

Singapore's Ageing-Related Public Policies

NUS Research on Ageing-Related Policies
23 July 2022

Outline of Presentation

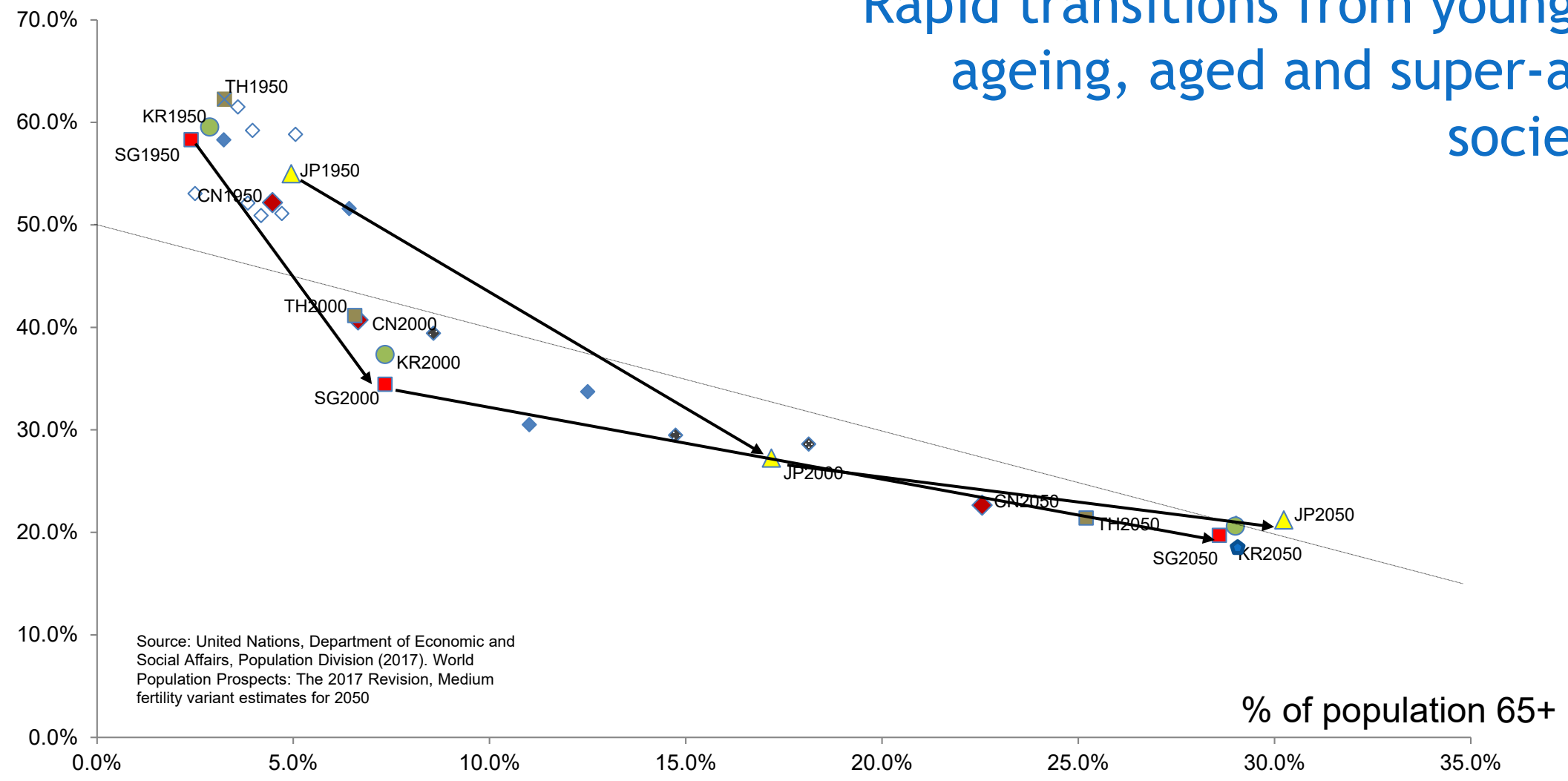
- Overview of Singapore's Ageing story
- How Shall We Sustain Ourselves? Singapore's Age-Related Social Support System
- Paying for Age-Related Policies
- Age-Related Policies: Health, Care, Housing, Retirement Income and Transport

NUS Research on Ageing-Related Policies

Overview of Singapore's Ageing Story

% of population below 25

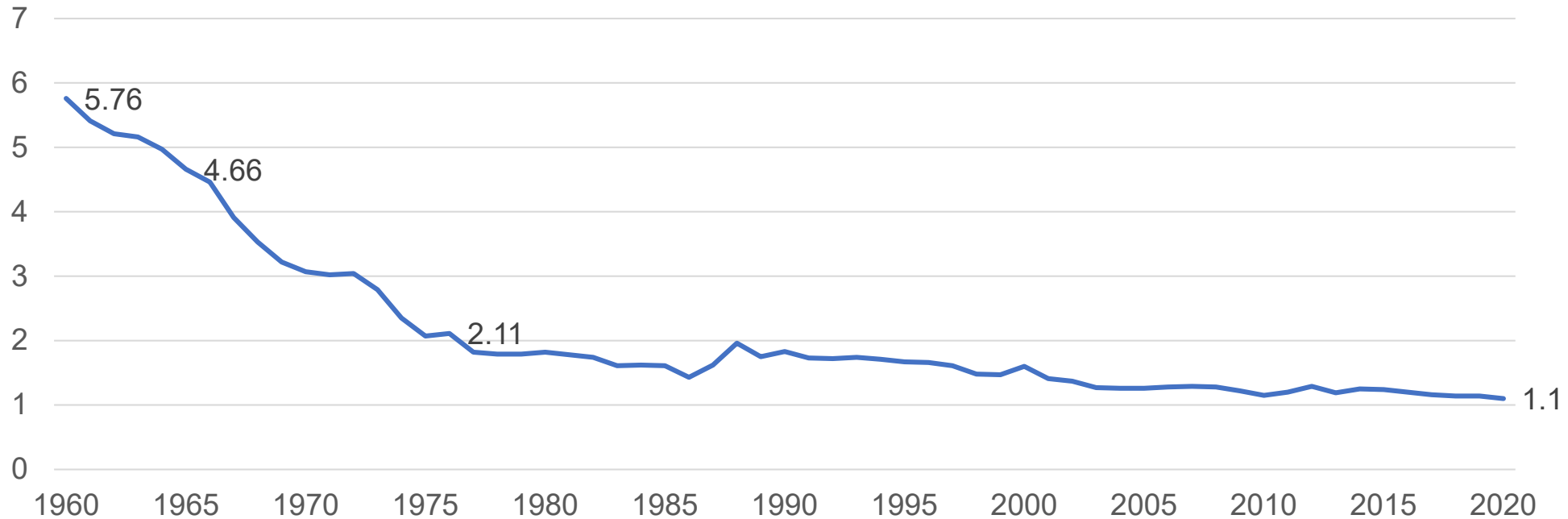
Rapid transitions from young, to ageing, aged and super-aged societies



Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision, Medium fertility variant estimates for 2050

Rapid ageing caused by ultra-low fertility

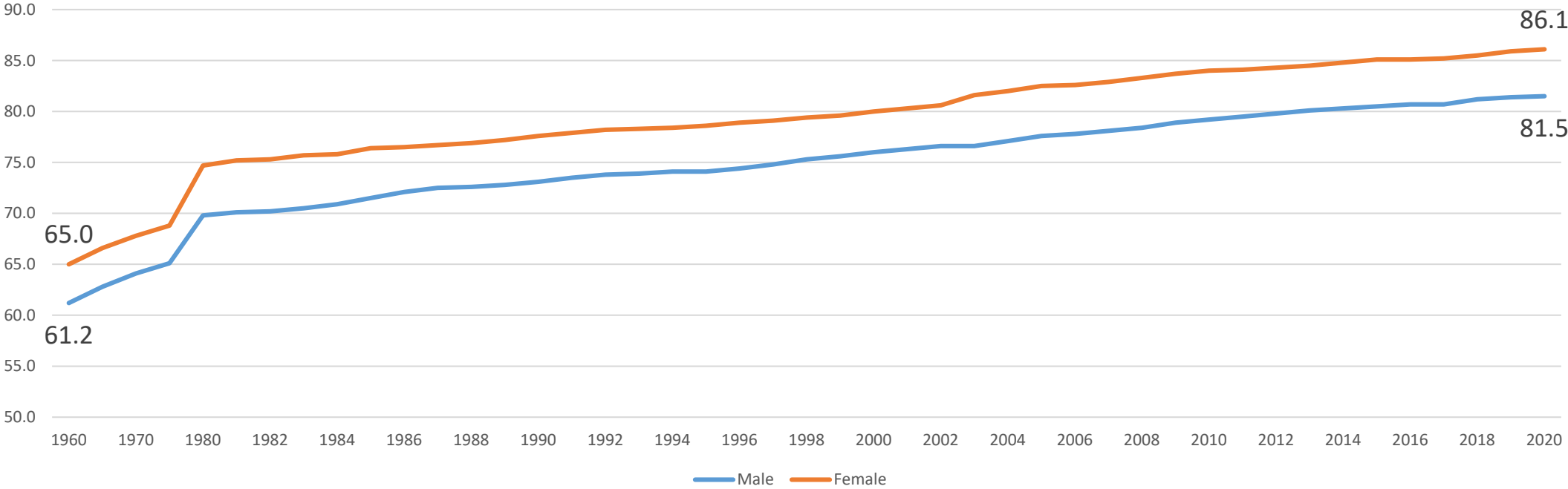
Total Fertility Rate 1960-2020



Source: Population Trends 2021, Department of Statistics

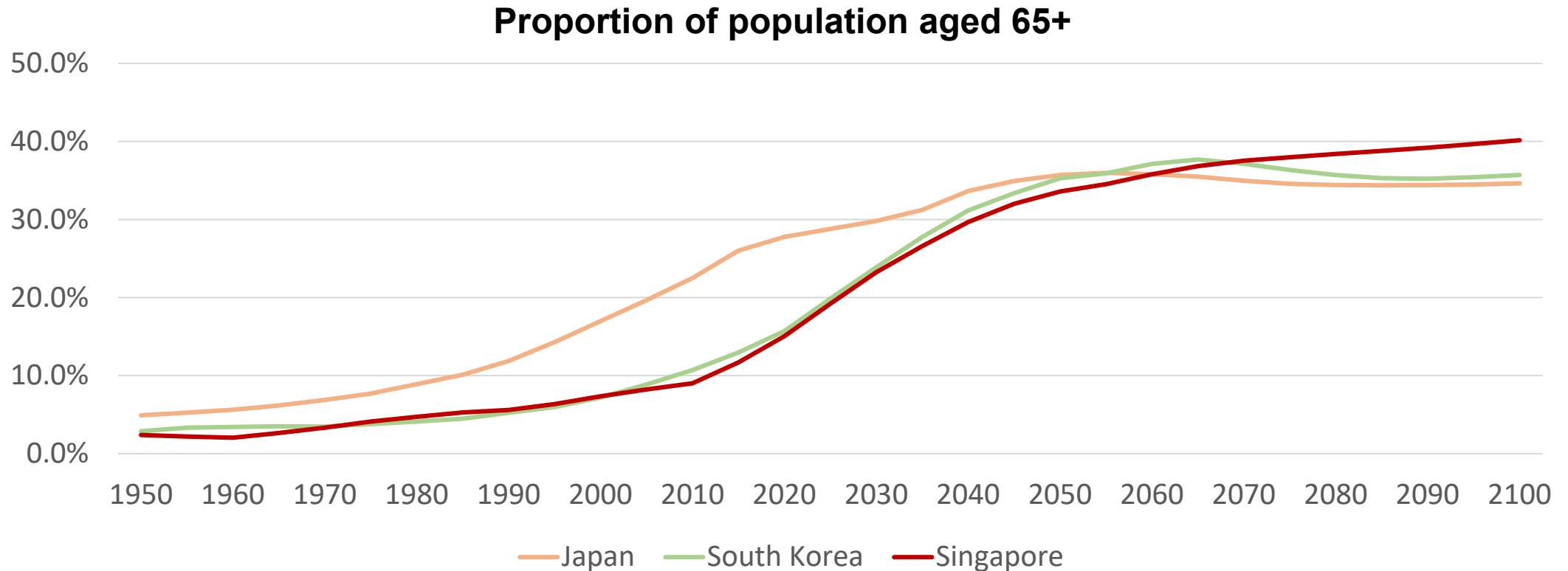
Life expectancy rising 3 years in every decade

Life Expectancy at Birth, Singapore Residents, 1960-2020



Source: Population Trends 2021, Department of Statistics

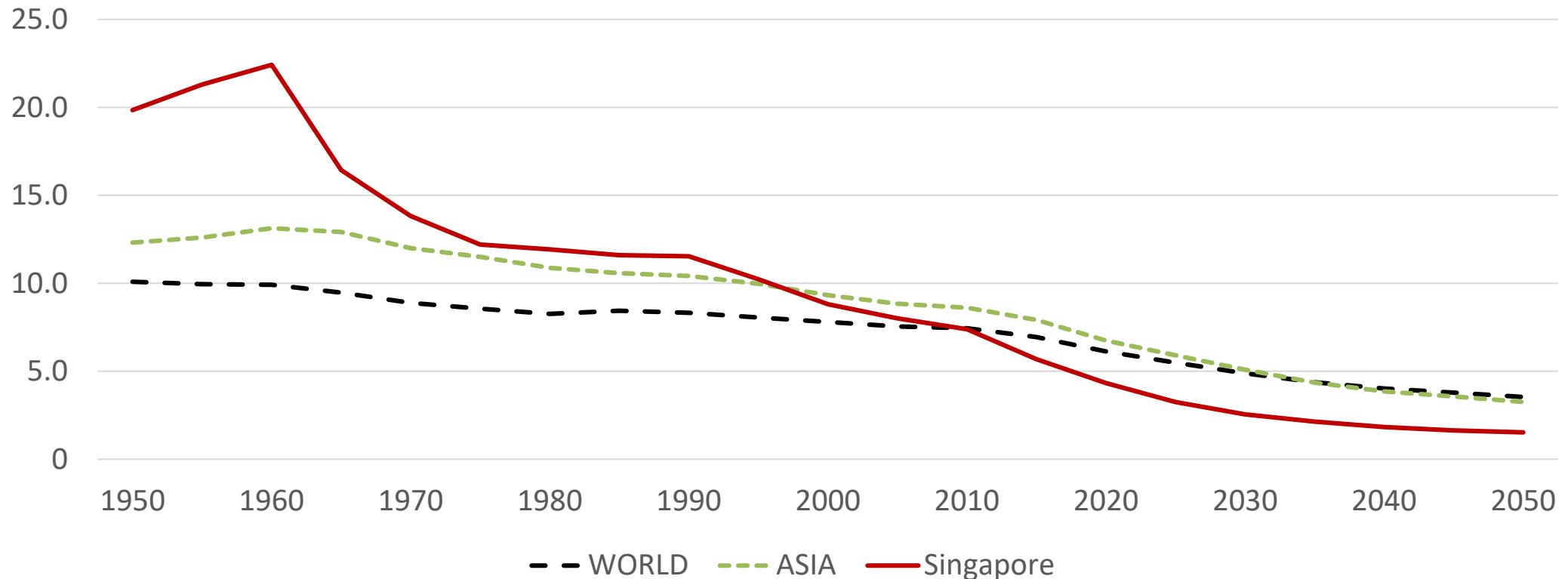
Demographic transitions: Rapid ageing



Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision, Medium fertility variant estimates for 2020-2100

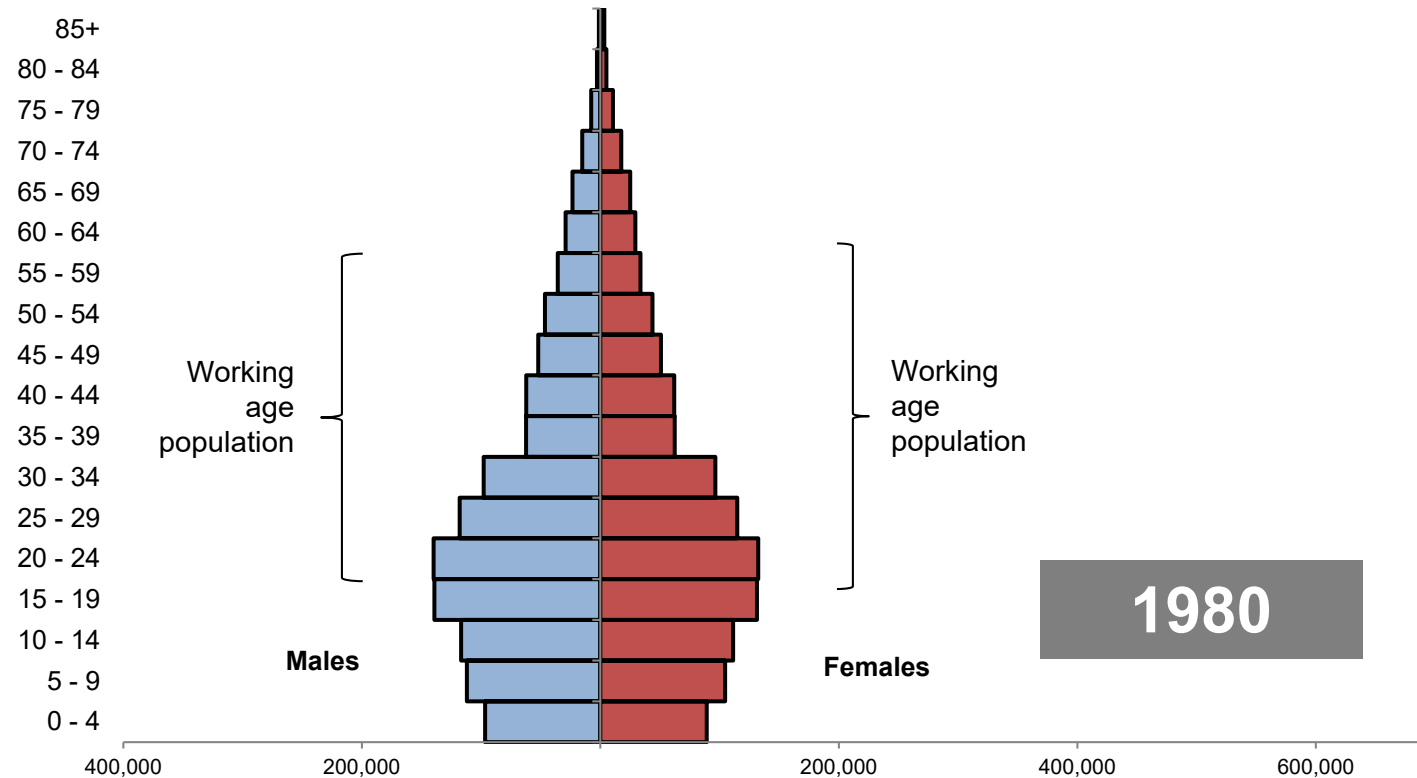
Demographic transitions: Rapid ageing

Potential support ratio (ratio of population 20-64 per population 65+)



