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PARLIAMENTARY DEBATES

SINGAPORE

OFFICIAL REPORT

FOURTEENTH PARLIAMENT

FIRST SESSION

Thursday, 23 February 2023

The House met at 11:30 am

VOLUME 95

NO 85

ATTENDANCE

PRESENT:

Mr SPEAKER (Mr Tan Chuan-Jin (Marine Parade)).

Mr Abdul Samad (Nominated Member).

Ms Janet Ang (Nominated Member).

Mr Ang Wei Neng (West Coast).

Mr Baey Yam Keng (Tampines), Senior Parliamentary Secretary to the Minister for Sustainability and the Environment and Minister for Transport.

Mr Chan Chun Sing (Tanjong Pagar), Minister for Education.

Miss Cheryl Chan Wei Ling (East Coast).

Mr Mark Chay (Nominated Member).

Mr Chee Hong Tat (Bishan-Toa Payoh), Senior Minister of State for Finance and Transport.

Miss Cheng Li Hui (Tampines).

Mr Edward Chia Bing Hui (Holland-Bukit Timah).

Mr Chong Kee Hiong (Bishan-Toa Payoh).

Mr Desmond Choo (Tampines).

Mr Eric Chua (Tanjong Pagar), Senior Parliamentary Secretary to the Minister for Culture, Community and Youth and Minister for Social and Family Development.

Mr Chua Kheng Wee Louis (Sengkang).

Mr Darryl David (Ang Mo Kio).

Mr Christopher de Souza (Holland-Bukit Timah), Deputy Speaker.

Ms Foo Mee Har (West Coast).

Ms Grace Fu Hai Yien (Yuhua), Minister for Sustainability and the Environment.

Mr Gan Kim Yong (Chua Chu Kang), Minister for Trade and Industry.

Ms Gan Siow Huang (Marymount), Minister of State for Education and Manpower.

Mr Gan Thiam Poh (Ang Mo Kio).

Mr Gerald Giam Yean Song (Aljunied).

Mr Derrick Goh (Nee Soon).

Ms He Ting Ru (Sengkang).

Mr Heng Chee How (Jalan Besar), Senior Minister of State for Defence.

Mr Heng Swee Keat (East Coast), Deputy Prime Minister and Coordinating Minister for Economic Policies.

Prof Hoon Hian Teck (Nominated Member).

Mr Shawn Huang Wei Zhong (Jurong).

Ms Indranee Rajah (Tanjong Pagar), Minister, Prime Minister's Office and Second Minister for Finance and National Development and Leader of the House.

Mr S Iswaran (West Coast), Minister for Transport and Minister-in-charge of Trade Relations.

Dr Janil Puthuchear (Pasir Ris-Punggol), Senior Minister of State for Communications and Information and Health and Government Whip.

Dr Amy Khor Lean Suan (Hong Kah North), Senior Minister of State for Sustainability and the Environment and Transport.

Prof Koh Lian Pin (Nominated Member).

Dr Koh Poh Koon (Tampines), Senior Minister of State for Manpower and Sustainability and the Environment.

Mr Kwek Hian Chuan Henry (Kebun Baru).

Mr Desmond Lee (West Coast), Minister for National Development, Minister-in-charge of Social Services Integration.

Mr Lee Hsien Loong (Ang Mo Kio), Prime Minister.

Mr Leong Mun Wai (Non-Constituency Member).

Mr Liang Eng Hwa (Bukit Panjang).

Mr Lim Biow Chuan (Mountbatten).

Assoc Prof Jamus Jerome Lim (Sengkang).

Ms Sylvia Lim (Aljunied).

Dr Lim Wee Kiak (Sembawang).

Ms Low Yen Ling (Chua Chu Kang), Minister of State for Culture, Community and Youth and Trade and Industry.

Ms Mariam Jaafar (Sembawang).

Mr Masagos Zulkifli B M M (Tampines), Minister for Social and Family Development, Second Minister for Health and Minister-in-charge of Muslim Affairs.

Dr Mohamad Maliki Bin Osman (East Coast), Minister, Prime Minister's Office and Second Minister for Education and Foreign Affairs.

Mr Mohd Fahmi Aliman (Marine Parade).

Mr Muhamad Faisal Bin Abdul Manap (Aljunied).

Assoc Prof Dr Muhammad Faishal Ibrahim (Nee Soon), Minister of State for Home Affairs and National Development.

Mr Murali Pillai (Bukit Batok).

Ms Nadia Ahmad Samdin (Ang Mo Kio).

Dr Ng Eng Hen (Bishan-Toa Payoh), Minister for Defence.

Mr Louis Ng Kok Kwang (Nee Soon).

Ms Ng Ling Ling (Ang Mo Kio).

Miss Rachel Ong (West Coast).

Mr Ong Ye Kung (Sembawang), Minister for Health.

Ms Joan Pereira (Tanjong Pagar).

Mr Leon Perera (Aljunied).

Ms Denise Phua Lay Peng (Jalan Besar).

Ms Hazel Poa (Non-Constituency Member).

Ms Poh Li San (Sembawang).

Mr Pritam Singh (Aljunied), Leader of the Opposition.

