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Make Care Count in the National Budget: A policy wishlist from the community

Introduction

1. In October 2019, AWARE brought together 50 people from all walks of life who had a common interest in [making care count in the national Budget](#). Among them were caregivers, students, parents, academics, retirees, social service workers and business owners. These individuals all wanted caregiving to be front and centre on the national agenda, and for more to be done for caregivers across the nation. As a community, we brainstormed policy options to better support and facilitate caregiving for the elderly in Singapore. Accordingly, AWARE's budget submission this year is based on a policy wishlist generated from this discussion.
2. So what does it mean to make care count in the national Budget? As a community, we believe that it includes the following:
 - a. Recognising and compensating the care labour of family caregivers and the costs they incur as caregivers;
 - b. Rethinking work's central place in our lives to recognise the fact that everyone will have caregiving needs at some point in their lifetime, and that government policy should ensure that working arrangements are designed to accommodate caregiving;
 - c. Improving the quality of and accessibility to care services.

Why should we care about caregiving?

3. Caregiving is central to discussions about Singapore's ageing population. When we think about how to better support seniors, it cannot be divorced from questions about the kind of care they receive, who provides the care and the costs associated with such care. In the United States, it is estimated that 40 million family caregivers, most of whom are older women, provide half a trillion dollars of unpaid care to adults every year.¹

¹ Reinhard, Susan C., Einberg, Lynn F., Choula, Rita, and Ari Houser, *Valuing the Invaluable 2015 Update: Undeniable Progress, but Big Gaps Remain* (Washington, DC: AARP Public Policy Institute, July 2015).

4. Likewise in Singapore, caregiving to older persons is performed mainly by women and is mostly unpaid. A 2011 national survey on caregiving for elderly individuals (above 75 years old) requiring assistance with at least one activity of daily living (ADL) found that 97.9% of all informal caregivers in Singapore are immediate family members, with more of them being female, and between 45 and 59 years old.² The female caregivers are also usually wives or adult daughters of the care recipient.³
5. On top of having their labour go unpaid, women are doing caregiving at the cost of their own financial security. An analysis of the Labour Force Survey from 2016 to 2018 shows a 9% marked increase—263,000 to 286,500—in the number of women who cited family responsibilities⁴ as the main reason for being out of the labour force.⁵ Eighty percent of the people who are outside the labour force because of caregiving to relatives/families are women.⁶ AWARE's research on the impact that eldercare has on the retirement adequacy of female family caregivers found that more than half of the respondents (14 out of 22) experienced a negative change in their employment status and income because of caregiving.⁷ The change in work situation then had an adverse impact on these caregivers' incomes: On average, those who experienced a change in work situation because of caregiving suffered a 63% loss in income. This translates into an average annual loss of \$56,877.
6. A loss in CPF retirement savings often accompanies the loss in income, especially for those who were employed before they became caregivers and have stopped working since. Our respondents lost out on \$38,683 on average in CPF (self and employer) contributions because of caregiving over 3.25 years, or an average of \$7,705 a year. In terms of employer contributions, caregivers lost out on \$18,776 on average over 3.25 years, or an average of \$3,759 a year. This has negative implications for the caregivers' own retirement adequacy, since Singaporeans are expected to rely on their CPF savings for retirement and healthcare needs. According to CPF statistics, about four in 10 active CPF members who turned 55 in 2017 did not hit the Basic Retirement Sum (BRS) of \$83,000 in their Retirement Accounts,⁸ women have more difficulty meeting the BRS.

² Chan, Angelique, Ostbye, Truls, Malhotra, Rahul, and Athel J. Hu, *The Survey on Informal Caregiving . Singapore: Summary Report For MCYS* (Ministry of Community Development, Youth and Sports, Singapore, 2011), 9.

³ Ibid.

⁴ Comprising housework, caregiving to relatives/families and childcare.

⁵ Comparatively, the number of men who cited family responsibilities as the main reason for being out of the labour force increased from 9,200 to 15,400 in the same time period.

