

Singapore

Exchange rate: US\$1.00 =
1.36 Singapore dollars (S\$).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1953 (provident fund), implemented in 1955.

Current laws: 2001 (provident fund) and 2015 (income support program).

Type of program: Provident fund and social assistance system.

Note: Central Provident Fund (CPF) provides four types of individual accounts for each member: an Ordinary Account (OA) to finance the purchase of a home, approved investments, life and mortgage insurance, and education; a Special Account (SA), principally for retirement (may invest in retirement-related financial products); a MediSave account (MA) for certain hospitalization and medical expenses (see Sickness and Maternity); and a Retirement Account (RA) set up at age 55 to finance monthly payments at retirement.

Coverage

Provident fund: Employed persons, including most categories of public-sector employees; and self-employed persons with annual net income greater than S\$6,000 (MA only).

Voluntary coverage for persons without mandatory coverage.

Special system for certain categories of public-sector employees, including administrative service staff.

Social assistance (Silver Support Scheme): Needy, elderly citizens of Singapore.

Source of Funds

Insured person

Provident fund: 20% of monthly earnings of at least S\$750 if younger than age 56, 13% if aged 56 to 60, 7.5% if aged 61 to 65, or 5% if aged 66 or older. Insured persons earning at least S\$500 but less than S\$750 a month pay a flat monthly amount depending on age and earnings. Contribution rates are reduced for pensioners.

An additional monthly premium, which varies by age, is paid for coverage under the Dependants' Protection Scheme (DPS). The premium ranges from S\$36 (if younger than age 35) to S\$260 (if aged 55 to 59). Premiums can be paid using the balance in the OA or SA.

The minimum monthly earnings used to calculate contributions are S\$500.

The maximum monthly earnings used to calculate contributions are S\$6,000.

Of the combined insured person and employer contribution, 1% to 23% is allocated to the OA, 1% to 11.5% to the SA, and 8% to 10.5% to the MA, depending on age, for insured persons with monthly earnings of at least S\$750. The MA covers the cost of hospitalization and medical expenses (see Sickness and Maternity). Funds from the OA and the SA are transferred to the RA at age 55, up to a certain amount.

The maximum annual combined insured person and employer contribution is S\$37,740.

Social assistance: None.

Self-employed person

Provident fund: 4% to 10.5% (depending on age, earnings, and whether or not the self-employed person is a pensioner) of annual net trade income to the MA only. (Contribution rates for older insured persons, persons with higher annual net trade income, and nonpensioners are higher).

The maximum mandatory annual contribution to the MA is S\$5,760 to S\$7,560, depending on age, earnings, and whether or not the self-employed person is a pensioner.

Self-employed persons can make voluntary contributions to the OA and SA.

An additional monthly premium, which varies by age, is paid for coverage under the Dependants' Protection Scheme (DPS). The premium ranges from S\$36 (if younger than age 35) to S\$260 (if aged 55 to 59). Premiums can be paid using the balance in the OA or SA.

Social assistance: None.

Employer

Provident fund: 17% of monthly payroll greater than S\$50 for employees aged 55 or younger, 13% for employees aged 56 to 60, 9% for employees aged 61 to 65, or 7.5% for employees aged 66 or older. Contribution rates are reduced for pensioners.

The minimum monthly earnings used to calculate contributions are S\$50.

The maximum monthly earnings used to calculate contributions are S\$6,000.

Of the combined insured person and employer contribution, 1% to 23% is allocated to the OA, 1% to 11.5% to the SA, and 8% to 10.5% to the MA, depending on age for insured persons with monthly earnings of at least S\$750. Funds from the OA and the SA are transferred to the RA at age 55, up to a certain limit.

The maximum annual combined insured person and employer contribution is S\$37,740.

Social assistance: None.

Government

Provident fund: Contributes as an employer for most categories of public-sector workers.