Ms Rahayu Mahzam (Jurong), Senior Parliamentary Secretary to the Minister for Health and Minister for Law.

Mr Saktiandi Supaat (Bishan-Toa Payoh).

Mr Seah Kian Peng (Marine Parade).

Dr Shahira Abdullah (Nominated Member).

Mr Sharael Taha (Pasir Ris-Punggol).

Ms Sim Ann (Holland-Bukit Timah), Senior Minister of State for Foreign Affairs and National Development and Deputy Government Whip.

Mr Sitoh Yih Pin (Potong Pasir).

Ms Sun Xueling (Punggol West), Minister of State for Home Affairs and Social and Family Development.

Mr Alvin Tan (Tanjong Pagar), Minister of State for Culture, Community and Youth and Trade and Industry.

Ms Carrie Tan (Nee Soon).

Mr Desmond Tan (Pasir Ris-Punggol), Minister of State, Prime Minister's Office.

Mr Tan Kiat How (East Coast), Senior Minister of State for Communications and Information and National Development.

Mr Dennis Tan Lip Fong (Hougang).

Dr Tan See Leng (Marine Parade), Minister for Manpower and Second Minister for Trade and Industry.

Ms Jessica Tan Soon Neo (East Coast), Deputy Speaker.

Dr Tan Wu Meng (Jurong).

Dr Tan Yia Swam (Nominated Member).

Mr Patrick Tay Teck Guan (Pioneer).

Mr Teo Chee Hean (Pasir Ris-Punggol), Senior Minister and Coordinating Minister for National Security.

Mrs Josephine Teo (Jalan Besar), Minister for Communications and Information and Second Minister for Home Affairs.

Mr Tharman Shanmugaratnam (Jurong), Senior Minister and Coordinating Minister for Social Policies.

Mr Raj Joshua Thomas (Nominated Member).

Ms Tin Pei Ling (MacPherson).

Mr Edwin Tong Chun Fai (Marine Parade), Minister for Culture, Community and Youth and Second Minister for Law.

Mr Vikram Nair (Sembawang).

Dr Vivian Balakrishnan (Holland-Bukit Timah), Minister for Foreign Affairs.

Dr Wan Rizal (Jalan Besar).

Mr Don Wee (Chua Chu Kang).

Mr Lawrence Wong (Marsiling-Yew Tee), Deputy Prime Minister and Minister for Finance.
Mr Xie Yao Quan (Jurong).
Mr Alex Yam (Marsiling-Yew Tee).
Ms Yeo Wan Ling (Pasir Ris-Punggol).
Mr Yip Hon Weng (Yio Chu Kang).
Mr Melvin Yong Yik Chye (Radin Mas).
Mr Zaqy Mohamad (Marsiling-Yew Tee), Senior Minister of State for Defence and Manpower and Deputy Leader of the House.
Mr Zhulkarnain Abdul Rahim (Chua Chu Kang).

ABSENT:

Mr Cheng Hsing Yao (Nominated Member).
Mr K Shanmugam (Nee Soon), Minister for Home Affairs and Law.
Ms Hany Soh (Marsiling-Yew Tee).

PERMISSION TO MEMBERS TO BE ABSENT

Under the provisions of clause 2(d) of Article 46 of the Constitution of the Republic of Singapore, the following Members have been granted permission by the Speaker to be absent from sittings of Parliament (or any Committee of Parliament to which they have been appointed) for the periods stated:

Name	From	To
	(2023)	(2023)
Mr Cheng Hsing Yao	22 Feb	23 Feb
Mr K Shanmugam	22 Feb	01 Mar
Ms Hany Soh	23 Feb	24 Feb
Mr Mark Chay	23 Feb	23 Feb
Dr Tan Wu Meng	23 Feb	24 Feb

[Mr Speaker in the Chair]

COMMENCEMENT TIME OF COMMITTEE OF SUPPLY

(Announcement by Speaker)

Mr Speaker: Order. Pursuant to Standing Order 92(7), I have fixed the times for the conclusion of consideration of the heads of expenditure in the Estimates of Expenditure for FY 2023/2024 in the Committee of Supply (COS).

In fixing these times, I have taken into account the reduction of Question Time to 30 minutes on the days allotted for the COS debates and the extension of Sitting times of the COS for each of the allotted days. Additionally, Members are notified that the Sittings on the allotted days of 27 February to 6 March will commence at 10.30 am. The "guillotine" times I have fixed have been notified to hon Members.

I would also like to remind Members to use slides and videos sparingly to keep the spirit of our debating Chamber. Focusing on the delivery of speeches to be made will create a greater impact in a debate. Order. Questions for Oral Answer.

ORAL ANSWERS TO QUESTIONS

PROPOSED JOB-MATCHING SYSTEM FOR WORKERS IN CLEANING AND WASTE MANAGEMENT INDUSTRY

1 **Mr Louis Ng Kok Kwang** asked the Minister for Manpower (a) whether the Ministry will consider holding consultations with the cleaning and waste management industry to introduce a system similar to the Foreign Construction Worker Directory to facilitate job matching between employers and foreign workers in the cleaning and waste management sector; and (b) if not, why not.

