

## CPF improvements on cards as Parliament reopens

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The savings and annuity schemes under the Central Provident Fund (CPF) system will be improved to ensure Singaporeans, who are living longer, have enough for their financial needs in their golden years, President Tony Tan said yesterday as he reopened the 12th Parliament after its mid-term break.

Setting out the broad strokes of what the Government intends to do in the second half of its term, Dr Tan said apart from enhancing the CPF LIFE and savings schemes, more options will also be developed for Singaporeans to unlock the value of their homes in retirement.

The CPF LIFE annuity scheme was introduced in 2009 and simplified last year. It offers plans to older Singaporeans, depending on their preference for higher monthly payouts or higher bequests to family members.

In a speech that reiterated the multiple fronts — from transport to lifelong learning and rejuvenation of neighbourhoods — on which the Government will address the concerns and aspirations of Singaporeans, Dr Tan said social safety nets would be strengthened beyond home ownership and the Workfare Income Supplement scheme.

This is to “not only give Singaporeans peace of mind, but also to share the fruits of progress more widely, especially with the lower-income and vulnerable groups”, said Dr Tan, adding that the Government will pay particular attention to vulnerable Singaporeans including low-wage workers and the elderly.

In healthcare, for example, the MediShield Life Review Committee is finalising details of the universal insurance scheme to provide for large medical bills and will ensure premiums are affordable for all, he said.

Dr Tan also dwelled on the need to maintain social mobility and said Singapore must remain a nation of opportunities for all, such that those who do not succeed at first should have a chance to try again.

“We want an open and inclusive society, where all have opportunities to learn and to earn their own success; where we respect fellow Singaporeans, regardless of social status, for the worth we see in everyone; and where we interact informally with one another free of rigid social hierarchy.”

The education system must uphold this ethos and inculcate empathy and respect in students from a young age. Acknowledging that competition in schools is keen, especially at milestones such as Primary One registration and the Primary School Leaving Examination, Dr Tan said the Government would continue to improve the system “so that no single point in our education will wholly determine our future”.

Singapore’s 50th year of independence next year, or its Golden Jubilee, would be an occasion for Singaporeans to rededicate themselves to building a better Singapore, he said.

“At 50, we are still a young nation with great promise ahead. Just as our pioneers overcame formidable obstacles with grit and determination to build today’s Singapore, we too must create our Singapore of tomorrow.”

And to address the aspirations and concerns of the people, the Government will pursue new strategies to help the vulnerable, support strong families and communities, as well as create a better quality of life through improved transport options, more recreational spaces and rejuvenated neighbourhoods.

Dr Tan added that the Government had made major shifts in the past decade to transform the economy and build an inclusive society and had made further moves in recent years. With social issues becoming more pressing, the Wage Credit Scheme and Progressive Wage Model were introduced to help low-income workers and businesses, for instance.

Going forward, working adults would have opportunities for a fulfilling career and to keep learning throughout their lives, while young Singaporeans would be able to fulfil their potential and follow their interests, he said.

Singapore Management University Associate Professor Eugene Tan felt there was continuity of the broad themes outlined at the opening of the 12th Parliament, such as inclusive growth and the need for constructive politics, with references to what had been done in the past two-and-a-half years.

That the President pointed out the importance of Singapore’s Golden Jubilee was perhaps a message that, despite unhappiness over some issues, “if we keep that pioneering spirit, no challenge is going to be beyond the current generation of Singaporeans”, he said.

Institute of Policy Studies senior research fellow Gillian Koh noted that there had been significant focus on the elderly in the first half of the parliamentary term. In addition to initiatives to make healthcare more affordable, the prospect of other options to boost retirement adequacy is significant, she said. “Tomorrow’s seniors will be different from today’s and, maybe, that’s how the new initiatives might fit in.”

After the President’s address, the Government ministries will elaborate on their plans next week. On May 26, a motion will be moved in Parliament to express thanks to the President for the address and MPs will have the chance to debate the proposed programmes and policies.