Manpower Research and Statistics Department, *Labour Force in Singapore 2018* (Ministry of Manpower, Singapore, 2018), 44.

⁶ Ibid.

⁷ AWARE, *Make Care Count: Research report* (AWARE, Singapore, 2019).

https://www.aware.org.sg/wp-content/uploads/Aware_Eldercare-Research-Report-8-10-19.pdf

⁸ Linette Lai, *Minister gives details of CPF retirement payouts* (The Straits Times, Singapore, 2019).

<https://www.straitstimes.com/politics/minister-gives-details-of-cpf-retirement-payouts>

7. We should care about caregiving, who provides it, and at what cost because what we choose to do—and not do—about it will directly affect women’s opportunities, choices and well-being.

Increase financial support for caregivers

Recommendation 1: Lower care-related expenses by making cohort-based healthcare benefits universal

8. Caregivers often bear a significant bulk of the care-related expenses incurred by their care recipients. According to AWARE’s research, caregivers are spending around 43% of their monthly household income on care-related expenses, e.g. home-based care services, salaries for foreign domestic workers, medication and consumables.⁹ Moreover, some of these caregivers are financing these expenses using their own savings as they no longer have an income. This has negative implications for their retirement adequacy, because their income situation is unlikely to change as long as they continue being the primary caregiver.
9. Many of the caregivers that AWARE interviewed view the Pioneer Generation Package (PGP) benefits as tremendously helpful in defraying healthcare costs. The benefits allowed their elderly parents to tap on subsidies, which in turn reduced the amounts that the children have to pay. However, caregivers are worried about financing for their own healthcare needs in the future. PGP, and the Merdeka Generation Package, are tied to specific cohorts. There is no guarantee that future generations—including themselves—will benefit from these subsidies. This anxiety is particularly pronounced for those who are unable to earn an income while they are providing care, and those who are single with no children. Healthcare benefits should be made universal to all future cohorts of older persons.
10. Furthermore, caregivers whose dependents are not Singaporean citizens have to fork out a much higher amount in healthcare expenses because their dependents do not qualify for subsidies. We hope that healthcare subsidies could be extended to those with citizen caregivers.

Recommendation 2: Introduce a universal basic income to recognise care labour of caregivers

11. Proponents of universal basic income (UBI) recognise that it is not a panacea to all forms of inequality experienced in a society, nor can it completely eliminate poverty. However, a UBI has the potential to offer basic levels of protection to many vulnerable populations, including women and the poor. In her book on the revolutionary power of a

⁹ AWARE, *Make Care Count: Research report* (AWARE, Singapore, 2019).

https://www.aware.org.sg/wp-content/uploads/Aware_Eldercare-Research-Report-8-10-19.pdf

UBI, Annie Lowrey writes that the UBI has always been “not so much about welfare as inclusion”¹⁰:

“Universal cash programs were a way of providing the poor with an opportunity to participate in the economy, universal cash programs were a way of ensuring that all members of a society had a foundation to build on... Universal cash programs provided women with choices when it came to raising their children and starting their careers. Universal cash programs were a powerful tool for social justice, ensuring that the minority would get what the majority got... Universal cash programs were a way of aiding children, regardless of the competencies of their parents.”¹¹

12. In the context of this submission, we would highlight UBI’s potential to recognise the unpaid labour of family caregivers and provide them with a basic level of income. A UBI reduces an over-reliance on formal employment as the main (and only) approach to attaining retirement adequacy or even a basic standard of living—an approach that continues to penalise women today. It would also “cement every person’s place in society as having value”, which is especially important to women, whose labour often goes unrecognised.

13. We encourage the government to fund a pilot for a UBI. The design of a UBI would benefit from the Minimum Income Standards study completed in 2018.¹² The study produced valuable insights on what Singaporeans think constitutes basic needs, and based on that, how much is needed each month to meet those needs. Based on their findings, the budgets required to meet basic standards of living were:

- a. \$1,379 per month for single elderly households
- b. \$2,351 per month for coupled elderly households
- c. \$1,721 per month for single persons aged 55-64

These figures offer a starting point to decide UBI levels. Similar studies should be conducted across different population groups to understand their needs.