The Senior Minister of State for Manpower (Dr Koh Poh Koon) (for the Minister for Manpower): Sir, the Member had raised a similar question in 2019 and the position of the Ministry of Manpower (MOM) remains unchanged.

Job-matching initiatives should be initiated and led by the respective industries to ensure that they meet employers’ and workers’ hiring needs and are sustainable. Currently, most employers and workers work with existing employment agencies for their job matching needs. If the cleaning and waste management industry assesses that a sector-specific job facilitation system is necessary, MOM would be happy to work with the relevant industry representatives on their proposal.

Mr Speaker: Mr Louis Ng.

Mr Louis Ng Kok Kwang (Nee Soon): Thank you, Sir. I thank the Senior Minister of State for the reply. Could I just ask whether MOM can look at this from a different perspective? Which is that this could help to tackle this issue of power imbalance. I have seen first-hand that many migrant workers are very scared to report kickbacks, for example, because they are scared of losing their jobs and that the employer will send them back home. So, if they know that there is a directory out there where they can find an alternative job, we can also make sure that it is within the same salary range. So, we also address employers' concerns of migrant workers job-hopping for higher salaries. I think if we look at it from this perspective, perhaps this could help to tackle this issue of the power imbalance.

Dr Koh Poh Koon: Sir, I appreciate the Member's concern about the power imbalance, but I do not think using job facilitation as a mechanism to create a balance in the relationship is going to be effective. What we need to do is, if there are kickbacks being conducted, if the workers feel that they have been victimised, then they ought to report it to MOM so that we can do the necessary investigations and take employers to task.

INDIVIDUALS WHO HAVE LEVERAGED ON GLOBAL INVESTOR PROGRAMME TO QUALIFY FOR PERMANENT RESIDENCY

2 **Mr Yip Hon Weng** asked the Minister for Trade and Industry (a) in the past three years, how many individuals have leveraged on the Global Investor Programme and invested at least \$2.5 million in a business, fund, or family office in order to qualify for permanent residency; and (b) what steps has the Government taken to facilitate their integration and eventual conversion to Singapore Citizenship.

The Minister of State for Trade and Industry (Ms Low Yen Ling) (for the Minister for Trade and Industry): Mr Speaker, about 200 individuals were accorded permanent residency through the Global Investor Programme (GIP) from the years 2020 to 2022.

Permanent Residents (PRs) under the GIP can join other new residents in Singapore in various integration activities organised by the National Integration Council (NIC) and partners. For example, the People's Association Integration Council conducts the Heartland Orientation Trail to give participants an immersive experience of our heartlands and the Singapore way of life and help them understand and appreciate our local culture and norms. New PRs under the GIP are also able to tap on the Economic Development Board (EDB)'s networks to embark on philanthropic activities or contribute to community causes that benefit our society.

All applicants for Singapore Citizenship, including PRs under the GIP, are assessed independently by the Immigration and Checkpoints Authority.

Mr Speaker: Mr Yip.

Mr Yip Hon Weng (Yio Chu Kang): I thank the Minister of State for the reply. For the individuals under the Global Investor Programme, which sectors are the businesses or investments in? And what is the total investment amount that they have brought in over the last three years?

Ms Low Yen Ling: I want to thank the Member Mr Yip Hon Weng for his two supplementary questions. He asked about the investment over the last three years. Let me give him the amount over a longer term. I have on hand, the numbers from 2011 to 2022, over an 11-year period. The GIP investors brought in more than S\$5.46 billion in total business expenditure via direct investments. This is generating more than 24,000 jobs in Singapore.

As of October 2022, GIP investors have also injected S\$1.62 billion into approved GIP funds. Of this S\$1.62 billion, the fund managers have deployed 87.2% and this translates to S\$1.41 billion into actual investments. If I could provide a further breakdown – 65.6% of this S\$1.41 billion, which is S\$930 million, has been invested in Singapore-based companies.

On the first question on sectors, I must say that GIP investors come from a wide spectrum of areas and sectors like technology, urban solutions and sustainability as well as financial services.

I want to use this occasion to reassure the Member Mr Yip and the House that EDB conducts regular reviews to ensure rootedness by the GIP investors in Singapore and that they contribute to our industries, to our economy and to job creation. In fact, the GIP PRs are required to submit documentary evidence of the Singapore-based companies that they have invested in. In addition to looking through all the documentary evidence, EDB will also conduct site visits to assess the companies' business activities and the employment situation.

Mr Speaker: Mr Pritam Singh.

Mr Pritam Singh (Aljunied): Thank you, Mr Speaker. Just a quick question to the Minister of State vis-à-vis her response to the hon Member Mr Yip. For the GIP individuals who are PRs, does EDB or the Ministry track how many of them transit to being citizens in view of her reply to Mr Yip's question on rootedness?

Ms Low Yen Ling: Mr Speaker, I want to thank the Leader of the Opposition Mr Pritam Singh for his question. As I have shared in my answer to the Parliamentary Question earlier, over the past three years, 2020 to 2022, we approved about 200 GIP investors to be under the PR scheme. I would like to share with him and the House that 200 is over three years. As you can see, we are very selective about the GIP investors. The EDB evaluation process is very stringent and very robust. We will look at their economic commitments as well as residency commitments.

