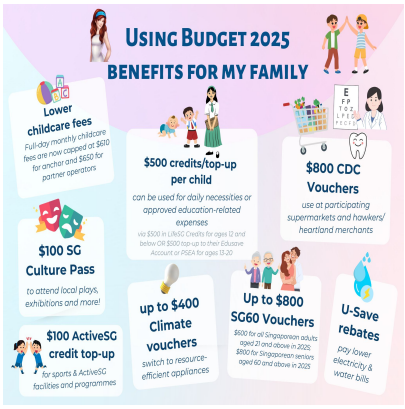

Raising a family in Singapore? Hereâ??s how Budget 2025 can help to offset costs

Description

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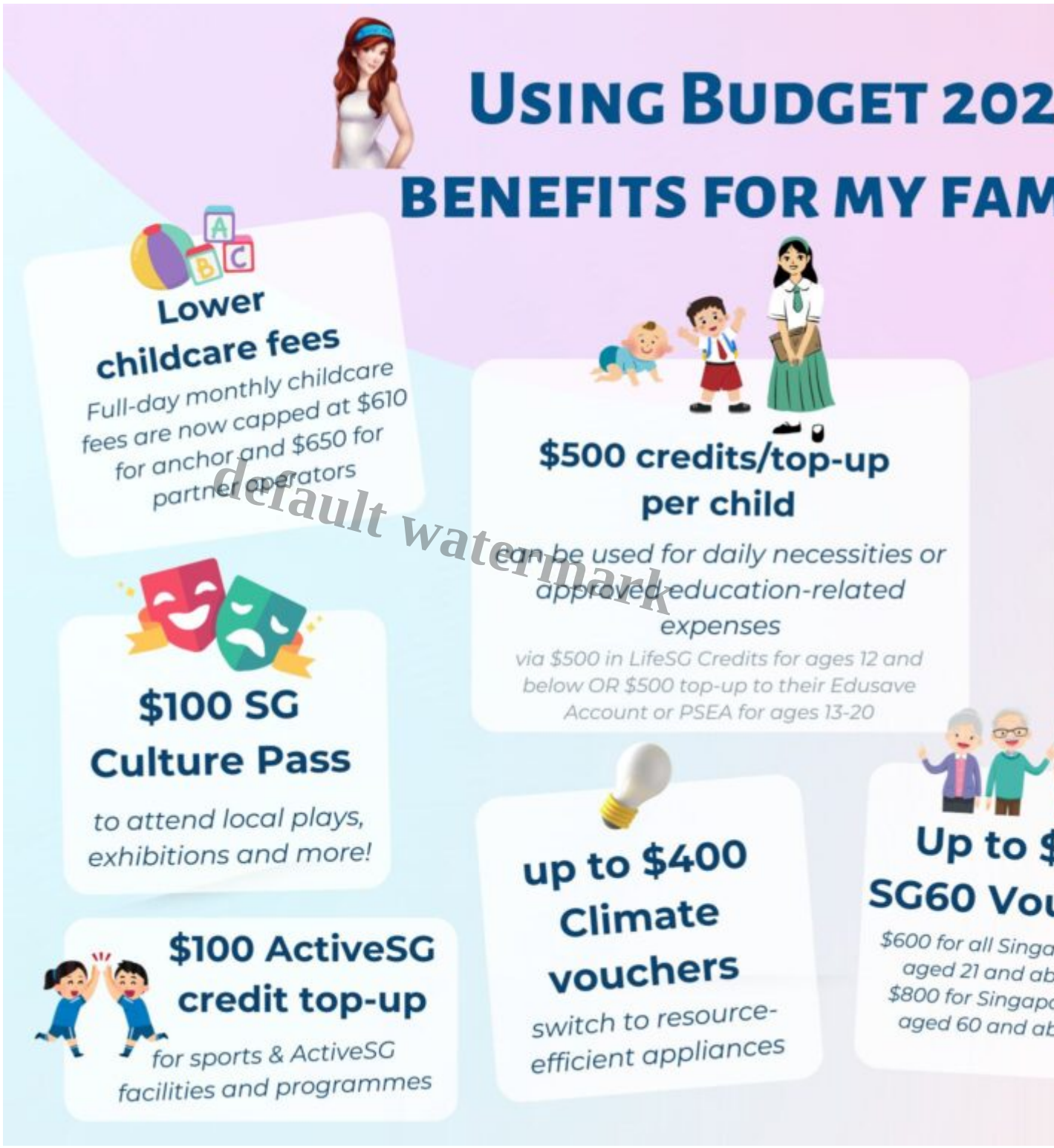
Singapore can be said to be one of the best places in the world to raise a family. Our country is safe, the education system is world-class, and there are various benefits in place that encourage working women like me to continue building our career while raising our children.