14. While the possibility of a UBI may not be realised in the near future, we urge immediate action to protect the financial well-being of caregivers. Caregivers should be given a support grant with cash and CPF components. The grant amount can vary by the level of care that their care recipients need. For the CPF component of the grant, the Government could consider matching employer CPF contribution rates or implementing

¹⁰ Lowrey, Annie, *Give people money: how a universal basic income would end poverty, revolutionise work, and remake the world* (New York: Crown, 2018), 170.

¹¹Ibid.

¹² Ng, K.H., Teo, Y.Y., Neo, Y.W., Maulod, Ad, and Ting Yi Ting, *What older people need in Singapore: A household budgets study* (Singapore, May 2019).

<https://whatsenoughsg.files.wordpress.com/2019/05/what-older-people-need-in-singapore-a-household-budgets-study-full-report.pdf>

a matched savings scheme. The amount matched could be capped when the Basic Retirement Sum is reached.

Make work accommodate caregiving responsibilities

15. Whether it is cooking a meal for ourselves or bathing a bedridden parent, we all have or will have caregiving needs and responsibilities across our lifetime. As our population ages and family sizes shrink, there will be more people in need of care and fewer people available to give care. All workers, including those who are employers, will likely find themselves having caregiving responsibilities at some point. How can workplaces of the future (and indeed, the present) be transformed to accommodate this universal need?

Recommendation 3: Make workplaces more flexible; shorten work hours

16. While there are encouraging signs that more employers in Singapore are now offering flexible work arrangements (FWA),¹³ utilisation rates are not available. A recent survey suggests that the take-up rate is low.¹⁴ According to the survey, about seven in 10 employees say their companies offer FWA out of the office—but only half of the respondents are able to take advantage of the policy. Many had concerns that they would not be perceived as hard-working if they were not in the office.¹⁵ A study on the implementation of FWA (part-time work in this particular study) found that the organisational cultures of workplaces in Singapore did not normalise or formalise FWA. Employers were also “wary” about the change in face-time with employees under FWA, which could “potentially complicate employee assessment and surveillance”.¹⁶
17. To empower employees to request FWA and to institute an organisational cultural shift, we recommend legislating the right for employees to request FWA. Employers must seriously consider all requests, and therefore have proper channels and processes in place to make the assessments, and make a business case for rejecting a request. More

¹³ According to The MOM 2018 Conditions of Employment report, more employees now have access to (but are not necessarily using) FWAs. In firms that had at least one formal FWA, the proportion of employees who had access to FWAs increased from 70% in 2017 to 72% in 2018. In firms that provided at least one ad-hoc FWA, the proportion of employees also increased, from 81% in 2017 to 87% in 2018. Si Ying, Ong and Ng Bin Shen, Lucas, *Conditions of Employment 2018* (Ministry of Manpower, Singapore, 2019).

¹⁴ Human Resources Director, *How many SG employees are in flexible working arrangements?* (HRD, 2017).

<https://www.hcamag.com/asia/news/general/how-many-sg-employees-are-in-flexible-working-arrangements/149210>

¹⁵ Ibid.

¹⁶ Straughan, Pauline T., and Mindy E. Tadai, *Addressing the implementation gap: An integrated approach to identifying barriers and facilitators to flexi work arrangements in Singapore* (Asia Pacific Journal of Human Resources, 2016), 6.

https://ink.library.smu.edu.sg/cgi/viewcontent.cgi?article=3456&context=soss_research

effort needs to go into training managers and employers to implement and normalise FWA.

18. Work hours in Singapore could also be shorter. In 2015, Singapore residents worked an average of 45.6 hours per week, the second highest among developed cities around the world.¹⁷ In 2018, the hours dropped to 44.9 hours¹⁸, the shortest it has been in a decade but still higher than the average number of hours put in by workers in every OECD country.¹⁹ One way to reduce work hours would be to reduce the work week. Shorter work weeks and hours have been associated with increased productivity and lower stress levels, according to numerous trials around the world.²⁰ An overall reduction of work time would allow all workers to better juggle work and care.

