IPS Institute of
Policy Studies

ENGAGING MINDS EXCHANGING IDEAS

IPS Forum
Vision 2050: Life and Family in Singapore

Tuesday, 23 October 2012
3.00 pm – 5.00 pm

Ballroom 1 (Level 3)

Orchard Hotel Singapore

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Ageing: Integration or Disintegration?

Social policy perspectives on our population trends to 2050

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Ageing of the population is a given

Resident Population by Broad Age Bands (%): S1 and S2 compared

Scenario 1: TFR 1.24, no immigration					
	2010	**2020**	**2030**	**2040**	**2050**
0-14	16.4	12.3	**11.5**	10.1	9.1
15-64	74.0	71.4	**63.1**	58.2	57.3
65+	9.6	16.4	**25.4**	31.7	33.6
Scenario 2: TFR 1.24, 30k new citizens/PRs per annum					
0-14	16.9	14.8	**14.7**	13.7	13.3
15-64	73.9	70.8	**65.1**	63.2	63.3
65+	9.3	14.3	**20.3**	23.1	23.4

The median age of the population under Scenario 2 rises to 42 in 2030 and 46 in 2050 – lower than under Scenario 1, when it is 49 in 2030 and 55 in 2050. TFR = Total Fertility Rate.

Support ratios are important to watch and look very threatening

Support Ratios: S1 and S2 Compared

	2010	2020	2030	2040	2050
Potential Support Ratio	7.7 8.0	4.4 4.9	2.5 3.2	1.8 2.7	1.7 2.7
Parent Support Ratio	9.4 9.4	11.8 11.6	21.6 20.0	44.6 34.3	52.8 37.1

Scenario 1 (no immigration) in red

The **potential support ratio** is the number of persons aged 15 to 64 per person aged ≥65

The **parent support ratio** is the number of persons 80 years old and over per 100 persons 50 to 64 years.

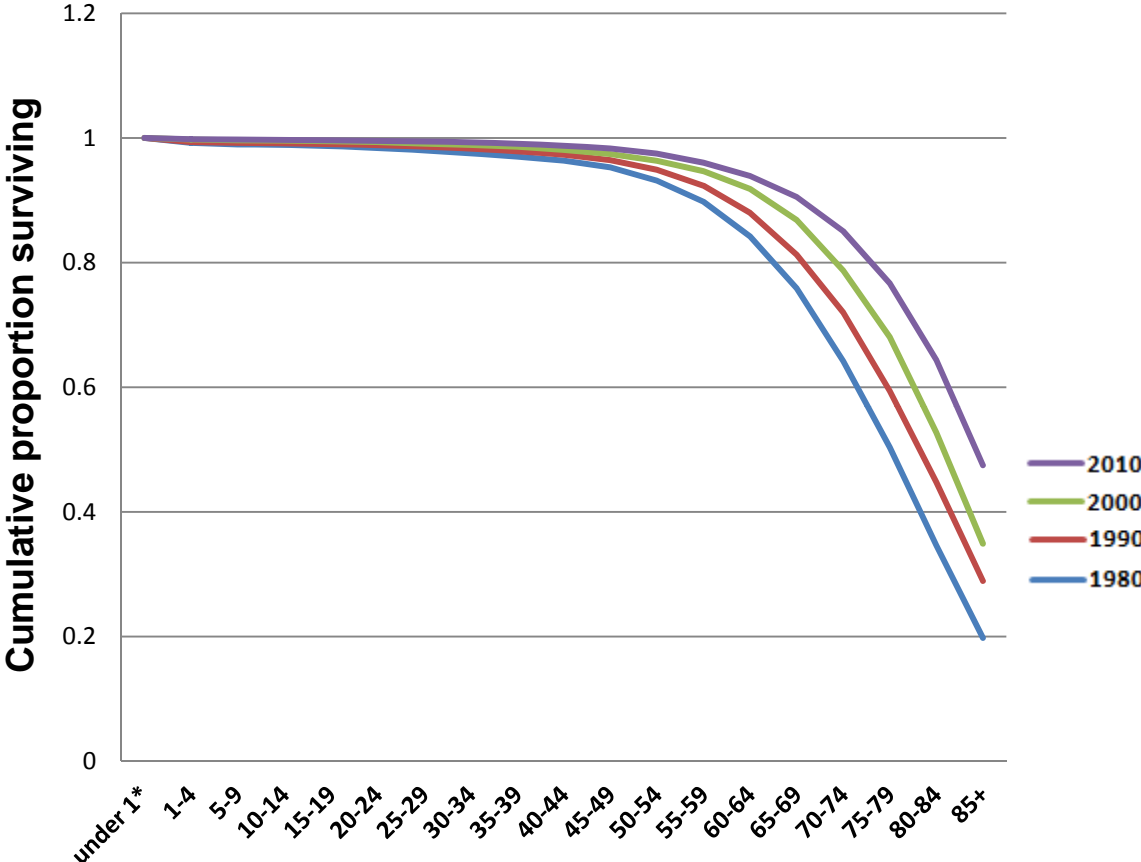# The classical view of how we will age is highly misleading

