

6 in 10 Singaporeans eye financial support from CPF by age 62

Staff reporter

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1 in 2 expects a salary to rely on.

More than half (64%) of Singaporeans said that they expect to rely on the Central Provident Fund (CPF) for financial support when they reach 62, a study by The Economist Intelligence Unit (EIU) commissioned by Prudential revealed.

Aside from the CPF, 64% also expects to rely on other savings they have made in early life. In total, 78% of the respondents noted that they have saved money.

“Singapore’s government policies and cultural fabric encourage fiscal self-reliance through the Central Provident Fund (CPF) and other incentives,” the report noted.

Meanwhile, 61% are also looking forward to national medical insurances such as Medisave and MediShield to support them during old age. The study also found that 52% mentioned that they are rooting for their salary to support them financially by age 62.

“This expected reliance on a salary when the retirement age is still 62 indicates a future tension in residents’ ability to provide for themselves to 100,” the report said.

According to Institute of Policy Studies lead of demography and family cluster Christopher Gee, said tension could ‘accentuate inequalities’ in an ageing society such as Singapore. The Lion City has already seen most households headed by retirees falling into lower-income brackets, United Nations independent expert on ageing revealed.

“Currently, many older Singaporeans “retire” to jobs that are different or lower-status than other professional jobs they once held,” the study noted. “To maintain their working life earnings, people will need to invest more in their ability to be productive for longer, including keeping up their skills and networks.”