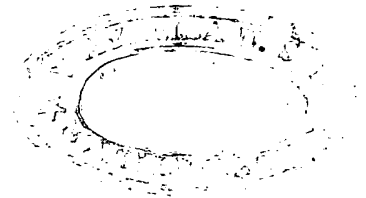


Policy Recommendations on Reducing Financial Vulnerabilities among Elderly Females in Singapore

HEMACHANDRA, D.W.K.

Department of Business Economics
University of Sri Jayewardenepura
Gangodawilla, Nugegoda
SRI LANKA
jskiriella@yahoo.co.uk



Abstract:-

Singapore as one of the fastest ageing countries in Southeast Asia faces the problem of feminization of ageing. The end result of feminization of ageing is greater financial vulnerabilities among them. This is considered as a failure of their decision making process for social security systems. Therefore, the study intends to draw policy recommendations to address the issue of financial vulnerabilities among the elderly females in Singapore.

The study found that there are five variables contributing to increase financial vulnerabilities among elderly females. They are; demographic factors, health factors, financial resources availability, social security factors and living arrangements. Using primary and secondary data study has attained its objectives. Problem tree analysis, objective analysis, alternative analysis and stake holder analysis frameworks have been used in this study.

The study proposes and evaluates seven alternative policies based on predetermined criteria. Accordingly, government priority should be given to increase employment opportunities for elderly females and to redesign the eligibility criteria when applying for public assistance schemes as the immediate policy decision. The long term policy option is to expand the health care and long term care services for the elderly females.

Key Words:- Ageing, feminization, financial vulnerabilities

1. Introduction.

Singapore is one of the most developed countries in Asia. However, they suffer from the issue of population ageing since 1980s as a result of early policy making failure. Its special feature is that feminization of ageing thus majority of female elders have become financially vulnerable compared to elderly males in Singapore. (Devasahayam 2009) This study intends to identify the reasons for having these financial vulnerabilities among elderly females and accordingly to propose policy recommendations to avoid this pathetic situation.

The author's initial observation of female elderly and their working conditions has initiated the interest to study this issue in Singapore. This is also confirmed with the statistics and initial literature findings.

The present ageing policy in Singapore is attached to familial support system. However, they would like to have their own freedom in terms of financing their requirements and living arrangements. Even though feminization of ageing in Singapore is a known fact but the present ageing policy does not consider the gender sensitivity in addressing their problems.

According to the study by Devasahayam women are more likely to be poorer than older men. Number of contributing factors were identified such as interrupted carriers, not working for longer time period, and within the given economic set back they face more vulnerabilities than men due to inability meet health care expenses and social amenities their own. (Devasahayam 2009).

Therefore the study framed the research problem as:

What policy recommendations could be introduced to reduce financial vulnerabilities among elderly females in Singapore to ensure financial independence during their old age?

In order to answer the identified policy problem, following study objectives have been developed.

- a.) Identify the causes for reducing financial security among elderly females in Singapore
- b.) Identify the effects of rising number of elderly females in the society
- c.) Identify the present ageing policy and its weaknesses in delivering its objectives
- d.) Propose recommendations to improve financial security among female elders in Singapore

Singapore demographics show an increasing trend of population ageing during the last 5 decades. In 1970s the elderly population was 3.4% of its resident population where as 8.5% in 2008. (National Statistics 2008) This has significant impacts on its economic, social and political aspects of the society. According to the projections, this old age cohort will be 19% of its resident population by 2030. The absolute number will rise from 330,100 in 2009 to 873,300 in 2030. (National Statistics 2008) One out of every five resident will be a senior. This is an unprecedented feature of Singapore demographic shift. This is furthermore complicated by the fact that baby boomers enter to the elderly cohort in 2012. However, government believe that these baby

boomers will be healthier, better educated and richer than the other elderly population. The immediate results of an ageing society are: increasing dependency, health care spending and greater need of social security systems. (Chan, et al. 2003).

The special feature of Singapore demographic transition is feminization of ageing. Total numbers of female elders are 183,900 when compared to male elders 146,200 in 2009. This is a 9.6% and 7.7% of resident population of female and male respectively. This furthermore complicates the ageing problem due to their differentials in needs. Female elders have more specific aged related problems compared to men. With the rapid expansion of the female aged cohorts, it is necessary to design policies and programmes to cater the demands of both female and male elders separately. The oldest-old population, above 85 years, also records greater number of female than male. In Southeast Asian region Singapore records the greatest percentage difference among males (1.6%) and female (2.4%) of the oldest-old population in 2010. (Devasahayam 2009).

The old age support ratio was 25.6 in 1957 compared to 8.4 in 2008. Present labour force participation rates among females and males are 55.2% and 76.3% respectively in 2008. (National Statistics 2008) Examples from developed countries highlight the importance of strong social security systems to reduce financial in security among elderly females.

