

## Rethinking the Delivery of Welfare Programmes in Singapore

This case examines how ideas from cognitive psychology and behavioural economics could inform the design and delivery of welfare policies in Singapore.

The case is presented in three sections. It begins with a general description of the Singapore government's philosophy towards the provision of welfare. The second section presents behavioural concepts that are relevant to the formulation, implementation and communication of welfare policies. In the third section, the reader is presented with three examples of welfare programmes in Singapore.

The reader is encouraged to analyse the implementation of these programmes in the context of the ideas presented in section two.

### Welfare Policy in Singapore

The Singapore government has always been quite prudent and mindful of the potentially corrosive effects of welfare in designing its social policies. In a small city-state with no natural resources, the Singapore government has always feared that the comprehensive provision of state welfare would reduce incentives for individuals to work and strive, and create an entitlement mentality among citizens. The government has therefore sought to keep welfare – support for the poor, the old and the unemployed – on a short leash. The levels of financial help are also relatively low by the standards of developed countries. The emphasis instead has always been on self-reliance and individual savings, the family as the first line of support for the poor, the community as an important “helping hand”, and state assistance targeted only at those that have no other means of support. To the extent that there is welfare in Singapore, it is low (as it is intended to meet basic needs only), strictly and carefully means-tested, and residual in nature. In social spending more generally, the government has focused more on “investment goods” such as public housing and education, rather than on subsidising people's consumption.

More recently, Singapore has moved to raise the incomes of low wage workers through a wage supplement programme. Consistent with the state's earlier emphasis on encouraging work and supporting productive activities, the Workfare Income Supplement (WIS) is paid only to older employed Singaporeans earning below a certain salary level. In his budget speech in 2007 announcing the introduction of the supplement, then-Finance Minister Lee Hsien Loong reiterated the government's “productivist” view of social welfare when he said,

“Many other developed countries have addressed the problems of the low income group often through extensive social welfare programmes. But welfare

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has drained fiscal resources and, more damagingly, eroded the work ethic and encouraged an entitlement mentality. The more successful model of assistance has been workfare — which seeks to supplement the incomes of low-wage workers on the principle that the best way to help people is to help them find work and stay in work.”<sup>1</sup>

Since the adoption of a poverty line in Hong Kong in 2013<sup>2</sup>, calls for a one in Singapore have grown louder. Responding to these calls, Minister for Social and Family Development (MSF) Chan Chun Sing, in a presentation to the media, described the government’s “kuih lapis<sup>3</sup>” approach to helping low income Singaporeans<sup>4</sup> (see Annex 1).

During the presentation, Minister Chan discussed how the government has chosen to adopt a multi-layered approach to the provision of social assistance. He also argued that a single poverty line would be too rigid in addressing the complex and multifaceted problems faced by low income households. In contrast, the current model of relying on multiple lines of assistance gives the government “tremendous flexibility”<sup>5</sup> and helps to prevent the cliff effect<sup>6</sup>.

Under the “kuih lapis” approach, certain programmes such as the provision of basic education and healthcare are available to all Singaporeans. At the other end of the spectrum, the provision of Public Assistance (PA) is restricted to a small minority of the population who have to meet very strict criteria.

## Key Behavioural Concepts

### ▪ *Scarcity and the Bandwidth Tax*

The effects of scarcity on a person’s cognitive functions were first discovered, unintentionally, towards the end of World War 2. As the Allied forces advanced, they faced the problem of how best to feed the newly liberated peoples of Europe, many of whom were suffering from malnutrition. To understand the physiological and psychological effects of the different options, an experiment was conducted where volunteers were made to reduce their calorie intake until “they were subsisting on just enough food so as not to permanently harm themselves”.<sup>7</sup> The subjects were housed and their behaviours and thoughts carefully documented. The experimenters observed

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<sup>1</sup> Lee Hsien Loong, “Singapore Budget Speech 2007”, accessed at

[http://app.mof.gov.sg/data/download/2007/FY2007\\_Budget\\_Statement.pdf](http://app.mof.gov.sg/data/download/2007/FY2007_Budget_Statement.pdf)

<sup>2</sup> Jennifer Ngo, “1.3 million Hongkongers live in poverty, government says, but offers no solution,” South China Morning Post, 28 September 2013.

<sup>3</sup> Kuih Lapis is the name of a local, Malay desert that is made up of several differently-coloured layers of cake.

<sup>4</sup> Ong Hwee Hwee, Robin Chan, “Tackling Poverty the ‘Kuih Lapis’ Way,” Straits Times, 15 November 2013.

<sup>5</sup> Kok Xing Hui, “Important to increase awareness of aid schemes for needy: Halimah ; Different income cut-offs for schemes also offer ‘tremendous flexibility’ over fixed poverty line,” TODAY (Singapore), 28 November 2013.

<sup>6</sup> The situation in which a beneficiary has all his benefits withdrawn immediately once his income rose above the income cut-off level for social assistance; the technical explanation of the “cliff effect” is a withdrawal rate of 100 percent.

<sup>7</sup> Sendhil Mullainathan & Eldar Shafir, *Scarcity Why Having Too Little Means So Much* (Allen Lane 2013).

that the subjects spent increasing amounts of time thinking about, and focusing on, food or food-related subjects. The subjects also reported that one of the most challenging aspects of the experiment was constantly thinking about food. They did not make a conscious choice to think more about food; instead, the scarcity of food itself had focused their attention on it.<sup>8</sup>

Despite having been noticed more than half a century ago, research into the effects of scarcity on people's cognitive functions is still relatively new. An important study, conducted in 2013 by Anandi Mani, Sendhil Mullainathan, Eldar Shafir and Jiaying Zhao, sought to measure the impact of financial scarcity on people's cognitive performance.<sup>9</sup> Shoppers in a mall were approached at random. They were first asked certain questions about their income. Subsequently, half the participants were presented with the following scenario:

“Imagine that your car has some trouble, which requires a \$300 service. Your auto insurance will cover half the cost. You need to decide whether to go ahead and get the car fixed, or take a chance and hope it lasts for a while longer. How would you go about making such a decision? Financially, would it be an easy or a difficult decision for you to make?”<sup>10</sup>

The other half of the participants were presented with the same scenario except now their service would cost \$3,000 (with half being paid for by their insurer).

After having been presented with their respective scenarios, the subjects were asked to answer a series of Raven's Matrices<sup>11</sup> problems, a common test of IQ. The results were surprising. When presented with a repair bill of \$300, all participants regardless of income fared similarly. But when presented with a repair bill of \$3,000, the participants from poorer economic backgrounds did much worse – equivalent to 13 IQ points.

The experimenters concluded that the attention and thoughts of the poor participants, when faced with a large repair bill of \$3,000, were focussed on ways to raise the money for it. This reduced their ‘cognitive bandwidth’ to solve the problems which required their higher-order cognitive faculties.<sup>12</sup> This suggests that poverty is not caused by lower cognitive ability (as is commonly believed) – since the low income respondents did no worse than the high income respondents in the IQ test when both groups were asked to think about how they would deal with a \$300 auto-repair bill. Rather, it was the *context of poverty* that reduced the ability of the poor.

The tax that poverty imposes on our cognitive bandwidth and performance is a new but important consideration in designing welfare policies. The poor are more likely to

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<sup>8</sup> Ibid.

<sup>9</sup> Maggie Fox, “Poor people aren't stupid; bad decisions are from being overwhelmed, study finds,” NBC News, 30 August 2013.

<sup>10</sup> Sendhil Mullainathan & Eldar Shafir, *Scarcity Why Having Too Little Means So Much* (Allen Lane 2013).