Recommendation 4: Introduce mandatory paid eldercare leave

19. Caregivers should be able to take time off from work without any penalty. Currently, there is no legislated paid leave for caregiving of non-children family members. In an NTUC survey of more than 3,000 working caregivers, 77% said they do not have eldercare leave, and 62% do not have flexi-work arrangements.²¹ To care for family members, they applied for annual or medical leave, or adjusted their working hours—arriving late or leaving early from work. According to the Ministry of Manpower, 20.3% of companies now offer paid family care leave as opposed to 5.9% in 2008.²² While we are encouraged by this increase, the rate remains quite low, considering that there is already significant demand for such leave and we can only expect the demand to increase with our ageing population.

¹⁷ Louisa Tang, *The Big Read: Breaking Singapore's workaholic culture* (Channel NewsAsia, 2018). <https://www.channelnewsasia.com/news/singapore/breaking-singapore-workaholic-culture-long-working-hours-always--11058104>

¹⁸ Rachel Genevieve Chia, *Singaporeans worked almost 9 hours a day in 2018 – the lowest in a decade* (Business Insider Singapore, 2018). <https://www.businessinsider.sg/singaporeans-worked-about-nine-hours-a-day-in-2018-a-record-low-according-to-government-statistics/>

¹⁹ Whitney Leach, *This is where people work the longest hours* (World Economic Forum, 2018). <https://www.weforum.org/agenda/2018/01/the-countries-where-people-work-the-longest-hours/>

²⁰ Robert Booth, *Is this the age of the four-day week?* (The Guardian, 2019).

<https://www.theguardian.com/world/2019/mar/13/age-of-four-day-week-workers-productivity>
Kari Paul, *Microsoft Japan tested a four-day work week and productivity jumped by 40%* (The Guardian, 2019).

<https://www.theguardian.com/technology/2019/nov/04/microsoft-japan-four-day-work-week-productivity>
Reuters, *Burnout, stress lead more companies to try a four-day work week* (The Straits Times, 2018). <https://www.straitstimes.com/world/europe/burnout-stress-lead-more-companies-to-try-a-four-day-work-week>

²¹ Priscilla Goy, *3 out of 4 caregivers lack eldercare leave: Poll* (The Straits Times, 2013). <https://www.straitstimes.com/singapore/3-out-of-4-caregivers-lack-eldercare-leave-poll>

²² Fann Sim, *More companies offering flexible work arrangements: MOM report* (Channel NewsAsia, 2019). <https://www.channelnewsasia.com/news/singapore/manpower-flexible-work-arrangement-annual-leave-report-11128916>

20. We recommend legislating six days of paid leave for the care of elderly relatives. Right now, six days of childcare leave is already available to those caring for children. Those caring for other family members, such as elderly parents, should also have at least the same number of leave days. Those who are caring for both children and elderly parents should get 12 days of paid leave. If legislated, this policy could potentially benefit more than 80,000 working adults in Singapore. (In 2018, there were 86,300 working residents aged 21-64 living with at least one person aged 65 and above, and at least one person aged below 13.²³)

Expand care options: Make formal care services better and more accessible

21. According to AWARE's research, there is an over-reliance on family members (particularly the women) and foreign domestic workers to provide care. Meanwhile, there is relatively low and unsustainable usage of formal care services. Since the preference to age in one's home is unlikely to change, we should focus our attention on making more accessible the services that not only enable ageing in place, but also lift the burden from family caregivers (and domestic workers).