By introducing Parents Maintenance Act in Singapore, the government has given the responsibility of elder caring to their children. This is an acceptable phenomenon in Asian culture. However due to fast rate of globalizing and modernization the traditional family support for elder caring could not be expected in the future. There may be some exceptional cases such as those who do not have children, those who do not married and those who have kids but they are unable to support their elderly parents. These people may suffer from most of the financial problems during their old age. With the changing pattern of economic and

social life; the informal source of support system is gradually diminishing with the replacement of formal support services in most of the developed countries. (Chan, et al. 2003)

Based on the above factors the study concludes that elderly females are more financially insecure than male during their old age. This is complicated by the two factors: Demand side: rising female age cohort and Supply side: increasing financial inadequacy. Therefore, it is timely worthwhile to propose recommendations on ageing issue with gender sensitive policies.

2. Methodology

The qualitative data analysis method has been used in this study. This covers descriptions, graphs, tables and literature support in analysing the policy problem. Based on these analyses the study has identified the weaknesses in the existing policies. The recommendations will then be drawn on the identified weaknesses. The recommended alternative policies will be evaluated based on selected criteria.

For the study purpose key words are defined as follows.

Elderly [Older] Person:

In Singapore demographics, elderly person is referred to a person 65 and above age limit. (Singapore Statistics - 2008)

Female elders

Female people who are above 65 years are considered as female elders in this study. (National Statistics 2008)

Financial Vulnerability

There is no universal definition for the term financial vulnerability. However, in general it applies to explain a situation in which financial crisis or insecurity for the considering party. The study explains financial vulnerability as the inability to meet day today expenses on their- own.

Social Security

Social security is defined as “the protection which society provides for its members, through a series of public measures, against the economic and social distress that otherwise would be caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, unemployment, invalidity, old-age and death; the provision of medical care; and the provision of subsidies for families with children” (International Labour Organization 1984)

Data Collection:

Primary and secondary data were used in the study.

Primary Data Collection:

Primary data was collected from different stake holders involved in this issue such as direct beneficiaries, independent researchers and indirect beneficiaries such as family members and children of elderly females and Voluntary Welfare Organizations (VWOs).

Focussed group discussions were conducted with main beneficiaries of this problem. Elderly females those who are working in very low job category have been randomly approached.

Additionally, some of the young people also been interviewed to find out their idea about caring of their elders and themselves. Information and guidance from the expertise in the field helped to understand the policy problem at the beginning.

Secondary Data Collection:

Extensive amount of literature review has been conducted. This has given an understanding of the female ageing related problems around the world. Nationally representative documents prepared by the Ministry of Community Development, Sports and Youth and Inter-Ministerial Committee Report published in 1999 and Five Year Eldercare Plan published in 2001 were studied in detail to understand the present ageing policy in Singapore. In

additionally, some of the reports issued by VWO and independent organizations were also studied.

Additionally, two main survey data which are nationally representative were used. They are 1995 National Survey of Senior Citizens and 2005 National Survey of Senior Citizens. (Ministry of Community Development, Youth and Sports 1995, 2005) These two surveys were conducted by the Ministry of Community Development, Youth and Sports in order to understand the needs and status of elderly people in Singapore. The families were randomly selected in which at least one person older than 55 years to be included. The sampling frame was set by Department of Statistics. The response rate was 64% and 4591 older people 55 and over was interviewed.

Criteria for evaluating alternative policies

Set of evaluation criteria used in the study:

1. **Effectiveness:** The extent to which the propose policy will achieve its expected outcomes.
2. **Political Feasibility:** This measures the expected level of support from the political authority, stake holders etc for its implementation. This also measures the acceptability of the alternative by its main stakeholders such as government, elderly females, families, VWO, policy makers etc.
3. **Sustainability:** This measures the expected duration for which the policy will be applicable.
4. **Equity:** This measures the ability of the alternative to cover the intended or target group without discrimination. The alternative policy options should be equitable for the target group.
5. **Operating feasibility:** This measures the availability of organizational support for the recommended policies.

3. Results

This explains the contributory factors for increasing financial insecurities and their effects.

3.1 Factors affecting financial insecurities among elderly females

Based on the problem tree analysis study has found five factors as the contributory factors for financial vulnerabilities among elderly females.