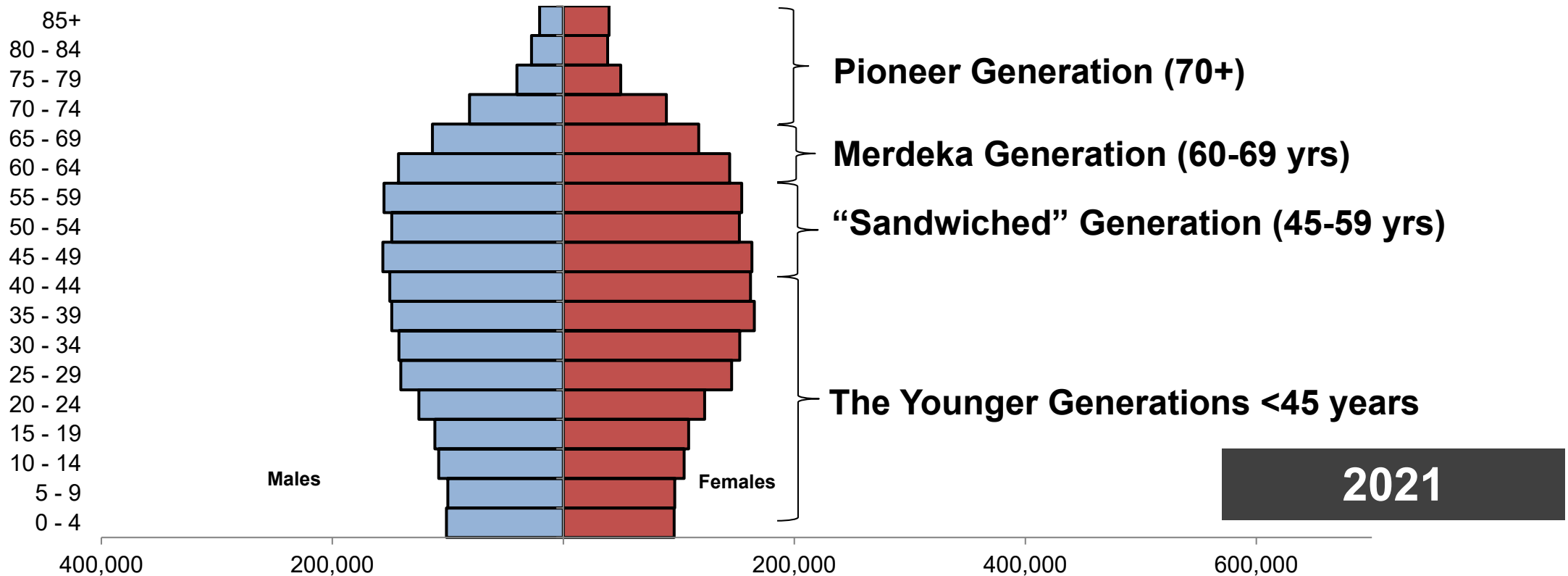
Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision, Medium fertility variant estimates for 2020-2050

Singapore's Resident Population (1980-2100)



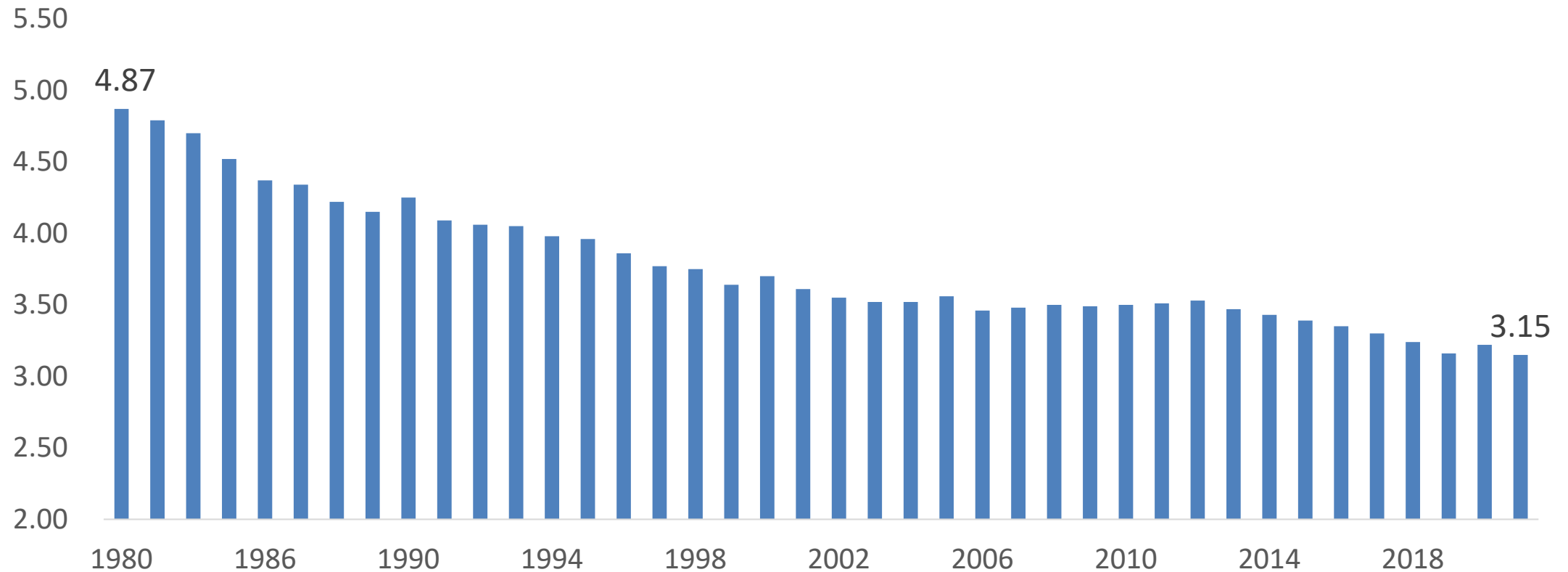
The different generations

Singapore Population age structure, 2021



Shrinking households, families

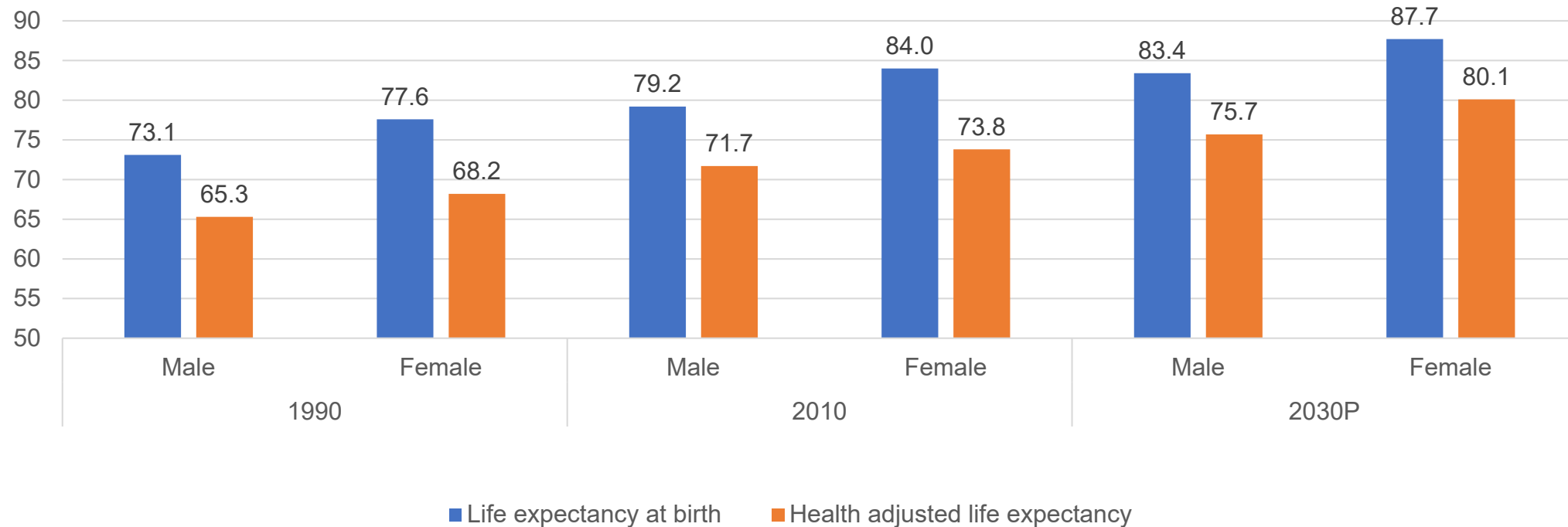
Resident Households By Household Size, number of persons



Source: Department of Statistics, Population Trends 2021

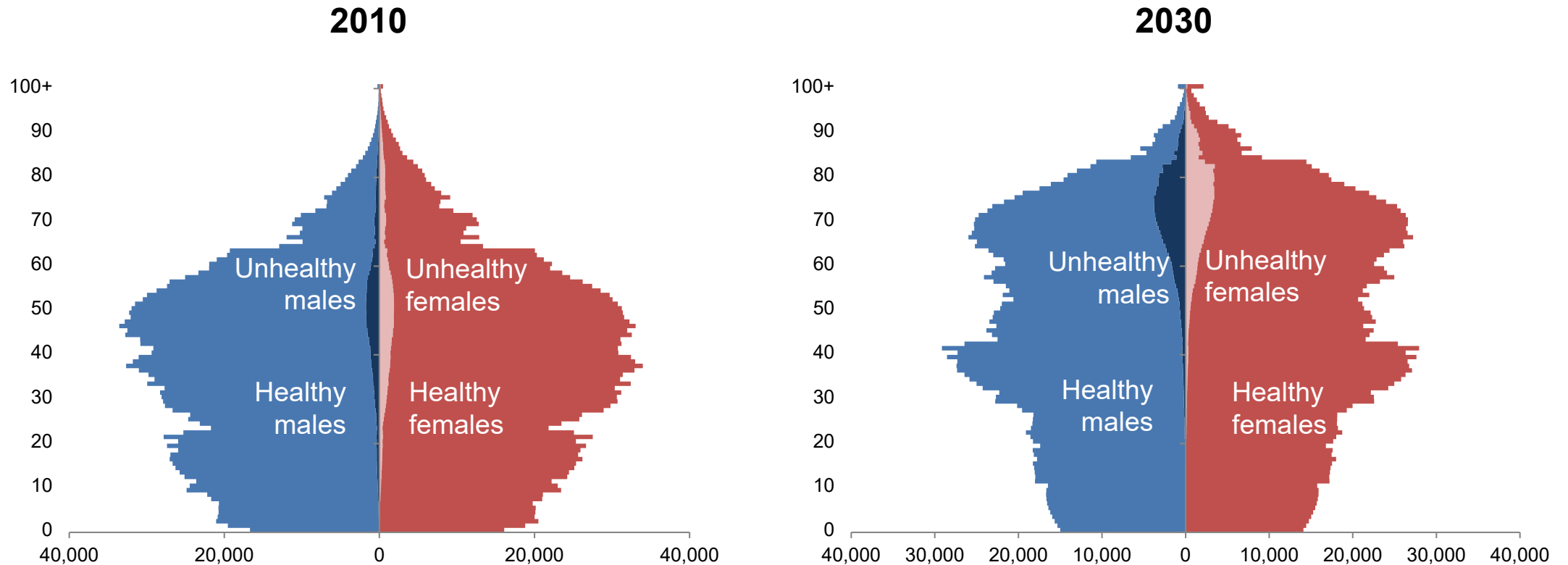
Living longer, healthier lives

Life expectancy and health-adjusted life expectancy (1990, 2010 and 2030)



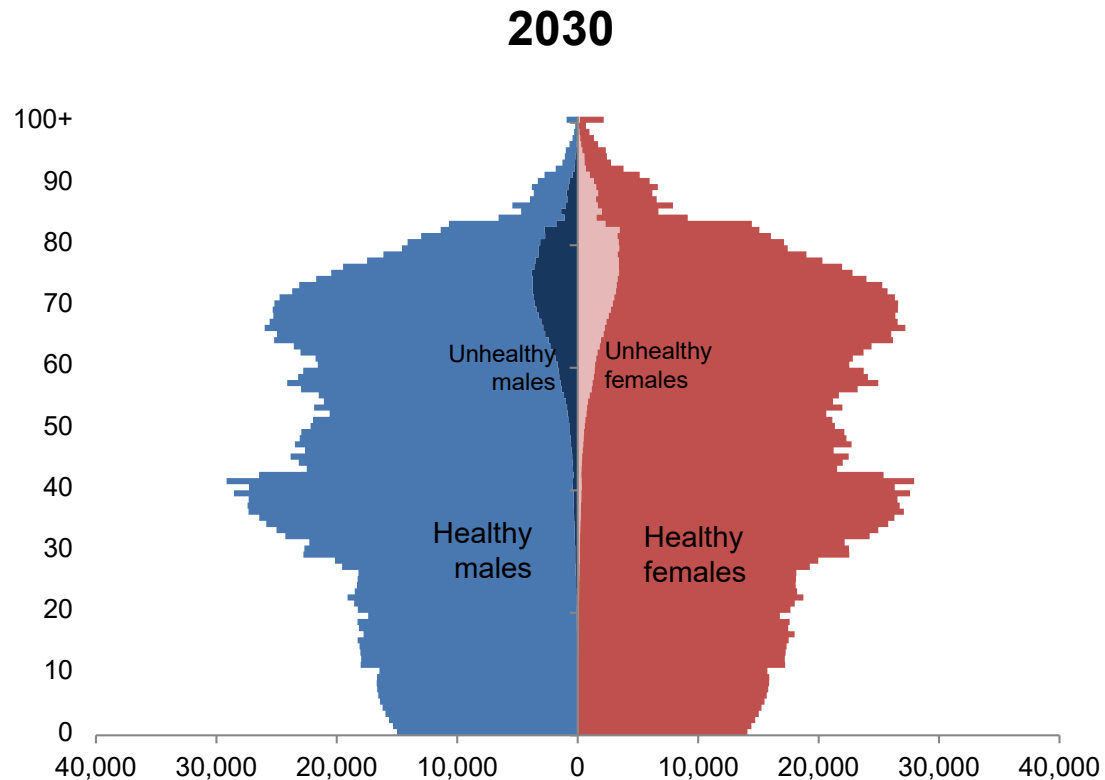
Source: Department of Statistics, Population Trends 2021, Ministry of Health for historical data on HALE, IPS projections for 2030

More healthy and unhealthy older persons in the future



Source: Institute of Policy Studies projections

More healthy and unhealthy older persons in the future

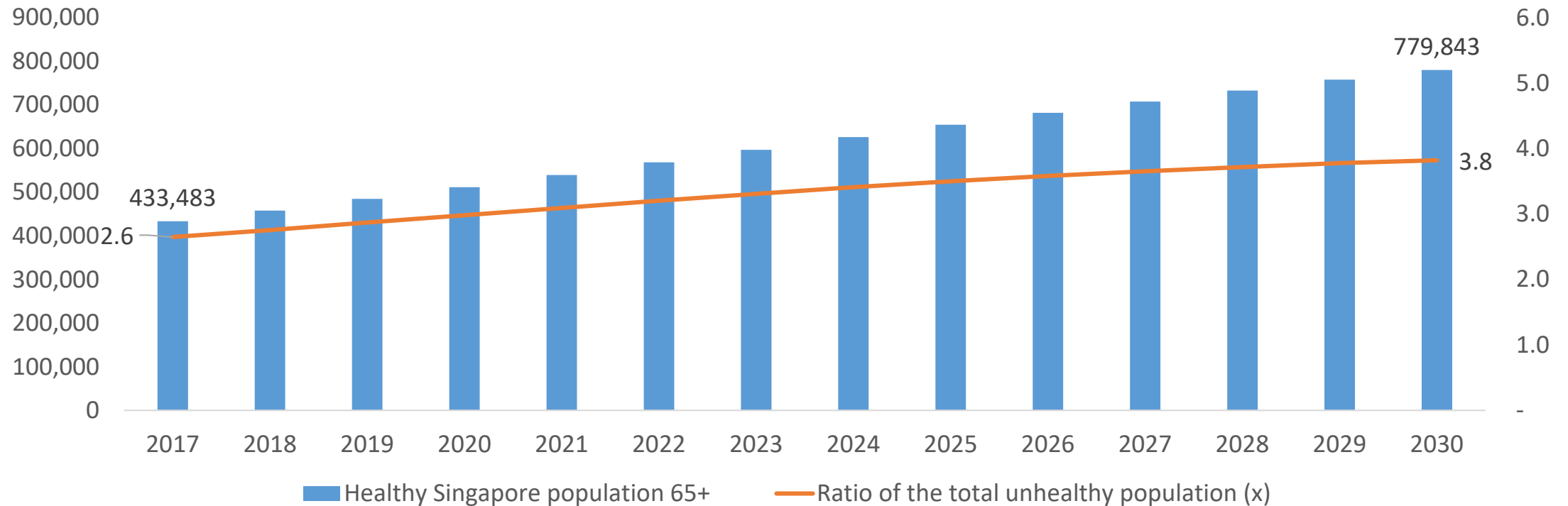


Source: IPS projections

- Tapping on the social capital of a larger pool of healthy older persons
- Older persons in good health are a resource pool adding to the community's helping hands

Many more healthy, productive helping hands

Healthy Singaporean population aged 65+ (2017-2030)



