A 20-year-old in an ageing society

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The Straits Times, 22 February 2018

In his Chinese New Year message, Prime Minister Lee Hsien Loong emphasised the need to both honour Singapore's seniors and nurture the young. The message reflected the Government's continuing attempts to balance the needs of both the old and the young.

Watching the Budget speech from the public gallery in Parliament on Monday, I saw how Finance Minister Heng Swee Keat sought to realise this balance. It was an interesting experience: A young person watching a Budget constructed for an ageing society. Several thoughts came to my mind.

FAIRNESS IS IRRELEVANT

"Is it fair that I pay for the needs of another generation?" is a question which will flash across many young people's minds as they read about the Budget. Some will feel that it is not. In the Institute of Policy Studies Survey for Singapore Perspectives 2018, more than a third of Singaporeans aged 20 to 34 agreed with the view that "each generation should take care of itself, without the need to be supported by other generations".

These respondents may question why the elderly of today were not able to attain adequate retirement arrangements for themselves in their active years.

However, fair or not, the needs of an ageing population must be met, primarily by the working population of today. This is why the question may be irrelevant - arguing about fairness does not change the outcome. Given this, young people should consider the following points.

First, inter-generational solidarity works both ways. Those who do not desire to support the older generation should consider that they themselves have in fact been supported by this very generation many times over. Would young people have been able to enjoy the quality education, the vibrant economy, the high-paying jobs Singapore has to offer if not for the value and revenue generated by the work put in by those who came before them? Paying more to support the elderly is merely a form of giving back.

Second, paying more now would mean paying less in future because it prevents additional problems arising in future which would require even more revenue-raising. Consider a scenario where the Government does not spend enough to meet the needs of an ageing population today or even actively prioritises the young over the old. What happens? Healthcare infrastructure will be inadequate, and the elderly will not have adequate provisions for healthcare. This will result in worsening or lack of early detection of illnesses. Such occurrences on a national level may trigger a crisis , and the working population will have to shoulder an even heavier financial burden in future.

COMMON INTERESTS

Although the needs of the young and the old in some ways represent competing demands on limited finances, they actually share common interests. This is a point young people should think about.

First, policies to improve the healthcare infrastructure and social safety net today will not just ensure better care for today's elderly but also ensure that a proper system is in place to meet the needs of tomorrow's elderly.

Although more top-ups will be needed to maintain these systems, the fact that they would already be in place will make things a lot easier for the elderly of tomorrow. Young people are in fact indirectly contributing to their own future care.

Second, both the interests of the young and the old can be met only if there is a growing economy. For young people's needs, such as education, jobs and housing, to be met, the economy must continue to remain vibrant for adequate revenue to be generated.

Rifts between the young and the old have surfaced in far too many societies - Singapore cannot be one of them. Post-Budget 2018, I hope all young Singaporeans take time to reflect on, not just what the policies are, but what they stand for.

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