3.1.1 Demographic factors:

a.) *Longer Life Expectancy at Birth (LEB):*

Singapore records an improved life expectancy for females from 67.8 years in 1970 to 83.2 years in 2007. The male life expectancy has also increased from 64.1 years in 1970 to 78.4 years in 2007. The Improvements in sanitation, medical technology, and public health awareness have contributed to this significant improvement. Female aged cohort requires more supportive environment for their old age. Most of them depend on their spouses. However, when they lose their spouses, they become financially in secured. This is one of the main reasons for financially vulnerability among females. (Devasahayam 2009).

b.) *Higher percentage of female:*

Singapore sex ratio¹ is considerably dropping down 1049 per males per 1000 females in 1970 to 982 in 2007 (National Statistics 2008). The changes in the demographic structure are a result of its population policy. Singapore government has made tremendous efforts to control its population growth during 1960s. The government has given incentives and disincentives to control its population growth. At the same time due to advancements in medical services and improvements in socio economic conditions they were able to record significantly lower death rate.

¹Sex ratio measures the number of males to 1000 females

Their result was lowering Total Fertility Rate (TFR) to 1.28 in 2008. However, when the government realized that the TFR is below its replacement level, again they have started giving incentives to have higher TFR. Assuming that population policy is only responds to monetary and administrative incentives (Lepoer 1989). However, the final result was larger proportion of elderly people in the population age pyramid. Table 1 shows the changing pattern of population over the last 4 decades in Singapore.

Table 1 Population ageing trend in Singapore- 1970-2007

Year	Population * (000)	Age Composition*			Age Dependency Ratio*		Sex Ratio* (Males per 1,000 Females)
		0-14	15- 64	Ov- er 65	Child (under 15)	Old Age (over 65)	
1970	2,013.6	39.1	57.5	3.4	68.1	5.9	1,049
1980	2,282.1	27.6	67.5	4.9	48.0	7.3	1,032
1990	2,735.9	23.0	71.0	6.0	32.3	8.5	1,027
2000	3,273.4	21.9	70.9	7.2	30.9	10.1	998
2007	3,583.1	18.9	72.5	8.5	26.1	11.8	982

Source: Population Trends, 2008 Singapore National Statistics

Note: * Data refer to resident population

3.1.2 Inadequate financial resources for elderly females

a.) Shorter employment history: According to Devasahayam (2009) interrupted careers caused the economic deprivation of elderly women. Female have not been employed for long term careers and thereby lesser employment benefits in the older age compared to men.

b.) Lower level of educational attainment: Having lower level of education increases the uncertainty in old age. Educational levels among female elders are significantly lower compared to men. Accordingly 39% of female (age group 40-49) has below primary educational level qualification. They will not be able to improve their skills and knowledge required for the

present condition. Specially the age group 60 and above has very lower level of educational statuses.

c.) Lower employability among females: Because of lower educational status the employability is very low among females. They could find employment only in the lower categories. They end with involving cleaning, dish washing etc. This leads to either no financial security or inadequate financial security for their old age. This situation will be expected for the next 20-30 years. (Shanthakumar 2004) Even at present the labour force participation rate among female is

55% when compared to men 76%. Age group between 65-69 female and male labour force participation rate is 16% and 40% in 2008. This is 7.9% and 23.4% among the age group of 70-75. Age group above 75 years 2.7% and 9.4% is the labour force participation rate. (National Statistics 2008)

d.) Central Provident Fund (CPF) does not have sufficient balances for majority of elderly female: During their employment history they have made some savings, CPF balances in order to ready for their old age. However, females have disrupted or short employment history and then they are not prepared for their old age. CPF balance among female above 60 years have an average balance of S\$ 17,000 in 2008 which is not enough to cover their rest of the life time.

e.) Lower savings in financial resources: It is evident that females have lesser savings compared to men. Especially with the elderly female who did not work, do not have their own financial resources. According to Choon, Shi'en and Chan study (2008) revealed the inadequacies of current Medical Savings Account balances for female elders in Singapore while it is adequate for men.

3.1.3 Health Issues

a.) Increasing trend of chronic diseases: Another special feature of female population is that they suffer from chronic illnesses² while men suffer from fatal or acute illnesses³. Therefore health care spending for women is much higher than men since they have more chronic illnesses and longer life expectancies. A study by Choon, Shi'en and Chan has examined the feminization of Singapore ageing and its implications on increasing health care spending. Fewer years of working and lesser savings for future health care spending have contributed to worsen their situation. The empirical evidences from Thailand and Singapore have shown that elderly women have more illnesses than elderly men. (Kespichayawattana and Jitapunkul 2008)

b.) Immobility and non ambulant nature: A study by Yap showed that 70% of the nursing home service receiving population represents female population above 75 years of age.. Long Term Care (LTC) is also higher among female aged population compared to men due to most common diseases such as arthritis. Therefore female needs more LTC than men. Osteoporosis is another common problem among female aged population. This has increased the hospitalized female aged people recently. (Choon, Shi'en and Chan 2008) The low ambulant nature among elderly female is another important feature to be considered. According to National Survey on Senior Citizens (2005) elderly people record a considerable reduction of ambulatory nature during the decade from (92.8%) 1995 to (87%) 2005.