<sup>11</sup> Raven's Progressive Matrices (RPM) were designed to measure a subject's deductive and reproductive ability. RPMs are commonly used as a test of IQ.

<sup>12</sup> Sendhil Mullainathan & Eldar Shafir, *Scarcity Why Having Too Little Means So Much* (Allen Lane 2013).

suffer from a high bandwidth tax;<sup>13</sup> their thoughts are often preoccupied with providing for their basic needs such as food and shelter. If a welfare programme requires the poor to expend their limited bandwidth to receive help – because they have to undergo complicated application processes – they are less likely to avail themselves of such assistance.

The welfare policy implications of the bandwidth tax are significant. Professor Esther Duflo of the Poverty Action Lab at MIT argues that instead of berating the poor for not taking personal responsibility, we should think of ways of “providing the poor with the luxury that we all have, which is that a lot of decisions are taken for us. If we do nothing, we are on the right track. For most of the poor, if they do nothing, they are on the wrong track”<sup>14</sup>.

- *Tunnelling*

“The term tunnelling is meant to evoke tunnel vision, the narrowing of the visual field in which objects inside the tunnel come into sharper focus while rendering us blind to everything peripheral, outside the tunnel.”<sup>15</sup> Tunnelling must not be confused with focus. When an individual is focused on a particular task, he commits his cognitive faculties to completing it. He does not blank out other concerns and issues as he would when tunnelling.

Tunnelling often affects those burdened with the scarcity of time. When an individual finds his time highly constrained, he is more likely to zoom in on the most urgent task(s) and blank out everything else. The poor, particularly the working poor, are more likely to struggle with time scarcity. Their time may be consumed by earning enough to meet their family’s subsistence needs such that they block out other less urgent tasks. Such tasks may include obtaining information on (new) welfare programmes intended to assist them. The more bureaucratic hassle these welfare programmes entail, the less likely the time-constrained poor would access and benefit from them.

- *Moral Hazard*

In Singapore’s context, an economic argument that is commonly cited against making social welfare more comprehensive and accessible is the fear of overconsumption, or the belief that the poor might change their behaviours to take advantage of (expanded) government assistance. This is an example of moral hazard, or the idea that when people are insulated from the costs and consequences of their actions, they behave more recklessly, or their behaviours change in ways not intended by policymakers so as to take advantage of the help they are now given. This argument is commonly applied to almost every discussion of welfare, particularly healthcare policy, in Singapore. For instance, the Minister of State for Health in a blog response to calls for reduced co-payment for MediShield argued that “it would inevitably lead to overconsumption”.<sup>16</sup>

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<sup>13</sup> Donald Low, Alisha Gill, "Singapore must ease 'bandwidth tax' on the poor," TODAY (Singapore), 8 January 2014.

<sup>14</sup> Susan Parker, "Esther Duflo Explains Why She Believes Randomized Controlled Trials Are So Vital," Center for Effective Philanthropy Blog, June 23, 2011.

<sup>15</sup> Sendhil Mullainathan & Eldar Shafir, *Scarcity Why Having Too Little Means So Much* (Allen Lane 2013).

<sup>16</sup> Salma Khalik, "Lower medical co-payment could mean higher taxes," Straits Times, 11 May 2012.

It is also commonly argued that the risks of moral hazard are best minimised by keeping welfare subsidies low and miserly. Moral hazard would also be reduced by making the application process for welfare subsidies more onerous or less user-friendly. By keeping welfare benefits low and/or difficult to obtain, people would have less incentive to try to “game the system” or take advantage of these welfare programmes. This would ensure that only those who genuinely need the assistance will take the time and effort to obtain it.

Related to the fear of moral hazard is the idea that welfare benefits should be narrowly aimed at those who need it most, i.e. the poor. Consequently, an increasingly common method used in Singapore to determine eligibility for assistance is means-testing. This typically requires the applicant to submit proof of their (and in many instance, their household’s) income. Against the benefits of targeting, it is argued that means-testing is not only onerous but can also be intrusive and stigmatising. In addition, those employed in the informal sectors of the economy will not always be able to provide documentary evidence of their incomes.

Another downside of targeting is that it may fail to identify and benefit the group it is intended to help. The government has long maintained the need for a work-based system of welfare; assistance should be provided to those who are making a genuine effort to help themselves. But having an onerous application process, while intended to weed out the “undeserving poor”, may end up hurting the people the government wants to help, i.e. the working poor who are less likely to have the spare time and energy to apply for assistance. Welfare assistance may end up attracting only those who have discretionary time – and the spare bandwidth – to go through the application processes.

- *Information Asymmetry*

Another possible reason for means-testing is the desire to negate, or at least reduce, the asymmetry of information between the government agency that dispenses assistance and the applicant seeking such assistance. The applicant will always have the best knowledge of his income and wealth status. While the government collects income information through the tax and Central Provident Fund (CPF) systems, this information may not be comprehensive, especially for people who work outside of the formal sector or who have undeclared sources of income.

Comprehensive means-testing, it is believed, would provide a full understanding of a person’s true income and wealth status. Threatened with punishment for wrongful declarations, people applying for government help would also be less likely to try to ‘cheat’ the system.

- *Heuristics*

Heuristics is the application of experience-based techniques to solve current problems. The Singapore government’s success in bringing the nation from third world to first world within a generation is unprecedented. This has provided policymakers with a great deal of experience and rules of thumb in designing policies, and of what works and what does not.

These experiences, intuitions and rules of thumb are often relied upon when crafting policy. This allows for policies to be crafted more quickly without having to rely on new evidence or exhaustive studies of how people might respond to the policies. But

although it facilitates quick decision-making, relying heavily on heuristics is not without its downsides.

Heuristics are simple and simplifying rules of thumb. While they work well in stable environments, they are unlikely to be adequate when the situation is fluid or complex, or when policymakers have to grapple with new problems that do not resemble the old ones for which the heuristics were developed. The concerns, desires and demands of Singaporeans today may be very different from those of an earlier era, and the individual and organisational routines and heuristics developed for a previous context may no longer be appropriate for the current one.

### **Welfare Policy Examples in Singapore**

- *Additional and Special CPF Housing Grants*

In his 2013 National Day Rally, Prime Minister Lee Hsien Loong announced enhancements to the Special CPF Housing Grant (SHG). This grant is intended to provide more government assistance to the low and middle income households applying for public housing – over and above the subsidy that is already included in the prices of new flats. Following the 2013 enhancements, the SHG will be extended to households earning below \$6,500 per month; it can also be used for the purchase of four-room flats in non-mature estates. Before 2013, the SHG could only be used for the purchase of two and three-room flats in non-mature estates. Correspondingly, singles applying under the Single Singapore Citizen (SSC) scheme would have to earn below \$3,250 to be eligible for the SHG.<sup>17</sup>

In addition to the SHG, the government also provides an Additional CPF Housing Grant (AHG). The AHG provides low and middle-income households with an additional subsidy above the existing grants. The AHG is available for households with an average monthly income below \$5,000. Singles too can avail themselves to the AHG if they meet the necessary criteria.

The SHG and AHG are both designed to provide additional help for low and middle income Singaporeans purchasing their first homes. The only visible difference between both schemes is the income ceiling. The SHG benefits a larger segment of society with a ceiling of \$6,500 compared to \$5,000 for the AHG. It is not entirely clear why the HDB requires two grant programmes instead of having just one with different levels of assistance depending on the applicant's household income.