Source: Institute of Policy Studies projections

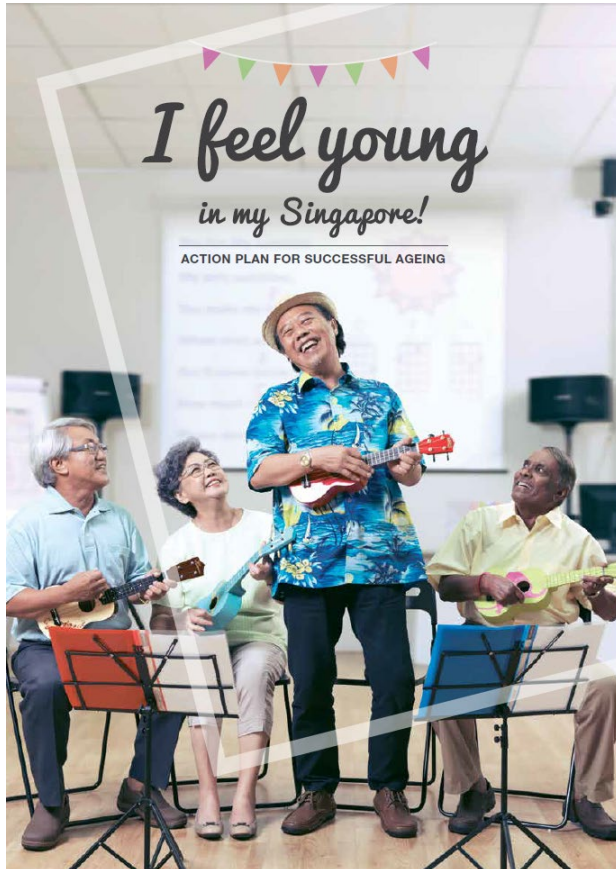
Longevity dividend: ageing well together



Singapore's Ageing Population Preparedness

- 1980s - **Report of the Committee on the Problems of the Aged**
- 1990s - **Inter-Ministerial Committee on the Ageing Population (1999)**
- 2000s – **Eldercare Masterplan (AY2001-2005) Report; Committee on Ageing Issues report (2006)**
- 2016 – **Action Plan for Successful Ageing**

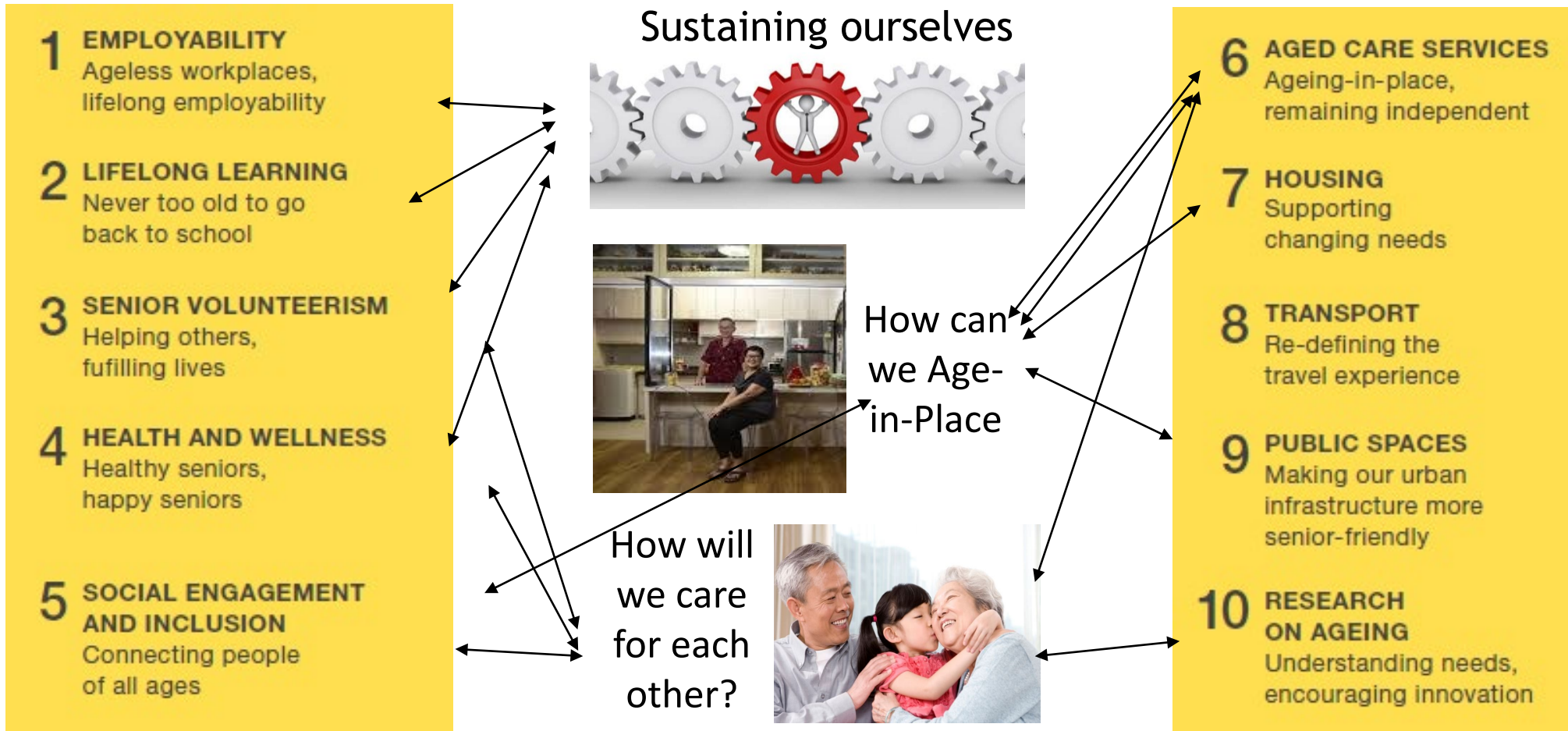
Action Plan For Successful Ageing



Ten Focal Areas:

- 1 EMPLOYABILITY**
Ageless workplaces,
lifelong employability
- 2 LIFELONG LEARNING**
Never too old to go
back to school
- 3 SENIOR VOLUNTEERISM**
Helping others,
fulfilling lives
- 4 HEALTH AND WELLNESS**
Healthy seniors,
happy seniors
- 5 SOCIAL ENGAGEMENT
AND INCLUSION**
Connecting people
of all ages
- 6 AGED CARE SERVICES**
Ageing-in-place,
remaining independent
- 7 HOUSING**
Supporting
changing needs
- 8 TRANSPORT**
Re-defining the
travel experience
- 9 PUBLIC SPACES**
Making our urban
infrastructure more
senior-friendly
- 10 RESEARCH
ON AGEING**
Understanding needs,
encouraging innovation

Sustaining, Living and Caring themes



Picture source: mom.gov.sg



Picture source: rikvin.com



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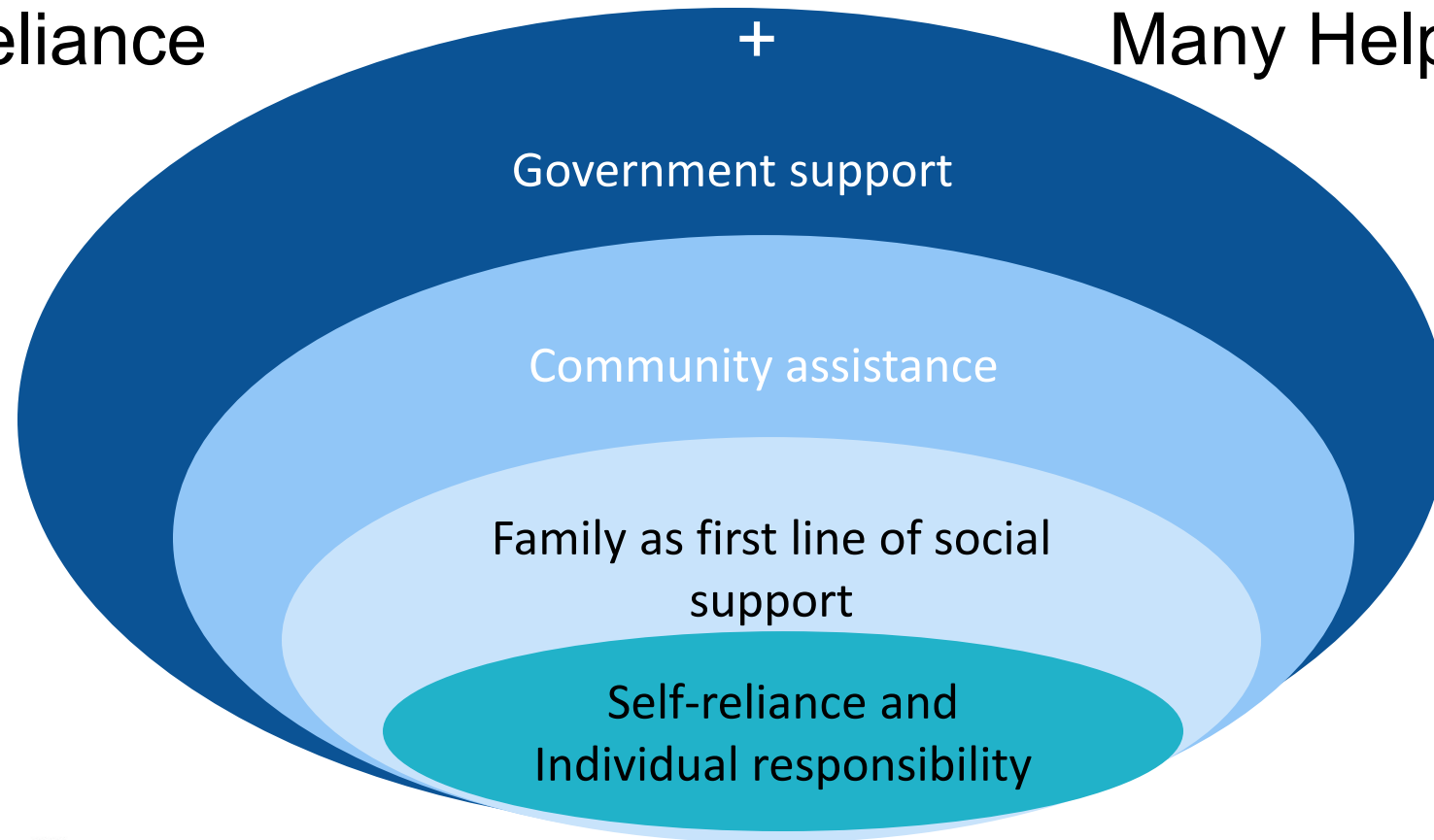
How Shall We Sustain Ourselves? Singapore's Social Support System

Principles of Singapore's social support system

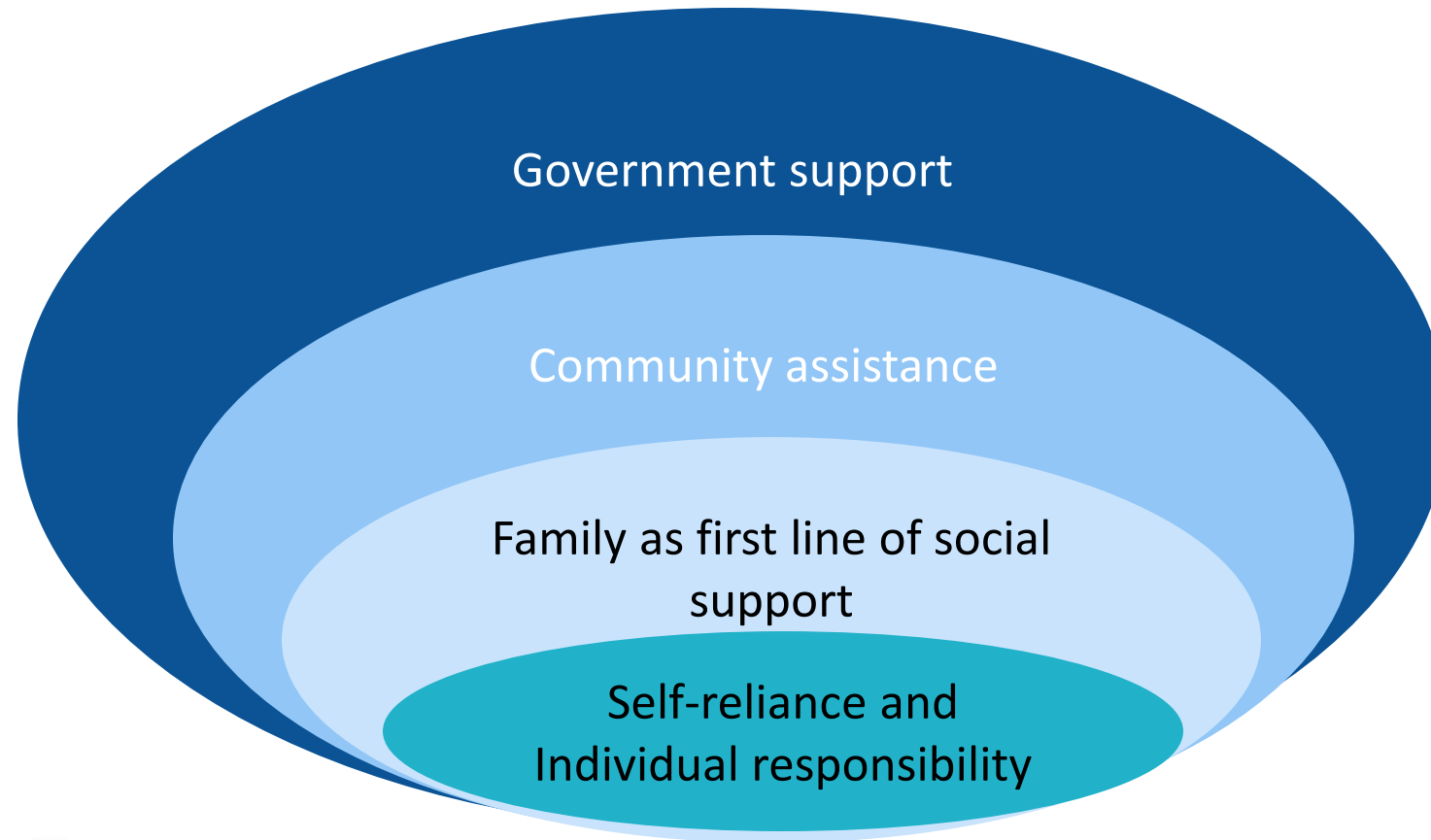
Self-reliance

+

Many Helping Hands

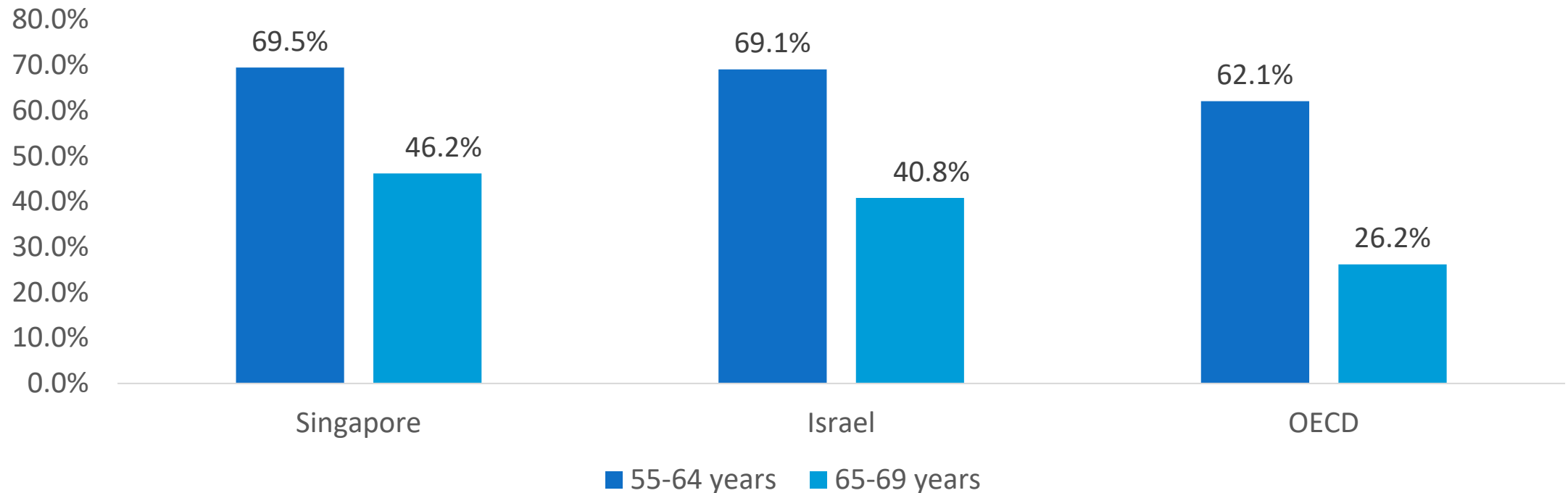


Principles of Singapore's social support system



Retaining High Labour Force Participation Rates

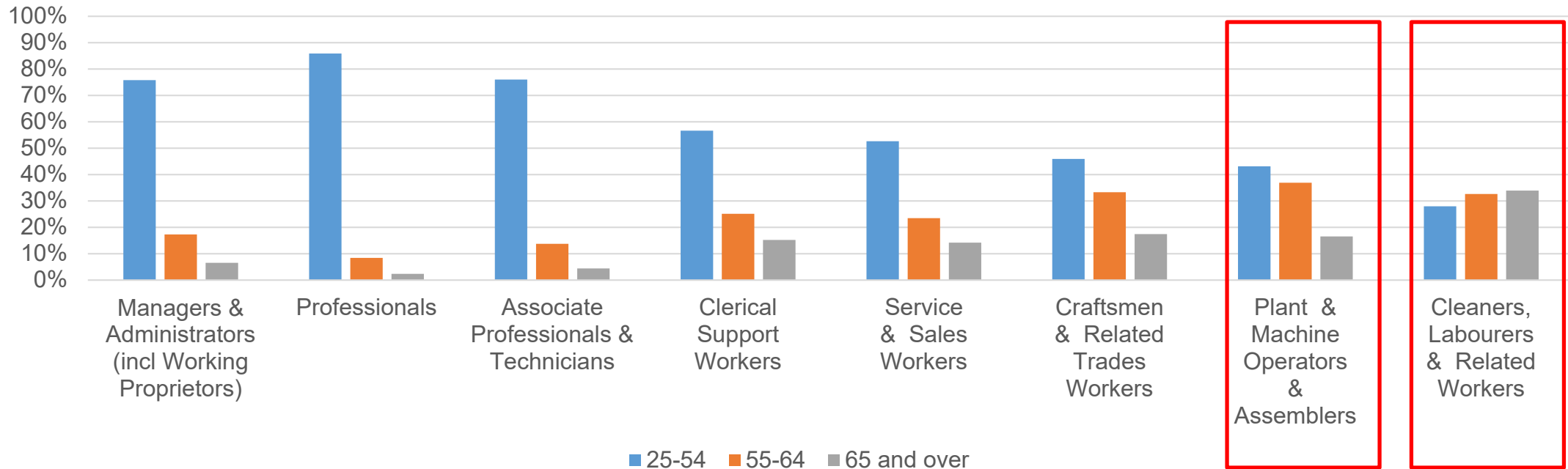
Labour Force Participation Rates (55-64 and 65-69 year olds)



Source: OECD Data 2016, Singapore data from Department of Statistics, and Labour Force Survey 2017

But older workers tend to be in lower skilled occupations

Composition of Singapore's Workforce by Age and Occupation



Source: Ministry of Manpower, Labour Force in Singapore 2021

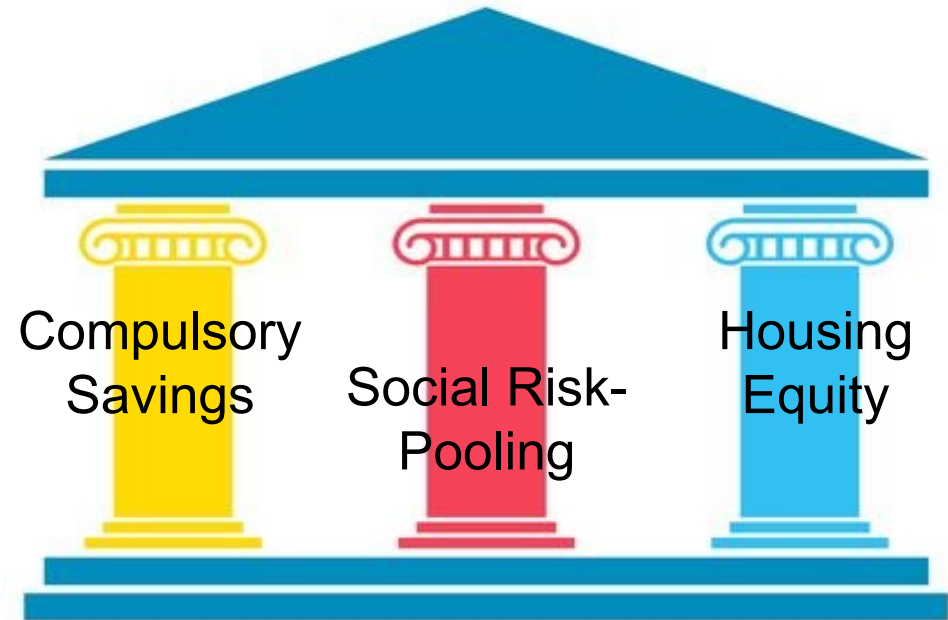
How shall we sustain ourselves?

