Doctors want premature start to baby bonus rise

Sarah Price
June 25, 2006

CANBERRA should bring forward its baby bonus rise to reduce the risk of women delaying births, doctors say.

The Royal Australian and New Zealand College of Obstetricians and Gynaecologists said it had told the Government it was concerned mothers and babies were at risk if people delayed births to cash in on the bonus. The payout is due to rise from $3166 to $4000 next Saturday.

Melbourne's maternity hospitals said they had not received requests to delay births.

"I haven't had any problem with women asking for advice on delaying birth," Danielle Wilkins, from the Monash Medical Centre, said. "I think women don't think it is such a big change."

But college spokeswoman Julia Serafin said it had told the Government birth delays could "jeopardise the provision of optimal care and put at risk the wellbeing of the mother and baby".

Dr Andrew Child, director of women's and children's health services at Royal Prince Alfred Hospital in Sydney, has also raised concerns. Dr Child, a past president of the college, said it would cost the Government about $5 million to bring the increase date forward to tomorrow, based on 5000 babies a week born in Australia.

"If I were (Health Minister) Tony Abbott, I would think very seriously about that," Dr Child said. He said $5 million was not much compared with the possible health risks.

The call comes after a study found more than 1000 births were "moved" in 2004 so that the parents would not miss out on the baby bonus. The study, by economists Andrew Leigh, from the Australian National University, and Joshua Gans, from Melbourne University, found more children were born on July 1, 2004, than on any other date in the past 30 years. They estimated about 1089 births were "moved" to capture the bonus.

Dr Leigh said they were concerned a similar pattern could occur this year.

"One thousand births were moved two years ago and we don't know what the health implications of that is, but we don't think that could be a good thing," he said. "We're asking for persons to put the health of their child ahead of a few hundred dollars.

"A safe late-June delivery is much better than a lucrative early July delivery."

Dr Leigh said they wanted the Government to phase in the second rise that takes it up to $5000, due on July 1, 2008, over June that year. That could be done by increasing it by $50 a day over 20 days during the month.

Dr Child said there had been a "significant number of requests" from women due to have caesareans at the Royal Prince Alfred to move their delivery date. "It worries me a bit, I must say," he said. "We're getting requests, can they put their caesareans off from this week until the week after. We'd prefer not to."
Dr Child said up to three elective caesareans were performed daily at the hospital.

There was "a bit of a bank-up developing" from July 3, while there were still quite a few spaces available this week, which was unusual.

"The ones we're mainly worried about are the ones gone past the due date and they want to keep on waiting," he said.

**MONEY FOR BABIES**

The baby bonus lump sum payment, known as the Maternity Payment, was first introduced on July 1, 2004. It was worth $3000 per child. From July 1, 2006, the bonus is due to increase to $4000. From July 1, 2008, it is due to increase to $5000.

Get The Age home delivered for as little as $2.70 a week*

Copyright © 2006. The Age Company Ltd.
For safety of the babies, bring forward bonus rise, say doctors

Mother-to-be Desalyn Bowyer-Tseros says a healthy baby is a bigger priority than more money.

Photo: James Alcock

Sarah Price
June 25, 2006

A LEADING obstetrician has called on the Federal Government to bring forward the date of the rise in the baby bonus to reduce the risk of women delaying birth to secure the extra money.

The director of Women's and Children's Health Services at the Royal Prince Alfred Hospital, Dr Andrew Child, has approached the Government with his concerns.

The Royal Australian and New Zealand College of Obstetricians and Gynaecologists has also approached the Government, expressing its concern that mothers and babies could be put at risk by delaying births to cash in on the bonus.

The baby bonus is due to increase from $3166 to $4000 next Saturday.

Dr Child, a past president of the college, calculated it would cost the Government about $5 million to bring the date forward to tomorrow based on figures showing that about 5000 babies were born nationally each week.

"If I were [federal Health Minister] Tony Abbott, I would think very seriously about that," Dr Child said.

He said $5 million was not much compared with the potential health risks of delaying births.

"One suggestion is bringing it back to June 26. It's one solution to a potential risk of people waiting too long and putting themselves or their baby at risk."