Under the Workfare Income Supplement Scheme (see Family Allowances), subsidizes 60% of up to S\$3,600 a year, depending on the insured person's age and income, to the CPF accounts of lower-wage employees aged 35 or older (aged 13 or older if disabled) with gross monthly income up to S\$2,000 (and gross average monthly income up to S\$2,000 in the last 12 months for employees); 90% of up to S\$2,400 a year, depending on the insured person's age and income, to the MA of lower-wage self-employed persons; and tops up CPF accounts for insured persons on an ad hoc basis.

Social assistance: The total cost.

Qualifying Conditions

Old-age benefit (provident fund)

Ordinary Account: Funds can be withdrawn at age 55, subject to certain conditions; at any age if the fund member is assessed with a serious medical condition or permanently leaves Singapore and West Malaysia.

Drawdown payment: Funds can be withdrawn before age 55 to purchase a home or insurance (term-life insurance scheme and a mortgage-reducing insurance program run by the CPF Board) or to pay for full-time tertiary education at approved local institutions for the fund member, his or her spouse or children. Funds over S\$20,000 can be withdrawn to make investments in approved instruments.

Special Account: Funds can be withdrawn at age 55, subject to certain conditions; at any age if the fund member has a serious medical condition or permanently leaves Singapore and West Malaysia.

Early withdrawal: Funds over S\$40,000 can be withdrawn before age 55 to make investments in approved instruments.

MediSave Account: Funds can be partially withdrawn to pay for costs related to hospitalization, certain outpatient expenses, and healthcare insurance premiums. See *Sickness and Maternity*.

Retirement Account: Funds can be partially withdrawn at age 55, subject to certain conditions, or at any age if the fund member has a serious medical condition or permanently leaves Singapore and West Malaysia.

Fund members with at least S\$60,000 in the RA at age 65 are automatically enrolled in a life annuity program from the CPF Board (CPF Lifelong Income For the Elderly [CPF LIFE]). (Enrolment is voluntary for fund members with less than this amount.)

Old-age benefit (Silver Support Scheme, social assistance, income tested): Age 65 with total CPF contributions of up to S\$70,000 by age 55 and household per capita monthly income of up to S\$1,100. Self-employed persons

must have an average annual net trade income of up to S\$22,800 from age 45 to 54. Must live in public housing with less than seven rooms and must not own or be married to someone who owns a property with five or more rooms.

Disability benefit (Dependents' Protection Scheme, provident fund): Must be aged 21 to 60 and diagnosed with a serious medical condition, assessed with a permanent total incapacity for any work, or terminally ill.

The disability is assessed either by a registered doctor in any government hospital or by the Central Provident Fund Board's panel of doctors.

Fund members may opt out.

Survivor benefit (provident fund): Paid to one or more named survivors.

Old-Age Benefits

Old-age benefit (provident fund)

Ordinary and Special accounts: A lump sum is paid of the account balance exceeding the minimum required balance in the RA, or S\$5,000, whichever is greater.

The minimum required balance in the RA varies depending on the age at which the insured reached age 55: from S\$80,000 (if reaching age 55 from July 1, 2003 to June 30, 2004) to S\$171,000 (if reaching age 55 from January 1, 2018 to December 31, 2018).

Interest rate: The interest rate on the OA is 2.5% or the average interest rate of major local banks over the last three months, whichever is higher. The interest rate on the SA, MA, and RA is based on the current floor interest rate of 4% or the 12-month average yield of the 10-year Singapore Government Securities plus 1%, whichever is higher. The first S\$60,000 of a member's combined savings (including up to S\$20,000 from the OA) earns an additional 1% a year. Members aged 55 or older will also earn an additional 1% extra interest on the first S\$30,000 of their combined savings (with up to S\$20,000 from the OA). The CPF Board guarantees a legislated minimum interest rate of 2.5% a year on all accounts. Interest is computed monthly and compounded and credited annually.

MediSave Account: See *Sickness and Maternity*.

Retirement Account: Funds can be withdrawn to buy a life annuity from the CPF Board or approved insurers. Members with at least S\$60,000 in their RA at age 65 must purchase the life annuity provided by the CPF Board (CPF LIFE). Up to half the minimum required balance in the RA can be withdrawn.