We are not 'over the hill' at 40

Differences in adult Verbal Intelligence assessed by Cross-sectional and Longitudinal studies
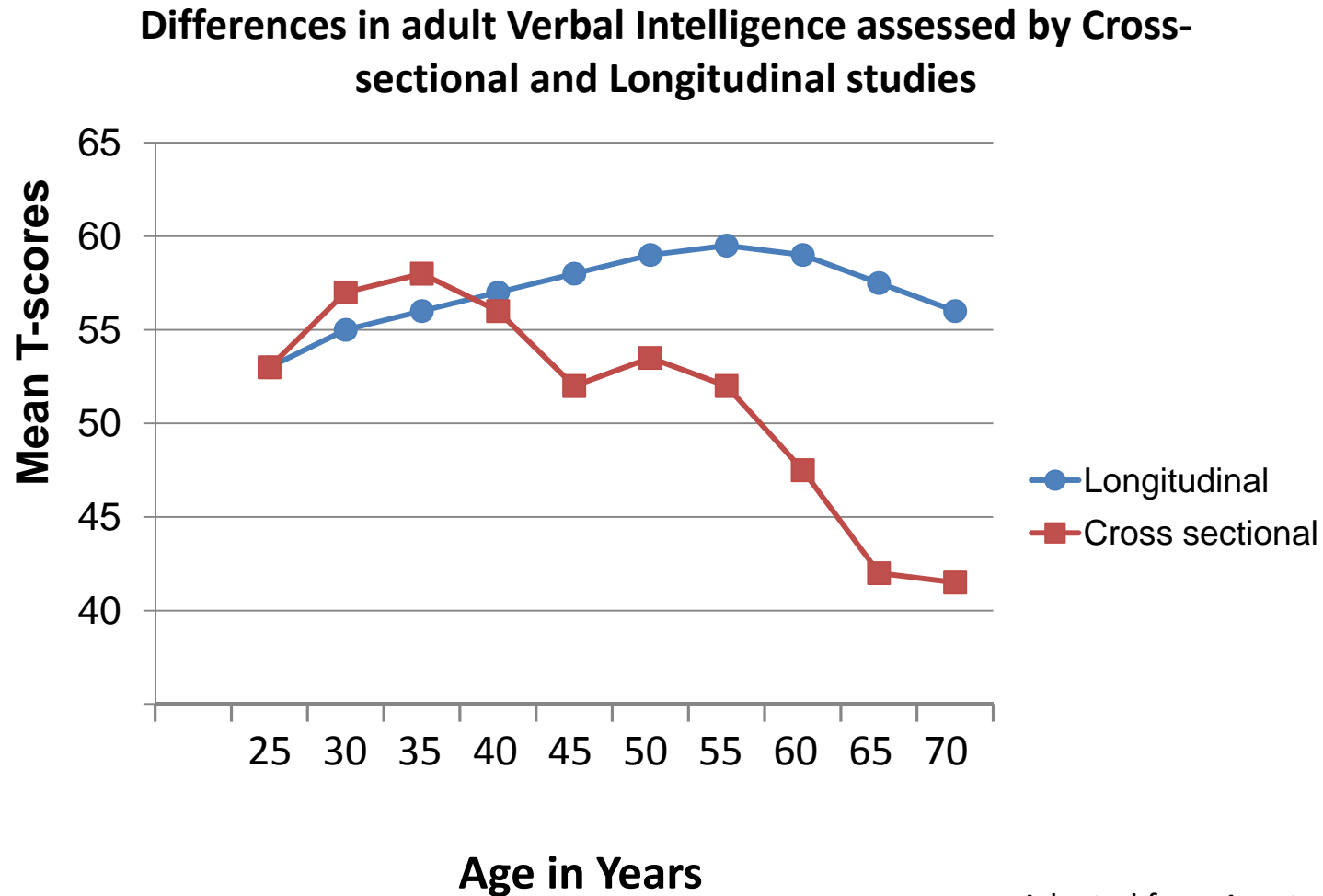
Adapted from Anastasi, A (1982)
Psychological testing 6th ed