The call comes after a study estimated that more than 1000 births were "moved" in 2004 so the parents would not miss out on the baby bonus.
A college of obstetricians spokeswoman said the college told the Government, in a letter, that it was concerned for the health of mothers and babies.

The letter said that delays in birth might "jeopardise the provision of optimal care and put at risk the wellbeing of the mother and baby".

Dr Child said bringing the date forward was just one suggestion he had put to the Government.

"We don't say what to do, we just say we're concerned about the risk of mothers putting babies and themselves at risk by waiting," he said.

"It's a concern. They have to think of the solution."

Zetland mother-to-be Desalyn Bowyer-Tseros expects to miss out on the baby bonus increase on July 1, as she is scheduled to give birth by caesarean section on Wednesday - June 28.

Mrs Bowyer-Tseros said while she and her husband, Michael Tseros, would love the extra money, their priority was a healthy baby.

"It would be nice to have the extra money but, at the end of the day, I'm not going to risk it if it means my baby is not going to survive," she said.

Mrs Bowyer-Tseros said she did not agree with women trying to delay the birth of their baby for the extra cash.

While she was originally due to give birth on July 8 - which would have guaranteed her the windfall - complications in her pregnancy led to her decision to book a caesarean at the Prince of Wales Private Hospital.

"To say, 'Look, can you please hold off, can I have a caesarean three days afterwards or four days afterwards', I don't believe that's right," Mrs Bowyer-Tseros said. "I believe that puts a lot of pressure on the medical staff themselves and the hospital staff."

The study of births in 2004, by economists Andrew Leigh, from the Australian National University, and Joshua Gans, from the University of Melbourne, found that more Australian children were born on July 1, 2004, than on any other date in the past 30 years.

They estimated that about 1089 births were "moved" to receive the bonus.

Dr Leigh said they were concerned that a similar pattern could occur this year.

"One thousand births were moved two years ago and we don't know what the health implications of that is, but we don't think that could be a good thing," he said.

Source: The Sun-Herald

SAVE 50% on Home Delivery - Have the Herald waiting for you, for as low as $1.50 a weekend. Limited time only

Copyright © 2006. The Sydney Morning Herald.
Pregnant pause as Aussie mums wait for baby bonus

Australian hospitals are bracing for a baby boom in July as expectant mothers try to delay imminent births to take advantage of a new welfare payment, researchers said yesterday.

From July 1, a baby bonus paid to the parents for every new-born child will increase by A$1,000 (US$737.6) to A$4,000 (US$2,950).

Economists said that after the baby bonus was introduced in July 2004 about 700 births were delayed by a week to take advantage of the new payment.

Melbourne Business School economist Professor Joshua Gans and Australian National University colleague Andrew Leigh said that around 300 births were moved by more than two weeks.

Most of those births involved caesarean sections or induced deliveries, they said.

In a bid to overcome Australia's low fertility rate and ageing population, Prime Minister John Howard's conservative government has urged couples to have more children.

Treasurer Peter Costello suggested two years ago that Australian couples should have "one for mum, one for dad and one for the country."

Figures released this month showed that Australians were doing their patriotic duty, with the nation in the grip of a baby boom for the first time in 12 years.

Costello welcomed the latest trend but warned doctors and parents against doing anything that would endanger the health of mothers and their babies to take advantage of the new payment.

"Medical advice is that no one should delay the delivery of a child that would put either the mother or the child's health at risk," he told parliament yesterday.

"It seems that many Australians are taking up the challenge to have one for mum, one for dad and one for the country. That is a positive thing for Australia," he said.

Alarmingly however, researchers also found an analogous trend in death figures.

In 1979 Howard, then serving as treasurer, announced a plan to abolish taxes of up to 28 per cent on estates after death.

Gans and Leigh said in a research paper "Did the Death of Australian Inheritance Taxes Affect Deaths?" that as many as five people out of nine in their study who faced paying the tax managed to hold on for one more week in order to avoid it.

"There is an incredible ability within the human spirit that denies logic and physiology," Pastor Renton McRae, of the Lifestream Christian Fellowship, told The Sydney Morning Herald newspaper after Gans' and Leigh's study was released.