Promoting Employability



Picture source: yourvoice.asia

Income Security in Old-Age

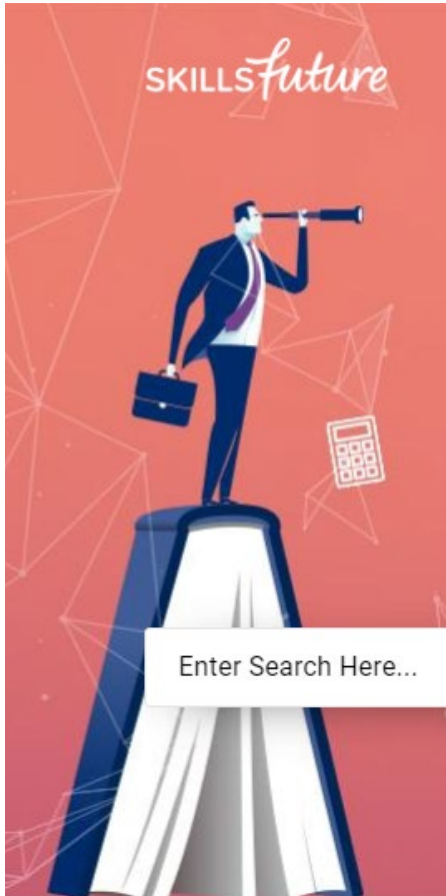


More flexibility for re-employment

Singapore's retirement and re-employment age thresholds since the 1950s

55 63 65 67 68
72?

Employability: Skills Upgrading



- **SkillsFuture Scheme**
 - Raising the resilience of the workforce through a general training fund
- **Adapt & Grow Scheme**
 - Smoothing the transition of workers into new jobs and industries
- **Professional Conversion Programme**
 - Helping professionals prepare for new jobs in new industries

Retaining and hiring older workers



- **Senior Employment Credit**

- Employers hiring workers above the age of 55 and earning up to S\$4k receive a wage-offset subsidy

WorkPro

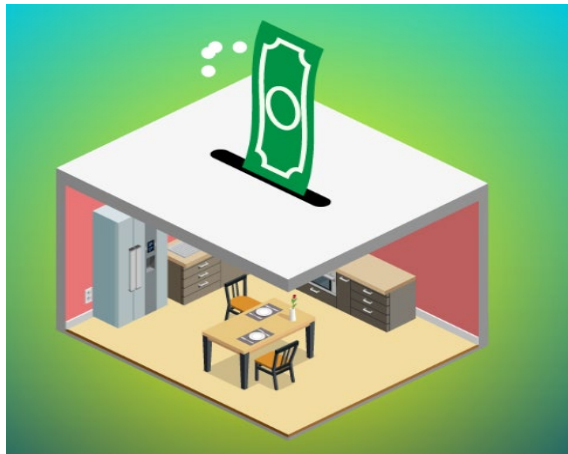


- **WorkPro Grants**

- Grants to facilitate job redesign, flexible work arrangements and adopt best age-management practices

Pillars of Old-Age Social Security

Home Ownership



Healthcare Assurance



Workfare Income Supplement



Monthly income
 \leq \$2,000



Silver Support Scheme

Additional retirement support for elderly Singaporeans who had low incomes through life and currently have little or no family support

[Find out if you qualify for Silver Support here](#)

Income Supplement
for bottom 20-30% of
elderly

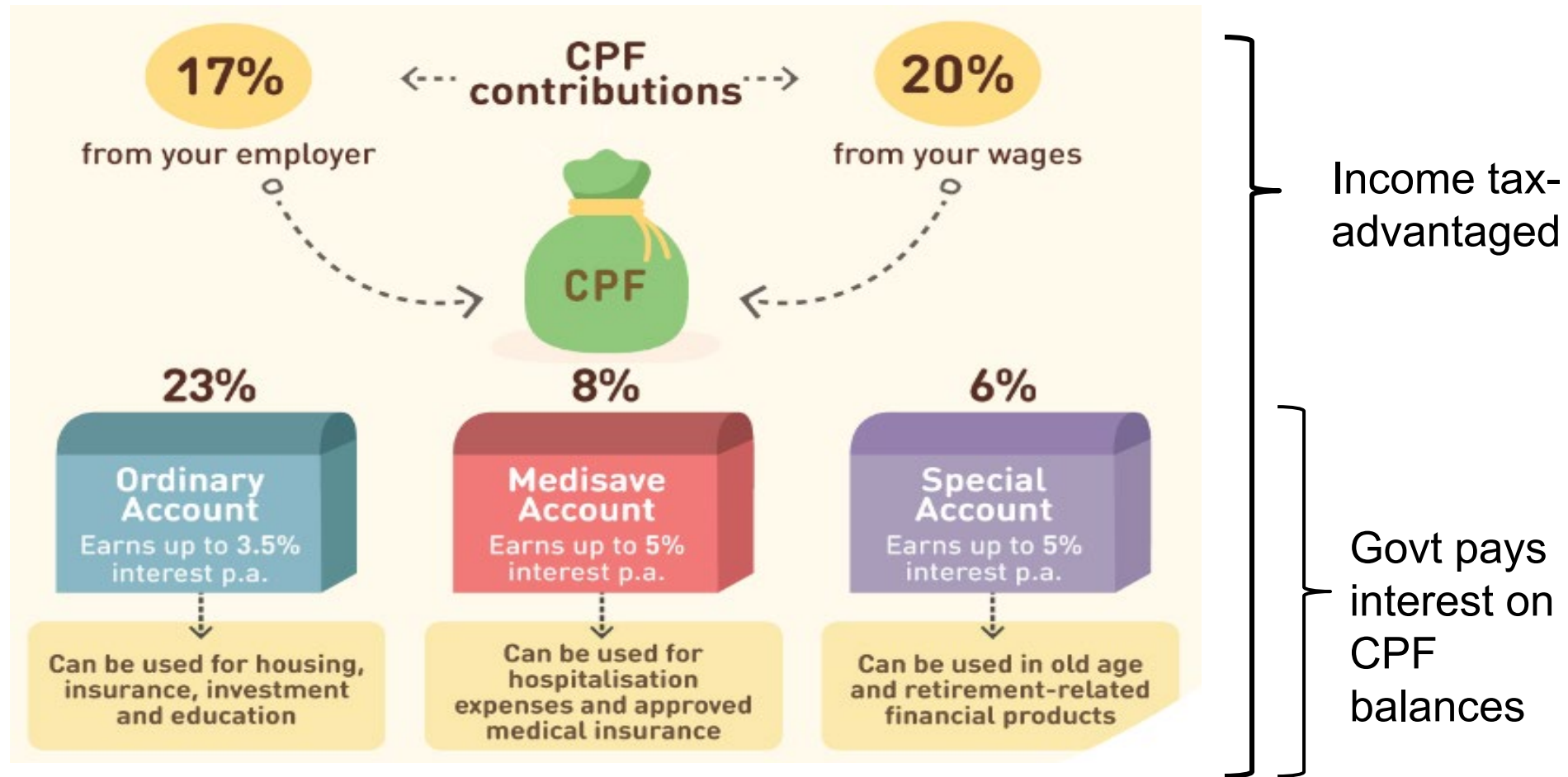
Singapore's savings institution



The Central Provident Fund (CPF)

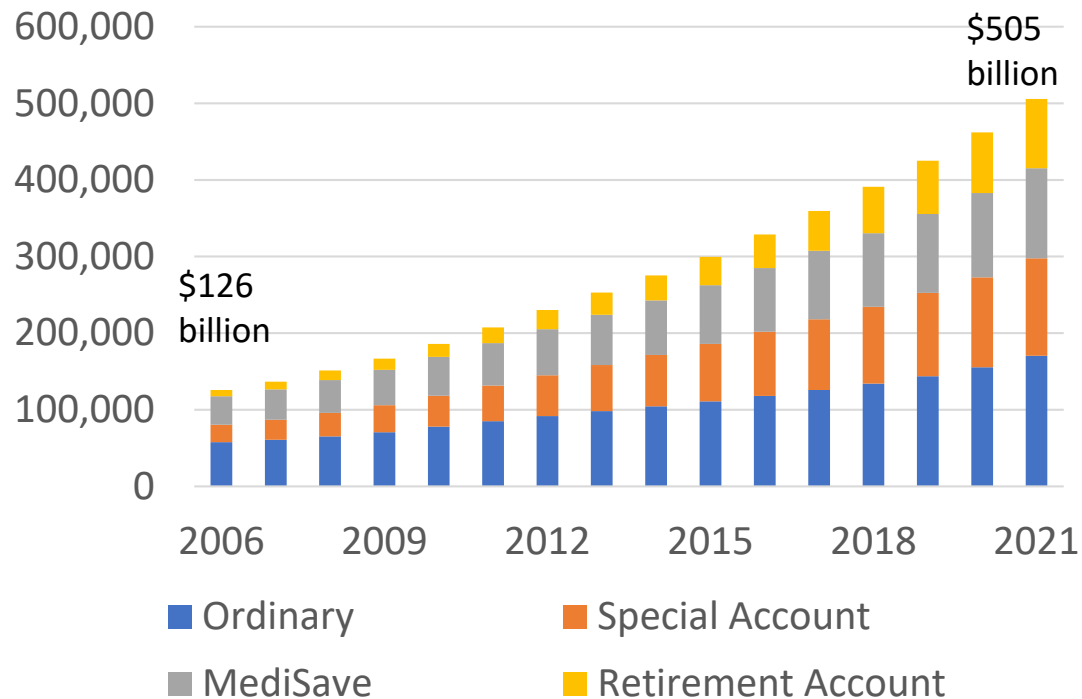
- Underpins how Singaporeans finance:
 - Home ownership
 - Medical bills and healthcare
 - Retirement expenditure

The Central Provident Fund system

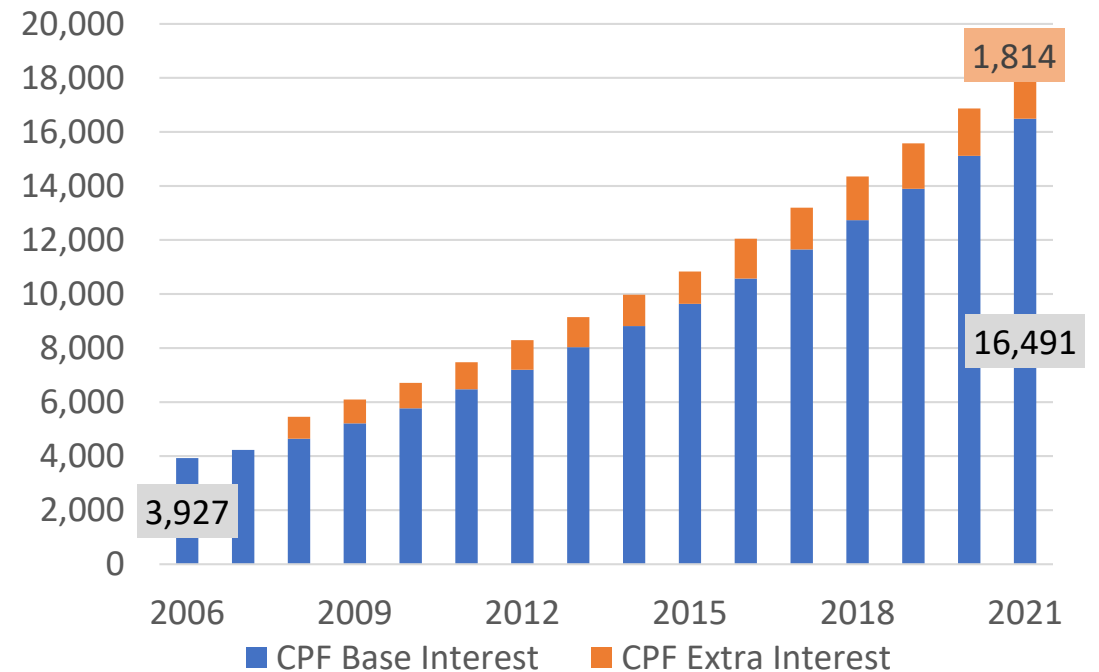


Savings accumulation

CPF Account Balances (\$M)



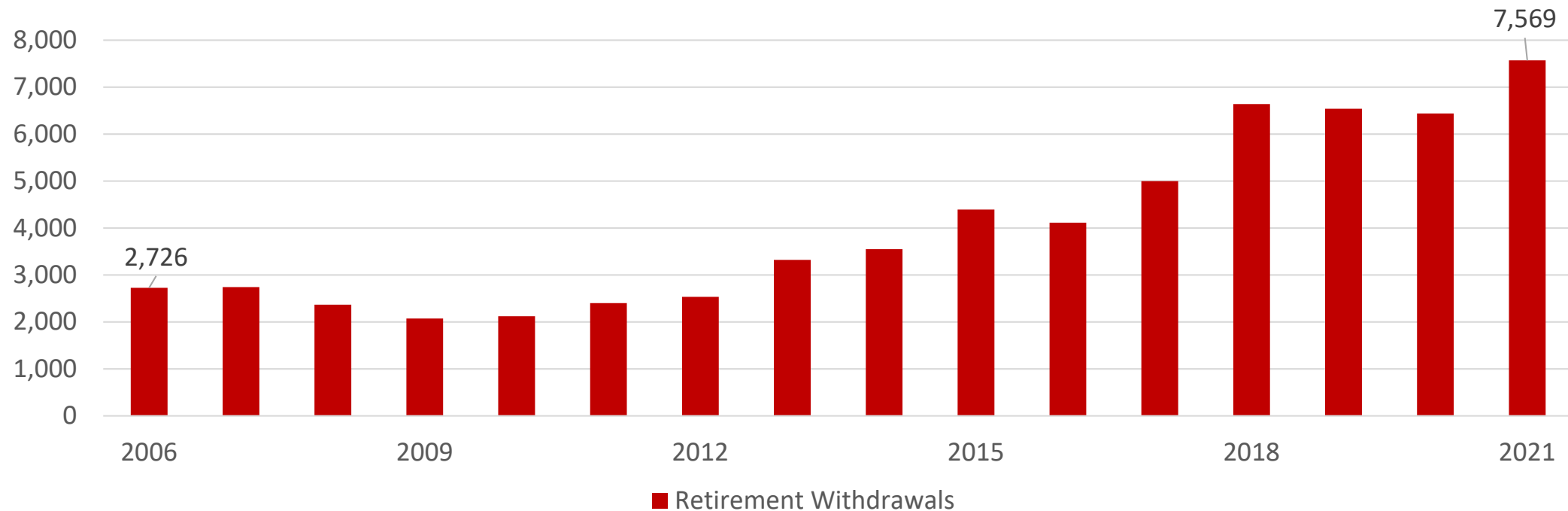
CPF Base and Extra Interest (\$M)



Source: CPF Board statistics

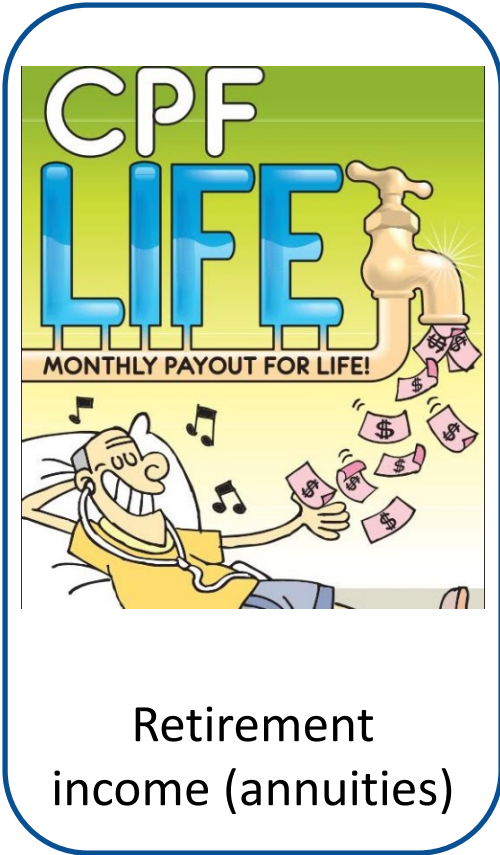
Savings decumulation

CPF Retirement Withdrawals (\$M)



Source: CPF Board statistics

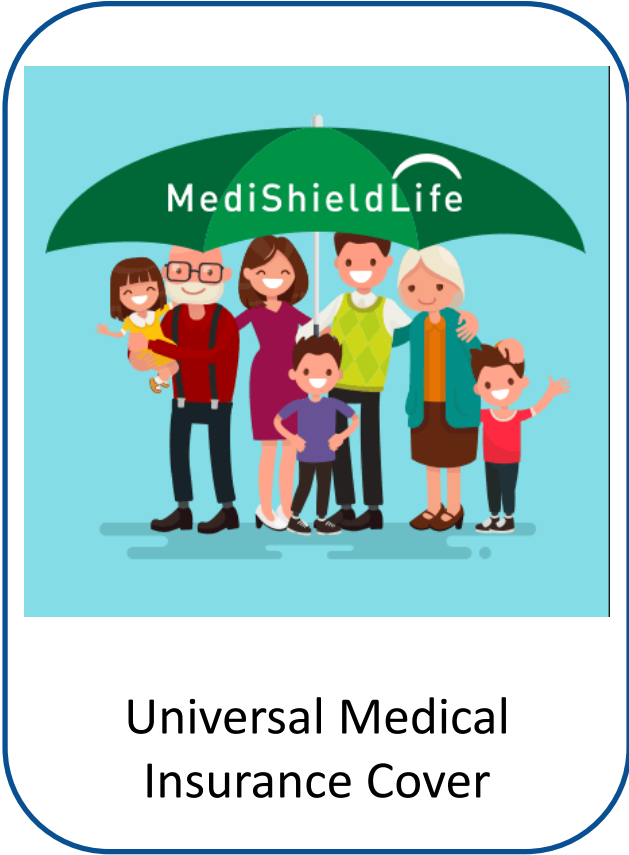
Social Risk Pooling: Retirement, Health and Disability



CPF LIFE
MONTHLY PAYOUT FOR LIFE!

