



FOR IMMEDIATE RELEASE

PAP Seniors Group Welcomes Jubilee Budget but Seeks Clearer Roll-out Plans for Seniors

- **Suggests older workers should be able to avail themselves to lifelong learning benefits without prior employer support and waiver of 10% fee in hardship cases**
- **Requests for Special seniors category under the new SkillsFuture Study Awards and Fellowship, and better career counselling for older workers**
- **Pushes for Silver Support Scheme to be flexible in consideration of the asset rich but cash poor, kept simple and be paid monthly into bank accounts of Seniors**
- **Urges Singaporeans to use higher CPF interests to protect welfare of homemaker spouses**
- **Suggests a comprehensive information kit covering all areas benefitting older Singaporeans including healthcare, employment, retirement adequacy and housing.**

25 February 2015, Singapore – The PAP Seniors Group welcomes the 2015 Jubilee Budget. This Budget reflects the right balance by focussing on building a stronger future but is mindful of the need to help Singaporeans adjust and deal with the potential disruptions that may arise in the interim. The Budget's focus on enhancing our social safety net and ensuring stronger retirement adequacy will create a stronger sense of stability and security among Singaporeans even as we weather the changes. It will help to generate greater rootedness.

The PAP Seniors Group (PAP SG) have the following observations and suggestions to make:-

LIFELONG LEARNING

PAP SG welcomes the measures on lifelong learning to empower each Singaporean to chart their own journey in life and gain fulfilment even in their senior years.

The enhanced training subsidies for workers above 40 years old for MOE and WDA funded courses will make training cheaper and more accessible to older Singaporeans. This is a welcome move as the training statistics indicate that a lower number of older workers undergo training compared to their younger counterparts. It is unclear whether workers could seek the training opportunities themselves or whether they need their employers support before they can avail themselves of the enhanced subsidies. In the spirit of encouraging self learning, workers should be able to avail themselves of this benefit without prior employer support. The agencies should also consider waiving the 10% fee for individual-directed learning in cases of financial difficulty.

PAP SG also welcomes the SkillsFuture Study Awards and the SkillsFuture Fellowships and look forward to older workers benefitting from these awards. We suggest that the MOE/WDA create a special category for both these awards for older workers. This will send a strong signal that age is no impediment to winning awards, learning new skills and acquiring mastery in whatever you do.

PAP SG supports the career counselling services to be provided by WDA as an important step to help older workers in their career planning and progression. Many are stuck in mid career not knowing what to do or how to progress further or where to look for new opportunities. However, to be more effective this service will have to be properly resourced with experienced staff who have timely and relevant labour market information and can provide effective guidance.

PAP SG urges older workers to take advantage of these new measures to deepen their skills and to ensure their employability particularly in the new sectors of economic growth, and urges employers to fully support them.

RETIREMENT ADEQUACY

PAP SG welcomes the restoration of the CPF contribution rates for workers aged 50 and above. The move is not only timely but a necessary complement in enhancing retirement adequacy. At the same time, it removes the current stigma faced by older workers who feel that their contribution is less valued compared to their younger counterparts.

PAP SG welcomes the additional Special Employment Credit of up to 3% of wages for workers aged 65 and above to encourage their voluntary re-employment. Last November, PAP SG had called for the government to incentivise employers who are the first movers in re-employing workers aged 65 years and older. This additional SEC will complement MOM's move to amend the Retirement and Re-Employment Act making it mandatory for employers to re-employ workers up to 67 years of age.

PAP SG also welcomes the additional 1% interest that will be paid to the first \$30,000 of CPF balances for those aged 55. As we move towards greater flexibility in our CPF scheme and allow withdrawals of amounts in excess of the Basic Retirement Sum at 55 years and 20% at the payout eligibility age, we are concerned that this would affect retirement adequacy. The extra interest rate would incentivize Singaporeans to keep their savings in their accounts.

SILVER SUPPORT SCHEME

PAP SG welcomes this new permanent feature in our social security system. It will give greater peace of mind to our low income older Singaporeans who have low savings despite working hard to take care of their families because they are low skilled and earn low wages. Many had missed out in their education because of poverty in their younger days. The \$300 to \$750 that they will get every quarter is certainly a welcome relief. In their old age, this govt has not abandoned them and still takes care of them.

PAP SG has a few suggestions to make. First, it is important to make the Silver Support Scheme simple. Just like the GST vouchers which are paid into the bank accounts, this could apply to this scheme as well. Second, instead of quarterly payments we suggest that the government consider monthly payments as some seniors may really need this income to supplement their basic monthly needs. Third, we urge the government to be flexible when considering the three factors, that is, lifetime wages, level of household support and type of housing in determining eligibility as many seniors may be asset rich but cash poor. So, those living in bigger flat types should not be disadvantaged.

OLDER WOMEN

PAP SG notes that there are several initiatives that will benefit our older homemakers who have low or no savings because they had never worked before or worked for short periods due to their caregiving responsibilities. Now, in their old age, they need some support. Hence, the Silver Support Scheme will be a great help for our older homemakers.

Also, the extra 1% paid on the first \$30,000 would be beneficial to homemakers as their spouses will now be more motivated to top up their CPF accounts in order to benefit from the higher interest rate of 6%. We encourage Singaporeans to take advantage of this and better protect the interest and welfare of their homemaker spouses.

CONCLUSION

Finally, we note that there are so many different measures coming on board to benefit older Singaporeans covering a wide spectrum of areas including healthcare, employment, retirement adequacy and housing. It is difficult for older Singaporeans to see them in one coherent whole although all the different pieces complement each other to help improve their quality of life. We suggest that the different agencies put all these information in one information kit, to better communicate with older Singaporeans so that they can get a more complete picture of how their welfare is being taken care of.

"With hard heads, but warm hearts too, so that we all move up together."

Issued by:

Mdm Halimah Yacob
Chairman, PAP SG

About PAP Senior Group(SG)

PAP.SG was formed on 8th December 2013 at the PAP Party Convention 2013. It is an advocacy group whose objective is to raise issues to help shape policies and programmes on cross-cutting issues affecting our seniors, on matters like their quality of life, the manner of their care as well as their security. PAP SG will work together with PAP Community Foundation (PCF) to co-ordinate its activities for outreach to eldercare and their needs in the community.

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Sent for & Behalf of PAP.SG

By PAP HQ

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