Rectangularisation of survival curves reflects the improved health and life expectancies of modern populations

Singapore's survival curves by decade

Y-axis: Cumulative proportion surviving (0, 0.2, 0.4, 0.6, 0.8, 1, 1.2)

X-axis: under 1*, 1-4, 5-9, 10-14, 15-19, 20-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65-69, 70-74, 75-79, 80-84, 85+

Legend: 2010, 2000, 1990, 1980

The explanation – cohort effects

- An older generation had a far less advantageous upbringing

- When you are 70 you will be functioning better than today's 70-year-olds

- They in turn function better than 70-year-olds in the 1960's when the first studies were done

Implications

- Cognitive abilities hold up well in healthy ageing

- In such cases a late terminal drop from plateau is normal

- 'Crystallised intelligence' gives elders ability in familiar domains

- Increasing levels of healthy ageing are a likely future norm

- The elderly are not disintegrating

- But that is how we stereotype then

Should we revisit the support ratios?

Support Ratios: Scenario 2 if 25-74 is the new economically active part of the population

	2010	2020	2030	2040	2050
Potential Support Ratio	8.0	4.9	3.2	2.7	2.7
Adj. Potential Support Ratio	17.6	14.5	8.4	5.6	5.0

Potential support ratio is the number of persons aged 15 to 64 per person aged ≥65.