Retirement income (annuities)

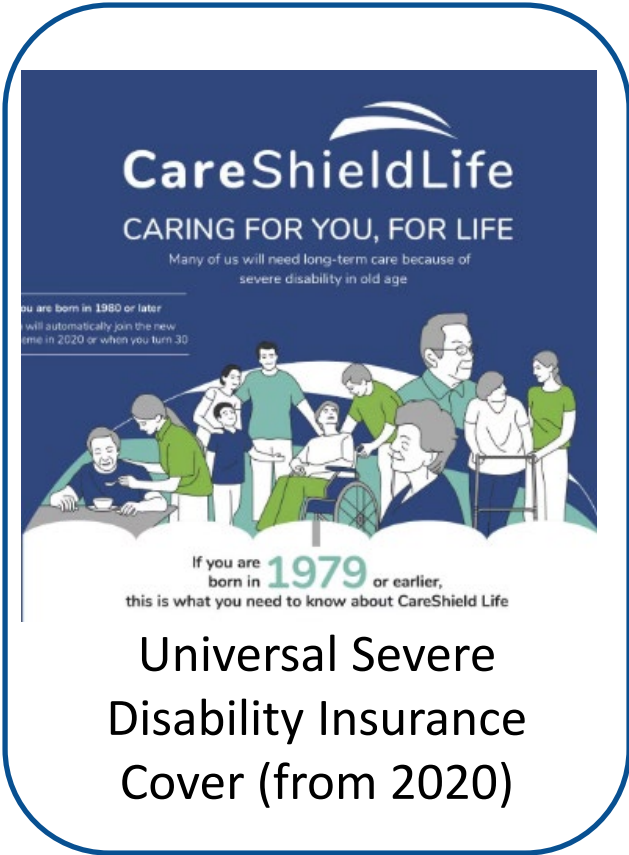
The advertisement features the text 'CPF LIFE' in large blue letters, with 'MONTHLY PAYOUT FOR LIFE!' below it. An illustration shows a golden faucet pouring money into a smiling man's hands, with musical notes floating around him.



MediShieldLife

Universal Medical Insurance Cover

The advertisement shows a family of five (a man, a woman, a child, and two elderly people) standing under a green umbrella with the MediShieldLife logo. The background is a light blue sky.



CareShieldLife
CARING FOR YOU, FOR LIFE

Many of us will need long-term care because of severe disability in old age

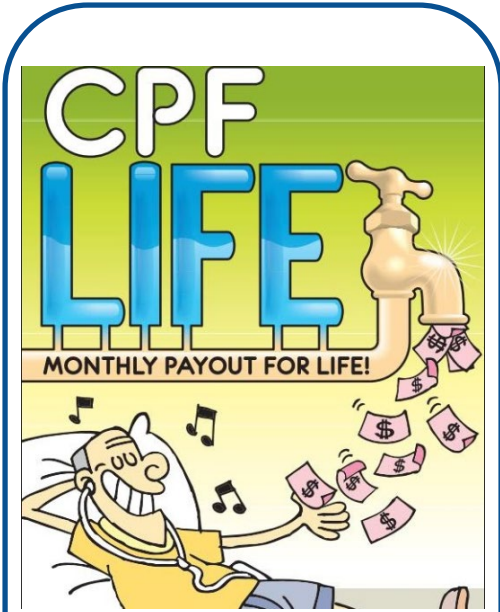
If you are born in 1980 or later will automatically join the new scheme in 2020 or when you turn 30

If you are born in 1979 or earlier, this is what you need to know about CareShield Life

Universal Severe Disability Insurance Cover (from 2020)

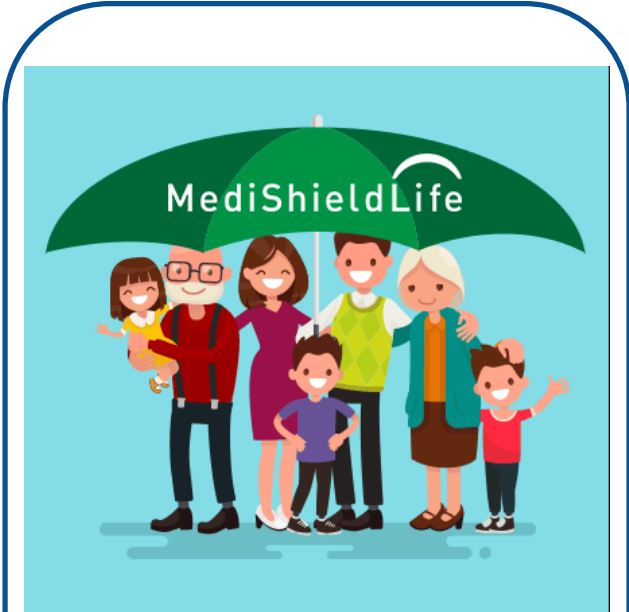
The advertisement features the CareShieldLife logo and the slogan 'CARING FOR YOU, FOR LIFE'. It includes a paragraph about long-term care needs and another about automatic enrollment for those born in 1980 or later. Below, it states that those born in 1979 or earlier need to know about the program. The bottom part of the ad shows an illustration of people receiving care, including one in a wheelchair.

Social Risk Pooling: Retirement, Health and Disability



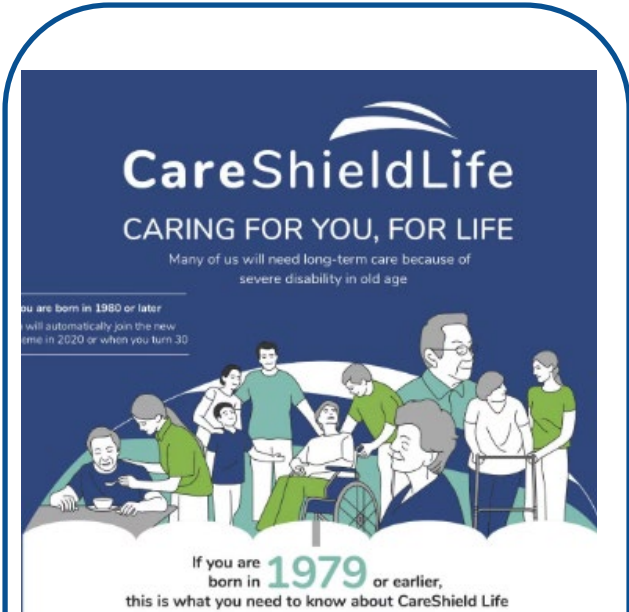
The advertisement for CPF LIFE features the text 'CPF LIFE' in large, stylized letters. Below it, a golden faucet is shown dripping money, with the text 'MONTHLY PAYOUT FOR LIFE!' underneath. At the bottom, a cartoon man is smiling and holding several dollar bills.

Purchased from own retirement savings (CPF)



The advertisement for MediShieldLife shows a family of six people (a man, a woman, a child, and an elderly woman) standing under a large green umbrella. The umbrella has the 'MediShieldLife' logo on it.

Premiums paid from own MediSave account



The advertisement for CareShieldLife has a dark blue background. It features the text 'CareShieldLife' and 'CARING FOR YOU, FOR LIFE'. Below this, it says 'Many of us will need long-term care because of severe disability in old age'. There is an illustration of people in various care settings, including a person in a wheelchair and a person with a walker. At the bottom, it says 'If you are born in 1979 or earlier, this is what you need to know about CareShield Life'.

Premiums paid from own MediSave account

Picture source: second beginnings, Lien Foundation

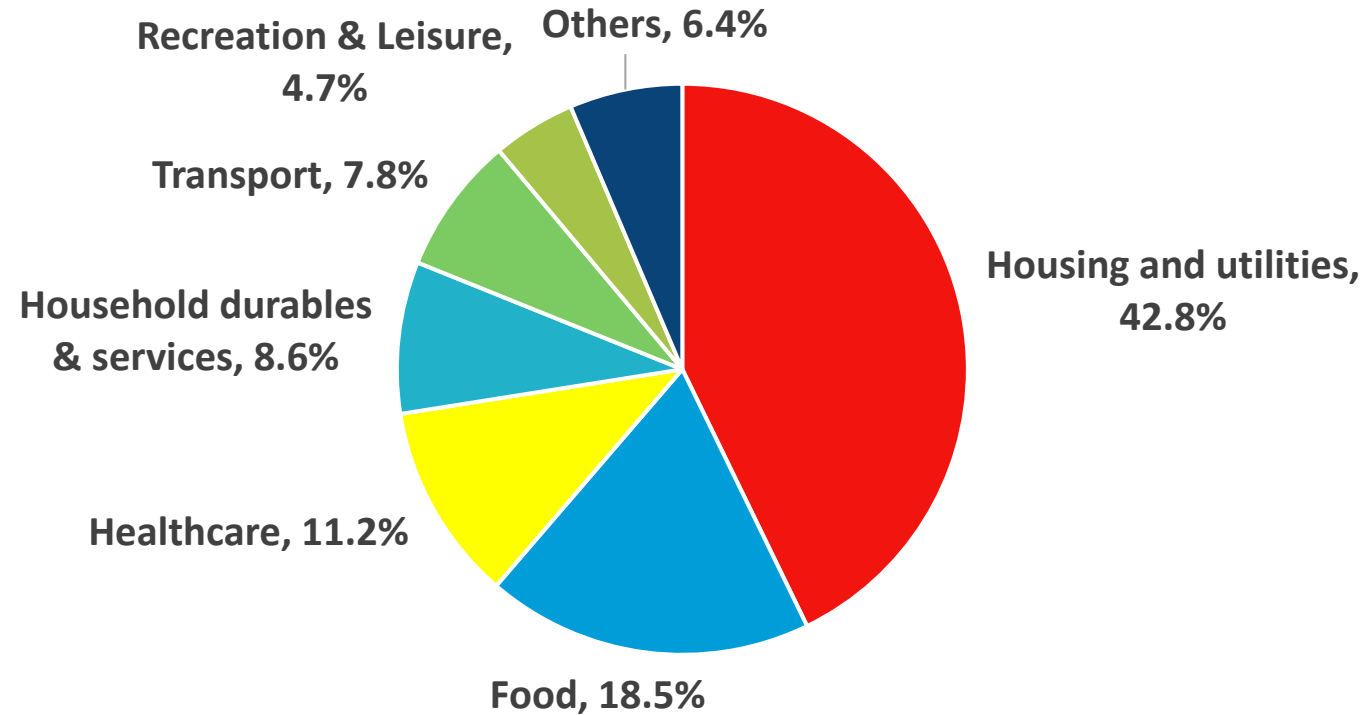


NUS Research on Ageing-Related Policies

How Shall We Age Successfully?

Expenses of retiree households

2018 Consumption basket for Retiree Households



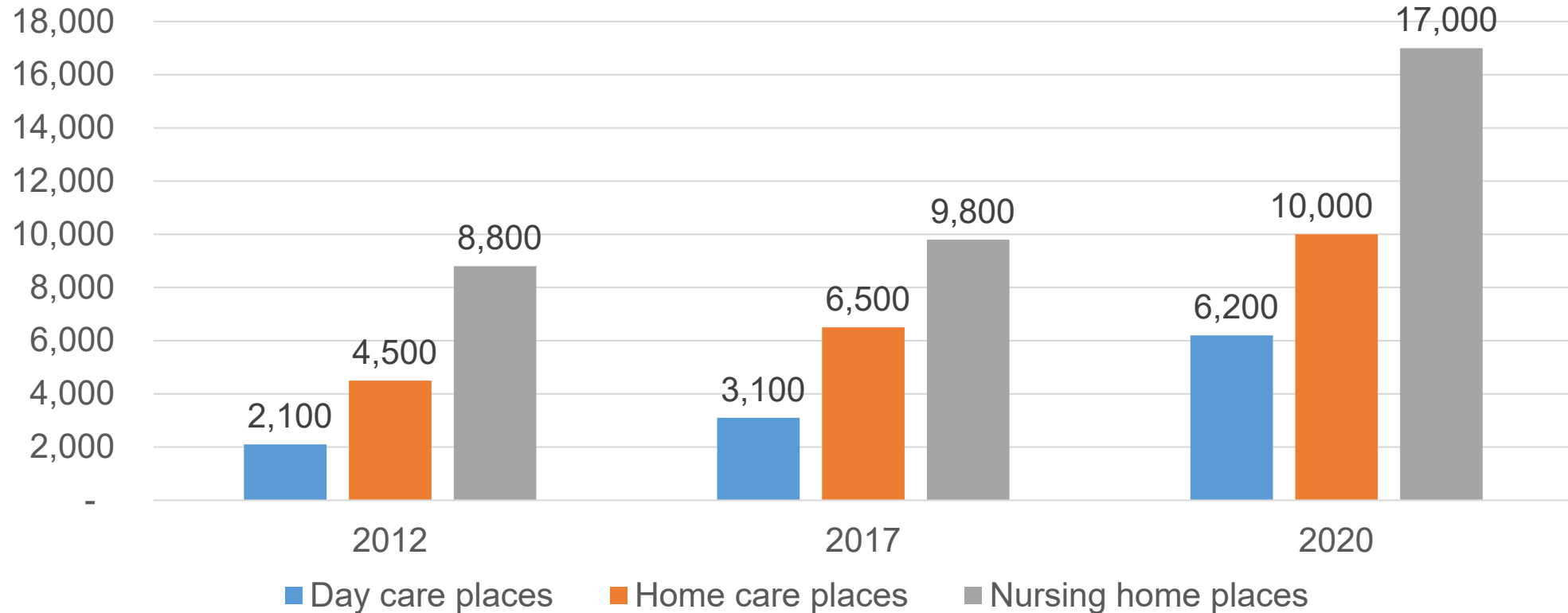
Source: Department of Statistics, Household Expenditure Survey 2017/18

Comparative Long-Term Care Statistics

		Singapore	Australia	Japan	Korea
Population	Elderly population (aged 65+) in millions	0.5	3.6	33.1	6.6
	Elderly as % of population	12%	15%	26%	13%
LTC Capacity	Total Capacity (beds/places) per 1,000 elderly	51	76	136	72
	Institutional beds per 1,000 elderly	27	55	24	24
	Non-residential places per 1,000 elderly	24	21	112	48
LTC Workforce	Total LTC workers per 1,000 elderly	40	71	59	33

Note: Singapore data is 2016, other countries are 2015. * Israel data on Institutional beds per 1,000 elderly is 2008 (Brodsky et al, 2010) Source: OECD Health Statistics 2018, United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision.

Ramping up Long-Term Care capacity



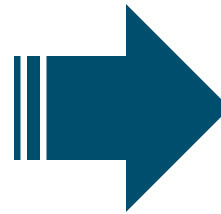
Source: Ministry of Health

From treating medical episodes to care in the community and at home



Younger population
Acute, episodic
healthcare needs

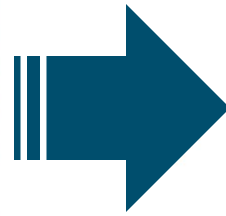
- Acute-centric care
- **Acute care as focus of healthcare delivery**



Ageing population
Chronic and long-term
healthcare needs

- Patient-centric care
- **Primary care as focus of healthcare delivery**
- Greater focus on preventive and long-term care

From treating medical episodes to care in the community and at home



Moving from being tertiary care-centricity to care in the community and at home

Kampung Admiralty: a vision of the future?



Integrated housing for the elderly with a wide range of social, healthcare, communal, commercial, and retail facilities, completed in November 2017.

- 100 apartments for the elderly
- 2-storey medical centre with specialist out-patient care
- Active Ageing Hub, co-located with a childcare centre, dining and retail outlets
- 900-seat food centre

HDB's Community Care Apartments



Community Care Apartments @ Bukit Batok West Avenue 9

Launched in February 2021, designed to offer seniors aged 65+ an affordable housing option integrating senior-friendly features and care services scaled according to their needs.

Source: HDB


Care infrastructure in the community

Community Network for Seniors (CNS)

► The Community Networks for Seniors (CNS) brings together different people in the community to help our seniors age well in place. Here's what they - and their volunteers - do.

In 15 years, we will have...