As for his question on Singapore Citizenship, I can say that a very, very low percentage of the PRs under the GIP has been granted citizenship.

I want to use this occasion to just elaborate on what I mentioned earlier about us requiring the GIP investor to submit documentary evidence and EDB mounting site visits to validate the numbers. I want to say that the PRs in GIP who do not meet the GIP economic and residency commitments as well as other renewable criteria will not have their re-entry permit renewed.

I think all Members in the House would know this is serious because once your re-entry permit is not renewed, this means that when the GIP PR subsequently leaves Singapore or if he or she remains overseas without a valid re-entry permit, their PR status will lapse; they will lose their PR status.

Mr Speaker: Mr Pritam Singh.

Mr Pritam Singh: Thank you, Speaker. I thank the Minister of State for the helpful reply. Can I just confirm if the small percentage that the Minister of State speaks of is a number that she has on hand? And would the Government be prepared to release that number?

Ms Low Yen Ling: Mr Speaker, I would like to thank Mr Pritam Singh for his supplementary question. I would elaborate and say that the interest in the GIP has remained stable since its launch. GIP investors who are approved as PRs are much lesser than 1% of the total number of PRs approved each year. On the question about Singapore Citizenship, like I mentioned, the number of GIP PRs granted citizenship is even much lesser, as the Member can see from the PR numbers that have been granted over the past three years.

CONVICTION AND DETERRENCE OF ROAD TOUTS

3 **Mr Chua Kheng Wee Louis** asked the Minister for Home Affairs (a) what measures are being put in place to deter and detect road touts; and (b) whether there have been any convictions for road touting in the last five years and, if so, how many.

The Minister of State for Home Affairs (Assoc Prof Dr Muhammad Faishal Ibrahim) (for the Minister for Home Affairs): Mr Speaker, between 2018 and 2022, the number of road toutting Police reports remained low, at two or fewer cases each year. This data was given in the reply to Member Melvin Yong's question last month.

There was no conviction for road toutting in the last five years.

Mr Speaker: Mr Louis Chua.

Mr Chua Kheng Wee Louis (Sengkang): Thank you, Mr Speaker. Just a follow-up supplementary question to the Minister of State. Based on a CNA article I read about one to two months ago, one of the interviewees said that this appears to be a very prevalent occurrence. I am just wondering what measures are put in place to detect road touts and also not just on the touts themselves, but on the workshops that facilitate some of these egregious claims.

Assoc Prof Dr Muhammad Faishal Ibrahim: Sir, I thank the Member for the supplementary question. Our sense is that members of the public, especially the motorists, know how to handle road touts. In essence, while there are Police reports being made, there are those who also seek guidance and help from their insurers as well as legal counsel for civil remedies.

If you look at road touts, we will look at the case where there may be other offences that have been committed. For example, road toutting itself is an offence and so, we will look at the Miscellaneous Offences (Public Order and Nuisance) Act. Within it, depending on the facts and the circumstances of the case, they may be involved in some road traffic offences, Protection from Harassment Act (POHA) offences and so forth. Essentially, we will look at the facts of the case and at the same time, it is clear that toutting in any form is an offence. So, people are aware and our sense is that people know how to handle it, remain calm, they disengage.

If at any point in time there are reports and we see this as a serious matter, we will take action where necessary.

PERFORMANCE AND TRAINING OF MANAGERS IN SINGAPORE

4 **Mr Leon Perera** asked the Minister for Trade and Industry (a) whether the Ministry has studied the performance of managers of Singapore companies vis-à-vis those in other developed countries as measured in the World Management Survey; (b) if not, will it do so; and (c) whether the Ministry is considering how the current ecosystem of academic and non-academic training for managerial skills can be improved, to enhance the corporate performance of Singapore companies and hence their value add to the economy.

The Minister of State for Trade and Industry (Mr Alvin Tan) (for the Minister for Trade and Industry): Sir, the World Management Survey (WMS) seeks to measure the quality of management practices in companies in selected countries and sectors. While the WMS provides useful data, it also has its limitations like any other survey. For instance, the WMS survey is not conducted on a regular basis nor on a consistent sample of countries.

We track the performance of our firms and our economic competitiveness through other data points and surveys instead.

We remain committed to raising the managerial capabilities of our workforce. Sector agencies monitor the performance of their sectors closely and provide companies with the necessary support to transform their business and workforce. The Government also supports ecosystem partners such as training providers, employers and trade associations and chambers on managerial skills training. For example, the Financial Sector Development Fund (FSDF) administered by the Monetary Authority of Singapore (MAS) co-funds eligible leadership programmes under the Asian Financial Leaders Scheme (AFLS) to develop promising Singaporean leaders in acquiring knowledge to navigate the diverse operating environment in the region, as well as leadership competencies in corporate governance, ethics and culture, as well as strategic thinking and execution.

In addition to the sector-specific initiatives I just highlighted, the Government also helps our local enterprises grow their business and leadership capabilities through programmes such as Enterprise Singapore's Enterprise Leadership for Transformation.