The minimum required balance in the RA varies based on the age at which the insured reached age 55: from S\$80,000 (if reaching age 55 from July 1, 2003 to June 30, 2004) to S\$171,000 (if reaching age 55 from January 1, 2018 to December 31, 2018).

Old-age benefit (Silver Support Scheme, social assistance, income tested): S\$300 to S\$750 a quarter is paid, depending on the beneficiary's place of residence.

Permanent Disability Benefits

Disability benefit (Dependents' Protection Scheme, provident fund): Fund members are paid a lump sum of up to S\$5,000 or the amount of the RA balance exceeding a pro-rated minimum balance, whichever is greater.

A monthly benefit of the remaining balance in the RA is also paid.

The maximum combined disability benefit is S\$46,000.

Survivor Benefits

Survivor benefit (provident fund, all accounts): The benefit is the remaining balances in the deceased's accounts, any term-life insurance payouts, and any death benefit from the CPF LIFE annuity scheme.

The fund member determines the proportion of benefit that different survivors receive. If there are no named survivors, the benefit is distributed by the Public Trustee according to law.

Administrative Organization

Ministry of Manpower (<https://www.mom.gov.sg/>) provides policy supervision through its Income Security Policy Division.

Central Provident Fund Board (<https://www.cpf.gov.sg/>), managed by a tripartite board and a chairman, administers the programs, including the custody of the fund, collection of contributions, and payment of benefits.

Sickness and Maternity

Regulatory Framework

First laws: 1953 (provident fund), implemented in 1955; 1968 (employment); and 1993 (medical endowment scheme).

Current laws: 2000 (medical and elderly care), 2001 (provident fund), 2001 (child development co-savings), 2009 (employment), and 2015 (medical benefits).

Type of program: Social insurance (medical benefits), provident fund (medical benefits), employer-liability (cash sickness and maternity benefits), employment-related (cash maternity benefit), and social assistance (medical benefits) system.

Note: Provident fund members have a MediSave account to pay for hospital treatment, selected outpatient medical treatment, and approved medical insurance.

Coverage

Social insurance (MediShield Life, medical benefits): Citizens and permanent residents of Singapore.

Provident fund (MediSave, medical benefits): See coverage under Old Age, Disability, and Survivors.

Employer liability (cash sickness and maternity benefits): Employed persons.

Exclusions: Self-employed persons.

Employment-related (cash maternity benefit): Employed and self-employed persons.

Social assistance (MediFund, medical benefits): Needy citizens of Singapore.

Source of Funds

Insured person

Social insurance (MediShield Life, medical benefits): An annual premium that varies depending on age and whether the insured is assessed with certain pre-existing conditions. Premiums can be paid in cash or using the balance in the MA provident fund account (see source of funds under Old Age, Disability, and Survivors).

Provident fund (MediSave, medical benefits): See source of funds under Old Age, Disability, and Survivors.

Employer liability (cash sickness and maternity benefits): None.

Employment-related (cash maternity benefit): None.

Social assistance (MediFund, medical benefits): None.

Self-employed person

Social insurance (MediShield Life, medical benefits): An annual premium that varies depending on age and whether the insured is assessed with certain pre-existing conditions. Premiums can be paid in cash or using the balance in the MA (see source of funds under Old Age, Disability, and Survivors).

Provident fund (MediSave, medical benefits): See source of funds under Old Age, Disability, and Survivors.

Employer liability (cash sickness and maternity benefits): Not applicable.

Employment-related (cash maternity benefit): None.

Social assistance (MediFund, medical benefits): None.

Employer

Social insurance (MediShield Life, medical benefits): None.

Provident fund (MediSave, medical benefits): See source of funds under Old Age, Disability, and Survivors.

Employer liability (cash sickness and maternity benefits): The total cost.

Employers can seek a tax exemption for the two types of benefits (above) for medical expenses incurred up to a certain percentage of their wage costs.