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<sup>17</sup> Amanda Lee, "HDB raises income ceiling for Special CPF Housing Grant," Today, 28 August 2013

### Eligibility Conditions

The SHG is given only once to each eligible family. In addition to the current eligibility conditions to buy a new flat, you will have to meet the following eligibility conditions:

Criteria	Detailed Description						
<b>Household Status</b>	You and the essential family members listed in the application for purchase of the flat must not: <ul style="list-style-type: none"> <li>be the owners of a flat bought from the HDB, a DBSS flat or an Executive Condominium bought from the developer</li> <li>have sold a flat bought from the HDB, a DBSS flat or an Executive Condominium bought from the developer</li> <li>have received the CPF Housing Grant for the purchase of an HDB resale flat</li> <li>have taken other forms of housing subsidy (for example, benefitted under the Selective En bloc Redevelopment Scheme, privatisation of HUDC estate etc)</li> </ul>						
<b>Employment Status</b>	You or your co-applicant(s) <ul style="list-style-type: none"> <li>must be in continuous employment for one year before the flat application <b>and</b></li> <li>are employed at the time of submission of the application.</li> </ul>						
<b>Income Ceiling</b>	Your average gross monthly household income for a one-year period immediately before the flat application must meet the prevailing income ceiling. <table border="1" data-bbox="448 685 956 779"> <thead> <tr> <th>Applications received</th> <th>Income ceiling</th> </tr> </thead> <tbody> <tr> <td>From Feb 2011 BTO to May 2013 BTO</td> <td>not more than \$2,250</td> </tr> <tr> <td>From July 2013 BTO</td> <td>not more than \$6,500</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li><a href="#">Guidelines on assessment of household income.</a></li> </ul>	Applications received	Income ceiling	From Feb 2011 BTO to May 2013 BTO	not more than \$2,250	From July 2013 BTO	not more than \$6,500
Applications received	Income ceiling						
From Feb 2011 BTO to May 2013 BTO	not more than \$2,250						
From July 2013 BTO	not more than \$6,500						
<b>Remaining Lease of Flat</b> (applicable to flat applications received on or after 1 July 2013)	30 years or more  Visit the <a href="#">Centralised Map Services</a> to find out flat lease details.						

Source: HDB InfoWEB, <http://www.hdb.gov.sg/fi10/fi10321p.nsf/w/BuyingNewFlatSHG?OpenDocument>

### Eligibility Conditions

The Additional CPF Housing Grant can only be given once to each eligible family. In addition to the [eligibility conditions to buy a new flat](#), you will have to meet these eligibility conditions if you wish to apply for the AHG:

Criteria	Detailed Description
<b>Household Status</b>	You and the essential family members listed in the application for purchase of the flat must not: <ul style="list-style-type: none"> <li>be the owners of a flat bought from the HDB, a DBSS flat or an Executive Condominium bought from the developer</li> <li>have sold a flat bought from the HDB, a DBSS flat or an Executive Condominium bought from the developer</li> <li>have received the CPF Housing Grant for the purchase of an HDB resale flat</li> <li>have taken other forms of housing subsidy (for example, benefitted under the Selective En bloc Redevelopment Scheme, privatisation of HUDC estate etc)</li> </ul>
<b>Employment Status</b>	As the applicant, you or your spouse/fiancé/fiancée: <ul style="list-style-type: none"> <li>must be in continuous employment for 12 months before the flat application <b>and</b></li> <li>are still employed at the time of submission of the flat application.</li> </ul>
<b>Income Ceiling</b>	<ul style="list-style-type: none"> <li>Your average gross monthly household income for the 12 months period must not be more than \$5,000.</li> <li><a href="#">Guidelines on assessment of household income.</a></li> </ul>
<b>Remaining Lease of Flat</b> (applicable to flat applications received on or after 1 July 2013)	30 years or more  Visit the <a href="#">Centralised Map Services</a> to find out flat lease details.

Source: HDB InfoWEB, <http://www.hdb.gov.sg/fi10/fi10321p.nsf/w/BuyingNewFlatAdditionalCPFHousingGrant?OpenDocument>

Beyond the potential confusion that might arise over the two grants which serve a similar purpose, neither the SHG nor the AHG is automatic. Potential beneficiaries have to apply for the grant. Eligibility for both the SHG and AHG is based on the applicant's average gross monthly household income for the 12 months preceding his new flat purchase. All persons listed in the application must submit proof of income or proof of unemployment. Under both schemes buyers will be given the application forms, at the point of purchase of a flat, by the HDB. The buyer is required to fill up

the form and send the required supporting documents within a stipulated time<sup>18</sup>. The applicant is also not guaranteed of the HDB's approval of these grants at the time of purchase.

The SHG and the AHG are not the only housing subsidies provided by the government for first time HDB buyers. The HDB was founded to provide subsidised public housing for the masses – not just the poor. Thus the sale price of a new HDB flat is already subsidised. The large majority of Singapore citizens, who meet the income cut-offs for public housing, are automatically eligible for these subsidies; they do not need to specially apply for the subsidies which are already “built into” the prices of new HDB flats. In short, for higher income HDB applicants, the subsidies they receive are automatic.

▪ *Community Health Assistance Scheme*

The Community Health Assist Scheme (CHAS) is one of the Ministry of Health (MOH)'s programmes to provide accessible and affordable primary care to Singaporeans. Under CHAS, patients receive subsidised outpatient medical treatments for acute and chronic conditions as well as basic dental services at private general practitioners (GPs) and dental clinics that are accredited with CHAS. These patients will also enjoy subsidised treatments at specialist outpatient clinics if they are referred by CHAS-accredited GPs.

A series of enhancements to CHAS was announced by MOH in August 2013, the majority of which were effective from 1 January 2014 except for the qualifying income criterion, which took immediate effect.<sup>19</sup> Under the revised qualifying income criterion, all Singaporeans, regardless of age, who have a per capita household income of \$1,800 and below are eligible.<sup>20</sup> Households with no income (e.g. retired households) are eligible for CHAS as long as the annual value of their residence is below \$21,000.<sup>21</sup>

There are two distinct CHAS schemes that an applicant is eligible for. The beneficiaries are differentiated based on the colour of the CHAS card issued. The blue card is meant for lower income households with per capita incomes below \$1,100 or if the annual value of their residence is below \$14,000. The orange card is for the other beneficiaries.

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<sup>18</sup> HDB Info Web, CPF Housing Grant, <http://www.hdb.gov.sg/fi10/fi10321p.nsf/w/BuyingNewFlatCPFHousingGrant?OpenDocument>, accessed on 10 April 2014.

<sup>19</sup> National Healthcare Group, Polyclinics, Community Health Assistance Scheme Information, <http://www.nhgp.com.sg/informationforgp.aspx>, accessed on 10 April 2014.

<sup>20</sup> Linette Lai, "140,00 people automatically qualify for Chas scheme," The Straits Times, 19 January 2014.

<sup>21</sup> CHAS, Who is eligible?, <http://www.chas.sg/content.aspx?id=306>, accessed on 10 April 2014.