² Chronic illnesses are heart disease, stroke, cancer, chronic respiratory diseases and diabetes which are the leading cause of mortality in the world, representing 60% of all deaths. Out of the 35 million people who died from chronic disease in 2005, half were under 70 and half were women. (WHO)

³ Acute or fatal illnesses are defined as a disease with an abrupt onset and usually a short course

3.1.4 Living arrangement issues

a.) Higher widowhood rate: According to Singapore National Statistics, total widowhood rate is 5.3% of resident population, out of which female records 8.6% while male records 1.8% in 2007. As per the National Survey of Senior Citizens 2005, 42.4% of women aged 55 over were widowed compared to 10.9% of men. Among the age group 75 and above the women widowhood rate is 78% compared to 29.1% of men. (Ministry of Community Development, Youth and Sports 2005)

b.) Low marriage rate: In Singapore, female marriage ratio is below the male marriage ratio. In 2007 the married female was 59.2% while for males 62.2% out of total married ratio of 60.7%. Age group 55-64 the married ratio is 86.1% and 65% for male and female respectively. This is 81.3% and 42.4% for the age group 65-74 among male and female respectively. Marriage ratio for 75 and above male and female is 62.9% and 17.2% respectively. (Ministry of Community Development, Youth and Sports 2005). Unmarried older women are more vulnerable due to lack of financial support from spouse and children.. Singapore crude marriage rate has dropped from 9.8 per 1000 population in 1980 to 6.7 per 1000 population in 2007.

3.1.5 Inadequate social security coverage

a.) Family is the main provider of social security: Singapore social security policy has been transferred to make it as a family responsibility. This is also revealed by the Report of the Committee on the Problems of the Aged stating that it is a responsibility of the children to look after their elderly parents. This is supported by giving tax incentives for the children who live with their parents. Ramesh questioned about the role of the family in the modern economic system. At present most of the families are not able to look after their families also. Therefore, female elders have to bear the cost of physical and psychological cost of look after elderly people at home. Professor S. Jayakumar, Senior Minister and Coordinating Minister for National Security, mentioned that elderly

people should receive special attention either in terms of financial, health or any other type of assistance for their old days. (R. Chan 2010)

b.) **CPF is the official social security system:** CPF was introduced in 1955 as a retirement savings plan by the British Colonial Government in Singapore. Their intention was to relieve from the responsibility of looking after the social security needs of their colonies. After series of modifications to this fund still it plays the central role of official social security system for the old age. (Pai 2006) According to this system employees and employers contribute different percentage of their earnings depending on their age limit. This account covers three main savings accounts such as ordinary, special and Medisave accounts.

According to the present minimum requirement rate of CPF balance as at 2013 is S\$117,000. This will be adjusted in 2013 to S\$ 120,000. Unfortunately there are people who have a CPF balances at the age of 65 less than this specific rate. The CPF coverage in 2000 was limited only to 80% of the labour force. Therefore it could lose the most important parties from the social security system. Most of the time CPF balances are inadequate to fulfil the requirements in old age. Approximately 25% of the CPF covered employees also had a balance less than \$10,000. According to Ramesh the CPF system has so many weaknesses as a social security system. Especially for the aged population it does not benefit much. (Ramesh 1992)

CPF contribution from the employers has been increased for the age groups 55-60, 60-65 and 60 and above. This was increased from 4% to 6%, 2% to 3.5% and 2% to 3.5% respectively in 2001 to 2006 and onwards (Mehta 2005).

Any retirement benefit system should fulfil six main objectives such as; reliable collection of contributions, taxes, payment of benefits in timely, timely payments of any pre retirement loans, effective financial management, maintenance of effective communication network and provision of adequate support for

all activities. According to Asher Singapore CPF does not have policy autonomy. As well as they do not have an independent provident fund regulator. This is administrated under the Ministry of Manpower. The communication and information availability is considered as strategic resources to the policy maker. They issue ad-hoc information on cash balances as at 2000. Accordingly, nearly two-thirds of contributors had balances less than 100,000. This is not adequate to finance their retirement life especially for female old age cohort. (Asher 2007)

c.) **Stringent conditions to apply for Public Assistance Scheme:** This is given to elderly, ill or disabled person as a means of subsistence. PA is given either as a cash grant or medical assistance for the elderly people. However these PA is limited to Singapore citizens while Special Grant is limited only to Permanent Residents only. The applicants should meet certain criteria to be considered as eligible to receive PA given by the Ministry of Community Development and Sports. In 2003, 2,551 people were benefitted under the PA Scheme, 177 were benefitted under Special Grants, (Pai 2006)