Source: China Daily

People's Daily Online --- http://english.people.com.cn/
Caesar the day: mums delay birth for $3000 bonus

John Garnaut
Economics Correspondent

THE births of more than 1000 babies were held back until after midnight on July 1, 2004 so parents could claim the $3000 baby bonus, a study has shown.

More than a quarter of those births were delayed by more than a fortnight, raising serious questions over whether mothers placed themselves and their babies at risk to secure the tax-free payment.

A similar pattern is expected over the next fortnight, with the bonus set to rise to $4000 on July 1.

Birth records for 2004 show 490 babies were delivered on June 30, one of the quietest days in the year for midwives and obstetricians. The babies’ parents received no bonus.

But on July 1, the first day of the $3000 bonus, the number of births doubled to 978, making it the busiest birth day in 30 years of Bureau of Statistics data. The next day, July 2, recorded 902 births. This was the seventh most popular birthday in the three decades.

“We estimate more than 1000 births were ‘moved’ so as to ensure their parents were eligible for the baby bonus,” said Joshua Gans, of the Melbourne Business School, and Andrew Leigh, of the Australian National University.

The two recently found many rich people managed to shift their deaths, possibly with the help of life support, from June to July 1979 to escape inheritance tax.

Their study Born on the First of July estimates 1089 births were delayed from June to July 2004, representing 12 per cent of all births in those months. About 300 were estimated to have been postponed by more than a week, “potentially posing a significant risk to [mothers] and their children”. The study was motivated in part by Professor Gans’s own experience. His daughter was delivered on July 25, 2004, when staff struggled to cope with the huge number of births “pushed back” through the month because of the bonus.

“We were very, very surprised by what we found,” he said.

“That hospitals would allow [mothers] to delay their children for money is extraordinary.”

Most of the delayed births involved caesarean sections or induced deliveries.

Natural deliveries were broadly unaffected, leading the authors to conclude that fraudulent reporting by parents and medical staff was not widespread.

The then health minister, Kay Patterson, said at the time she did not believe mothers would put their children at risk.

Professor Gans and Dr Leigh analysed 11,000 days of birth records. Babies were 41 per cent more likely to be born on weekdays than at weekends, mainly reflecting the work preferences of obstetricians.

Hospitals are preparing for a nightmare in 12 days, when they will be inundated with new arrivals after midnight on July 1 when the bonus rises to $4000.

July 1 is a Saturday – traditionally golf day for obstetricians.
WHEN Courtney Fox entered the world just after midnight on July 1, 2004, the last thing on her mother's mind was that she had just qualified for $3000.

Born at 12.01am, after a natural labour lasting about 24 hours, Courtney probably made her parents, Amanda Fox and James Laker, the first to qualify for the Government's baby bonus.

But many other parents appeared to have an eye on the money. It has now emerged that there were more births on July 1, 2004, than on any other day in the past 30 years. And with the baby bonus slated to rise a further $1000, to $4000, from this July 1, experts are tipping another birth bonanza.

Professors Joshua Gans and Andrew Leigh, who have been analysing birth figures, believe the introduction of the last baby bonus changed behaviour and the same thing is likely this time.

"An additional $1000 is not the same as the first $3000, but it is still not trivial," Professor Gans said yesterday.

"The hospitals weren't prepared for it last time. In three weeks' time it will be occurring again."

Women ensured they received the money by having their babies induced, or delivered by caesarean section, later than would otherwise have been the case. There was no change in the number of non-induced vaginal births.

Professor Gans said the most disturbing finding was that at least 174 women delayed having their baby by at least two weeks, which jeopardised their own health and that of their baby.

When the baby bonus policy was first announced, in the big-spending pre-election budget of 2004, the families minister at the time, senator Kay Patterson, was asked whether it would have been better to have announced and introduced the policy on the same day. She said: "Well, I don't believe mothers would put (their babies) at risk."

Professor Gans said the publicly available figures on infant mortality did not make it possible to demonstrate whether any deaths resulted. However he said there were 20 more infant deaths in July 2004 than normal.