Mr Speaker: Mr Perera.

Mr Leon Perera (Aljunied): I thank the Minister of State for that reply. Just one supplementary question. The WMS survey has its limitations, like all surveys. Singapore does not perform abysmally even on that survey, but it is behind a lot of other leading countries, like the US, Japan, Canada, Australia and so on.

Would the Ministry consider using this survey as well as other surveys to try to understand whether the ecosystem of training available in these other countries, which do better than Singapore on the WMS, could be made available here, be they from third-party providers or in-house training to understand where that gap lies?

The reason I ask this is because I have been reflecting on total factor productivity, where Singapore has a gap between other comparable countries. I am wondering whether managerial skills could explain our poor performance on total factor productivity.

Mr Alvin Tan: I thank the Member for his supplementary question. The Economist had an article on the WMS in early-February which had a table and also talked about different managerial competencies and where Singapore, vis-à-vis other countries, is situated. I mentioned earlier in my Parliamentary Question (PQ) reply that the WMS is just one of many of these surveys and the Government is open to collaborating with private researchers, institutes to study Singapore's performances across a variety of indicators, a variety of performance factors and dimensions.

Maybe I take a step back and look at other such studies which may offer a variety of perspectives. For example, the Government tracks Singapore's performance in the annual Institute of Management Development (IMD)'s World Competitiveness Yearbook, which assesses countries' competitiveness and the ability to create and sustain long-term growth. In 2022, Singapore placed third in this IMD World Competitiveness Yearbook behind Denmark and Switzerland, but ahead of some of the countries which the Member mentioned in the WMS survey.

Our third place ranking in this IMD World Competitiveness Yearbook is an improvement over 2021, where we placed fifth. We remain Asia's top performing economy in terms of competitiveness and the ability to create and sustain long-term growth. It is not just on the whole but also our sector agencies examine the variety of indicators that are irrelevant to management, for example, competitiveness specific to their sectors.

But I think the bigger question that is embedded in the Member's question in part (c), is what we are doing as well. So, let me go into that detail a little bit. Earlier, I mentioned Enterprise Singapore's Enterprise Leadership for Transformation (ELT) scheme – that is targeted at senior leadership of promising small- and medium-sized enterprises (SMEs). ELT supports business leaders, help them to achieve the next point of growth, help them to develop business strategies and to enhance their leadership skills. So, that is one example.

Maybe I will just update the Member that since we launched ELT in October 2020, we have onboarded more than 400 business leaders from over 300 companies. I also cited how a sector agency like MAS has the Financial Sector Development Fund (FSDF) which supports promising Singaporean financial leaders to navigate a very challenging regional environment.

We also have others like on the manufacturing front. We have our Smart Industry Readiness Index (SIRI) which help our manufacturers start, skill and sustain their manufacturing journeys. And on human capital, a key indicator also, we have Workforce Singapore (WSG) and the Singapore Business Federation's Industry 4.0 Human Capital Initiative (IHCI) to help companies strengthen HR planning and job redesign.

The Member had a question also in his question in part (c) on academics and non-academic institutions. The Singapore University of Social Sciences (SUSS) helps administer this ELT that I mentioned earlier on.

So, there is a whole ecosystem. But I wanted to assure the Member that we are focused on this and we are looking to enhance some of these schemes, some of these initiatives. I welcome his ideas and suggestions on how to do this even better.

Mr Speaker: Mr Perera.

Mr Leon Perera: I thank the Minister of State for that comprehensive reply. Just a small clarification. You mentioned the World Competitiveness report of the IMD. My focus on this PQ is really on managerial skills.

So, I am just wondering if the Minister of State has data either as a subset of the IMD or from other surveys that speaks to this question of Singaporean managers' managerial skills vis-à-vis those of other countries?

Mr Alvin Tan: I thank the Member. There is a variety of performance indicators of which managerial competencies is one. I mentioned earlier the WMS has its limitations; they do not do it on a yearly basis. So, even when you look at 2004 to 2022, they do not do it on a yearly basis; and from what I understand, it is snapshots of different countries across that span.

So, I think in that regard, we look at a variety of different studies. I think the IMD World Competitiveness Yearbook provides at least some form of understanding. Competitiveness, performances – I think managerial competencies help to build competitiveness in any economy. But I think the crux of the question and the crux of the push for Government is to ensure that we remain competitive, of which managerial

competencies is a core part. And the sectorial agencies as well as Government as a whole, on the upstream, with Institutes of Higher Learning (IHLs), for example, can play a very strong part in improving both our managerial competitiveness as well as our competitiveness as a whole.

APPROVAL FOR UNDISCHARGED BANKRUPTS TO FILE EMPLOYMENT DISPUTE WITH TRIPARTITE ALLIANCE FOR DISPUTES MANAGEMENT

5 **Mr Patrick Tay Teck Guan** asked the Minister for Law whether an undischarged bankrupt is required to seek approval from the Ministry of Law or the Insolvency and Public Trustee's Office before they can file an employment dispute to the Tripartite Alliance for Disputes Management.

