

## Ho Kwon Ping proposes 'CPF-Plus'

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THE Central Provident Fund (CPF) needs a "bold and audacious" revamp to meet future retirement needs, said businessman Ho Kwon Ping yesterday.

In a lecture organised by the Institute of Policy Studies, he said it has become harder for the basic CPF scheme to fund retirees' living expenses.

Instead, he proposed a "CPF-Plus" - under which the Government would top up people's accounts to ensure a "minimally reasonable" quality of post-retirement life.

This sum, he said, would be more than what is needed for survival. It would allow retirees to lead a "basic but dignified" lifestyle. How much is needed to sustain such a lifestyle can be determined by an impartial authority at regular intervals - for example, every five years, Mr Ho added.

Doing so, he said, "removes the anxiety from Singaporeans that occasional measures to help them may still not be enough to bridge future retirement funding gaps".

Mr Ho said CPF-Plus would be means-tested and could be funded using the net investment income from Singapore's national reserves.

In fact, it is time to start discussing how much more of our reserves can be used rather than saved, and for what purposes, he added.

Mr Ho's proposal drew questions and comments from about 300 people who attended last night's lecture. This is the fourth in a series of five lectures Mr Ho is delivering as the Institute of Policy Studies' first S R Nathan Fellow.

Among the questions Mr Ho was asked was whether Singapore saves too much. Another person lauded the idea of a compulsory savings system that is simple and easy to understand.

The question-and-answer session was held under the Chatham House rule, which guarantees confidentiality in order to promote free discussion.

During the lecture, Mr Ho also proposed more than just monetary incentives to fix Singapore's falling fertility rate, such as better work-life balance and encouraging small and medium-sized firms to take over household chores from working parents.

"A two-child - or more - family is a natural desire of all parents but they are not procreating because the overall support environment is not conducive," he said. "Create a truly conducive environment and leave the rest to nature."

His lecture yesterday, held at the National University of Singapore, follows his third talk on security and sustainability last month. He will give a final lecture on society and identity on April 9.

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