1 MILLION SENIORS



Three Types of Seniors and the Help They Get

HOW CNS HELPS OUR AGEING POPULATION

Plan


- Identify areas in which seniors need more support
- Identify the types of seniors in each community
- Develop an action plan




Build

- Pooling together health and social care resources to better serve the seniors
- Develop new services to meet needs & gaps
- Set up systems & infrastructure

Connect

- Encouraging residents to help their elderly neighbours
- Building a Kampung to help our seniors grow old gracefully



Healthy Seniors	Lonely Seniors	Frail Seniors
 <p>Action Plan</p> <p>Active Ageing: Keeping them active through social activities</p>	 <p>Action Plan</p> <p>Befriending: Provide emotional and psychological support</p>	 <p>Action Plan</p> <p>Care & Support: Providing targeted care and welfare</p>
<p>Who's involved:</p> <ul style="list-style-type: none"> People's Association Health Promotion Board Pioneer Generation Office 	<p>Who's involved:</p> <ul style="list-style-type: none"> People's Association Voluntary Welfare Organisations 	<p>Who's involved:</p> <ul style="list-style-type: none"> AIC's Community Case Management Service AIC's Community Care Assessment Team Voluntary Welfare Organisations

Picture source: shutterstock.com

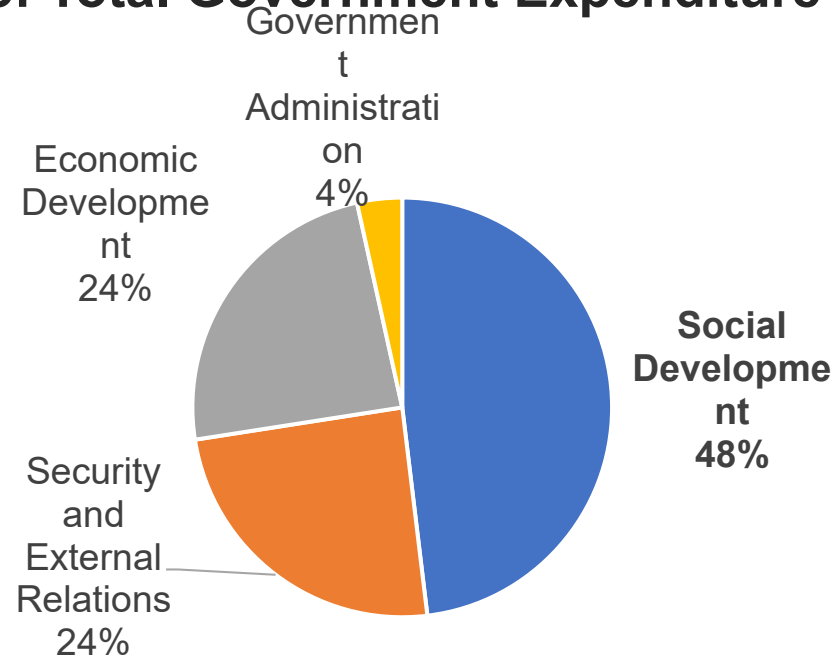


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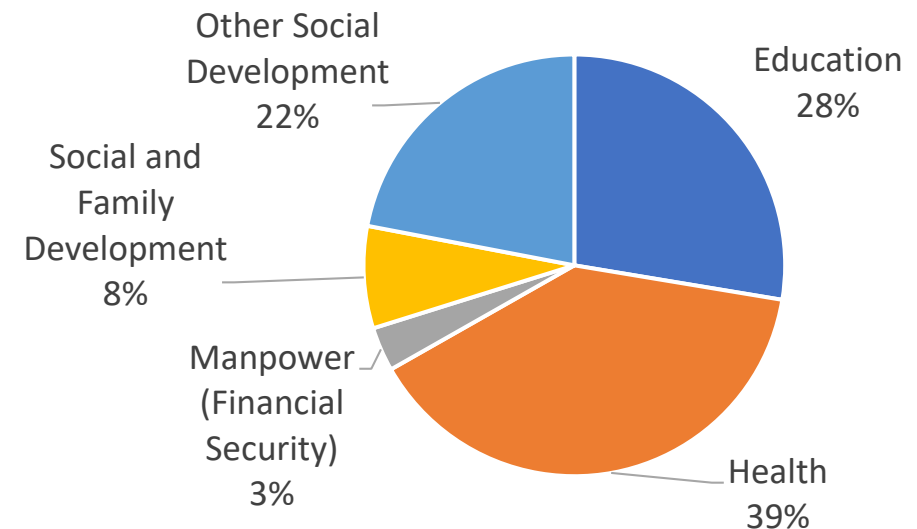
Paying for Age-Related Policies and Programmes

Government Expenditure - Overall

Share of Total Government Expenditure 2022

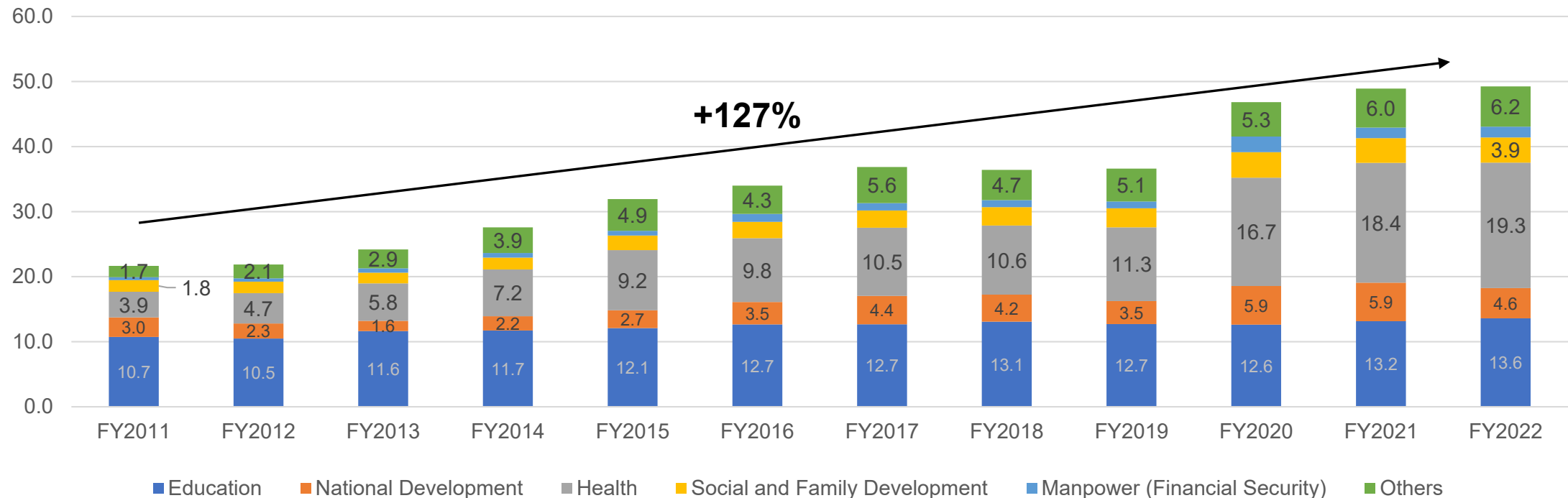


Share of Government Social Development Expenditure 2022



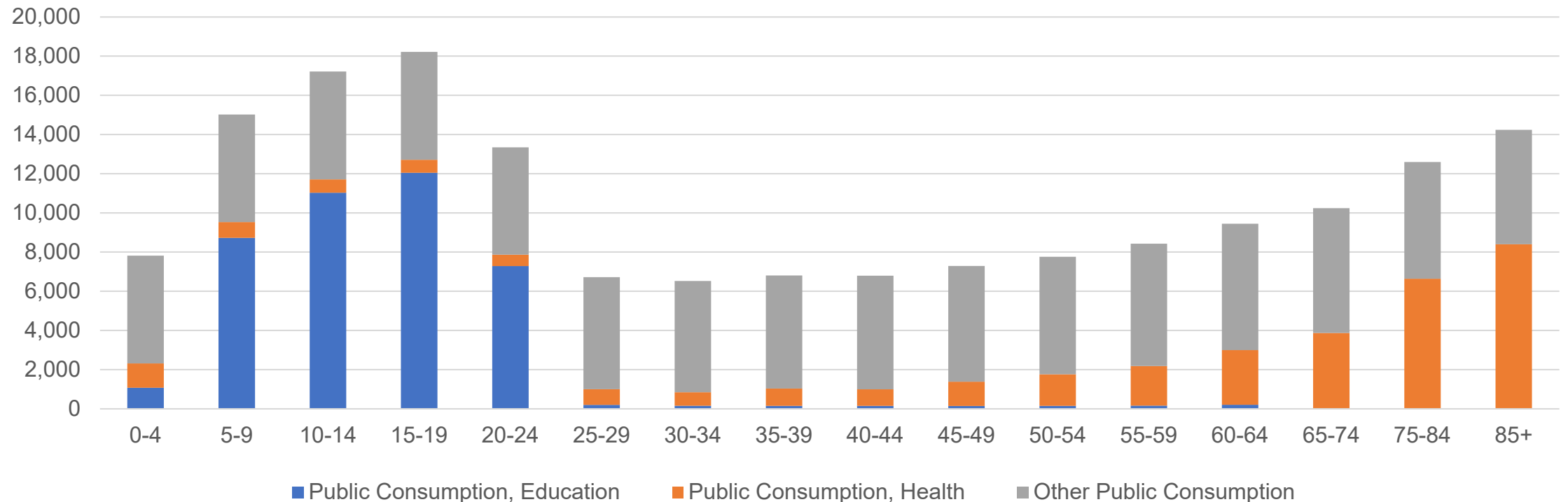
Government Expenditure - Overall

Social Development Expenditure by Government Budgets 2011, 2019 and 2022 (\$ billions)



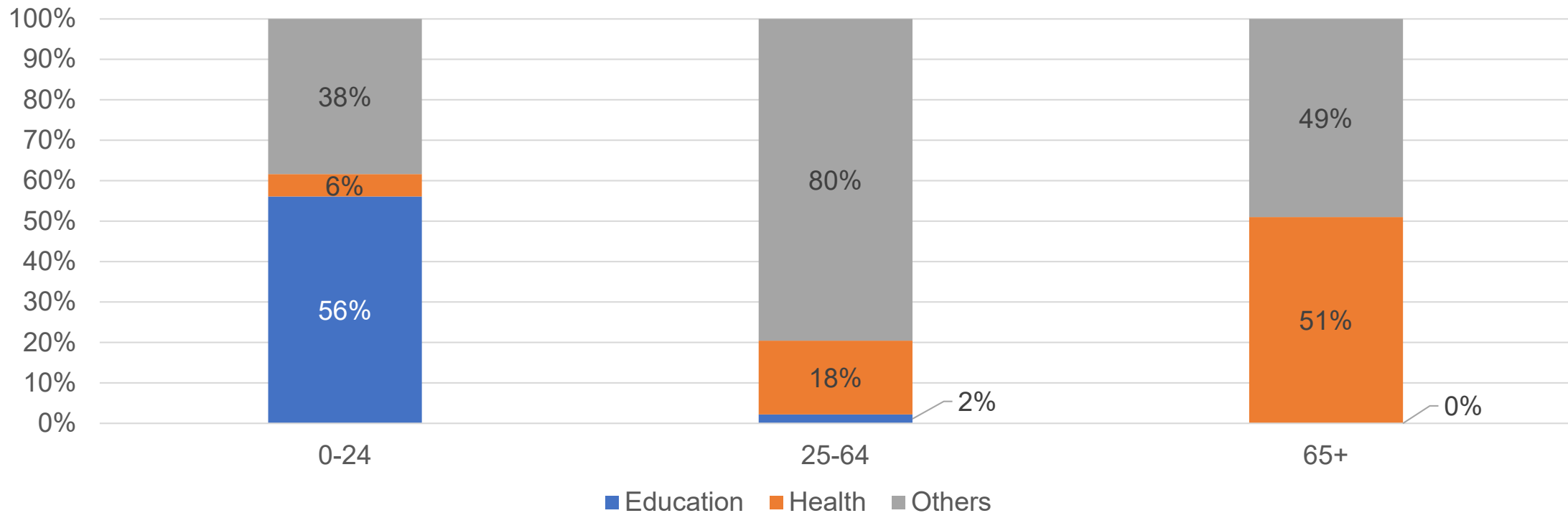
Government Expenditure by Age Group

Public Consumption (Expenditure) per capita by age group, 2013 (\$)



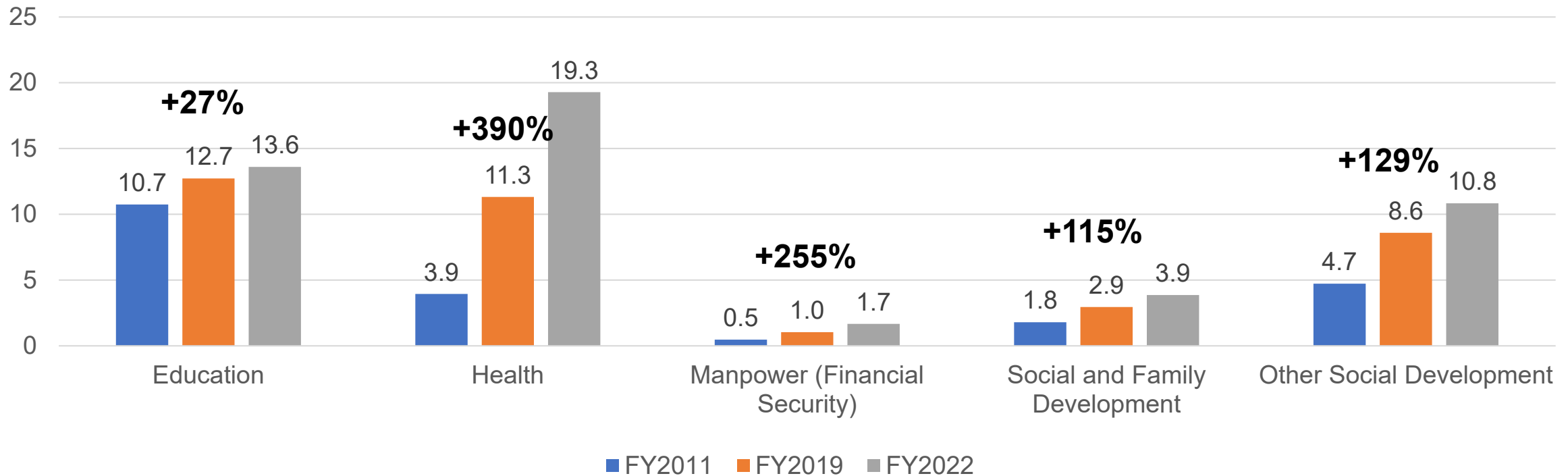
Government Expenditure by Age Group

Public Consumption (Expenditure) per capita by age group, 2013 (%)



Government Expenditure on Ageing-Related Policies

Social Development Expenditure by Government Budgets 2011, 2019 and 2022 (\$ billions)





AGE-RELATED POLICIES

Policy Domains:



HEALTH



CARE



HOUSING






RETIREMENT
INCOME



TRANSPORT



HEALTH

POLICY	 ELIGIBILITY	 BENEFITS	 COST
Pioneer Generation Package	Citizens born before 31 Dec 1949 OR Obtained citizenship before 31 Dec 1986	<ul style="list-style-type: none">• \$150-250 cash per month• Subsidies for outpatient care• MediSave top-ups• Disability Assistance	\$9 billion (2014)
Merdeka Generation Package	Citizens born from 1 Jan 1950 to 31 Dec 1959	<ul style="list-style-type: none">• Passion Silver Card Top-Up• Subsidies for outpatient care• MediSave top-ups• MediShield Life premium subsidies	\$8 billion (2019)
Community Health Assist Scheme (CHAS)	Tiered according to per capita household monthly income or Annual Value of home	<ul style="list-style-type: none">• Medical subsidies at CHAS approved clinics and hospitals	\$5.1 billion (2019)
MediShield Life (MSHL) Premium	All Singaporeans and Permanent Residents	<ul style="list-style-type: none">• Insurance policy that pays for large hospital bills and selected costly outpatient treatments (i.e. dialysis/chemotherapy)	\$2.2 billion (2021) to subsidise middle and lower income individuals



CARE



POLICY

ELIGIBILITY

BENEFITS

COST

POLICY	ELIGIBILITY	BENEFITS	COST
Enhancement for Active Seniors (EASE)	Households with someone >65 OR someone between 60-64 who needs help with Activities of Daily Living	<ul style="list-style-type: none"> Subsidised installation of slip resistant floor, grab bars or ramps 	No information
Caregivers Training Grant	Care recipient >65 or certified to have a disability	<ul style="list-style-type: none"> \$200 subsidies for training courses to care for the physical and emotional needs of care recipient 	No information
Medical Escort and Transport	Those who need help to move around, and have no caregiver, or whose caregiver is unable to provide support because of their own health and physical condition	<ul style="list-style-type: none"> Transportation and/or someone to accompany clients to travel to and from their homes for medical appointments and treatments 	No information
Home Caregiving Grant	Household income of <\$2800 Individual requires assistance of at least 3 of 6 Activities of Daily Living	<ul style="list-style-type: none"> Cash payout of \$200 to defray costs of caregiving 	No information
Foreign Domestic Worker Levy Concession for Aged Persons and Persons with Disabilities	Hires foreign domestic worker Individual aged > 67 or requires assistance with at least 1 of 6 Activities of Daily Living	<ul style="list-style-type: none"> Lowers foreign domestic worker levy from \$300 to \$60 per month 	No information