Adjusted potential support ratio is the number of persons aged 25 to 74 per person aged ≥ 75. This reflects the new economically active part of the population.
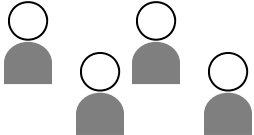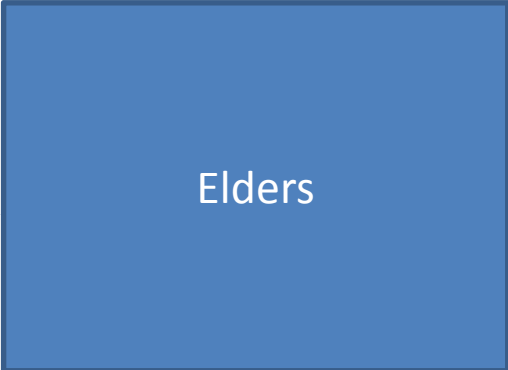
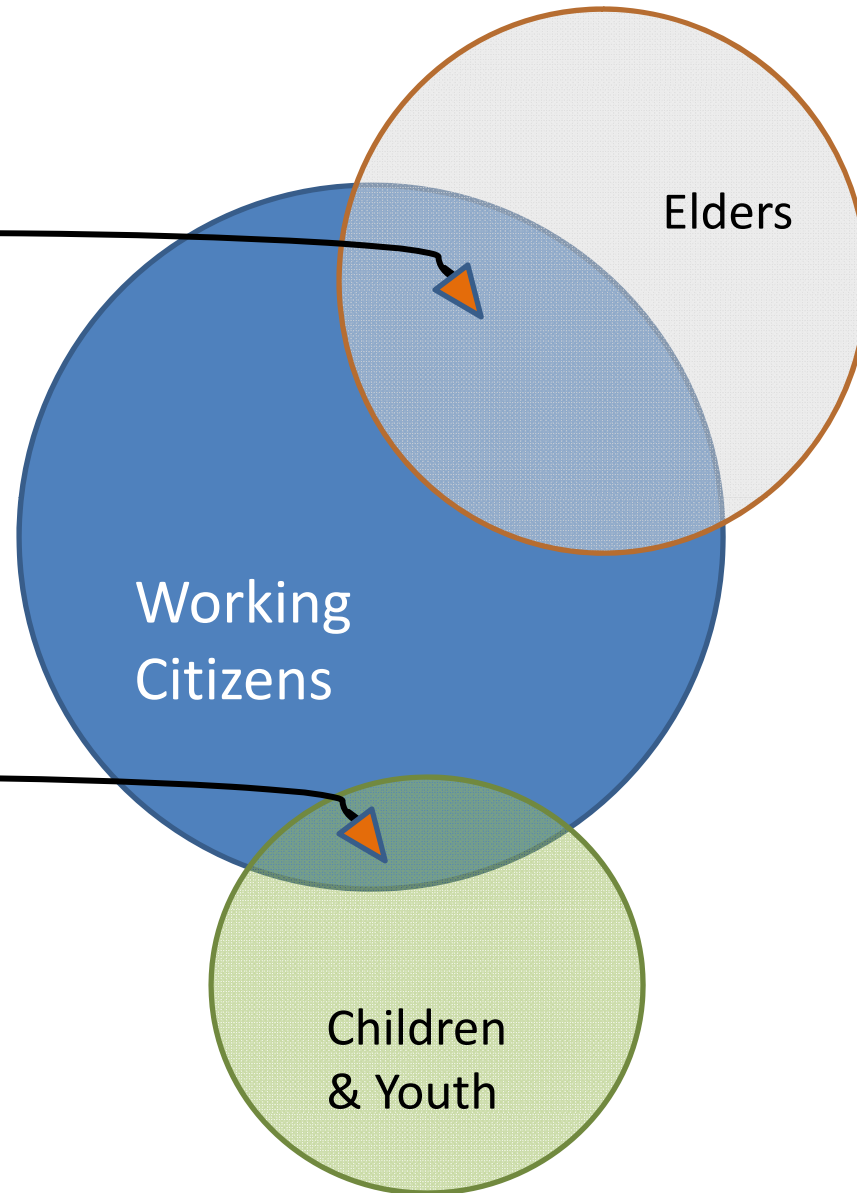# Increasing old age dependency may be less of an issue than we thought

Not This:
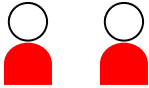
Maybe this?

