

Number of retiree households growing fast

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Homemaker Teo Hong Neo, 76, has two sons but lives with only her husband, Mr Lee Peng Ann, in a three-room flat in Toa Payoh.

Her children visit regularly, and Madam Teo also takes care of her grandchildren after school, until her son picks them up after work.

But for the most part, the elderly couple, who have been married for 50 years, have mainly each other for company. They will soon have even more time to spend together, after Mr Lee, a taxi driver, gives up his licence upon turning 75 this year.

That will place the couple among the growing number of retiree households here.

As Singapore's population ages, there has been a surge in the number of such households, which comprise only people aged 60 and above who do not work.

There were 84,000 retiree households last year, a jump of more than 55 per cent from 54,100 just six years ago, according to a survey on household income trends released by the Department of Statistics (DOS) last Monday.

Sociologists said this trend is not surprising, because it mirrors the country's wider pattern of an ageing population. Singapore is expected to be a "super-aged" nation by 2030, when one in five people will be 65 or older.

Institute of Policy Studies (IPS) sociologist Mathew Mathews noted that the spike in the number of retiree households comes as "more people from the baby boomer era are entering their 60s".

Indeed, the number of Singapore residents aged 60 and above grew 41.4 per cent to 663,103 as of June last year, from 469,000 six years earlier.

One reason the number of retiree households has risen faster than the overall number of elderly people may be that more younger members of the family are moving out of their parents' homes after marriage, or to live on their own, experts say.

But Dr Mathews noted that "this does not indicate that inter-generational bonds are no longer strong, since many of these retiree households may be located fairly close to where their other family members are living".

And even though they may have stopped work, many of these households are not struggling financially.

IPS research fellow Christopher Gee, who studies ageing and retirement adequacy issues, said: "Some of these retiree households may be reasonably comfortable, in terms of their independence and ability to live on their own."

According to the latest Household Expenditure Survey by the DOS released in September last year, more than 90 per cent of households with no working persons reported having at least one steady source of income.

For retirees, this could come from contributions from their families, returns on investments or help from the Government.

Each member of a retiree household living in one- or two-room Housing Board flats received \$11,617 in government transfers on average last year, or \$968 per month.

This includes both cash payouts and other forms of help too, such as health-care subsidies under the Pioneer Generation Package and Community Health Assist Scheme.

Members of retiree households living in bigger properties received less government help - \$1,114 to \$4,082 annually on average.

This distinction reflects "the philosophy that we have been holding on to all this time, to direct more resources to help those who are less privileged", said Ms Tin Pei Ling, an MP for Marine Parade GRC who has often spoken about retirement issues in Parliament.

Still, the Government should keep an eye on the needs of less well-off retiree households, in case their financial insecurity worsens, said Mr Gee.

This applies to retirees who live in bigger flats too, said Ms Tin. She noted that their flats could have been bought many years ago and are no guarantee "that they are still doing as well".

Some retirees who are estranged from the rest of their family or who have outstanding debts may also need more help, she added.

The good news is that low- income elderly folk can expect extra aid soon. In tomorrow's Budget, the Government is expected to unveil the Silver Support Scheme, which will give poor seniors an annual payout to cope with living expenses.

This is expected to benefit the 10 per cent to 20 per cent of elderly Singaporeans who have insufficient retirement savings, no housing assets and little or no family support.

Also expected are changes to the Central Provident Fund system, including allowing CPF members to withdraw more of their funds at the age of 65 so they can have a more enjoyable retirement.

These moves follow the \$8 billion Pioneer Generation Package announced in last year's Budget.

"The Government has been very mindful of retirement needs and concerns about adequacy," said Bank of America-Merrill Lynch economist Chua Hak Bin.

But Mr Gee thinks more could still be done to enhance the social safety net for seniors.

"The remaining area where you might still see some gaps is in elder care, in the long-term and intermediate care of elderly persons who are disabled," he said. "This needs more attention as the population ages."