Recommendation 5: Invest in assisted-living facilities and improve daycare services in the community

22. We recommend more government investment in assisted-living facilities (ALFs). ALFs enable active and mobile seniors to live with supervised independence. ALFs encourage an active social life, forming a crucial part of the care spectrum by catering to persons with lower levels of care needs. In a survey by Lien Foundation and NTUC Income in 2016, nearly 50% of the 1,600 respondents were willing to stay in ALF.²⁴ In Finland and Japan, the number of ALFs also outgrow that of nursing homes, making it the most popular option among older folks there.²⁵ Though even as ALFs grow in popularity here, there are accessibility issues due to limited funding and affordability.²⁶

23. More funds could be directed into improving daycare services, especially dementia daycare. More than 80,000 people are estimated to be living with dementia in Singapore today, and this number may grow beyond 100,000 by 2030.²⁷ Our research found that

²³ Desmond Lee, Minister for Social and Family Development, *Written Answer by Mr Desmond Lee Minister for Social and Family Development to Parliamentary Question on Caregiving and Domestic Support* (Ministry of Social and Family Development, Singapore, 9 May 2019).

²⁴ *Assisted living facilities – a trendy option for our seniors?* (Population SG, 2018), <https://www.population.sg/articles/assisted-living-facilities-a-trendy-option-for-our-seniors>

²⁵ Ibid.

²⁶ Toh Ee Ming, *More seniors willing to live in assisted-living facilities* (Today, 2016). <https://www.todayonline.com/singapore/elderly-dont-mind-assisted-living-facilities-survey>

²⁷ Jason Foo, *Creating a dementia-inclusive society in Singapore* (Today, 2019). <https://www.todayonline.com/commentary/creating-dementia-inclusive-society-singapore>

bad experiences at day care centres discourage our respondents and their care recipients from further utilising them.²⁸ In particular, they reported a lack of interactive activities for the dementia care recipients in these centres, and that it was very difficult to find suitable services for those with dementia. It is thus crucial to improve the quality and accessibility of services at dementia daycare centres, to cater to a growing population who would benefit from them.

Recommendation 6: Set minimum standards for all long-term care services and regulate service providers.

24. The Ministry of Health should set minimum standards for all long-term care services and facilities, and regulate all service providers. Home-based care and centre-based care are currently not licensed in Singapore.²⁹ An estimated 35% of the 170 providers that offer eldercare services are private players. Only two of these private home-care providers receive government funding, and are thus subject to certain mandatory service requirements regarding care processes, staff qualifications and other aspects of their work.³⁰ Others are not subjected to such requirements, which means that they are not legally obliged to ensure that the quality of care provided is up to a certain standard. This is worrying, as the safety of care recipients could be compromised.
25. In other countries, such as Australia, Japan and England, home-care providers have to be accredited before they can start operating.

Recommendation 7: Ensure that caregivers and care recipients have access to i) care-related information and ii) care management/coordination services

26. Caregivers have trouble navigating the landscape of care services and subsidies. There is a general lack of guidance when it comes to long-term planning, and caregivers find it difficult to make a cost-benefit analysis of the services available to their care recipients. This could lead to an under-consumption of care services as caregivers may be unaware of their options, or how best to finance them.
27. Accessibility to care services could be improved by expanding existing Cluster Support services to address the gaps in information and care management/coordination. The enhanced services could include:
 - a. Care planning and coordination, including for those who are not severely disabled, in order to facilitate their rehabilitative journey;

²⁸ AWARE, *Make Care Count: Research report*, (AWARE, Singapore, 2019).

https://www.aware.org.sg/wp-content/uploads/Aware_Eldercare-Research-Report-8-10-19.pdf

²⁹ Ho, Elaine L.E., Shirlena Huang, *Care where you are: enabling Singaporeans to age well in the community* (Straits Times Press Pte Ltd, Singapore, 2018), 153.

³⁰ Ibid.

- b. Informing caregivers and care recipients about their care service and subsidy options, and facilitating applications for the necessary services and subsidies;
- c. Financial planning for the caregiver and care recipient to ensure that the care journey is financially sustainable for the family.

Conclusion

28. As we step into the new decade, we come closer to experiencing the full impact of an ageing population. The government has already started addressing our ageing population's impact on family caregivers, who will bear the brunt of this increasing care burden. We hope that such efforts can be sustained, and urge for caregiving to be centred more in future national Budgets.