DBS Flash

Singapore: National Day Rally 2026 - Families, technology, land potential

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- *The National Day Rally 2026 outlined initiatives to sustain trust, relevance, and resilience amid global uncertainties.*
- *Enhanced family policies form a multi-pronged package providing broader parental support.*
- *Foreign manpower will complement the local workforce in a careful and controlled way.*
- *Artificial intelligence remains central to Singapore's national agenda.*
- *Major projects to unlock land potential would support long-term construction growth.*

Sustaining trust, relevance, and resilience

Prime Minister (PM) Lawrence Wong's National Day Rally (NDR) 2026 speech on August 23 outlined key initiatives to ensure that Singapore remains trusted, relevant, and resilient, amid an increasingly turbulent global landscape. Beyond reaffirming Singapore's commitment to building trust and deepening global linkages, including through its role as ASEAN chair in 2027 and continued engagement with global partners including the US, we highlight three themes from NDR 2026: family support and openness, technology, and long-term development plans.

Family support and remaining open

Family support, a key pillar of the government's Forward Singapore agenda, was a major highlight of NDR 2026, and had been well flagged in the run-up. We view the first set of recommendations from the Marriage & Parenthood Reset Workgroup, announced by PM Wong, **as a multi-pronged package, which marks a step towards providing sustained support for parents across a child's crucial developmental years.**

The combination of increased childcare leave, stronger and more sustained financial support through the new SG Child Support Package, more affordable and accessible caregiving options, as well as improved access to housing for growing families *(see table* and *National Population and Talent Division's announcement)* addresses the key concerns identified by Singaporeans in a YouGov Survey conducted in July 2026 *(see chart).*

Supporting Families

Policy Area	Key Measures
Childcare Leave	New streamlined childcare leave scheme for children aged 12 and below. Each working parent receives 8, 10, or 12 days annually depending on whether they have 1, 2, or 3+ children. Government to fully reimburse employers for all child-related leave schemes, up to the reimbursement cap.
SG Child Support Package	New package provides up to SGD62,000 per Singapore citizen child, regardless of birth order, comprising a SGD10,000 Baby Gift, SGD32,000 Child Credits over ages 1-16, SGD5,000 CDA First Step Grant, up to SGD5,000 CDA government co-matching, and a SGD10,000 PSEA top-up at age 17.
Support for Large Families	Additional assistance for families with three or more children, including studying enhanced support for healthcare, transport, and housing needs.
Affordable Preschool & Caregiving	Government-supported childcare and infant care fees to be reduced to SGD150 and SGD300 per month, respectively, by 2030. Full subsidies extended to all Singapore Citizen children regardless of parents' work status. Government-supported preschool operator network to be expanded.
Housing Support	From Feb 2027, first-timer families with or expecting children will receive one additional ballot chance per Singapore citizen child for BTO and SBF flat applications. BTO and EC income ceiling raised to SGD16,000 and SGD18,000, respectively.

Source: National Population and Talent Division, DBS compilation

These measures also built on earlier initiatives, such as parental leave enhancements, and support for large families announced during NDR 2024 and Budget 2025. While businesses may have concerns about operational challenges of expanded childcare leave provisions, they will have time to adjust given that implementations details are still forthcoming as feedback is being gathered on implementation. Businesses should view this as a strategic trade-off that supports the long-term sustainability of Singapore's demographic profile.

Even as Singapore aims to reverse its persistently declining fertility rate, which fell to a record low of 0.87 in 2025, PM Wong acknowledged that both the overall population and labour force will grow more slowly in the years ahead. To support economic growth, Singapore will continue to complement its Singaporean core by remaining open to foreign manpower in a "careful and controlled" manner. PM Wong signalled that a modest easing of foreign worker policies, particularly for the services sector, is unlikely. Looking ahead, PM Wong said that Singapore's future economic growth should instead be driven more by technology and productivity gains.

What could the Singapore Government do to make you more willing to have children (or more children)?	Percent
Lower the cost of preschool and childcare	35
Improve work-life balance through national policies	31
Increase cash incentives for having children	31
More housing support for couples and families	30
Increase parental leave entitlements	14
Increase tax reliefs or financial benefits for families	13
Reduce education-related costs for families	12
Increase childcare and infantcare availability	11
Improve affordability of healthcare for children	9
Provide more support for fertility treatments	5
Expand support for grandparents/caregivers	4
Nothing would make me more willing to have children	30

Source: YouGov

Technology: navigating advancements

Technology, particularly artificial intelligence (AI), was a key theme for the second consecutive NDR, underscoring its growing importance within Singapore's national agenda. Critically, PM Wong reiterated that Singapore would embrace rapid technological advancements "on our own terms", and provided a three-pronged approach to navigating the ongoing technological revolution: 1) seizing opportunities, 2) managing disruptions, and 3) putting safeguards in place.

Amid domestic labour and land constraints, we believe that harnessing technology and boosting productivity will be essential to sustaining healthy long-term economic growth, beside capital expansion through attracting foreign direct investments. PM Wong highlighted technological opportunities for small and medium-sized enterprises, as well as the healthcare, and transport sectors. At the same time, he highlighted that rapid technological changes could create unforeseen disruptions and downside risks. These extend beyond jobs and include challenges arising from social media and digital platforms, which Singapore will need to carefully manage through appropriate safeguards.

Future development plans despite land constraints

Multi-decade development planning remains a defining feature of the NDR, with PM Wong unveiling further details on how Singapore intends to unlock additional land potential, despite the constraints of a small island nation. These reflect Singapore's core ability of strategising for the long haul, supported by a forward-looking policy mindset and ongoing political stability.

The three broad development possibilities and opportunities outlined by PM Wong, centred on looking beyond Singapore's main island to outer islands, could help to sustain what we believe is a multi-year construction boom. Major initiatives include the creation of a new western industrial island, the rejuvenation of Sentosa and Pulau Brani, further reclamation at Pulau Tekong, and new transport links.

First, the merging of several southern islands into a new Western island would support both defence requirements and future industries, including advanced manufacturing and new power generation infrastructure, as Singapore aims to sustain its key industrial base, and strengthen long-term energy security.

Second, the upcoming rejuvenation of Sentosa and Pulau Brani, part of the transformation of the southern waterfront, aims to enhance leisure and tourism offerings for both residents and international visitors. Third, Pulau Tekong, Singapore's largest outlying island, will undergo further reclamation along its southern coast. After accounting for defence priorities, around 500 hectares (around the size of Toa Payoh town) would eventually be made available for civilian use. Lastly, PM Wong reaffirmed Long Island as part of Singapore's multi-decade development agenda, partly in tackling climate change challenges.

These plans are expected to be supported by increased transport connectivity, such as innovative solutions like undersea tunnels. **Taken together, the reclamation projects and resulting infrastructure pipeline would provide some long-term visibility for construction growth, given Singapore's strong track record of executing major development plans.**

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