But letâ??s be real â?? raising kids in Singapore isnâ??t cheap. While some FIRE (Financial Independence, Retire Early) advocates have said that having kids will hold you back from financial independence, I beg to differ. Instead, I believe that with proper planning and wise budgeting, we can still have the best of both worlds.

Thatâ??s also why every year, I tune in to see what benefits families will get in our Governmentâ??s Budget Statement. More importantly, I want to know how these benefits can help me and my household.



If youâ??re feeling overwhelmed by the various benefits announced during the Budget, fret not because in this article, Iâ??ll be focusing mainly on the perks specific to families with children.

Building a Singapore Made for Famil

- **$500 Child LifeSG Credits** for all Singaporean ch aged 12 and below
- **$500 Edusave Account or Post-Secondary Ed Account top-up** for all Singaporean children aged
- Lower monthly **full-day childcare fee caps** in Go supported preschools to reduce childcare expense
- New **Large Families Scheme**
  - **$5,000 increase** in **Child Development Account First Step Grant** for each third and subsequent child born from 18 Feb 2025
  - **$5,000 Large Family MediSave Grant** to mothers' MediSave accounts for each third and subsequent child born from 18 Feb 2025
  - **$1,000 Large Family LifeSG Credits** annually to families for each third and subsequent child, in the years the child turns 1 to 6

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Image source: Ministry of Finance

BUDGET 2025 FOR FAMILIES

Lower preschool fees

If you have a toddler, hereâ??s a big win! The fee caps for childcare anchor operators will now be reduced to $610 per month ($30 less), and $650 per month ($30 less) for partner operators.

With this change kicking in next January, childcare will become more affordable, which is great news for working parents like me. My youngest child is still studying at an anchor operator, so Iâ??m looking forward to paying less for his childcare fees from next year onwards!

If your child is aged 5 or below, you too, will be able to benefit from lower preschool fees that take effect from January 2026.

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$500 LifeSG / Edusave / PSEA credits per child

Each Singaporean child will receive $500 in the form of either LifeSG credits (for those aged 12 and below), or a top-up to their Edusave Account or Post-Secondary Education Account (for those aged 13 to 20).

Since we have 2 kids below 12 years old, that means our household will be receiving a total of $1,000 in Child LifeSG Credits. I intend to use these to pay for my kidsâ?? pharmacy purchases each time they fall sick, especially since they tend to visit the doctor several times a year.

These credits can be accessed via the LifeSG app and can be used online or in-person at merchants that accept PayNow UEN QR or NETS QR. Alternatively, if you have a OCBC bank account, you can also convert them to cash by using the LifeSG app to transfer to your PayNow-NRIC linked bank account, and then withdraw it as cash from OCBC ATMs.

If your kids are older, you can use the top-up to their Edusave / PSEA Accounts to pay for education-related expenses like approved school fees or enrichment programmes.

When: In July 2025

$800 CDC Vouchers

Singaporean households will receive a total of $800 in CDC Vouchers.

You can use these for your household grocery runs and create a fun grocery list with your kids on what you should get to feed the whole family! You can also pay for your familyâ??s meals at hawker centres, or alternatively, use them to pay for haircuts, eye check-ups or even dental treatments for your kids!

How to use: Log into RedeemSG via your Singpass and use them at participating supermarkets, hawker stalls, or heartland merchants that accept CDC Vouchers.

When: $500 in May 2025, remaining $300 in January 2026

$600 â?? $800 SG60 Vouchers

All Singaporean adults aged 21 and above this year will get $600 in SG60 vouchers, while Singaporean seniors aged 60 and above this year will get $800.

The SG60 Vouchers can be used at all participating businesses under the CDC Voucher scheme, which means half of the vouchers can be used at participating heartland merchants and hawkers, and the other half can be used at participating supermarkets.

How to use: Log into RedeemSG via your Singpass and use them at participating supermarkets, hawker stalls, or heartland merchants that accept CDC Vouchers.