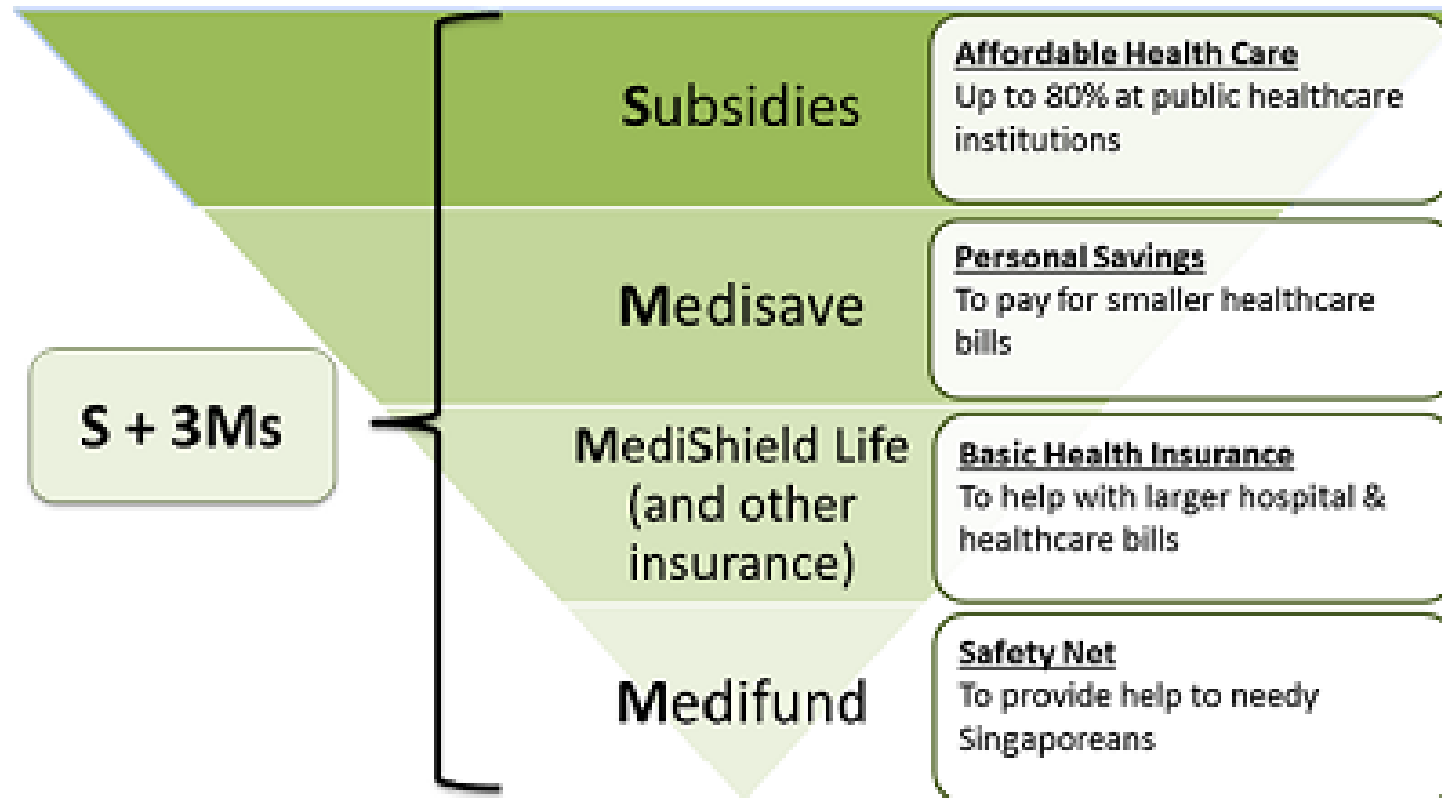


HEALTH AND CARE

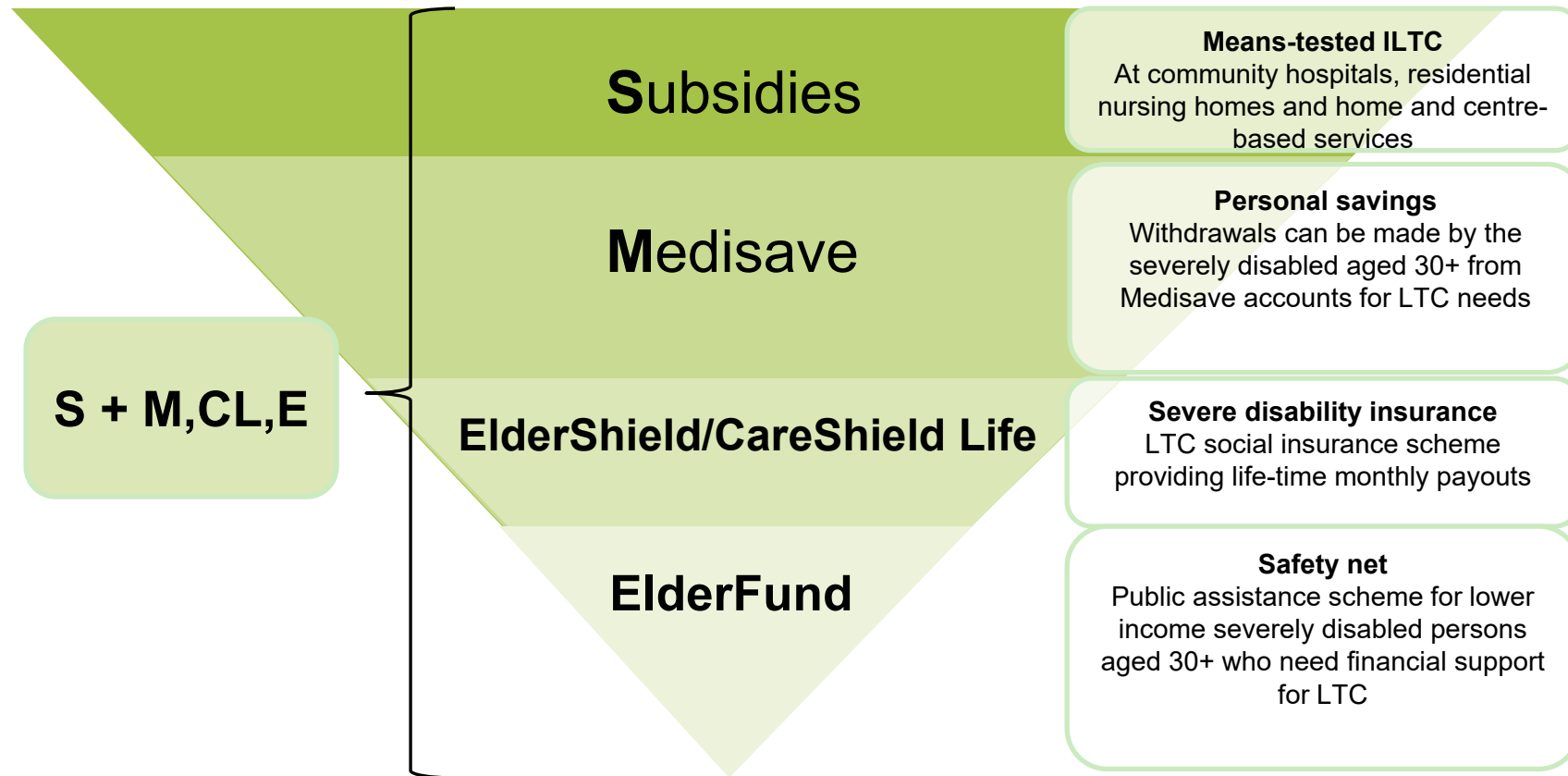


PROJECTS	COST
Subsidised medical and aged care services	\$8.3 billion (43% of 2022 healthcare budget)
Taman Jurong Nursing Home	\$4.8 million (2022) Total projected cost: \$54 million
Ang Mo Kio Nursing Home	\$0.2 million (2022) Total projected cost: \$36 million
Senja Polyclinic, Senior Care and Nursing Homes	\$2.3 million (2022) Total projected cost: \$86 million

Healthcare financing



Long-term care also organised on a S+3M funding model



Co-payments are a major feature in the social care system

Estimation of proportion of LTC cost (after subsidy deduction) on household per capita income

Low ————— *Affordability* ————— *High*

Household per capita monthly income	Residential Home		Community Hospital		Community Health Center	
	Subsidy level	Proportion of Cost on income (after subsidy deduction)	Subsidy level	Proportion of Cost on income (after subsidy deduction)	Subsidy level	Proportion of Cost on income (after subsidy deduction)
\$0 - \$700	75%	43%	75%	30%	80%	18%
\$701 - \$1,100	60%	53%	60%	37%	75%	18%
\$1,101 - \$1,600	50%	44%	50%	31%	60%	19%
\$1,601 - \$1,800	40%	42%	45%	32%	50%	19%
\$1,801 - \$2,600	20%	44%	40%	27%	30%	27%
Above \$2,601	0%	37%	20%	24%	0%	14%

Source: Gove, Loo and Soontornwipart, 2016

Minding the Generational Gap

- Large cohort disparities in savings accumulation, especially for medical expenditure
- Two generational packages announced to help (in part) with health and medical costs
- **Pioneer Generation Package (2016, announced 2013)**
- **Merdeka Generation Package (2019, announced 2018)**

Pioneer Generation Package



- S\$8.27bn endowment fund established in Budget 2014
- Singaporean citizens born on or before 31 December 1949, | Decem



Outpatient Care

Pioneers will receive additional subsidies on top of existing subsidised services and medication at polyclinics & Specialist Outpatient Clinics. Enjoy subsidies at participating GP and dental clinics under CHAS.



Medisave Top-ups

Pioneers will receive Medisave top-ups in their Medisave Accounts annually for life.



Disability Assistance

Cash of \$1,200 a year for those with moderate to severe functional disabilities under the Pioneer Generation Disability Assistance Scheme.

MediShield Life

Support for all Pioneers' MediShield Life Premiums with special premium subsidies and Medisave top-ups. All Pioneers will pay less premiums for MediShield Life than Medishield.



CareShield Life






Additional \$1,500 participation incentive for Pioneers who join CareShield Life when it becomes available to them in 2021. This will be spread over ten years and used to offset annual CareShield Life premiums.



Merdeka Generation Package



- S\$6.1bn endowment fund established in Budget 2019
- Singaporean citizens born from 1 January 1950 to 31 December 1959, have received the Merdeka Generation Package
- As well as those born from 1 January 1960 to 31 December 1996 who have not received the Merdeka Generation Package




				
Benefit #1	Benefit #2	Benefit #3	Benefit #4	Benefit #5
PAassion Silver Card Top-up	Annual MediSave Top-ups	Additional Subsidies for Outpatient Care	Additional CareShield Life Participation Incentive	Additional MediShield Life Premium Subsidies
<ul style="list-style-type: none"> • A one-off \$100 top-up for your PAassion Silver Card 	<ul style="list-style-type: none"> • \$200 top-up every July, from 2019 to 2023 	<ul style="list-style-type: none"> • Special CHAS subsidies at CHAS GP and dental clinics, which are higher than CHAS Blue subsidies • Additional 25% off subsidised bill at polyclinics and Public Specialist Outpatient Clinics 	<ul style="list-style-type: none"> • Additional \$1,500 participation incentive if you sign up for CareShield Life when it becomes available from 2021 	<ul style="list-style-type: none"> • Additional 5% subsidy for your annual premiums, increasing to 10% after you turn 75 years old

PGP and MGP are endowment funds specific to defined cohorts

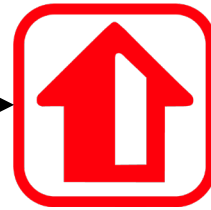
- Pre-funding of some medical and long-term care financing needs for specifically defined cohorts
- Not permanent schemes to which future cohorts are entitled
- PGP payouts estimated at S\$560 million in fiscal year to March 2018 (IPS estimates)



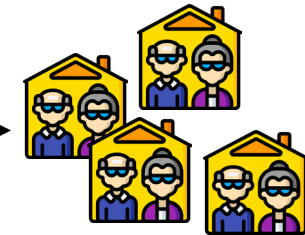
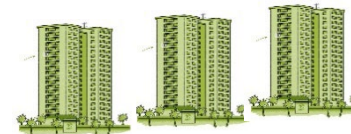
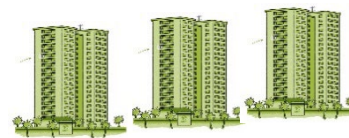
HOUSING

POLICY	 ELIGIBILITY	 BENEFITS	 COST
Shelters and Senior Group Homes	Aged >60 and fit for independent community living	<ul style="list-style-type: none"> Rental flats with community-based services 	No information
Lease Buy Back	Aged >65 with gross monthly household income <\$14,000 HDB lease of at least 20 years remaining	<ul style="list-style-type: none"> Monetise flat to top-up CPF Retirement Account (RA) in CPF Life while still able to live in current flat 	No information
	Aged ≥45 and affected by the Selective En Bloc Redevelopment Scheme (SERS)	<ul style="list-style-type: none"> Able to purchase a replacement flat with only a 50-year lease 	
Silver Housing Bonus	Aged >55 with gross monthly household income <\$14,000 Buying a 3-room or smaller HDB and join CPF LIFE	<ul style="list-style-type: none"> Receive lifelong monthly income through CPF LIFE Able to keep balance proceeds after CPF top-up 	No information

Public Housing Development Financing



**HOUSING &
DEVELOPMENT
BOARD**



Public Housing Development Financing

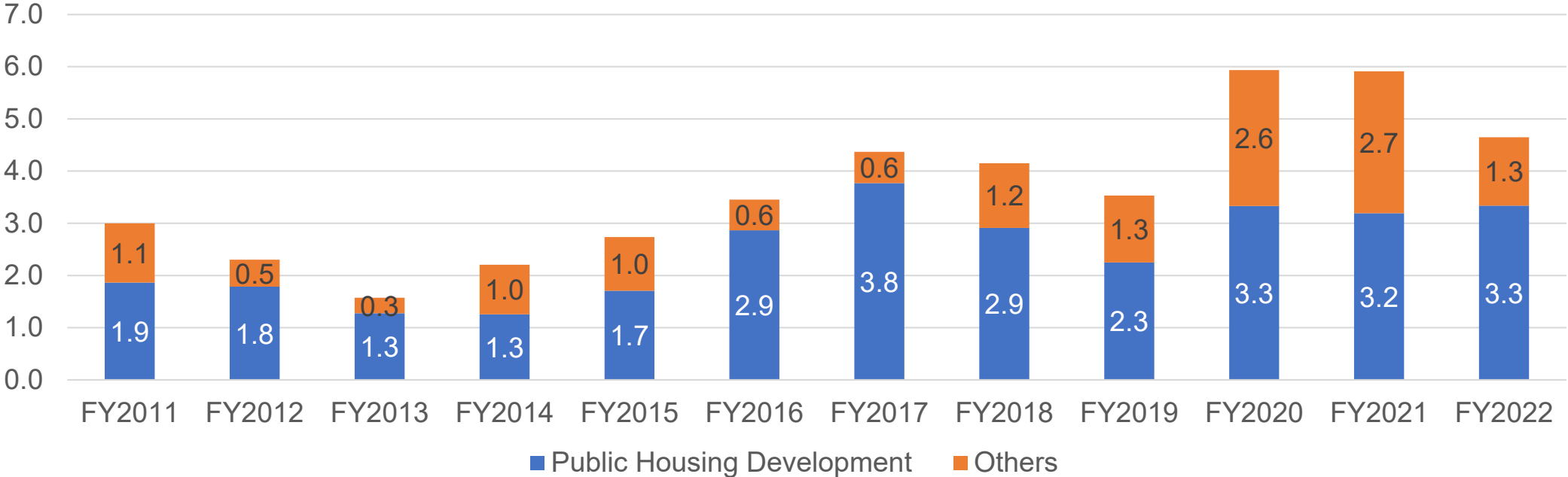


		<i>Group</i>					
		<u>2020/2021</u>			<u>2019/2020</u>		
	<u>Notes</u>	<u>Housing</u>	<u>Other</u>	<u>Total</u>	<u>Housing</u>	<u>Other</u>	<u>Total</u>
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sale proceeds	26	2,772,566	0	2,772,566	3,449,872	0	3,449,872
Cost of sales before net increase in provision for foreseeable loss	22	(3,130,578)	0	(3,130,578)	(4,173,993)	0	(4,173,993)
Gross loss on sales	26	(358,012)	0	(358,012)	(724,121)	0	(724,121)
Net increase in provision for foreseeable loss	22	(712,450)	0	(712,450)	(818,340)	0	(818,340)
Gross loss after net increase in provision for foreseeable loss							
Income							
Finance expenses							
Operating expenses							
Other expenses		(1,070,462)	0	(1,070,462)	(1,542,461)	0	(1,542,461)

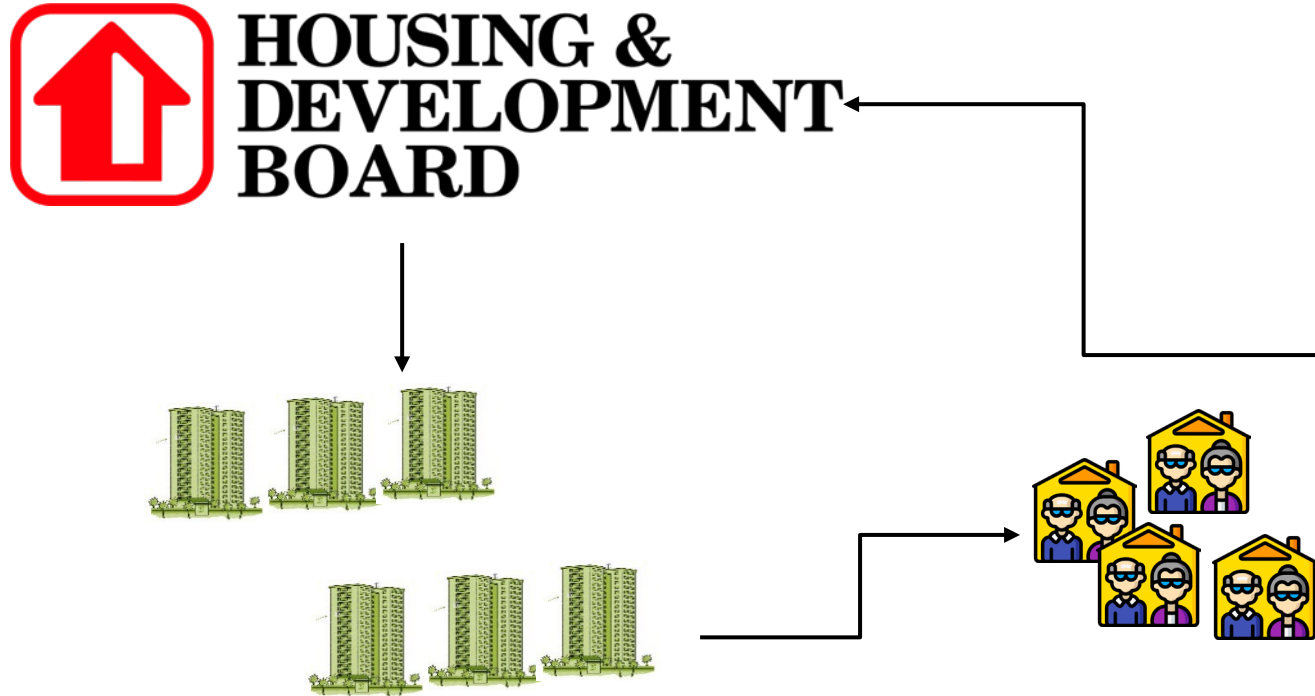
The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Public Expenditure on Public Housing

Ministry of National Development Budget, 2011-2022 (\$ billions)



Lease Buy Back (LBS) for Public Housing



How can Mr & Mrs Lim unlock the value of their flat with the Lease Buyback Scheme?