Employment-related (cash maternity benefit): None.

Social assistance (MediFund, medical benefits): None.

Government

Social insurance (MediShield Life, medical benefits): Provides means-tested premium subsidies.

Provident fund (MediSave, medical benefits): Contributes as an employer. Opens and credits a certain amount to a MA for newborn Singaporean citizens under the MediSave Grants for Newborns program. Provides regular and ad-hoc top-ups to the MA of certain groups of Singaporean citizens including low-income and elderly persons.

Employer liability (cash sickness and maternity benefits): Contributes as an employer.

Employment-related (cash maternity benefit): The total cost.

Social assistance (MediFund, medical benefits): Finances all or part of the cost of treatment in approved publicly funded institutions.

Qualifying Conditions

Cash sickness benefit (employer liability): Must have at least three months of employment. A registered doctor must provide medical certification.

Cash maternity benefit (employer liability and employment-related): Must have at least three months of employment or self-employment immediately before childbirth and be married to the child's father.

Medical benefits (MediShield Life, social insurance): There is no minimum qualifying period.

Medical benefits (MediSave, provident fund): There is no minimum qualifying period. Withdrawal limits apply.

Medical benefits (MediFund, social assistance, means tested): Must satisfy a means test.

Sickness and Maternity Benefits

Sickness benefit (employer liability): 100% of the employee's gross wages is paid for up to 14 days a year (up to 60 days if hospitalized).

Maternity benefit (employer liability and employment-related): 100% of the employee's gross wages is paid for up to 16 weeks. For the first and second child, the employer pays for the first eight weeks and the government pays thereafter; for each subsequent child, the government pays for all 16 weeks.

The maximum maternity benefit is S\$10,000 for each four-week period.

Workers' Medical Benefits

Medical benefits (MediShield Life, social insurance):

Benefits include inpatient care, outpatient treatment, and prescribed medicine in approved hospitals and medical institutions after deduction of subsidies for citizens and permanent residents, subject to claim limits.

Medical benefits (MediSave, provident fund): Funds can be withdrawn from the MA for medical treatments and to purchase MediShield Life and ElderShield, a severe disability long-term care insurance plan, or ElderShield Supplements for a member or his or her dependents, subject to limits. Fund members may also use the MA to purchase Integrated Shield Plans from private insurers or withdraw funds to pay for childbirth and maternity care expenses.

Medical benefits (MediFund, social assistance): Provides financial aid for medical treatment in public health-care institutions. The amount of financial aid provided depends on individual circumstances.

Discretionary subsidies are also available at approved intermediate and long-term care institutions.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry of Manpower (<https://www.mom.gov.sg/>) provides general supervision for the employer-liability and programs and enforces the law through its Labour Relations and Workplaces Division.

Ministry of Manpower (<https://www.mom.gov.sg/>) provides policy supervision for the provident fund program through its Income Security Policy Division.

Central Provident Fund Board (<https://www.cpf.gov.sg/>), managed by a tripartite board and a chairman, administers the provident fund program, including custody of the fund, collection of contributions, and payment of benefits, in accordance with the Central Provident Fund Act and relevant subsidiary legislation.

Ministry of Health (<https://www.moh.gov.sg/>) regulates medical services provided by government hospitals and private providers. It also oversees the funding of the health-care sector, subsidies, and MediFund, and provides policy direction for MediSave, MediShield Life, and ElderShield.

Work Injury

Regulatory Framework

First law: 1933 (workmen's compensation).

Current law: 2009 (work injury compensation).

Type of program: Employer-liability system through a private carrier.

Coverage

Manual employees (regardless of earnings) and non-manual employees with monthly earnings of S\$1,600 or less (unless exempt).

The Ministry of Manpower may waive the compulsory insurance requirement for any employer or class of employers.

Exclusions: Self-employed persons, household workers, military, police, civil defense force, central narcotics bureau, and prison service personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost (provides benefits directly to employees or pays insurance premiums).