Table 1: CHAS Subsidy Tiers

CHAS Subsidy Tiers		Subsidies Received			
		Common illnesses	Chronic conditions under CDMP*	Dental Services	Health Screening under Health Promotion Board's (HPB) Integrated Screening Programme (ISP) <sup>#</sup>
<b>Blue Tier</b> Blue Health Assist card 	For those with household monthly income per person of \$1,100 and below; OR Annual Value (AV)** of residence of \$13,000 and below for households with no income	✓ Up to \$18.50 per visit	✓ <u>Simple Chronic (Tier 1)<sup>^</sup></u> Up to \$80 per visit, subject to annual subsidy cap of up to \$320 per calendar year  <u>Complex Chronic (Tier 2)<sup>^</sup></u> Up to \$120 per visit, subject to annual subsidy cap of up to \$480 per calendar year	✓ Up to \$256.50 per procedure	✓ <u>Recommended screening tests under HPB's ISP</u>  Fully subsidised
<b>Orange Tier</b> Orange Health Assist card 	For those with household monthly income per person of between \$1,100 and \$1,800; OR Annual Value (AV)** of residence of between \$13,000 and \$21,000 for households with no income	Not Applicable	✓ <u>Simple Chronic (Tier 1)<sup>^</sup></u> Up to \$50 per visit, subject to annual subsidy cap of up to \$200 per calendar year  <u>Complex Chronic (Tier 2)<sup>^</sup></u> Up to \$75 per visit, subject to annual subsidy cap of up to \$300 per calendar year	✓ Up to \$170.50 per procedure for selected dental procedures (dentures, crowns, root canal treatment only)	<u>Doctor's Consultation for ISP screening</u>  Up to \$18.50 per visit, up to two times per calendar year at CHAS GPs

Source: CHAS, <http://www.chas.sg/content.aspx?id=636#>

Applicants have to submit an application form (see Annex 2). This form can be downloaded online or picked up at a public hospital, polyclinic, community centre and club (CC) or community development council (CDC).<sup>22</sup> Along with a completed application form, an applicant would have to submit a copy of his and his family members' NRIC or birth certificate. The form would require the signature of all members of the household consenting to their income tax and CPF information being retrieved for the purposes of assessing their eligibility for CHAS. Their eligibility is assessed based on these records. Those currently under the Public Assistance (PA) are automatically enrolled in CHAS.<sup>23</sup>

■ *Workfare Income Supplement*

The Workfare Income Supplement (WIS) is perhaps the most automatic and least intrusive assistance that the government provides to the working poor in Singapore. WIS was the government's response to the problem of wage stagnation for low income earners, a problem that became more acute in the late 1990s and early 2000s. Unlike a minimum wage which imposes a cost on employers, WIS is financed by general taxation. As a wage supplement, WIS is paid automatically to low-wage workers earning below a certain salary, currently set at \$1,900 per month.<sup>24</sup>

WIS is also paid mostly into the CPF account of the recipient. A smaller part would be given as cash. Under the latest revisions, 60% would be credited to an individual's CPF account and 40% would be provided in cash.<sup>25</sup> WIS is conditional on regular work; it is given to workers who have worked at least three months in any six-month period in the calendar year, or at least six months in the calendar year.

<sup>22</sup> CHAS, How do I apply?, <http://www.chas.sg/content.aspx?id=305>, accessed on 10 April 2014.

<sup>23</sup> Ibid.

<sup>24</sup> Workfare – Work & Train, More to Gain, Workfare Income Supplement, Employee, Do I qualify?, <http://www.workfare.sg/wis-employee.html>, accessed on 10 April 2014.

<sup>25</sup> Toh Yong Chuan, "Budget 2013: Workfare to benefit more low-wage workers," The Straits Times, 25 February 2013.

The marginal withdrawal rate for WIS is significantly lower than 100%. That means that as an individual receives a higher pay from work, his pay-out is reduced by an amount smaller than his pay increase. This ensures that incentives for low-wage workers to upgrade and obtain higher salaries are not eroded.

Table 1: Employee's Full-Year WIS Payment (for work done in 2013 or after)

If your average monthly wage for the work year is:	And your age in the work year is:											
	35 – 44			45 – 54			55 – 59			60 & above		
	You will receive:											
	Total	Cash	CPF	Total	Cash	CPF	Total	Cash	CPF	Total	Cash	CPF
\$200	\$400	\$160	\$240	\$571	\$229	\$342	\$629	\$252	\$377	\$700	\$280	\$420
\$400	\$800	\$320	\$480	\$1,143	\$458	\$685	\$1,257	\$503	\$754	\$1,400	\$560	\$840
\$600	\$1,200	\$480	\$720	\$1,714	\$686	\$1,028	\$1,886	\$755	\$1,131	\$2,100	\$840	\$1,260
\$800	\$1,400	\$560	\$840	\$2,033	\$814	\$1,219	\$2,400	\$960	\$1,440	\$2,800	\$1,120	\$1,680
\$1,000	\$1,400	\$560	\$840	\$2,100	\$840	\$1,260	\$2,800	\$1,120	\$1,680	\$3,500	\$1,400	\$2,100
\$1,200	\$1,225	\$490	\$735	\$1,838	\$736	\$1,102	\$2,450	\$980	\$1,470	\$3,063	\$1,226	\$1,837
\$1,400	\$875	\$350	\$525	\$1,313	\$526	\$787	\$1,750	\$700	\$1,050	\$2,188	\$876	\$1,312
\$1,600	\$525	\$210	\$315	\$788	\$316	\$472	\$1,050	\$420	\$630	\$1,313	\$526	\$787
\$1,800	\$175	\$70	\$105	\$263	\$106	\$157	\$350	\$140	\$210	\$438	\$176	\$262

Source: CPF Board, [http://mycpf.cpf.gov.sg/NR/rdonlyres/2BE8F97B-E10C-4BC9-BC86-2D60C6B0C162/0/WIS\\_EEBenefits.pdf](http://mycpf.cpf.gov.sg/NR/rdonlyres/2BE8F97B-E10C-4BC9-BC86-2D60C6B0C162/0/WIS_EEBenefits.pdf)

The eligibility of employees for WIS is determined automatically by their CPF contributions. No application is required; this also makes WIS non-intrusive and less likely to be stigmatising. By law, employers must contribute to their employees' CPF if they earn more than \$50 a month.<sup>26</sup>

## Conclusion

This case is *not* about the appropriateness or the generosity of Singapore's welfare programmes. Instead, it is about how these programmes should be delivered. In particular, readers are invited to consider:

1. What are the arguments for and against making welfare programmes in Singapore more accessible and automatic, and less intrusive and stigmatising?
2. The Singapore government has sometimes argued that wasteful welfare spending would increase if welfare programmes are less carefully means-tested or if they can be easily accessed by all. This is why it prefers targeting or means-testing. Do you think that this highly targeted approach might also have its own costs and disadvantages? What would these be?
3. Should the government make assistance schemes – such as the SHG, AHG and CHAS – more automatic and hassle-free like WIS? What are the advantages and disadvantages of doing so?
4. Why do you think welfare programmes in Singapore are currently fragmented and relatively uncoordinated? Is there scope to integrate the various welfare programmes such that citizens have a complete picture of the programmes they are

<sup>26</sup> Workfare, What must I do?, [www.workfare.sg/wis-employee.html](http://www.workfare.sg/wis-employee.html), accessed on 10 April 2014.

eligible for, and find it easier to avail themselves to the help the government provides? If so, how would you do this?

## **Epilogue**

In early 2014, the Public Transport Council approved an application for an increase of fares by the country's Public Transport Operators (PTOs). In conjunction with this announcement, the government announced a subsidised monthly pass for the poor and disabled. Below is a letter penned by a citizen who attempted to apply for the subsidised monthly pass for the disabled.

“Dear Minister and PS (MSF),

I suffered a stroke some time ago that left me with significant mobility issues, so I was glad to hear of all the recent programmes that are aimed at helping the disabled, in particular the transport subsidies.

Two weeks ago, I applied for the public transport concession that is administered by SG Enable. As proof of my permanent disability, I submitted a copy of the letter from my doctor to MINDEF certifying me permanently unfit for National Service.

