

Singapore Perspectives 2018

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

Background Paper Presentation

22 January 2018



Which demographic destiny?

Enabling Enviro

Societal

[EP Education fittings e alarm syst e have also ver tsi **U5,711** en community nelp the need As 11 ighted by Pri Minister Lee Hsien Loo h a_recent the Sol est Community Developm spe ouncil, for e. h al vulnerable elderly living in re. ucture block teer welfare organisations runn vith ealising following day, enior Minister Goh Chok Tong l las t mobil details of the stur t hohe-hitstickervalotia he r uni/ mts. th Sunday that a pilot study to f eeds ageing issues, Th nt's plan to conduct the Marine 7en tion that the silver sunarhi that of the elderly and how the rnment in February stud an ir reate a support system f rowing he study, ars is now very close. The elde d about to nave live ideas will be rep Members of Parliament re ent of the popul be launchea ir atea ir come very y 05. 3 heir w. as efole L ve-year time frame is t h. Marine Parade was increasing number the various constitue This pic Idy because, as Mr Goh said, it study should per/ .OF 1. Programm porting the elderly to n place been done_e it is better late than ver. Ad-he is a "precursor" to the situation Singapore will face in 20 nples include a wellnes ual initiatives already exist. E rogramme and

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years' time, when one in five – or about 900,000 p ople – will be aged 65 and older.

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are no lor , er enough. The nu pe oncerted national effort to ttend to the needs of the elderly. We urge haste.

In our global city-state?

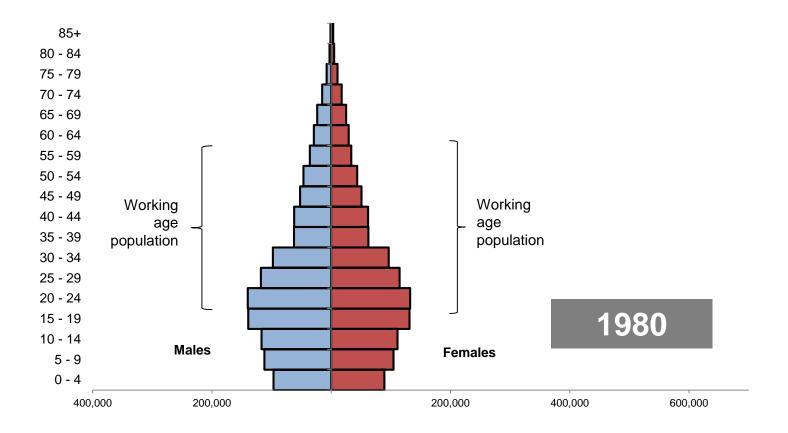






Credit: Michaela Loheit

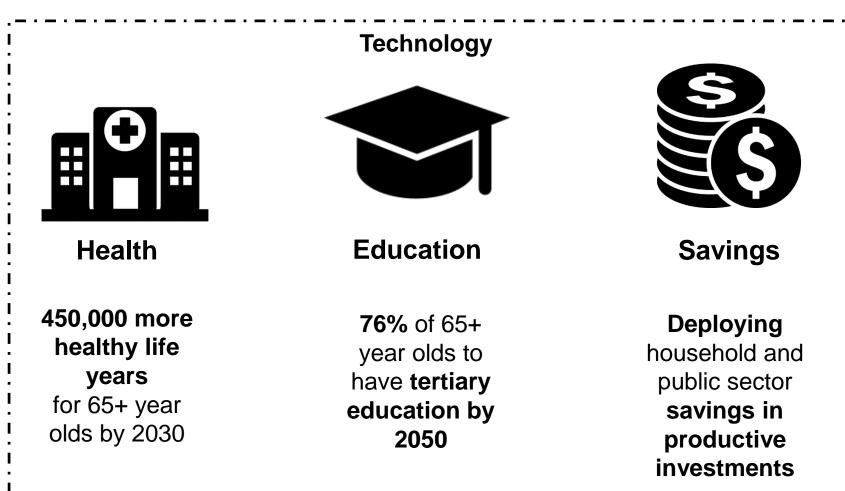
Singapore's Resident Population (1980-2100)







Singapore's longevity dividends







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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