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease. There is no minimum qualifying period, but claims must be made within one year of the date of the accident or when the disability began.

Temporary Disability Benefits

100% of the insured's average monthly earnings in the 12 months before the disability began is paid for up to 14 days if not hospitalized (up to 60 days if hospitalized). Thereafter, 66.7% of the insured's average monthly earnings in the 12 months before the disability began is paid.

The benefit is paid from the first day of incapacity for the duration of incapacity, up to one year.

Permanent Disability Benefits

Permanent disability benefit: For an assessed total (100%) disability, a lump sum is paid that varies depending on the insured's age when the disability began and the average monthly earnings in the 12 months before the disability began.

The lump sum ranges from 72 times the insured's average monthly earnings in the 12 months before the disability began (if aged 66 or older) to 181 times the insured's average monthly earnings in the 12 months before the disability began (if aged 14 or younger).

The minimum permanent disability benefit is S\$88,000.

The maximum permanent disability benefit is S\$262,000.

Partial disability: For an assessed degree of disability of less than 100%, a percentage of the full permanent disability benefit is paid based on the assessed degree of disability and a schedule in law.

Additional disability benefit: If the insured is assessed with a total (100%) disability, an additional 25% of the permanent disability benefit is paid. A registered doctor must provide medical certification.

Workers' Medical Benefits

Treatment at approved hospitals is provided.

The employer pays for medical expenses up to a maximum amount of S\$36,000 or for up to one year after the date of the accident, whichever occurs first.

Survivor Benefits

A lump sum, which varies depending on the insured's age at the time of death and average monthly earnings, is split among eligible survivors.

The lump sum ranges from 48 times the deceased's average monthly earnings in the 12 months before death (if the deceased was aged 66 or older) to 136 times the deceased's average monthly earnings in the 12 months before death (if the deceased was aged 14 or younger).

Eligible survivors include a spouse, parents, grandparents, stepparents, children, grandchildren, stepchildren, and brothers and sisters.

The minimum survivor benefit is S\$69,000.

The maximum survivor benefit is S\$204,000.

Administrative Organization

Ministry of Manpower (<https://www.mom.gov.sg/>) provides general supervision through its Work Injury Compensation Department, Occupational Safety, and Health Division.

The Commissioner for Labour, as appointed under the Employment Act, and his appointed Assistant Commissioners assess and distribute compensation, conduct hearings, and investigate and enforce the Work Injury Compensation Act.

Unemployment

Regulatory Framework

The Workfare Training Support Scheme provides subsidized employment training, including a training allowance of up to S\$4.50 an hour of training completed, to persons who qualify for the Workfare Income Support Scheme (see Family Allowances).

Family Allowances

Regulatory Framework

First law: 1953 (provident fund), implemented in 1955.

Current law: 2001 (provident fund).

Type of program: Social assistance system.

Coverage

Needy employed and self-employed citizens of Singapore.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Income supplement (Workfare Income Supplement Scheme, means tested): Age 35 (at any age if disabled).

Means test: Gross average monthly income in the last 12 months (employees) and gross monthly income in the last month (employees and self-employed persons) must not exceed S\$2,000. Must not live in a property with a gross annual rental value exceeding S\$13,000 in the previous year or own two or more properties (including the spouse's properties). The spouse's income must not exceed S\$70,000 in the previous year.

Family Allowance Benefits

Income supplement (Workfare Income Supplement Scheme, means tested): Up to S\$3,600 a year (S\$2,400 if self-employed) is paid depending on the worker's age.

40% of the supplement is paid as a cash benefit (10% if self-employed) and 60% is paid to the CPF account (90% to the MediSave account if self-employed).

Schedule of payments: The benefit is paid monthly (annually if self-employed).

Administrative Organization

Ministry of Manpower (<https://www.mom.gov.sg/>) provides policy supervision through its Income Security Policy Division.

Central Provident Fund Board (<http://www.cpf.gov.sg/>) administers the program and pays benefits.