However, this was not accepted by SG Enable as sufficient proof, and I was given a “Functional Assessment” form to be filled up by my doctor. I have several concerns as well as suggestions on how this application process can be improved:

1) A functional assessment conducted by a doctor or a therapist, including the form filling, can cost anywhere from \$20 to close to \$100. This is not an issue in my situation because of support from my family, but could be a serious obstacle for lower income families. Given this new focus on being a more compassionate government, I feel MSF should be more proactive and generous in the administration of these programmes. MSF and its agencies or departments should be more flexible in accepting doctors' letters or hospitalisation records as valid proofs of disability. For accountability, follow-ups can be done by an MSF or SG Enable in-house team. This team would not need specialised medical training in order to validate a physical disability. Such centralised assessment would help lower income groups who cannot afford to pay for costly functional assessments.

2) The functional assessment form asks for functional assessments of Washing and Bathing, Dressing, Feeding, Toileting, Transferring, and Mobility. All of these are not relevant for the purposes of the public transport concession. First, the public transport concession is listed on SG Enable's website as available to those with a permanent “physical disability”, which SG Enable (an organisation that is supposed to help the disabled) should understand is not the same as “functional disability”. A person can have a “physical” disability without being “functionally” disabled because he or she has developed coping mechanisms. Second, 5 out of these 6 questions have nothing to do with public transport and are therefore unnecessary and intrusive.

3) This functional assessment form could be meant for the application for a foreign domestic worker grant, the form for which was also included in the letter to me even

though I only applied for the transport concession; If so, this represents a work process at SG Enable that is not sufficiently user-centric.

I hope MSF can take my feedback seriously so that the experience for other applicants of social programmes can be improved. The administration of social programmes should adopt a philosophy that is much more user-centric and empathetic, and which is different from the administration of other government programmes.

Best regards,  
Au Yong Haw Yee<sup>27</sup>

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<sup>27</sup> This letter has been reproduced with the permission of the author

**Tackling poverty the 'kuih lapis' way;**

A multi-layered approach tailored to the diverse needs of poor families can lift them from their 'dark valleys'.

*By Robin Chan, Ong Hwee Hwee*

15 Nov 2013

BLUE, green and red pen markers in hand, Minister for Social and Family Development Chan Chun Sing drew up a chart on a big sheet of paper, like an economics professor explaining a concept to his class.

He had called for the interview at the office of his ministry last Friday in the hope of resolving once and for all a contentious debate over how best to help the needy.

First, he makes it clear, any measure - be it the Gini co-efficient that tracks income inequality, or an absolute or relative poverty line to measure the number of poor - has its flaws or quirks and can give a very false picture of the situation in a country. So approach with caution.

Second, any solution to helping those in need must go far beyond the numbers as each individual and family has complex problems that numbers cannot decipher.

Singapore's approach too cannot be too simple. A single definition of poverty such as a poverty line based on a fraction of median income may create more problems than it solves, he says.

Instead of a single poverty line or even a single layer of assistance, Singapore favours giving multiple lines of assistance to help Singaporeans across the spectrum, in help schemes that are layered and overlapping with one another.

Pointing to the chart which he had just drawn judiciously, he pronounces matter-of-factly: "The kuih lapis."

In front of him are 18 layers of different sizes - from the largest running the entire length of the x-axis to the smallest, representing how many Singaporeans benefit from the myriad government schemes.

Each layer represents the various types of benefits handed out by the Government to Singaporeans from different income groups.

Going down the list, he says: "100 percentile for education, 80th percentile for housing, 67th percentile for some of our schemes like childcare subsidies." He is referring to the proportion of Singaporeans who qualify for each of these subsidies.

"Next, you have Workfare. Then you have the national ComCare assistance scheme, followed by Public Assistance."

Workfare tops up the income of workers earning less than \$1,900 a month and ComCare provides short- and medium-term assistance for those who are temporarily unable to work and have a monthly household income of \$1,700 and below or a per capita income of up to \$550.

Public Assistance (PA) is for those who cannot work and have no family support, usually the elderly. A single adult gets \$450 a month, while a household of two adults and two children gets \$1,480.

What this all means is that while Singapore has no official measurement of what constitutes poverty here, there are in fact many yardsticks as indicated in his hand-drawn, rainbow-coloured kuih lapis.

"This is our philosophy of having multiple lines of assistance across the entire spectrum rather than having one line," he says.

### **Does the line help?**

THE "one line" refers to the poverty line, a topic which has generated renewed interest after Hong Kong - often compared with Singapore - said yes to it after resisting such a move for years.

In September, the Hong Kong government drew its official poverty line at half the median household income level. In one stroke, about 1.3 million people, a fifth of its population, are now deemed to be living under it.

The poverty line is HK\$7,700 (S\$1,240) a month for a two-person household and HK\$14,300 for a four-member household.

The question of the poverty line has also been raised no less than three times in the last two months by different MPs - Non-constituency MP Yee Jenn Jong, and Nominated MPs Laurence Lien and Tan Su Shan.

On Monday, the Lien Centre for Social Innovation released a paper that called for more measures of poverty, using absolute, relative and subjective methods.

The paucity of data, in their minds, raises the question of whether sufficient government resources are being targeted at the right people who need them most.

Mr Chan does not disagree with them philosophically, but he does not care for "all the academic definitions".

"Does it help you to identify who are the poor who really need help? And does it help you to focus your resources? That's my acid test."

His answer is that one line does not present the best way to do so.

Armed with charts drawn on the spot and meticulously prepared tables loaded with data, the economics-trained minister builds his case.

To him, one line does not help because "who is poor and why they are poor is a multi-dimensional issue". The line can also result in mathematical quirks.

A line that is defined as 40, 50 or 60 per cent of the national median income, will, by mathematical definition, always yield one "magic number" under which everyone is considered poor.

But if the median income rises very quickly because the whole economy is doing very well, then Singapore ends up with more relative poor by the definition of the line, he

says. "So now does that mean that in that situation, we should have more resources spent on that" he asks.

On the other hand, if the median income is declining because the economy is contracting, then Singapore actually ends up with fewer poor as defined by the poverty line.

"Then does it mean we need fewer resources to take care of these people" he says.

"It's paradoxical. So I'm not saying that it's not useful. I'm just saying that before we use it, we must know the quirks and interpret the thing."

Rather than one figure, Singapore's approach is to look beyond the numbers when identifying who needs help, to understand the causes that lead to people needing help, otherwise "you don't get any policy prescription that treats the symptoms and the root cause".

"That's my fear," he says.

In fact, in countries like the United States and Britain, where an official poverty line has been drawn, he says, the line has yielded more problems than solutions.

The US tried to define a line but found that it has no practical value because it did not help the authorities to identify who are the poor or help them to know what to spend more on, said Mr Chan.

Neither has it helped the British government be more varied and more targeted in its assistance, he says.

"They realised that actually (having multiple lines) is the correct thing to do. And if that's the case, actually every society requires multiple lines."

The US has an absolute poverty threshold set at three times the cost of a minimum food diet in 1963. This is updated annually for inflation. But this absolute measure has been criticised for being outdated and a simplistic statistical exercise as it has also tended to have fluctuating numbers of poor, depending on recessions and economic booms.

### **Who are the poor?**

BUT having debunked the usefulness of the poverty line, questions still remain: Who exactly are the poor in Singapore and how many of them are there'

To that, Mr Chan says there are two groups that need help the most.

One is the temporary poor, those who for different reasons fall into hardship. They can be helped out of poverty through some temporary assistance such as ComCare.

The second group is the one that is more worrying and most challenging for the Government. These are the people who are poor for a very long time and have a problem getting out - the chronic poor.

Here, the problem is much more complex to understand because their poverty could be because of many factors such as drug abuse, poor financial management or ill-health.