PA is not available for the elderly people who involve in very low income categories. If the children of the elderly people are working again they are not eligible for public assistance. 3000 people are getting PA at present. This is about 50% of the applications they received. (Hian 2009)

d.) **Inadequacies of Medisave, Medifund and other health care coverage:** *Medisave Program:* This was introduced in 1984. The employees contribute to 6-8% of their monthly salary to a Medical Savings Account (MSA). The employers also contribute to this account. This is operated as a part of compulsory savings of (CPF) and this enables a working person to pay their medical expenses of his/her and their immediate family members including parents. This program has been able to transfer the responsibility of health care expenditures of their relatives to the individuals. (Devasahayam 2009)

Singapore health care policy has focussed more on efficiency than equity. The reason they given was the health care responsibility is transferred to individuals to overcome the problem of excessive demand. (Chia and Tsui 2005) Medisave does not cover economically inactive females. (Shanthakumar 2004)

Medifund scheme: is also for the poor elderly people to pay hospital bills. The awareness among the elders about these schemes is limited. (Mehta 2005). This is not allowed to pay the payments at the Polyclinics for outpatient treatments. This is an endowment by the government and helps in the event of elderly who are unable to pay hospital bills out of Medisave & Medishield.

Medishield scheme: This covers catastrophic health issues related very large hospital bills. This also covers some outpatient treatments such as kidney dialysis, radio therapy for cancers etc. However, it has a limitation of covering until 85 years.

Eldershield: Interim disability Assistance program operated by private insurance company. CPF members (completing 40 years) automatically become the members of this system. This covers the severely disabled persons who cannot perform three out of six activities of daily living. (washing, dressing, feeding, toileting, mobility & transferring) This complements the Medishield scheme which only pays the hospitalization expenses. This gives \$300 per month for 60 months. However this covers only 47% of population above 40 years as of 2007. Therefore 53% of elderly people are not covered under this system. Since its starting it has given only 2366 members as of 2007. This has excluded the high risk pool (70 over people).

Eldercare fund: Established to subsidize the nursing home care by the VWO. Operating procedure is similar to Medifund program.

3.2 Effects of Feminization of Ageing

This reveals the effects of feminisation of ageing in Singapore. Based on literature survey study has identified following consequences of feminization of ageing.

- a.) The rising trend of female ageing population results in more dependency on family members compared to men.
- b.) Older women are the poorest among the poor people and thereby unable to afford health care and social amenities sorely needed in their old age (Devasahayam 2009)
- c.) They still have to contribute to the most of the household works and they are less powerful in family decision making (Chow 2005)
- d.) Elderly female are also the caregivers of elderly spouse as well as grandchild caring. (Devasahayam 2009)
- e.) This complicates the lifestyles of the unmarried children in the family. Most of them are also female and they will also suffer the same issues in the future. (Chow 2005)
- f.) Female aged population are financially not strong enough to meet their necessities. They are more financially vulnerable than elderly male population. (Shanthakumar 2004)
- g.) Reduction in the overall economic output by 40 % over the next 25 years. Sharp reduction in labour force growth could lead to reduce the average Gross Domestic Product (GDP) growth rate by 3.9% between 2006 and 2030 (Lee 2008).
- h.) Aggregate per capita health care expenditure⁴ has increased

⁴ Aggregate Health Care Expenditure (per capita) is the sum of public and private health care expenditures. Public health care expenditures are the direct and related health expenditures by the Ministry of Health. Private health care expenditures include medical,

continuously from S\$150.50 in 1964 to S\$776.70 in 1995 (1985 prices). (Mar and Peiming 1995)

- i.) The government has increased the official retirement age from 55 years to 62 years and further more expected to increase to 67 years. (Shanthakumar 2004)
- j.) An increase in government health care expenditure will crowd out other government priorities (MCDS 1999)
- k.) Government should develop more hardware facilities to assist the elderly people in Singapore. This includes elder friendly transport systems, appropriate housing etc. (MCDS 1999)
- l.) It is evident that the living arrangements are highly important since most of the elderly people live alone or only with their spouse. This ratio has increased from 9% in 1990 to 15% in 1997. (Ministry of Community Development, Youth and Sports 2005)
- m.) Feminization of ageing is a special feature in Singapore demographic transition. This trend complicates the ageing issue due to additional arrangements require to look after older women than men. (Shanthakumar 2004)
- n.) One of the most important economic implications is an increase in the old age dependency ratio⁵. On the other hand the old age support ratio⁶ in year 1970 was 17 and 2000 was reduced to

9.8. (Vasoo, Ngiam and Cheung 2000) This situation will be furthermore worsened when the baby boomers reach 65 years of age in 2012. This is estimated to decrease to 3.5 working persons per elderly person, by year 2030. This increases the old age dependency ratio to 19% and 29.5% in 2020 and 2030 respectively. The decreasing trend of old age support ratio since 1970 to 2007.