The Senior Parliamentary Secretary to the Minister for Law (Ms Rahayu Mahzam) (for the Minister for Law): Mr Speaker, an undischarged bankrupt is not required to seek the approval of the Official Assignee (OA) or a private trustee in bankruptcy, as the case may be, before he can file an employment claim at the Tripartite Alliance for Dispute Management (TADM).

If the mediation at the TADM is unsuccessful, the claimant will be issued with a claim referral certificate with which he may then file a claim at the Employment Claims Tribunals. If he chooses to do so, under the Bankruptcy Act or the Insolvency, Restructuring and Dissolution Act 2018, whichever is applicable, the bankrupt needs to apply to the OA or a private trustee in bankruptcy for a sanction. This requirement exists to protect the bankruptcy estate and hence, the interests of the bankrupt's creditors, from costs that may be incurred by the bankrupt bringing or defending actions that are frivolous or legally unmeritorious.

Mr Speaker: Mr Patrick Tay.

Mr Patrick Tay Teck Guan (Pioneer): I thank the Senior Parliamentary Secretary for her reply. I think this is this question emanated from a case which I encountered last month. One of the residents in my Pioneer single member constituency (SMC), who is an undischarged bankrupt, had salaries including overtime payments owing to him. And therefore, when he went and approached TADM, he was unable to take the matter further. As the Senior Parliamentary Secretary rightly pointed out, after mediation, he still needed the approval of MinLaw to be able to take the claim to the Employment Claims Tribunals.

I am hoping therefore to raise this, because this is quite ironical. The very fact that he is working as an undischarged bankrupt is to earn wages so that he can repay his debt. So, it is a bit ironical that in late payment or unpaid salary situations, he or she is unable to take further action. Therefore, I hope the Ministry of Law can review this to make the process more seamless and easier for aggrieved workers.

Ms Rahayu Mahzam: I thank the Member for raising this issue which I think is important to the workers. I appreciate the point raised and perhaps what may be useful is to also understand the specific case in concern. There is that approval process and if it does appear that there is likelihood of success, it is something for the agency to think about.

But I do appreciate the point made that this may be a bit challenging. We will take this back to see how we can facilitate the process even better.

EMPLOYERS' DECLARATIONS ON MODIFICATIONS TO SALARY TERMS FOR WORK PERMIT HOLDERS

6 **Mr Louis Ng Kok Kwang** asked the Minister for Manpower in each year since 2019 (a) how many employers have informed the Ministry in writing of modifications to the salary terms for a work permit holder to less favourable terms than declared and stated in their in-principle approval letter; (b) how many employers have been fined for not having done so; (c) how many notices of salary reduction have been issued to workers; and (d) on what grounds does the Ministry determine whether a salary reduction can be allowed.

The Senior Minister of State for Manpower (Dr Koh Poh Koon) (the Minister for Manpower): When applying for Work Permits (WPs), employers are required to declare key salary terms, including the basic and fixed monthly salary, offered to prospective Work Permit Holders (WPHs). Employers are allowed to revise the salary downwards, provided they have obtained the worker's written agreement and have notified the Ministry of Manpower (MOM). This is to provide flexibility for instances where the worker's performance fell below expectation and cannot justify the salary paid. Workers can check their latest salary as declared by their employers to MOM through the MyMOM portal on MOM's website. MOM is also working on sending a push notification to workers via the SGWorkPass app to inform workers of any salary changes in a timely manner.

From 2019 to 2022, MOM was notified of salary reductions affecting an average of about 3% of non-domestic WPHs each year.

Where there is a dispute over salary reduction from the amount stated in the in-principle approval letter, the employer is required to show documented evidence of the worker's consent and that he had notified MOM beforehand. Otherwise, the original declared salary holds and the employer will be required to make good any salary shortfall, regardless of the reason for the salary reduction.

If the employer reduces the worker's salary without their consent or does so before informing the Controller, they are liable to a fine of up to \$10,000 per worker. From 2019 to 2022, administrative financial penalties were imposed on an average of 27 employers per year.

Mr Speaker: Mr Louis Ng.

Mr Louis Ng Kok Kwang (Nee Soon): Thank you, Sir. I thank the Senior Minister of State for the reply. I think he mentioned 3% of the workers. Could I just get an absolute number?

Second, could I just ask whether MOM can review my earlier suggestion? I do understand that there is a need for flexibility in terms of salary reduction, but could we at least cap it? Because I know there are cases where there can be a reduction of more than 50% of their salary.

Could I also just ask how does MOM proactively look for cases where there had been salary reduction but were not reported to MOM?

Dr Koh Poh Koon: Sir, on his first question, I do not have the exact number per se but just to clarify that the 3% cited for notification of salary reductions does not necessarily mean that they are all illegal or in violation, because there could well be genuine reasons why these reductions take place. For example, if the worker is underperforming and the employer rationalises the salary to be paid to a non-performing worker in lieu of retrenchment or firing the worker, which would have been the only other recourse that is left.

So, I just want to make clear the point that the 3% notification does not mean that there has been absolute violations.