The average number of babies born on a weekday is 729. On June 30, 2004, there was an extraordinarily low number of 490 babies born, but this rocketed to 978 babies on July 1, the highest number in the more than 10,000 days for which there are records.

There were 907 babies born on July 2, with above average numbers of babies over the following weeks.

There were 1089 more births in July than can be explained by normal statistical variation. Two thirds of the increase was the result of people delaying having their babies by less than a week.

On July 1 and in the following days, the number of induced and caesarian births soared by
between 42 and 55 per cent.

But Amanda Fox said the money did not come into the timing of Courtney's birth.

"They wanted to bring me on a week earlier but I said no, because I wanted her to come when she was ready," she said.

Ms Fox went into labour 24 hours before the baby bonus kicked in. She said: "And it was just luck. They said it's midnight and you can push now."
Tot 'em up: late deliveries bring bundles of cash

Fiona Buffini

More Australian babies were born on July 1, 2004 — the date the federal government’s $3000 baby bonus started — than on any other date in the past 30 years.

And the result is no coincidence, according to economists Andrew Leigh and Joshua Gans, whose analysis of birth records found 1089 births were delayed so parents could qualify for the cash bonus.

At least 174 mothers delayed their births by more than two weeks, ‘‘potentially posing a significant risk to themselves and their children’’, they warn in their paper Born on the First of July: An (Un)natural Experiment in Birth Timing.

Professor Gans of Melbourne Business School and ANU’s Dr Leigh predict another unnatural increase in births on July 1 this year, when the baby bonus increases from $3000 to $4000.

The baby bonus was announced in May 2004, with Treasurer Peter Costello urging couples to have three children: ‘‘one for mum, one for dad, and one for the country’’.

With births up 2.4 per cent last year, to about 261,400, the policy appears to have worked — at a cost to taxpayers of about $784 million a year in payouts.

The paper by the academics shows that 978 babies were registered on July 1, 2004, or double the 490 born the day before and the highest recorded number on any single date since 1975.

The number of caesarean sections and induced births also rose substantially last July, accounting for about 80 per cent of births moved by the baby bonus, confirming media reports at the time of elective caesarean procedures being fully booked for early July 2004.

The academics say the results suggest policymakers should consider short-term distortions as well as long-term changes to behaviour when announcing a policy.

Second, we have identified a very significant disruption to normal operating procedures for maternity hospitals and staff in Australia . . . The health effects of this are not known.’’

The duo’s other research of birth records shows there are more births on auspicious dates; there were 12 per cent more births in the first week of the new millennium, and fewer births on the inauspicious dates of February 29 and April 1.

Their analysis of behaviour after death duties in Australia were scrapped in 1979 found that statistically 50 deaths were shifted from the week before the abolition to the week after, resulting in a saving for half of those who would have been eligible to pay the tax.

‘‘Twice as many babies were born on July 1 than the day before.”

Wow, $4000!
PARENTS of babies born in mid-2004 changed their birth dates to take advantage of the Commonwealth's controversial baby bonus, new research has shown.

And the economists responsible for the landmark study of birth data warned yesterday that with the bonus set to rise from $3000 to $4000 from July 1, hospitals and obstetricians should expect fewer births in the last week of June and more in the first week of July.

The study by economists Melbourne Business School's Professor Joshua Gans and Australian National University’s Dr Andrew Leigh found the effect of the baby bonus was "dramatic". More babies were born on July 1, 2004, than on any other day between 1975 and 2004.

The "Born on the First of July" report said that on June 30, 2004, 490 babies were registered as having been born, compared with 978 babies the following day.

"Our results are highly statistically significant, as well as being economically significant," the report said.

"Over the window covering 28 days before and 28 days after the policy was introduced, we estimate that over 1000 births were moved into the eligibility range."

Birth data crunched by Gans and Leigh showed that about half the births that were moved as a result of the baby bonus were delivered by caesarean section, about one third by induced vaginal births and the remainder by non-induced vaginal births.

"Consequently, the share of births delivered by caesarean section or induction rose substantially in July 2004," the report said.

Dr Leigh said it was estimated that about 700 births had been shifted from the last week of June 2004 into the first week of July 2004.