- o.) Another special feature of demographic changes in Singapore is the ethnic differentials relating to sex ratio. Chinese (77% of population) female elders have overtaken the male elders. Malay (14% of population) has a balanced sex ratio among their elders. In contrast, Indian (8% of population) male elderly population is double as female elders due to male dominated immigration policy. (Mehta 2005)

3.3 Status Quo and Alternative Policies

3.3.1 Status Quo:

This highlights the weaknesses in the status quo. Present ageing policy depends on self reliance system. However, in developed countries there is a strong official social security system for elders. In Singapore the Government will be the last resort to provide necessary support where it is necessary. However, there is no special arrangement for the elderly females. Familial support system is a common phenomenon in Asian culture. However, with rapid modernization and globalization effects the future family size will be very small and very complicated. They may not have enough time to look after their elders. Specially, unmarried people will not be able to get use of this familial support system. In additionally, some families do not generate adequate income even to look after their needs. This is furthermore complicated by the rising inequality in Singapore.

The Central Provident Fund system is considered as the official social security

pharmaceutical products and payments to services of physicians and nurses.

⁵ Old age dependency ratio is the number of residents aged 65 years and over per 100 residents aged 15-64 years.

⁶ Old age support ratio refers to the number of residents aged 15-64 years per elderly residents aged 65 years and over

system in Singapore. This has been criticized by different parties as explained early. One of the main weaknesses of this system is that it covers only a part of the society. Those who have been employed are covered in this system. Therefore they exclude house wives, disabled, unemployable and sick people from this system. For the elderly female, this will not be a social security system. Another issue is raised because of its special feature of allowing special withdrawals before its maturity. Due to that reason there may not be enough savings at the age of 65. Hence, it is more complicated for elderly female since they have longer life expectancies. According to National Survey of Senior Citizens in 1995, CPF account coverage is limited to 33.5% of persons over 60 years. Lower CPF balances are recorded from females in informal sector. Therefore, CPF is an inadequate and uncertain supportive system for an ageing society.

The gap is widening among the CPF balances of men and women during 1980 to 2000 despite the rising level of educational statuses among women. The average CPF balances of women are significantly lower than men. 44.5% of women are economically inactive compared to 18% of men in Singapore. This confirms fewer women have CPF membership compared to men. (Shanthakumar 2004)

3.3.2 Alternatives

Having understood the weaknesses in the status quo, study has developed some alternatives. These alternatives are in line with Objective Tree Analysis. Based on the knowledge and information from literature review, interviews and focussed group discussions seven alternatives were developed as follows.

1. *Increasing employment opportunities among elderly females:* This is ranked at the top priority level since this has significant direct impact over financial vulnerability. This helps them to engage in an active life during their old days. It is important to make sure these jobs should be suitable for the elderly females. Specially, dish washing, cleaning etc are not suitable due to high risk related in it. These elderly people are more vulnerable to

diseases such as asthma, pneumonia etc. They are not able to stand long hours. In the case of falling down, the consequences may be very serious. Therefore in provision of employment the organizations can introduce suitable jobs to them.

2. *Give financial assistance to the families those who take care of their female elders:*

The main issue among the elderly female is lack of financial security during their old age. As a direct method, government can grant some monthly allowance to the families who look after their elderly parents. This will benefit more females than male elders because of most of the elderly females are attached to families than men. Therefore, the amount will encourage their children to give necessary caring for their elderly females. Families can utilize this money to provide any formal LTC services for the needy elderly females.

3. *Redesign the eligibility criteria for Public Assistance:*

This is one of the issues identified in the existing social security system. Due to stringent eligibility criteria applicable to PA, many of the elderly people are unable to qualify for it. According to the present condition a person is eligible only if he/she is unable to work due to: old age and illnesses; unfavourable family conditions and no means of substances. In the event of an employment of an elderly person he disqualifies for PA. On the other hand if his/ her children are working, then he is not eligible to ask for PA. However, with the present economic conditions this may not be favourable to impose such strict criteria. Therefore, it is suitable to remove some criteria such as applicability of children's employment etc. It is evident that the present payment of PA is not enough for these elderly people. The present cost of living is rising and especially medical expenditures are rising. Therefore changes to the criteria and amount of PA will be a suitable alternative for the problem.

4. *Top up CPF Balance of elderly female:*

According to problem tree analysis and objective tree analysis the inadequacies of CPF balances among elderly female were identified.