As I said in the later part of my reply, in the same time frame of 2019 to 2022, the administrative financial penalties were meted out to 27 employers per year. So, that gives the Member a sense of the gravity of the problem, which in the grand scheme of things, is a very small number of employers that has been taken to task.

I did not catch the second clarification. Perhaps the Member can specify that again.

Mr Louis Ng Kok Kwang: Just to ask whether we can put a cap in terms of the salary reduction. Because I know there are cases where the salary could be reduced by more than 50% which is quite significant for some of the migrant workers.

Dr Koh Poh Koon: Sir, I think the consultation with tripartite partners is that it is very hard to have an actual cap. Depending on the circumstances, there may well be true, justifiable reasons to vary the amount of salary reduction to be paid or to be deducted from the worker. For example, in a severe economic downturn, employers may have to cut cost significantly to save jobs. And in the instance, it may be preferable even for the migrant worker to continue to be in employment rather than to lose his job and be repatriated.

So, I think this is something which has to be negotiated between the employer and the employee and have written consent, and to be notified to MOM. And if there are disputes regarding that, this is where further reconciliation and investigation by MOM can take place.

FREQUENCY OF AND ITEMS CHECKED IN PUB'S FIRE HYDRANT INSPECTIONS

7 Mr Dennis Tan Lip Fong asked the Minister for Sustainability and the Environment (a) what does PUB check for during fire hydrant inspections; (b) what is the frequency of such inspections; (c) whether PUB can consider increasing the frequency of such inspections; and (d) what are the differences in the respective checks carried out by SCDF and PUB.

The Senior Parliamentary Secretary to the Minister for Sustainability and the Environment (Mr Baey Yam Keng) (for the Minister for Sustainability and the Environment): Mr Speaker, the Public Utilities Board (PUB) and the Singapore Civil Defence Force (SCDF) conduct periodic checks on all public fire hydrants in Singapore. For PUB, these are done as part of the broader inspection and maintenance regime for the entire water supply network, which takes around four years to complete. These checks complement SCDF's annual serviceability tests on all public fire hydrants in Singapore.

During PUB's checks, each hydrant is inspected to ensure that there are no obstructions that could impede its operation and for signs of corrosion or leaks. PUB also removes the hydrant's valve pit cover to check that the valve pit is clear of debris.

During SCDF's annual serviceability tests on fire hydrants, SCDF performs functional checks on the fire hydrant, including the removal of the hydrant's valve pit cover followed by the measurement of its water flow and pressure. When defects are found through these tests, SCDF will alert PUB and PUB will take prompt action to rectify them.

The current frequency of checks by PUB and SCDF is sufficient to ensure that our fire hydrants continue to function effectively.

12.00 pm

Mr Speaker: Order. End of Question Time. The Clerk will now proceed to read the Order of the Day.

[Pursuant to Standing Order No 22(3), provided that Members had not asked for questions standing in their names to be postponed to a later Sitting day or withdrawn, written answers to questions not reached by the end of Question Time are reproduced in the Appendix.]

DEBATE ON ANNUAL BUDGET STATEMENT

Order read for Resumption of Debate on Question [14 February 2023] [2nd Allotted Day]

"That Parliament approves the financial policy of the Government for the financial year 1 April 2023 to 31 March 2024." – [Deputy Prime Minister and Minister for Finance].

Question again proposed.

12.01 pm

Mr Don Wee (Chua Chu Kang): Mr Speaker, Sir, I rise in support of this year's Budget. It is assuring that quite a few pressing issues have been addressed by this Budget. Today, I would like to speak on two topics. The first, is how to provide greater support for our small- and medium-sized enterprises (SMEs) and the second, is on assistance for special needs Institute of Technical Education (ITE) students from disadvantaged families.

Our SMEs contribute to almost half of our Gross Domestic Product (GDP) and employ at least two-thirds of our Singaporean workforce, playing a crucial role in our economy. They need supportive measures to ensure their growth and sustainability in an increasingly competitive business environment.

Presently, businesses face logistics problems as supply chains remain disrupted amidst increasing geopolitical tensions. They also must deal with rising wage bills as there is a shortage of skilled manpower. The rising cost of business operations puts an enormous strain on their cashflows.

I am grateful for the various policies and schemes which the Government has implemented to assist them. The new Enterprise Innovation Scheme, the top-up of \$150 million for the SME Co-Investment Fund, \$4 billion for the National Productivity Fund and \$1 billion for the Singapore Global Enterprises initiative, amongst others, are greatly welcomed.

The Government is also investing in the creation of innovation hubs, such as the Jurong Innovation District, to promote collaboration among companies, technology and education providers as well as research centres. What are the aims or KPIs of the new Enterprise Innovation Scheme? Is it to produce a certain number of unicorns by a certain timeline? How soon do these SMEs receive the grants or reimbursement from the time they submit their applications?

I would like to appeal for more assistance for SMEs applying for Government assistance, subsidies or grants because some struggle to understand suitable solutions for their business needs and complicated application procedures. Sometimes, the application process takes too long and they may not receive the subsidies in time to meet their operation cashflows. Some commerce and trade associations assist SMEs with their applications for Government schemes and support measures too. The Ministry of Trade and Industry (MTI) may consider boosting financial support for chambers of commerce and business associations to better assist SMEs in this respect.