When: July 2025

$100 SG Culture Pass

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Iâ??ve been paying to bring my kids to several plays and theatre experiences as I want to expose them to the arts. Now, with the SG Culture Pass, you can use it to purchase tickets for eligible local arts and heritage activities such as exhibitions, experiences and performances to enjoy them together as a family!

How to use: Details to be announced.

When: From September 2025, and valid for use till 31 December 2028

$100 SG60 ActiveSG Credit Top-Up

If you are an existing ActiveSG member, you will receive a $100 SG60 ActiveSG Credit Top-Up. If youâ??re new to ActiveSG (like my youngest son, who hasnâ??t signed up yet), you will get a total of $200 in credits.

These ActiveSG credits will come in handy for bringing your kids to public sports facilities such as gyms or swimming pools.

$100 can pay for up to 40 ActiveSG gym visits, or over 50 visits to various swimming complexes located all over Singapore!

Alternatively, how about signing up for a ActiveSG academy or club, which offers various sports for children?



When: June 2025

Up to $400 in Climate Vouchers

Each eligible HDB household will receive an additional $100 in Climate Vouchers this year, which adds on to last yearâ??s $300 of Climate Vouchers. Each eligible household living in a private residential property will also be entitled to $400 in Climate Vouchers this year.

If you need to change to more energy- and water-efficient household appliances or fixtures such as refrigerators, LED lights or even a washing machine â?? you can use your Climate Vouchers to offset the cost at participating retailers such as Best Denki, Courts, Gain City, Harvey Norman or even FairPrice, Giant and Cold Storage.

Eligible households can claim their Climate Vouchers online at RedeemSG by logging in with their Singpass accounts.

When: April 2025

U-Save and S&CC rebates

These are nothing new by now, but still worth mentioning here as eligible Singaporean HDB households will be receiving up to $760 of U-Save to offset their utilities expenses. They will also get up to 3.5 months of Service and Conservancy Charges (S&CC) rebates to defray their S&CC.

No action is needed as the U-Save rebates will be automatically reflected in your utilities bills when the time comes. Your S&CC Rebate will be automatically credited to your householdâ??s S&CC account managed by your respective Town Council.

When: April, July, October 2025, and January 2026

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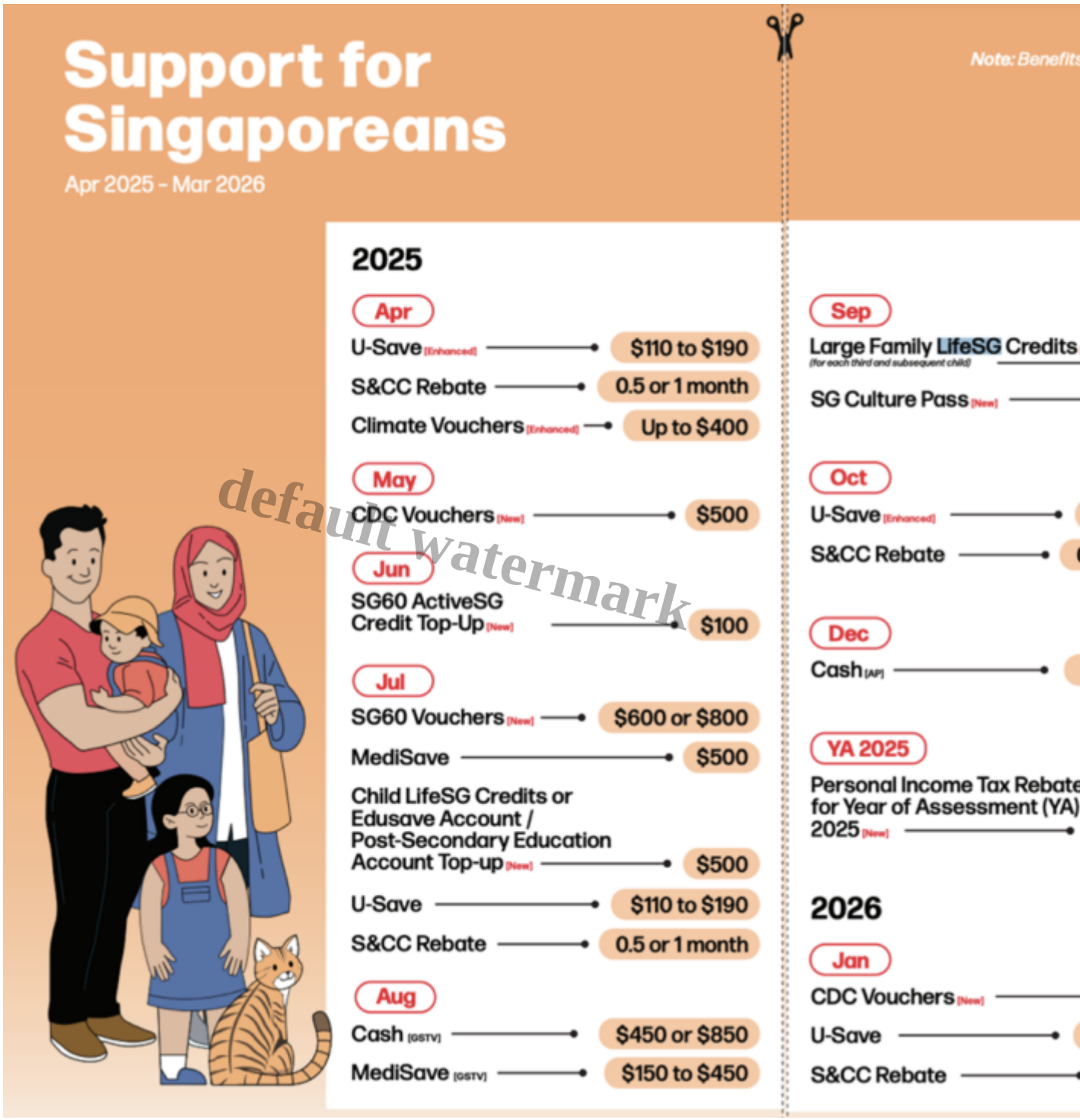