Since CPF is the existing social security system it can be developed further more to achieve the study objective. Most of the elderly females have not worked or with shorter employment history and hence their CPF balances are low. Therefore it is worthwhile to top up their balances to meet the current minimum requirement.

This can be implemented in two ways such as through family members and governments. The present top up scheme allows tax reliefs in the event of top up their spouses CPF balances up to S\$7,000. As an implementation mechanism, more tax reliefs can be introduced to spouses when they top up their spouses' CPF account. In addition, spouses can be motivated to start topping up of their wives' CPF balances through reducing the eligible age limit. At present, husband can start to top up his spouse CPF balance at the age of 55 years old. Additionally, government also can contribute to top up CPF balances of who do not have sufficient balances in their Medisave account.

5. Expansion of Health and Long Term Care (LTC) facilities: Since female elders record more chronic and potentially disabling illnesses compared to male, it is necessary to establish more LTC⁷ for female elders. As this is identified as one of the reasons to increase financial vulnerability among them, establishment of more formal LTC centers will be an ideal solution.

More often LTC systems are informal. The LTC is given by an adult family member. However, this may not be adequate enough to provide the rising demand of the elder care in the future. Therefore more formal care arrangements are necessary for the future elders. Since majority of elder care is done by female elders at home. Therefore, they sacrifice their employable time for elder caring. This will be a continuation of the

⁷ Long term care refers to care provided to those with chronic medical conditions who require medical and palliative care.

process in the future. As a result they may not have sufficient financial resources with them. Studies revealed that a great reduction in the ambulatory and mobility nature among the elders from 1995 to 2005. Out of nursing home population more than 75% reported from female elders. Most of the elderly females suffer from arthritis and osteoporosis and hip fractures.

The existing medical coverage's are not sufficient to fulfill the female health care problems.

Especially when male are look after by their female spouses who have longer life expectancy, may suffer from lack of care for them. Therefore provision of LTC at the minimum cost or no cost is desirable. At present Singapore LTC facilities are managed by either private organizations or VWO. They have arranged some of subsidies to the needy people based on mean testing⁸. (Integrated Health Services Division and Healthcare Finance Division 2006)

At present subsidy rate for LTC are ranging from 25-75%. When the monthly income exceeds S\$ 1000 the subsidy is zero rate. The cost of unsubsidized institutional and community care are S\$ 1500 and S\$580 per month. (Choon, Shi'en and Chan 2008) Based on the interviews with the elderly, the health care spending is much larger in their monthly income. Since they are employed they are unable to claim for subsidies. But these employments may generate very marginal amount of money to them.

Therefore, expansion of health care and LTC services are utmost important for elderly females in Singapore.

6. Encourage participation of voluntary activities among female elders at the community centers: These voluntary services

⁸ There are currently three levels of subsidy - 75%, 50% or 25%. The subsidy will be paid directly to the ILTC providers, and this amount will be reflected in the patients' bills.

can be benefitted to them in two ways such as active participation of females would help them to motivate their ambulatory status. On the other hand they can look after themselves during their day time. This can also help to monitor their routine life style such as taking foods and medicine on time, update knowledge about available services for the etc. Even though government has arranged some subsidies to receive medical and health care facilities, these elderly female could not attend those places due to non-ambulatory nature. At that time community centers can contact some of the VWO to provide necessary transport facilities to them.

7. Awareness programmes on active ageing to replace the concept of passive ageing among women: The improvement in the educational attainment of future older women could be utilized to change the paradigm of development. It helps to transform older persons from a burden to an asset and from being passive to being active. Among these programs: to teach them how to save for their future needs, correct use of financial management, starting small scale businesses etc will be more important for them. Get involved elderly female to some small scale enterprises out of home. (this can minimize their dependence on family, they can earn their own money, they can improve their mental satisfaction towards positive thinking.) This may not limited to the existing elderly but also for the baby boomers also.

Currently some of the independent organizations such as TSAO Foundation conducts these type of progrmes for females above 40 years of age. They learn about financial management, handling and understand about legal documents, their legal rights etc. Similar type of programs can be introduced with more coverage to cater larger group of people. Ageing is considered as a burden on the society. But convert the weakness to a challenge and to an asset. Awareness programs could be more powerful tool to establish this concept. This is highly important since Singapore has a self reliance social security system.

In additionally educate them about health care systems available to them, how to communicate their problems to the respective parties, what are the available services for them etc. Based on the focused group discussions I found that most of them are not completely aware about the available services for them, how to apply for government assistance etc. These programs can educate them how to change their life style for healthier system through foods, exercises etc.

4. Recommendations

Based on the predetermined criteria those alternatives have been evaluated. Accordingly, the most suitable policy options have been identified under two categories: immediate policy options and long term policy options.

