family support policies and practices in the light of the widely agreed causes of low fertility. Any existing knowledge of the impacts of policies from domestic or from other countries should be considered.

It is important to recognize that in the current context of discussion of policy measures to increase fertility, policy in relation to falling fertility was successful in some extent, because, in broad terms, the objectives of governments coincided with those of individuals.

In taking such actions, governments can provide the perception that children are valued by the society and that this society intends to support those who have children. Singapore is one of the countries with the lowest birth rates in the World. Singapore only has 8.5 births in 1,000 populations (ranked last 4 countries by CIA World Factbook as of 10 August 2011). Combined the low birth rates and a rapidly ageing population in Singapore, it got fundamentally serious consequences. Population White Paper: Sustainable Population for a Dynamic Singapore presented by (NPTD, 2013) identified the key issues for the Singapore as stated below:

- a. Low Local Birth Rates and Longer Life Expectancies
- b. A Shrinking and Ageing Population and Workforce

At current birth rates and without immigration, Singaporean citizen population will begin to shrink around 2025 as shown in earlier in the Figure 4. Some of the major issues that Singapore need to take into account; with a larger portion of the population getting older, the productivity and GDP of Singapore may decline, Health care cost will increase with an age-

ing population. As with a lower birth rates, in a long run Singapore have to depend on foreign national to be converted in to citizen so that produce babies. As predicted by the UN, by 2050, more than 35% of the population will be in their 60s compared to only about 40% aged 21 to 60. By taking in to facts, it will clearly create a heavy financial strain to the Singapore and cause social unrest especially if the elderly does not plan for their retirement.

6 SINGAPORE'S GOVERNMENT'S POLICY RESPONSES TO LOW-BIRTH RATE AND AGING SOCIETY: (SOURCE: NPTD)

In 1995, "Three or More" Policy, a series of policy measures and incentives had been introduced to support the policy: a) incentives to ease the financial burden of child-rearing; (b) incentives to ease the conflict between women's work and child-rearing roles; (c) modification of the earlier, two-child incentives in line with the new policy

In April 2001, the government implement the Children Development Co-Savings Scheme (more popularly known as **Baby Bonus Scheme**) to "lighten the financial burden of raising children".

In 2013, **A Strong and Cohesive Society: Growing Strong Singaporean Families:** Creating a supportive environment for Singaporeans to form families and raise children is a key priority in addressing the population challenge. The Government encourages marriage and parenthood, through measures such as subsidized public housing, financial support for children's development, enhancing the accessibility, affordability and quality of pre-school care, and facilitating work-life balance. The Marriage and Parenthood Package was last enhanced in 2008 to a budget of \$1.6 billion a year. (Source: NPTD)

A typical middle-income citizen household in the 25-40 age groups with two children can enjoy \$20,000 in baby bonus cash and co-savings, \$53,000 in infant care and childcare subsidies, and \$10,000 in tax savings until the younger child turns 7. To facilitate work-life balance, mothers enjoy 4 months of paid-maternity leave per child and each parent will have 6 days of paid childcare leave per year until both their children reach the age of 7. Companies can also tap on the WoW! Fund to promote flexible working arrangement. With these, working parents in such households can enjoy the equivalent of about \$142,000 support from the Government in their children's first 7 years. (Source: NPTD)

The Government continues to seek ways to work with partners such as employers and the people sector to strengthen the pro-family environment in Singapore and support Singaporeans in pursuing their life goals of marriage and parenthood.

Immigration Helps to Supplement Shortfall in Births: Raising local birth rates remains the key priority in addressing our population challenges. However, getting married and having children are ultimately personal decisions. Immigration can help to supplement our population and delay the decline in

our citizen population. (Source: NPTD)

Building a Cohesive Community: The Government is exploring more ways to bring the people, public and private sectors together to focus on integration, provide platforms for locals and non-locals to make new friends, and collectively appreciate Singapore's unique multi-racial, multi-religious society. (Source: NPTD)

The government of Singapore is actively looking for ways to resolve these issues. Their influx of foreign immigrant's policy is partly aimed to resolve the declining economy an ageing population may bring. By replacing with young immigrants from around the world, the government was partially using this to prevent the negative impact of a declining Singapore economy due to ageing population in Singapore. Singaporeans are not all convinced that by having a pro-foreigners policy to resolve Singapore's ageing population and economy as the only way that we can overcome the problems. They urged policy makers to be more creative than to use this strategy to sustain Singapore's progression in the long term.

7 CONCLUSIONS

After thorough analysis, it can be found that aging of population and low fertility is a necessary trend, both with opportunities and challenges. Our major task is not to obstruct or put off this historical progress, but to face up to the reality of aging population, to actively explore strategies and countermeasures of aging population that adapt to requirements of sustainable development, to maximize the benefits of aging of population and to minimize the influences.

Below-replacement fertility rates and longer life expectancy affect our citizen population size, number of working-age citizens, median age and old-age support ratio. While Singapore presses on with efforts to encourage and support marriage and parenthood, raising TFR alone will not fully mitigate the effects of a declining and ageing citizen population, particularly in the next two decades. Immigration can help mitigate the rate at which our citizen population ages and declines, thereby revitalizing our citizen population. (NPTD, April 2012).

My final argument is that we need to explore new business models to solve problems that dig into the globe's decentralized sources of knowledge and capability - an approach that mobilizes not just leaders of the world's largest nations, but also a whole ecosystem of citizens and organizations around the globe. We need to look beyond the borders of nations and think about society in broad, global terms. If the problems are global in scale, then we need to come together as global citizens to solve them. (Anthonydwilliams, 2010).

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