And it is more worrying if they are young, Mr Chan says, because they and their children could get stuck in a cycle of poverty.

"You can be poor in one generation, but you must not be poor in every generation," he says.

Stabilising these families is not just a matter of transferring money to them, but requires a multi-faceted approach from sorting out their housing situation, to helping them get a job and making sure their children go to school.

This is to give them "holding power" so that they do not fall back into the cycle, he emphasises.

"We are not talking about a one-year or two-year problem. These are the people that require five to 10 years of assistance to get them out of the dark valleys", he says.

"And on top of that, we are not talking about just money... We are talking about having enough volunteers to come and hand-hold them and mentor them out of the situation. That is our greatest challenge."

Which is why his ministry will be launching a coordinated approach to package help for this group of what the Government calls "vulnerable families".

They will start with "the most intense cases", such as families who end up in trouble because of drug problems. Help will be extended to others.

But when asked how many such families there are, Mr Chan declines to give a figure, saying he would rather not draw a line at where the help will stop.

Complicating matters is that there are still people who likely need help but fall through the cracks and do not show up in any statistics - the "false negatives" or people wrongly identified as not needing help, who would actually benefit from it.

"You try to reach out to as many as you can but there will be some who don't want your help for pride or other things. Then you have got to be very careful," he says.

"But you don't want to end up in a situation whereby people are saying, 'Okay, I can't get help because the system is very complicated or I can't get help because it's not coordinated or people complain that the help is going to a group of people who are less deserving from the rest.' But those are value judgments that you have to make."

He admits that having a poverty line or focusing on numbers might actually be more politically palatable, but he says it would be simplistic and disingenuous.

"Let's say today we have 3,000 PA candidates, and tomorrow I have 2,500, should I pat myself on the back? It gives you comfort, right? But is it true? Overnight. Is it true? Where did the 500 go? Have they died?"

And if a group of people has moved out of a particular line of assistance, it does not mean they no longer need help, he adds.

"I don't want to be politically expedient. I understand it is easy to have a (politically) correct headline, but that is not what I am here for, and I hope I never get into that

position. We continue to do useful things, continue to do purposeful things for the people, whom we care for, not just because it's expedient to do so."

Instead, his true mark of success is in continuing to raise the middle-income level and prevent people from falling into poverty in the first place.

"Your question is how many people are there (in poverty)? My question is how many people have I avoided getting there because they have jobs, because they have housing, because they have medical care. That is the real big question to ask."

### **Not "social astronomers"**

MR CHAN says while he welcomes the debate on how to better reach out to those living with less, he hopes that Singaporeans will not lose sight of other challenges confronting the nation, some of which are driven by global forces such as competition and technology.

The critical challenge, he says, is looking for ways to grow the income of the middle class, so that "today's middle income" will not end up as "tomorrow's bottom".

Calling it a problem faced by most countries in the developed world, he notes: "If you look at the middle class in the United Kingdom, the real median income has not changed... In Taiwan, it has slowed down. And in Hong Kong, it has stagnated. Singapore has done relatively better. There is still some growth."

While there will likely always be an income gap - a fact of life given Singapore's fate as a competitive city-state attracting top talent - he acknowledges that "if the gap opens up too big, it makes for an unstable society and it is not good for people".

The Government's approach to this is five-pronged - providing jobs, education, health care and transport, and using social transfers as the "last line of defence".

But Mr Chan also hopes that the debate on the plight of the poor here will go beyond just talk as his concern is in finding enough hands to help.

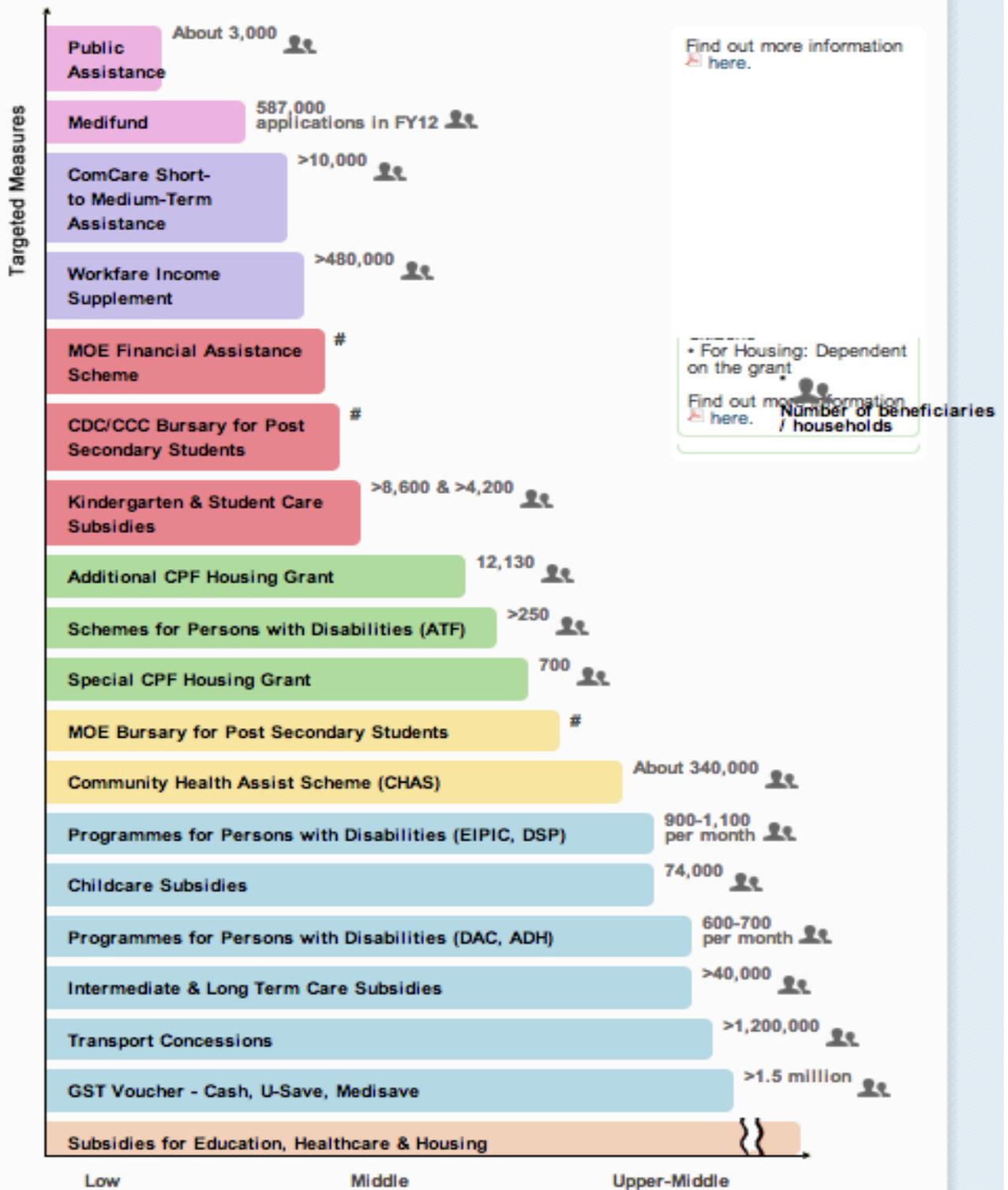
Asked about the Singaporeans Against Poverty campaign led by Caritas, the charity arm of the Catholic Church, which aims to raise awareness of the situation of those living with less, he says: "I have no issue with people creating more awareness but I hope it does not stop at that. I say don't be social astronomers.