4.1 Immediate Policy Options

These are the policy options to be implemented immediately to assist the female ageing issue in Singapore.

Recommendation 1: Increasing employments among elderly females

Ensure more employment opportunities for the elderly people. This is a more suitable and productive way of helping elderly females who need financial assistance. In accordance with the Madrid International Plan for Action on Ageing (MIPAA), the Macao Plan of Action on Ageing for Asia and the Pacific, the programme of Action of the International Conference on Population and Development (ICPD), and the Fifth Asian and Pacific Population Conference (APPC) Plan of Action on Population and Poverty, this is most desirable way to address the present and future financial issues among elderly female. Based on the stake holder analysis, this recommendation will be benefitted to elderly females, their families, government and the employers directly and indirectly.

This can be implemented by increasing retirement age for females from 62 years to 67 years. This could legally benefit them and support in finding suitable employments. This is more suitable because the life expectancy of

female is 83 years compared to male life expectancy, which is 78 years in 2008. (National Statistics 2008) Giving subsidies and incentives to the employers to employ elderly females in their work force can be used in the implementation. In Singapore tax rebate is an effective tool that can be used in achieving some target objectives. Based on some of the role model companies who won the AARP's International Innovative Employers Award, other employers can be promoted to support this policy. More rationally, allocating some quota for elderly females cohorts in the organizations can be a helpful measure.

Since Singapore is more concerned about the productivity, this policy should ensure that it will not affect organizational productivity. This is because the elderly employees can contribute their production at low cost compared to younger people. Since tax rebate is a real benefit to organizations this does not have significant impact on its productivity reduction. This can be furthermore developed by giving some training opportunities to elderly females at community centres. This may help them to upgrade their skills to meet the job market requirements.

Recommendation 2: Redesign the eligibility criteria for Public Assistance

This is the second immediate policy option should be implemented as an effective way to identify the needy people to utilize government funds. The new criteria should ensure that people are applying genuinely and they are in real need of government assistance.

Applicants can be subjected to simple test to identify whether they are eligible or not. At the same time increase the household income level as criteria. At present eligible house hold income level is considered at \$1500. Expansion of awareness programs can play an important role to promote the eligible applicants. In additionally measures to be taken to reduce the processing time for the application.

On the other hand government can increase the amount of PA according to the rising cost of

living in Singapore. The government should also make available the information on new criteria, the contact persons etc to the needy female elderly cohorts and update eligibility records regularly. Improve the means of delivering money to these elderly people. Utilize community centres and their participation to implement the policy. For rejected applicants, there should be a mechanism to re-apply for the PA if they really needed. This can be done through the people working at the community centres.

4.2 Long Term Policy Option

This explains the policy to be implemented in the long term because this may take some time due to administrative and organizational feasibility requirements.

Recommendation 3: Expansion of Health and LTC service

The stakeholders' analysis justifies this policy option as a favourable solution. However due to its complexity in implementation it can be introduced only as a long term policy option. Due to rising elderly female ratio and their health issues this is an essential policy to be implemented. Since this is a main factor to increase the financial vulnerability among elderly females, the cost of these services should be reduced as much as possible. This will help to improve the quality of health care and LTC services for the elderly people, especially for females. As well it will help to transfer informal LTC facilities to formal LTC services.

Many female elders depend on their children. If these services are available at no cost or minimal cost, they will shift to more formal LTC services which help to improve the health conditions among the female elders. Government has to play a significant role to expand health care and LTC services in the future. It is necessary to set a sustainable mechanism to finance these services. This is because; one of the major problems of health care and LTC services is the financing mechanism.

In additionally government can provide necessary training to the service providers to improve the quality of these services. As a rational method, government can provide training to females who will join the elderly cohort very soon as care takers at these service centres. This will be more efficient and effective policy solution which gives more employments to elderly females and expand the LTC services simultaneously.

5. Conclusions

Feminization of ageing is happening in Singapore since 1990s. At the same time cost of living and health care spending is also rising. This has created a problem of rising inequality in Singapore. On the other hand the family tights and relationships are changing due to rapid globalization and modernization. Hence the problem of ageing has been emerged.

Government has made an effort to solve this emerging problem in Singapore in a pragmatic way. However, there are some issues among elderly people specially among elderly females to be solved. This is because of their special features compared to other aged cohorts.

This study has identified the sources of such issues and their effects on society. In this context, the study has introduced seven alternatives to overcome this financial insecurity problem among elderly females. Accordingly study has evaluated its alternatives based on predetermined criteria in deriving its recommendations.

Accordingly, the immediate policy recommendations are to expand employment opportunities among elderly females and redesign eligibility criteria for public assistance. Expansion of health and long term care services is recommended as the long term policy solution.

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