- 1 Apply for Lease Buyback Scheme (LBS)**
 - Sell 35 years of tail-end lease to HDB worth **\$219,300**
 - Each owner receives **\$109,650** for CPF top up
- 2 Top up CPF Retirement Account (RA)**
 - Each owner tops up their RA to the Basic Retirement Sum of **\$96,000** (at age 65)
 - Couple has **\$52,300** remaining and a CPF LIFE each
- 3 Receive LBS Cash Bonus**
 - As CPF RA top-up is more than **\$60,000**, couple qualifies for **\$7,500** LBS Cash Bonus

Couple Profile

Mr & Mrs Lim, both 65 years old
Joint owners of fully paid 5-room flat

• Flat value - \$520,000	• CPF RA Balance
• Lease left - 65 years	• Mr Lim - \$20,000
	• Mrs Lim - \$5,000

Total value unlocked by Mr & Mrs Lim

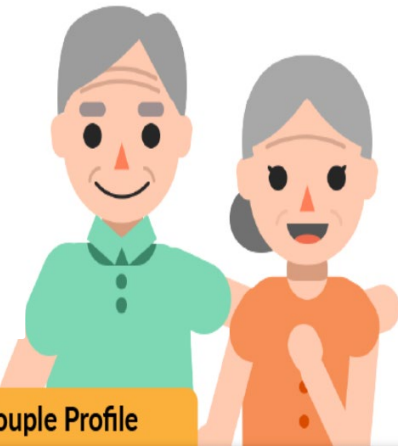
LBS Cash Proceeds \$52,300	CPF LIFE Payout (per month, for life) \$1,100 <small>Based on \$167,000 top-up to couple's CPF RA and their RA balances</small>	LBS Cash Bonus \$7,500
---------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------

Mr & Mrs Lim, both 65 years old, retains their flat with 30 years of lease remaining.

HOUSING & DEVELOPMENT BOARD | Fulfilling Dreams, Building Homes, Creating Communities | Visit us at www.hdb.gov.sg

Source: <https://www.hdb.gov.sg/cs/infoweb/residential/living-in-an-hdb-flat/for-our-seniors/monetising-your-flat-for-retirement/lease-buyback-scheme/how-it-works>

LBS example



Couple Profile

Mr & Mrs Lim, both 65 years old
Joint owners of fully paid 5-room flat

• Flat value - \$520,000	CPF RA Balance
• Lease left - 65 years	• Mr Lim - \$20,000
	• Mrs Lim - \$5,000

Source:
<https://www.hdb.gov.sg/cs/infoweb/residential/living-in-an-hdb-flat/for-our-seniors/monetising-your-flat-for-retirement/lease-buyback-scheme/how-it-works>

Step 1. Applies for Lease Buyback Scheme (LBS)

- Sells 35 years of tail-end lease back to HDB for \$219,300

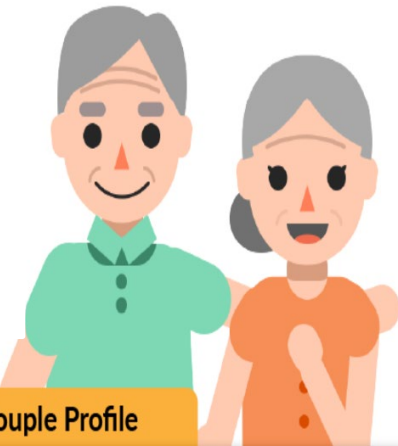
Step 2. Applies for Lease Buyback Scheme (LBS)

- Mr and Mrs Lim each receives \$109,650 in a top-up to their CPF Retirement Account (RA)
- They each top up their RA to the Basic Retirement Sum of \$96,000, and will have \$52,300 over and above unlocked from their home equity (LBS cash proceeds)

Step 3. Receive LBS Cash Bonus

- As CPF Top-up is more than \$60,000, the couple qualifies to receive a \$7,500 LBS Cash Bonus.

LBS example



Couple Profile

Mr & Mrs Lim, both 65 years old
Joint owners of fully paid 5-room flat

• Flat value - \$520,000	CPF RA Balance
• Lease left - 65 years	• Mr Lim - \$20,000
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Total value unlocked by Mr & Mrs Lim

LBS Cash Proceeds \$52,300	CPF LIFE Payout (per month, for life) \$1,100 Based on \$167,000 top-up to couple's CPF RA and their RA balances	LBS Cash Bonus \$7,500
------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------

Mr & Mrs Lim, both 65 years old, retains their flat with 30 years of lease remaining.

Source:
<https://www.hdb.gov.sg/cs/infoweb/residential/living-in-an-hdb-flat/for-our-seniors/monetising-your-flat-for-retirement/lease-buyback-scheme/how-it-works>

Silver Housing Bonus Example




Mr and Mrs A are selling their 5-room flat in Yishun (bought from HDB) and are buying a 2-room Flexi BTO flat in Sembawang. Based on their proceeds, they are required to top up \$60,000 to their CPF RA. They will receive Silver Housing Bonus of \$30,000.

Selling price of existing property	\$470,000
<u>Less</u>	
Outstanding loan on existing property	\$100,000
Purchase price of next flat	\$141,000
Resale levy	\$45,000
Proceeds	\$184,000
Top-up required to be eligible for SHB	\$60,000
Silver Housing Bonus (Cash)	\$30,000

Source: <https://www.hdb.gov.sg/residential/living-in-an-hdb-flat/for-our-seniors/monetising-your-flat-for-retirement/silver-housing-bonus>







INCOME AND RETIREMENT ADEQUACY

 POLICY	 ELIGIBILITY	 BENEFITS	 COST
Silver Support Scheme	Aged >65, living in 5-room HDB flat or smaller; CPF less than \$140,000 by 55	<ul style="list-style-type: none">• Tiered quarterly payouts	\$620 million (2021)
ComCare Assistance Scheme	< \$1,900 per capita household income and unable to support their aged parents	<ul style="list-style-type: none">• Tiered cash assistance (based on household size)• Additional assistance for other expenses including medical bills, hygiene consumables	\$151 million (2019)
CPF Matched Retirement Savings Scheme	Aged 55 to 70 and average monthly income <\$4000; Retirement account savings less than Basic Retirement Sum (BRS)	<ul style="list-style-type: none">• Dollar-for-dollar matching grant for top-ups in Retirement Account of \$600	No information
Workfare Income Supplement	Aged >35, with a gross monthly income of <\$2,300 Resides in a property <\$13,000	<ul style="list-style-type: none">• Cash supplement of \$1,500 per month• CPF top-ups	No information



INCOME AND RETIREMENT ADEQUACY

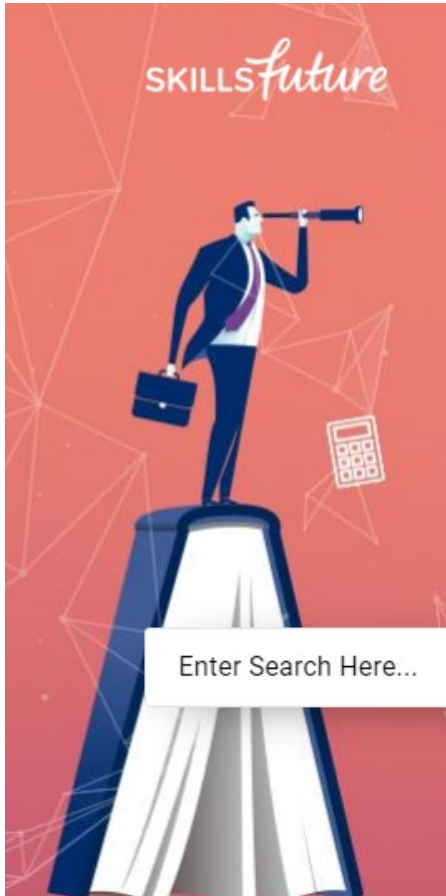
 POLICY	 ELIGIBILITY	 BENEFITS	 COST
Senior Employment Credit Scheme (SEC)	Employers hiring older workers or persons with disability	<ul style="list-style-type: none">• Provides wage offsets to employers	\$100 million
Senior Worker Early Adopter Grant and Part-time Reemployment Grant	Any company registered in Singapore, with at least 1 senior worker aged 60 and above	<ul style="list-style-type: none">• \$125,000 for employers to raise both their internal• retirement and re-employment ages by 3• years above minimum statutory	No information

More flexibility for re-employment

Singapore's retirement and re-employment age thresholds since the 1950s

55 63 65 67 68
72?

Employability: Skills Upgrading



- **SkillsFuture Scheme**
 - Raising the resilience of the workforce through a general training fund
- **Adapt & Grow Scheme**
 - Smoothing the transition of workers into new jobs and industries
- **Professional Conversion Programme**
 - Helping professionals prepare for new jobs in new industries

Retaining and hiring older workers



- **Senior Employment Credit**

- Employers hiring workers above the age of 55 and earning up to S\$4k receive a wage-offset subsidy

WorkPro



- **WorkPro Grants**

- Grants to facilitate job redesign, flexible work arrangements and adopt best age-management practices

Silver Support Scheme Example



LOW LIFETIME WAGES

Total CPF contributions* of not more than \$140,000 by age 55. Self-employed persons should also have an average annual net trade income of not more than \$27,600 when they were between the ages of 45 and 54; and



HOUSING TYPE

Live in a 1- to 5-room HDB flat; and do not own, or have a spouse who owns, a 5-room or larger HDB flat or private property or multiple properties; and



LOW HOUSEHOLD SUPPORT

Live in a household with a monthly income per person of not more than \$1,800.

HDB flat type	Payout Per Quarter	
	Household earns ≤\$1,300 per person	Household earns \$1,301-\$1,800 per person
1- and 2-Room	\$900	\$450
3-Room	\$720	\$360
4-Room	\$540	\$270
5-Room*	\$360^	\$180

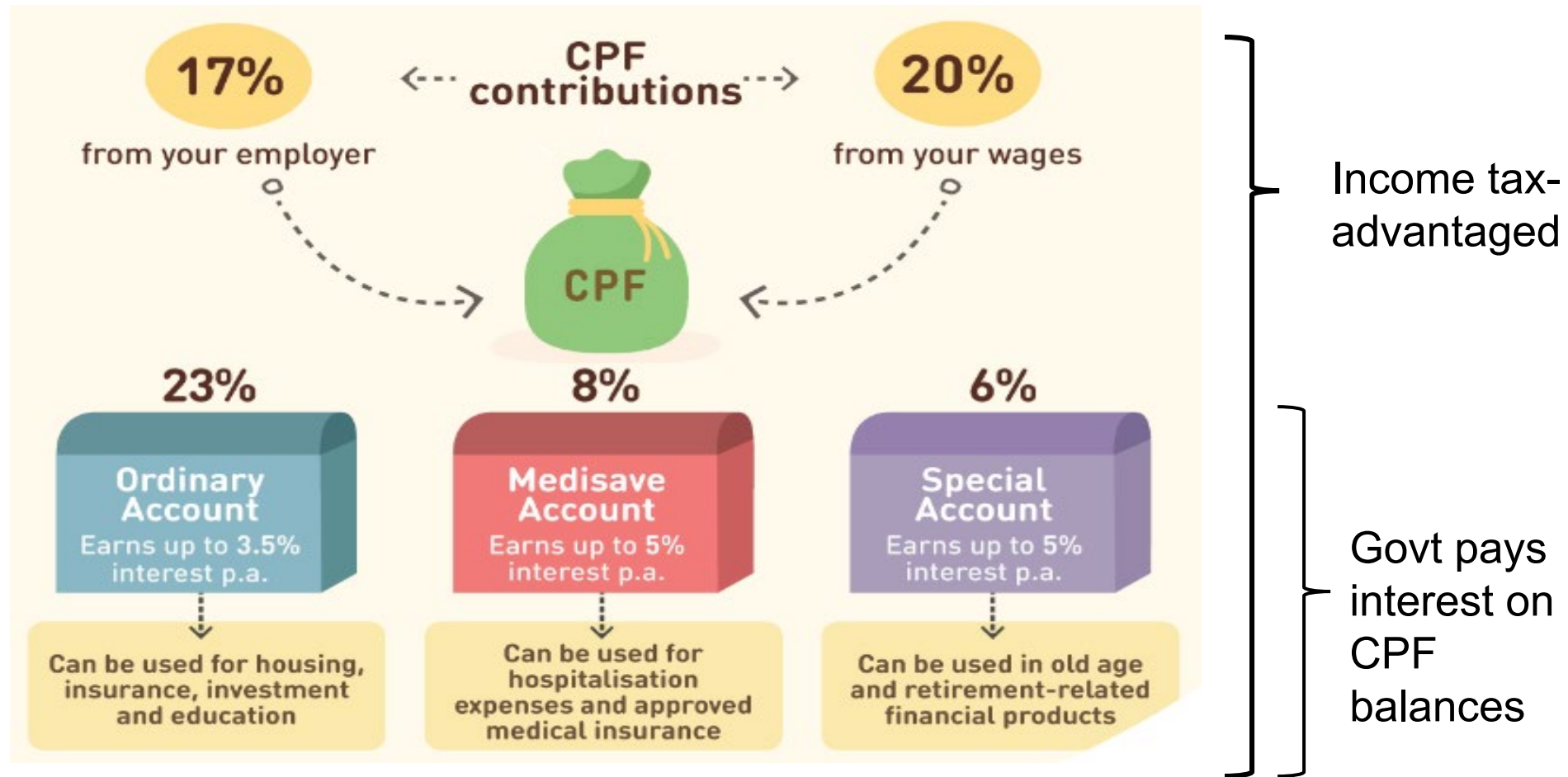
*Live in and do not own a 5-room HDB flat

^All Singaporeans aged 65 and above who are ComCare Long Term Assistance (LTA) recipients will receive a Silver Support payout of \$360 per quarter, regardless of their flat type.

There is no need to apply for SS. The CPF Board will automatically review each senior's eligibility for SS every year.

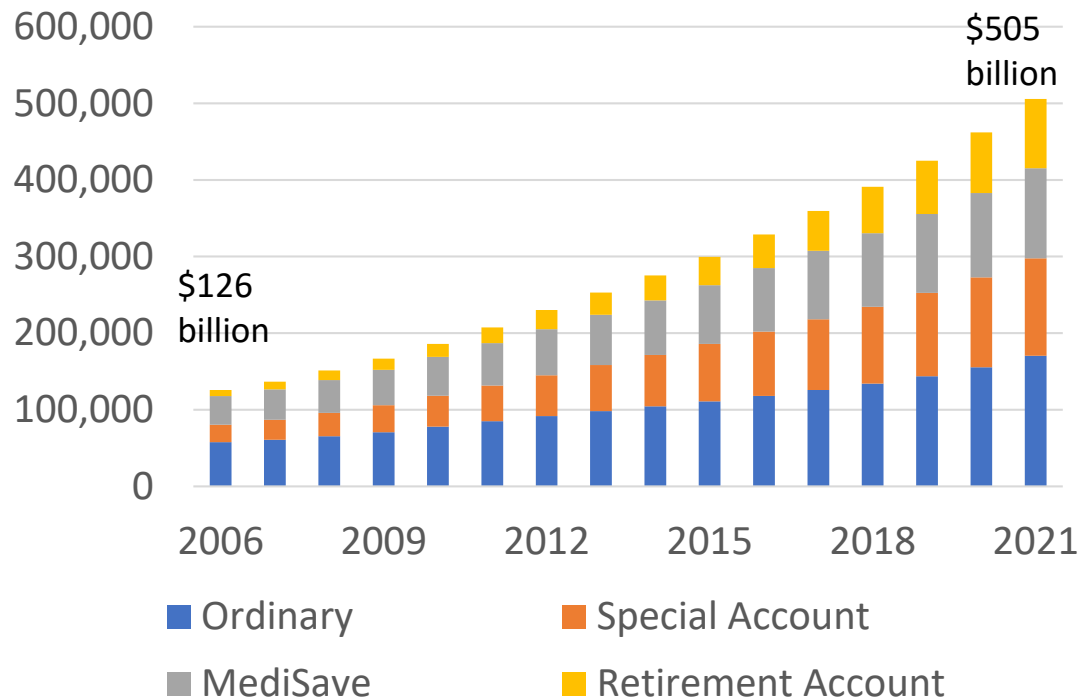
Source: <https://www.silversupport.gov.sg/About/EligibilityCriteria>

The Central Provident Fund system

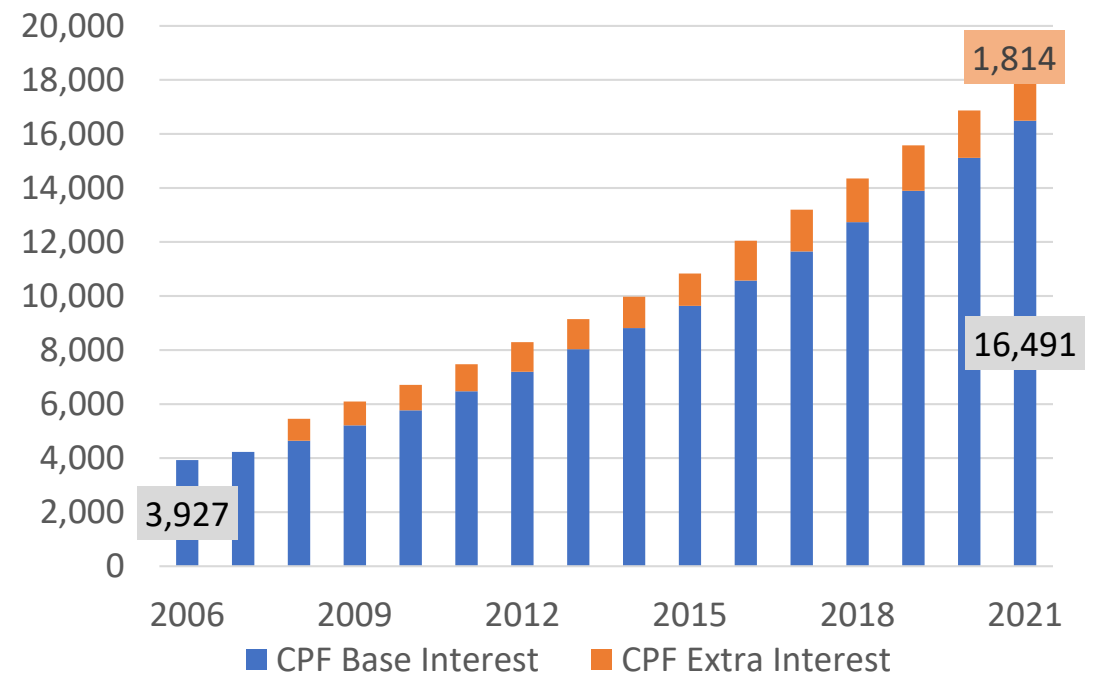


Savings accumulation

CPF Account Balances (\$M)






CPF Base and Extra Interest (\$M)



Source: CPF Board statistics



TRANSPORT

POLICY	 ELIGIBILITY	 BENEFITS	 COST
Senior Citizens Concession	Citizen or PR aged >60	<ul style="list-style-type: none">• Concessionary fares on basic train and bus services	No information
Medical Escort and Transport	Those who need help to move around, and have no caregiver, or whose caregiver is unable to provide support because of their own health and physical condition	<ul style="list-style-type: none">• Transportation and/or someone to accompany clients to travel to and from their homes for medical appointments and treatments	\$50 million (2013)

END

Please contact Mr Christopher Gee at
christopher.gee@nus.edu.sg or 6601- 1418 if
you have any questions.