"Go beyond discussing the one line or many lines. Come forward and do something, and understand how we have structured the system to take care of our people.

He says that it is not an indictment on anybody that Singapore has poor people - every society has them.

"But the circumstances don't define us. Our responses to the circumstances define us. That's the message we want to give. So I hope people don't ask, 'Are you hiding (poverty), do you not dare to define it' No, what's there to hide? You want to know, I will tell you everything."

## Multiple Lines of Assistance



Source: MSF, Multiple Lines of Assistance, <http://app.msf.gov.sg/Assistance/MultipleLinesofAssistance.aspx>



# Application for Community Health Assist Scheme

Bukit Merah Central Post Office, P.O. Box 680, Singapore 911536

For queries and more information, call **1800-275-2427 (1800-ASK-CHAS)**  
or log on to **www.chas.sg**

### Before you fill in this form, please take note:

This form has 6 pages. If more than 1 family member living in the same residential address is applying for CHAS, only 1 application form is required. **If you are a Public Assistance (PA) cardholder, you need not apply as you already qualify for the scheme.**

#### Eligibility:

- Singapore Citizen
- Household monthly income per person of \$1,800 and below\* OR Annual Value (AV)\*\* of residence of \$21,000 and below for households with no income

#### Documents to submit:

- Completed application form\*
- Clear copies of NRIC (front and back) of main applicant and family members living at the same address\*. For those below 15 years old, please submit photocopies of birth certificate if NRIC is not available.

\* Household monthly income per person is total household monthly income divided by total number of family members living together.  
\*\* AV is the estimated annual rent of your residence if it is rented out. An AV of up to \$21,000 will cover all HDB flats and some lower-value private residences.  
\* Incomplete forms lacking consent signatures/thumbprint and/or supporting documents will be sent back to the applicants for completion.  
\* As reflected on their NRIC(s) and/or birth certificate(s).

Jan 2014 **1**

### Particulars of Main Applicant

(Please tick ✓) Application for:  CHAS  I wish to renew my card

Name (as in NRIC) \_\_\_\_\_

NRIC / Birth Certificate / Special Pass No. \_\_\_\_\_ NRIC Type  Singapore Pink IC  Singapore Blue IC  Special Pass

Race  Chinese  Malay  Indian  Others (please specify) \_\_\_\_\_ Dwelling Type (as per address reflected in NRIC)  
 HDB Flats  Private Housing (including Executive Condos)  
 Institution (MOH / MSF licensed home)  Others (e.g. homeless, please specify): \_\_\_\_\_

Please indicate your gross monthly income# S\$ \_\_\_\_\_ if you are earning an income above \$5,000

Is your place of residence rented?  Yes, renting from Government  Yes, renting from open market  No

Mailing Address (if different from NRIC) \_\_\_\_\_

Contact Details: (Home No.) \_\_\_\_\_ (Mobile No.) \_\_\_\_\_ (Email Address) Please provide below \_\_\_\_\_

Notification Method\*:  None  Text Message  Email

### Particulars of Family Members living at the same address

Name (as in NRIC) \_\_\_\_\_

Relationship to Main Applicant \_\_\_\_\_ NRIC Type  Singapore Pink IC  Singapore Blue IC  Special Pass

NRIC / Birth Cert. / FIN / Special Pass / Foreign Passport No. \_\_\_\_\_  FIN  Foreign Passport

Race  Chinese  Malay  Indian  Others (please specify) \_\_\_\_\_ Please indicate your gross monthly income# if (i) you are earning an income above \$5,000; OR (ii) you are a foreigner (i.e. neither Singapore Citizen nor Singapore Permanent Resident) S\$ \_\_\_\_\_

Contact Details: (Mobile No.) \_\_\_\_\_ (Email Address) Please provide below \_\_\_\_\_

Notification Method\*:  None  Text Message  Email

Jan 2014 **2**

### Particulars of Family Members living at the same address

Name (as in NRIC) \_\_\_\_\_

Relationship to Main Applicant \_\_\_\_\_ NRIC Type  Singapore Pink IC  Singapore Blue IC  Special Pass

NRIC / Birth Cert. / FIN / Special Pass / Foreign Passport No. \_\_\_\_\_  FIN  Foreign Passport

Race  Chinese  Malay  Indian  Others (please specify) \_\_\_\_\_ Please indicate your gross monthly income# if (i) you are earning an income above \$5,000; OR (ii) you are a foreigner (i.e. neither Singapore Citizen nor Singapore Permanent Resident) S\$ \_\_\_\_\_

Contact Details: (Mobile No.) \_\_\_\_\_ (Email Address) Please provide below \_\_\_\_\_

Notification Method\*:  None  Text Message  Email

Name (as in NRIC) \_\_\_\_\_

Relationship to Main Applicant \_\_\_\_\_ NRIC Type  Singapore Pink IC  Singapore Blue IC  Special Pass

NRIC / Birth Cert. / FIN / Special Pass / Foreign Passport No. \_\_\_\_\_  FIN  Foreign Passport

Race  Chinese  Malay  Indian  Others (please specify) \_\_\_\_\_ Please indicate your gross monthly income# if (i) you are earning an income above \$5,000; OR (ii) you are a foreigner (i.e. neither Singapore Citizen nor Singapore Permanent Resident) S\$ \_\_\_\_\_

Contact Details: (Mobile No.) \_\_\_\_\_ (Email Address) Please provide below \_\_\_\_\_

Notification Method\*:  None  Text Message  Email

Name (as in NRIC) \_\_\_\_\_

Relationship to Main Applicant \_\_\_\_\_ NRIC Type  Singapore Pink IC  Singapore Blue IC  Special Pass

NRIC / Birth Cert. / FIN / Special Pass / Foreign Passport No. \_\_\_\_\_  FIN  Foreign Passport

Race  Chinese  Malay  Indian  Others (please specify) \_\_\_\_\_ Please indicate your gross monthly income# if (i) you are earning an income above \$5,000; OR (ii) you are a foreigner (i.e. neither Singapore Citizen nor Singapore Permanent Resident) S\$ \_\_\_\_\_

Contact Details: (Mobile No.) \_\_\_\_\_ (Email Address) Please provide below \_\_\_\_\_

Notification Method\*:  None  Text Message  Email

# Gross monthly income refers to your basic income, overtime pay, allowances, cash awards, commissions and bonuses.  
\* To receive email or text notification on your balance of subsidy for chronic conditions, please login to MY CHAS at www.chas.sg

Jan 2014 **3**

### Consent/Declaration

#### Definitions

- Throughout this form, the words and expressions below shall have the meanings hereby ascribed to them.
- Cooperating Parties** shall refer to the Government of the Republic of Singapore (the "Government"), and such statutory boards and organisations as approved by the Government that are involved in the provision and delivery of the Services and Schemes.
- Family Member** means a person related to the Main Applicant by blood, marriage and/or legal adoption.
- Personal Information** means an individual's personal data (e.g. name, NRIC No., address, age, gender, family/household structure), financial data (e.g. income, insurance coverage, bank statements), consumption data (e.g. payment for utilities, housing, healthcare bills, scheme participation), social assistance data (e.g. social assistance history, assessments for eligibility and suitability for various Services and Schemes, social worker case reports) or medical information, that is relevant for the Purpose (as defined in paragraph 4 below).
- Services and Schemes** means public services and schemes, which include the following:
  - healthcare, aged care, childcare, education, social assistance and counselling services and schemes;
  - any form of financial assistance such as subsidies, grants, tax reliefs, vouchers or bursaries; and
  - retirement, savings and insurance schemes operated by Government, CPF Board or their appointed agents.