"But more troublingly we found that around 300 births were moved by more than two weeks," he said.

Dr Leigh said the report findings had several implications. One was that government policies clearly had the potential to alter or distort people's behaviours and greater consideration should be given to this when policies where being developed.

"It may make sense to revisit this policy for 2008 when the bonus is scheduled to be increased by another $1000 to $5000," Dr Leigh said. "It also tells us something about the flexibility of our medical system – it seems the dates for inductions and caesareans can be moved around a lot."
Births bumped back to bag baby bonus
Danielle Cronin
Canberra Times, 19 June 2006

The introduction of the $3000 baby bonus resulted in more than 1000 births being "bumped" so parents qualified for the payment, new research reveals.

The Federal Government announced in its May 2004 budget that new mothers would receive a $3000 payment for every baby born on or after July 1 that year.

Australian National University economist Andrew Leigh and Melbourne Business School economist Professor Joshua Gans found more babies were born on July 1, 2004, than on any other date in the past 30 years.

Dr Leigh said, "We estimate that over 1000 births were moved so as to ensure that their parents were eligible for the baby bonus, with about one quarter being moved by more than two weeks.

"Most of the effect was due to changes in the timing of inducement and caesarean-section procedures."

The researchers estimated the baby bonus would cost taxpayers about $729 million annually but the price tag would be considerably higher if the payment drove up birth rates.

Dr Leigh said about 700 births were shifted from the last week in June 2004 to the first week of July 2004.

It was most troubling that about 300 scheduled births were moved by more than two weeks.

"Most of the impact of the baby bonus occurred within a few days," Dr Leigh said.

"To the extent that this involved falsification of hospital documentation, it posed no risk to the mother or child.

"Even to the extent that it involved changing the timing of induced births by one or two days, it may not have had a significant impact on maternal or child health."

At least 174 mothers moved their baby's birth date outside the seven-day window when the baby bonus was introduced, potentially posing a significant risk to themselves and their children.

Dr Leigh said the research revealed a significant disruption to maternity services as a result of the baby bonus's introduction.

He urged hospitals and patients to take this into account when the payment increased from $3000 to $4000 on July 1 this year.

"Maternity hospitals should expect fewer babies in the last week of June and more in the first week of July," Dr Leigh said.
EXPECTED mums tempted to cross their legs for a fortnight to grab a bigger baby bonus have been warned not to gamble with their babies' health.

New research has revealed more than 1000 mums delayed births to snap up a $3000 baby bonus after July 1, 2004.

It found 300 mums delayed birth by more than two weeks.

There were more births on July 1, 2004 -- the first date from which parents could claim the bonus -- than on any other date in the past 30 years.

With the baby bonus ballooning from $3000 to $4000 on July 1 this year there are concerns more mums due this month will delay until next month.

One of the study's authors, ANU economist Andrew Leigh, said those who would be bribed into delaying their child's birth risked complications and hospital chaos.

"We estimate that around 700 births were shifted from the last week of June 2004 into the first week of July 2004," Dr Leigh said.

"But, more troublingly, we found around 300 births were moved by more than two weeks."

The study found induced and caesarean births were particularly high in the first month of the baby bonus.

"We think this is all very cute from an economics perspective. But we are worried about the implications on children's health," Dr Leigh said.

He said another mass influx of babies born on July 1 was likely.

"I certainly would expect because of (the baby bonus rise) there will be some impact."

Outspoken obstetrician Pieter Mourik said baby bonus stalling was a dangerous game for baby and mother.

"The risks go up every extra week after 40 weeks and for some women even earlier than that," Dr Mourik said.

"Instead of $1000 more they could end up with a dead baby.

"It's very silly thinking. Nature is not a good midwife and doctors don't induce babies for no reason."

Dr Mourik said the Government should make baby bonuses effective from announcement to remove the incentive for dangerous labour delays.

He said anyone considering baby bonus stalling should discuss the risks with their doctor.

The study -- *Born on the First of July: An (Un)natural Experiment in Birth Timing* -- was researched by Dr
Leigh and Melbourne Business School economist Professor Joshua Gans.
Money can delay life and death: Australian researchers

Money might not buy love, but it can delay both life and death, according to two Australian economists.