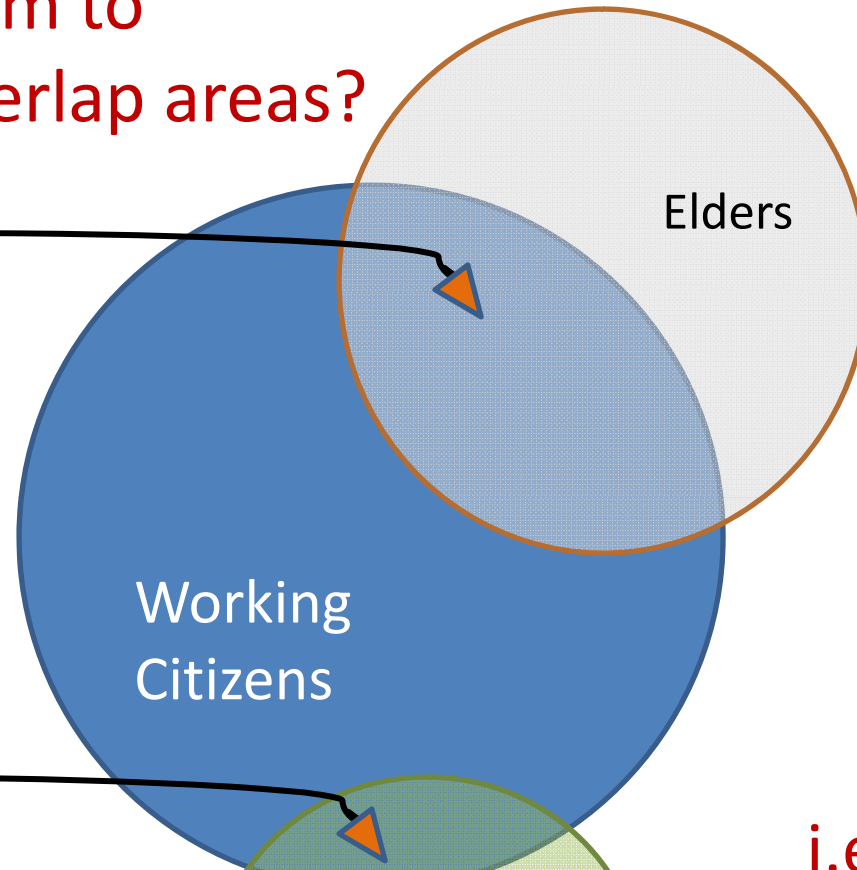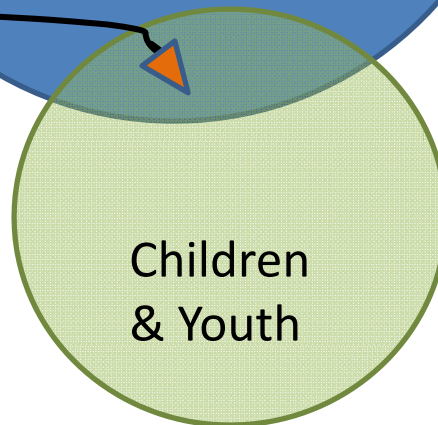Elders who are doing productive work

Elders

Working Citizens

Apprentices, Tutors, Trainees, Interns, etc.....

Children & Youth

Should policy aim to increase the overlap areas?

Elders who are doing productive work

Elders

Working Citizens

Apprentices, Tutors, Trainees, Interns, etc…..

i.e. Integration

Children & Youth

We still need to consider the declining support ratios though

Support Ratios: Scenario 2 if 25-74 is the new economically active part of the population

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Adj. Potential Support Ratio	17.6	14.5	8.4	5.6	5.0

- Whichever way you look at it, old-age dependency will triple in the next four decades

- Rising singlehood rates, lower number of children born, and more inter-marriages will change the structure of Singaporean families

Average Number of Children Born

(Resident Ever-married Women)

Age Group	1990	2000	2010
15-29	0.98	0.81	0.83
30-39	1.91	1.77	1.49
40-49	2.75	2.21	2.02

Numbers decline in every age band

Resident Singlehood Rates 2010

Age Group (Years)	Both Sexes	Males	Females
	(per cent single)		
20-24	95	98	92
25-29	64	75	54
30-34	31	37	25
35-39	19	20	17
40-44	15	15	14
45-49	13	13	13
Source: Census 2010			

MCYS Survey of Married
(n = 3000)

Intended number of children	2004	2007
% intending to have 2-3 children	62	77
Mean	2.0	2.2

Most important factor influencing Decision on Number of Children (Top 5 reasons)	2004 Rank	2007 Rank
Financial situation	1	1
Spouse's wish	2	2
Own/Spouse's age	3	3
Time factor	4	4
Others	5	5

Singapore

- However,
  - Desire to marry and to have children remain
  - More marrying foreigners (Singapore men with foreign women, Singapore women with foreign men)
  - More re-marriages
- Issue is **priorities** and **economic environment**