Image source: [Ministry of Finance]

FOR LARGE FAMILIES

If you intend to have (or already have) 3 or more children, there are more support measures for you in Budget 2025.

$1,000 Large Family LifeSG Credits every year

This benefit is a game-changer. For the first time ever, families with 3 kids or more will be receiving $1,000 in LifeSG credits *every year* from when the child turns 1 to 6 to help offset daily expenses.

Thatâ??s an extra $6,000 worth of credits from the third child onwards that parents will be getting!

Higher CDA Grants for the 3rd child onwards

If the existing benefits arenâ??t enough to convince you to have more kids, the Government also announced that theyâ??ll be increasing the Child Development Account (CDA) First Step Grant by $5,000 for each 3rd and subsequent child born from 18 Feb 2025.

CDA savings can be used to pay for childcare, medical expenses and education, so this helps to further offset costs.

$5,000 Large Family MediSave Grant

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Whatâ??s more, mothers will receive an additional $5,000 in their MediSave for each third and subsequent child.

Yes, you can use this to offset your delivery fees if you decide to have your third child â?? or even use it for your medical check-ups or insurance premium.

Budget 2025 definitely brings good news for families, especially if you have multiple children. While raising children in Singapore isnâ??t cheap, itâ??s nice to know that the Government is stepping in to help defray some of our expenses.

For me, the **lower childcare fees** and **annual LifeSG credits** are the biggest wins. What about you? Which part of Budget 2025 helps your family the most? Let me know in the comments! ð???

MY THOUGHTS

Lower childcare fees was something that many parents have been looking forward to, so it was great to see further reduction in fee caps announced in this yearâ??s Budget. Having paid close to $1,500 per month in childcare fees for my 2 children (in an anchor operator) for the past few years, I know how significant these fees can be for many parents.

Whatâ??s more, I will also be using the **$500 Child LifeSG Credits, $800 CDC Vouchers, $600 SG60 Vouchers, $100 SG60 ActiveSG Credit Top-Up and $100 SG Culture Pass credits** to pay for our household necessities, entrance fees to public swimming pools and catch more local plays or exhibitions with my kids.

Iâ??m heartened to see more incentives announced this year to help support families with children of all ages and defray the costs of raising kids in Singapore. As the benefits get disbursed over the next few months, Iâ??m looking forward to using them in our daily lives.

Use the **Support for You Calculator** here to estimate the amount of benefits youâ??ll be getting from Budget 2025!

Disclosure: This article is brought to you in collaboration with the Ministry

Category

1. Family

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