An announcement in the government's May 2004 budget that a "Baby Bonus" of 3,000 dollars (2,250 US dollars) would be paid for each child born on or after July 1 that year saw more than 1,000 births delayed, the researchers say.

"We estimate that around 700 births were shifted from the last week of June 2004 into the first week of July 2004," said Australia National University economist Andrew Leigh.

"But more troublingly, we found that around 300 births were moved by more than two weeks."

Leigh said that using daily births data, he and Melbourne Business School economist Joshua Gans found that there were more births on July 1 2004 than on any other date in the past 30 years.

The babies who had to wait around a while so their parents could cash in on their births were mostly delivered by cesarean section or induction, Leigh told AFP.

The two economists found similar blips in the data when they checked the death records of 1979, when the government abolished inheritance tax.

Rather than being taxed on up to 28 percent of the value of their estate, a significant number of rich people put off drawing their final breath until July 1, when they were free to die untaxed, they said.

"Over half of those who would have paid inheritance tax in its last week of operation managed to avoid doing so," said Leigh and Gans.

There were "noticeably fewer deaths during the last week of June than in the first week of July," they said, estimating that about 50 wealthy people managed to cheat the taxman.

They concede that relatives of the dead may have fiddled the date of their loved ones' deaths to protect their inheritance, but say this is not the case in the births data.

"The share of births that were induced and/or delivered by cesarean sections was particularly high in July 2004, said Gans. "This suggests that we're not merely observing misreporting of babies' birth dates -- there was a real shift in births."

lb/dro
The introduction of the baby bonus on July 1, 2004, caused more than 1,000 scheduled births to be delayed, a new study shows.

In its May 2004 budget, the federal government announced a maternity payment - $3,000 for every baby born on or after July 1.

Research by Melbourne Business School economist Professor Joshua Gans and Australian National University economist Dr Andrew Leigh has shown there were more births on July 1, 2004, than on any other single date in the past 30 years.

"We estimate that around 700 births were shifted from the last week of June 2004 into the first week of July 2004," Dr Leigh said.

"But more troublingly, we found that around 300 births were moved by more than two weeks."

The researchers also found that the share of births that were induced or delivered by caesarean section was high in July 2004.

Dr Leigh said hospitals needed to plan for July 1 this year, when the bonus rises from $3,000 to $4,000.

"Maternity hospitals should expect fewer babies in the last week of June and more in the first week of July," Dr Leigh said.

© 2006 AAP

Get The Age home delivered for as little as $2.70 a week*
BABY BONUS BUMPED BIRTHS

The introduction of the Baby Bonus on 1 July 2004 caused over 1000 births to be moved, according to new research from Melbourne Business School economist Professor Joshua Gans and ANU economist Dr Andrew Leigh.

In its May 2004 budget, the federal government announced a new baby bonus payment – $3000 for babies born on or after 1 July 2004. This created a strong incentive for parents to time their children’s births in July instead of June.

Using daily births data, Gans and Leigh found that there were more births on 1 July 2004 than on any other date in the past thirty years.

“We estimate that around 700 births were shifted from the last week of June 2004 into the first week of July 2004”, said Dr Leigh. “But more troublingly, we found that around 300 births were moved by more than two weeks”.

The researchers also analysed data on birth procedures, focusing on the number of caesarean sections and inducements around the time of the introduction of the baby bonus.

“The share of births that were induced and/or delivered by caesarean sections was particularly high in July 2004”, said Professor Gans. “This suggests that we’re not merely observing misreporting of babies’ birth dates – there was a real shift in births.”

On 1 July 2006, the baby bonus will increase from $3000 to $4000. The authors urged hospitals and patients to take this into account.

“Maternity hospitals should expect fewer babies in the last week of June and more in the first week of July”, said Professor Gans.

For a copy of the report: http://econrsss.anu.edu.au/~aleigh/

To arrange interview:

Dr Andrew Leigh 0431 706 600

Jane O’Dwyer, The Australian National University 0416 249 231

Giota Nikolopoulos, Melbourne Business School 0402 218 644