

Singapore Perspectives 2018

Harnessing Singapore's Longevity Dividends:
The Generational Economy, Society and Polity

Background Paper Presentation

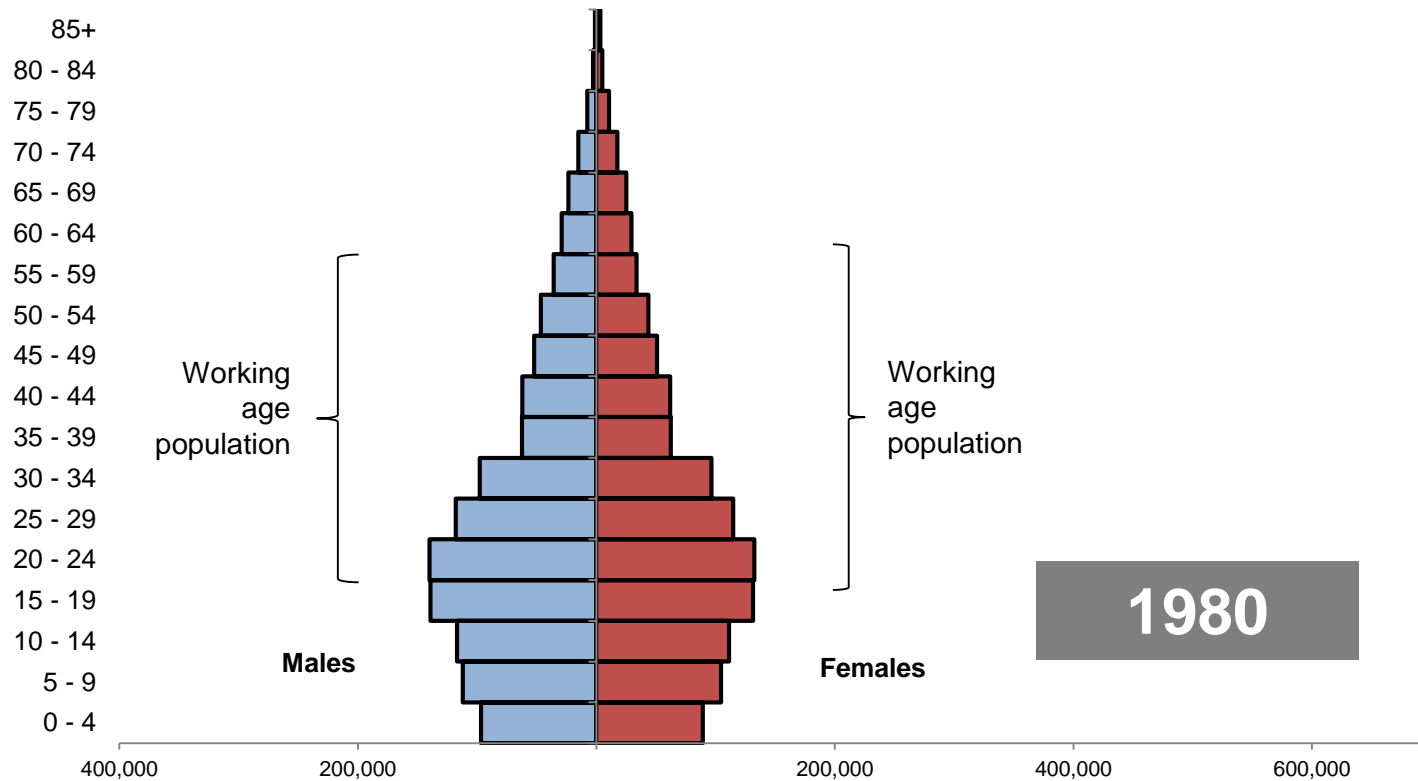
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In our global city-state?



Credit: [Michaela Loheit](#)

Singapore's Resident Population (1980-2100)



Singapore's longevity dividends

Technology



Health

450,000 more healthy life years
for 65+ year olds by 2030



Education

76% of 65+ year olds to have tertiary education by 2050



Savings

Deploying household and public sector savings in productive investments

Societal Adaptations to Ageing

- **Calibrated migration** policies can help mitigate effects of population ageing, but cannot completely offset it in the absence of other policies
- **Individual responsibility/self-reliance**: Boosted by longevity dividends, but these can be regressive without appropriate policy interventions
- **The family** is a source of social support, but in the future more elderly Singaporeans will have little or no family support

Adaptation: State and Community

- **Fiscal policies:** tax-financed public transfers
- **Social risk-pooling:** schemes to help Singaporeans (e.g. CPF LIFE) to hedge longevity risk can be extended to e.g. long-term care, employment risks, or to hedge the risk of outliving our leasehold housing assets)
- The level of **intergenerational solidarity** and the existence of **age-based divides** will affect individual and societal choices

IPS Survey on Attitudes on Intergenerational Solidarity

Q: Should each generation take care of itself?

Findings: 41% agreed; 38% disagreed

Q: Who should take care of the elderly?

Findings: Family first line of social support; Government next in line

Longevity risks may force future old or the sandwiched generation to reserve assets for their own old-age security

IPS Survey on Attitudes on Intergenerational Solidarity

Q: How should we pay for higher social spending on the elderly?

- Higher taxes vs tapping on national reserves
- Using more of the returns from investing national reserves

Findings: Mixed responses, but slightly more said:

- No to higher taxes
- Use more returns from investing national reserves for the current generation

IPS Survey on Attitudes on Intergenerational Solidarity

Q: Do older workers (55 and above) face age discrimination when looking for jobs?



Findings: Almost two-thirds agree.

Summary

- **Potentially large pay-offs from our longevity dividends**
- **Requires policies, institutions, behaviours, norms**
- **Depends on level of intra- and inter-generational solidarity in society**
- **It is our values, choices and collective mindset that will determine our demographic destiny**

END

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