Should we redirect income less by seniority?
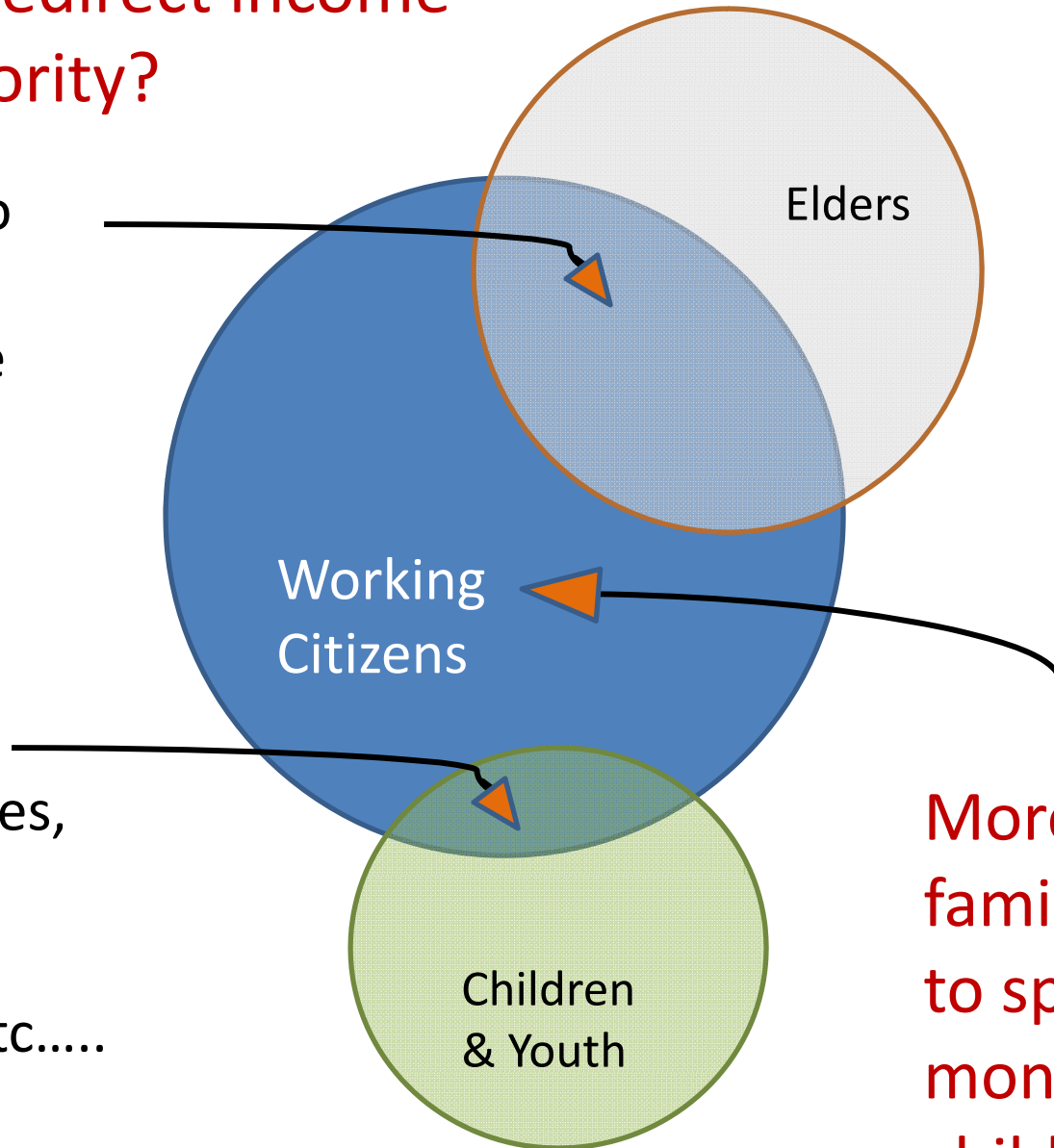
Elders who are doing productive work

Apprentices, Tutors, Trainees, Interns, etc.....

Elders

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More by families' need to spend money on children?

Questions

- More flexibility in retaining working elders?

- Retirement an entitlement, not forced stoppage?

- Incomes to reflect profile of family needs over time?

- How will we think about the concept of family, and the notion of family ties?

Thank You!