#### Consent

- I understand that the sharing of personal information between different entities such as the Government, and certain statutory boards, and organisations as approved by the Government will assist in the evaluation of my and/or my Family Members' suitability and eligibility for certain healthcare, social and other public services and schemes.
- Subject to paragraph 5, by signing this consent, I agree that any Cooperating Party may:
  - collect my Personal Information from me or any of the other Cooperating Parties;
  - disclose my Personal Information to any of the other Cooperating Parties; and
  - use my Personal Information, regardless of whether my Personal Information relates to matters occurring before, on or after the date of this consent, for the purposes of:
    - evaluating my and/or my Family Members' suitability and eligibility for the Services and Schemes at any time;
    - the administration and provision of the Services and Schemes in relation to me and/or my Family Members; and/or
    - data analysis, evaluation and policy formulation, in which I and/or my family members shall not be identified as specific individuals or households (collectively known as the "Purpose").
- I consent to the Inland Revenue Authority of Singapore (IRAS) and the Central Provident Fund Board (CPF Board) disclosing to the Cooperating Parties the following information (hereinafter referred to as the "IRAS and CPF Information"):
  - my income information;
  - information relating to my CPF contributions and any information that may be derived therefrom;
  - information relating to my CPF Accounts (e.g. account balance, withdrawal details, etc.);
  - information relating to or arising from my participation in schemes administered by the CPF Board (e.g. medical information, insurance coverage, etc.).

whether such IRAS and CPF Information relates to matters occurring before, on or after the date of this consent, necessary or the purposes of means-testing or otherwise determining my or any of my Family Members' access or eligibility to any subsidies, financial assistance or other social assistance programmes or schemes, as and when required from time to time. For the avoidance of doubt, the IRAS and CPF Information shall not include such information obtained by CPF Board in the course of conducting surveys.
- I understand that this consent shall remain in effect unless revoked in writing. I accept that the withdrawal of consent will only take effect within 7 working days from the date of receipt of the withdrawal.
- This consent shall be governed by and construed in accordance with the laws of the Republic of Singapore.

#### Declaration

- I declare that I am the Main Applicant, a Family Member of, and living at the same residential address as, the Main Applicant, or an individual authorised to provide consent on behalf of the Main Applicant / Family Member living at the same residential address.
- Where I am providing consent on behalf of the Main Applicant / Family Member(s) who is under 21 years of age, I further declare that I am his / her parent / legal guardian.
- Where I am providing consent on behalf of the Main Applicant / Family Member(s) who is mentally incapacitated, I further declare that I am:
  - his/her appointed donee(s) acting under a Lasting Power of Attorney granted by the Main Applicant / Family Member under the Mental Capacity Act (Cap. 177A) when he/she was above 21 years old; or
  - his/her deputy(s) appointed by the Court under the Mental Capacity Act (Cap. 177A) to act on behalf of the Main Applicant / Family Member.
- I declare that all the information provided by me in this form is true, correct and accurate.
- I understand and acknowledge that if any of the information provided by me in this form is false or inaccurate, I and/or my Family Members will be liable to repay in full the value of any assistance granted, inclusive of all administrative expenses, and also may face criminal prosecution.

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**Consent/Declaration**

**Main Applicant's Name:** \_\_\_\_\_ **Signature/Thumbprint (Date):** \_\_\_\_\_ **Name of signatory (Where consent is provided on behalf of the Main Applicant)\*\*:** \_\_\_\_\_

I hereby confirm that I understand and agree to all the provisions in this form.

\*\* Tick one of the following, where applicable:  I have consented on behalf of the Main Applicant who is under 21 years of age!  I/We have consented on behalf of the Main Applicant who is mentally incapacitated?  I have consented on behalf of the Family Member who is under 21 years of age!  I/We have consented on behalf of the Family Member who is mentally incapacitated?

**Family Member's Name:** \_\_\_\_\_ **Signature/Thumbprint (Date):** \_\_\_\_\_ **Name of signatory (Where consent is provided on behalf of the Family Member)\*\*:** \_\_\_\_\_

I hereby confirm that I understand and agree to all the provisions in this form.

\*\* Tick one of the following, where applicable:  I have consented on behalf of the Family Member who is under 21 years of age!  I/We have consented on behalf of the Family Member who is mentally incapacitated?

**Family Member's Name:** \_\_\_\_\_ **Signature/Thumbprint (Date):** \_\_\_\_\_ **Name of signatory (Where consent is provided on behalf of the Family Member)\*\*:** \_\_\_\_\_

I hereby confirm that I understand and agree to all the provisions in this form.

\*\* Tick one of the following, where applicable:  I have consented on behalf of the Family Member who is under 21 years of age!  I/We have consented on behalf of the Family Member who is mentally incapacitated?

**Family Member's Name:** \_\_\_\_\_ **Signature/Thumbprint (Date):** \_\_\_\_\_ **Name of signatory (Where consent is provided on behalf of the Family Member)\*\*:** \_\_\_\_\_

I hereby confirm that I understand and agree to all the provisions in this form.

\*\* Tick one of the following, where applicable:  I have consented on behalf of the Family Member who is under 21 years of age!  I/We have consented on behalf of the Family Member who is mentally incapacitated?

**Family Member's Name:** \_\_\_\_\_ **Signature/Thumbprint (Date):** \_\_\_\_\_ **Name of signatory (Where consent is provided on behalf of the Family Member)\*\*:** \_\_\_\_\_

I hereby confirm that I understand and agree to all the provisions in this form.

\*\* Tick one of the following, where applicable:  I have consented on behalf of the Family Member who is under 21 years of age!  I/We have consented on behalf of the Family Member who is mentally incapacitated?

**Instructions to Main Applicant / Family Member(s):**

- Please provide a copy of the signatory's NRIC or Passport if not already done so as part of this application.
- Please check whether the donee/deputy may act singly or has to act jointly with other donee(s)/deputy(s). If the donees/deputies are required to act jointly, all donees/deputies must provide consent on behalf of the Main Applicant / Family Member. Please provide a copy of the Lasting Power of Attorney / Order of Court and NRIC/Passport of the donee(s)/deputy(s) if not already done so as part of this application.

**Note:**

- For Main Applicant / Family Member(s) who is unable to provide consent, please complete the section "Unable to Provide Consent or On Behalf Consent" in this form.
- If one or more of the above signatories does/do not read English, the name of the interpreter is \_\_\_\_\_ (name).

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Jan 2014

**Consent/Declaration**

**Unable to Provide Consent or On Behalf Consent**

The following Main Applicant / Family Member (aged 21 and above) is unable to provide consent:

Name (as in NRIC): \_\_\_\_\_

**Reason for Inability to Provide Consent or On Behalf Consent (tick one of the following):**

Mentally incapacitated but a donee has not been appointed under a Lasting Power of Attorney or deputy has not been appointed by the Court under the Mental Capacity Act (Cap. 177A) (please fill in doctor's certification below)

In prison

Overseas

Others (please specify) \_\_\_\_\_

**Doctor's Certification for Mental Incapacity**

I certify that the above-named Main Applicant / Family Member is mentally incapacitated and is unable to provide consent.

Name of Doctor		Signature of Doctor	Official stamp of clinic/hospital:
Date	MCR No.	Contact No.	

**Instructions:**

- Date of doctor's certification must be within 6 months from date of submitting this form unless the Main Applicant / Family Member is permanently mentally incapacitated.
- If the doctor is not present to certify and sign this form, a separate doctor's memo indicating that the Main Applicant / Family Member is unable to provide consent due to the relevant medical reason may be attached.

**For Official Use**

This application is verified/processed by: \_\_\_\_\_

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Jan 2014