I understand that business consultants promote these Government schemes to their SMEs and their earnings are predicated on the loan amount approved or the amount of grant received. Therefore, if the application cycle is too long for a particular scheme, it is less likely that a business consultant would promote this scheme to his or her clients.

I also urge our Government agencies and Government-linked companies to support our SMEs by providing more business to them so as to benefit almost 70% of the Singaporean workforce indirectly. For example, the Government can divide big projects into smaller contracts, allowing SMEs to compete with one another to undertake such projects. The winners will be able to establish reliable business channels and prove their performance abilities and competence to Government agencies, going on to achieve growth, expand their scale and develop to a size big enough to compete with foreign companies and compete for larger Government projects. Mr Speaker, Sir, in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] In terms of funding and resource support, the Government may wish to consider providing more support to SMEs that are already established and connected to our local networks, before considering whether it should support their overseas ventures.

Our local companies should develop an ecosystem comprising SMEs and local large companies (LLCs) to market their products and services as a team to multinational companies or when expanding to overseas markets. Within this local network, our companies can share information on customers, other companies, industries and the economy, as well as services such as legal and translation services. It is more cost effective.

There is also room for further collaboration between our businesses and our Institutes of Higher Learning (IHLs) and research centres. This type of team strategy had been used effectively by companies from countries such as Japan and Israel. We can start from the 23 Industry Transformation Maps (ITMs).

(In English): As for the problem with manpower constraints, would the Government consider reviewing the foreign worker work permit quota? Some SMEs argue that the quota is too low and does not reflect their actual labour needs. As a result, they are unable to hire enough workers to meet their operation needs and are struggling to remain competitive. All these quotas are being taken up despite the high price of foreign workers levies. Does that mean that the quota system is not working as desired?

One of the major expenses for businesses is the Certificate of Entitlement (COE) for vehicles. The cost of obtaining a COE can be significant, especially for larger vehicles like vans that are used for commercial purposes. In addition, businesses must also pay for vehicle registration fees, road taxes and maintenance costs. The COE of a van is \$87,000 currently. Can we have a separate category for commercial vans and provide grants to these companies so that end consumers can pay lesser?

How about establishing an Alliance-for-Action involving Ministry of Manpower (MOM), Enterprise Singapore (ESG), Land Transport Authority (LTA) and companies like supermarket chains so as to explore the possibility of operating a fleet of commercial vehicles like vans and trucks 24 hours a day? This is to minimise lull time and mitigate the shortage of heavy vehicles carpark. Can MOM issue more work passes to businesses like confectionaries, supermarket chain, essential services providers whose operations can function overnight? By doing so, our businesses can employ more foreign workers to overcome manpower shortages for roles which Singaporeans will not take up and as a result, the businesses' productivity will improve.

Generally, electric commercial vehicles may have a higher upfront cost compared to their conventional counterparts, but they offer lower operating costs, reduced maintenance expenses and environmental benefits. I spoke with a few SMEs owners who own diesel-fuelled buses and trucks. Besides the high upfront cost, they also need to upgrade their substation which requires another sum of capital expenditure. Can the Government look into this aspect?

Next, I would like to advocate for special needs students from disadvantaged families while studying in ITEs. I declare that I am the advisor of the Union of ITE Training Staff. I hope the Ministry of Education (MOE) can give more resources to the ITEs so that it can start to recruit teaching assistants like what the other public schools are already doing currently. With more teaching staff, the lecturers will be able to provide more individual attention to students and customise their teaching to the specific needs of each student.

Significant progress in providing support and services for students with special education needs (SEN) has been made. I applaud that. However, may I suggest the following for further improvement?

Would the Government consider targeted public education campaigns, community outreach and increase the visibility of special needs students in mainstream settings to raise public awareness and understanding of special education needs to reduce stigma and gain acceptance? Like Healthier SG, can MOE tap on private sector psychiatrists and psychologists so that deserving students can receive diagnosis quickly? I was informed that the current waiting time to be seen by Institute of Mental Health (IMH) or other restructured hospital can be long. Proper assistance can only be rendered towards the special education needs students who have been diagnosed formally.

There is also a need to expand support services, such as therapy, counselling and mental health services to meet the diverse needs of these students. This could include increasing funding for services, expanding the pool of qualified professionals and increasing the availability of assistive technologies.

More funding is required to develop more specialised programmes for students with different disabilities, including autism, visual and hearing impairments, and learning difficulties. These programmes can be tailored to meet the individual needs of students and provide them with the necessary skills to join the workforce.

I would like to request for more training for teachers to better support students with special education needs. This could include providing ongoing professional development opportunities and creating specialised training programmes. More inclusive classroom environments, providing more support services within mainstream schools and increasing the number of specialised schools and programmes would be a big step forward.

Parents of children with special education needs need more support and information on available support services, parent support groups and how they can be involved in decision-making processes related to their child's education.

ITEs can support and improve accessibility for students with disabilities by making its facilities and campus more accessible. This includes providing ramps, elevators and other assistive technology.

Last but not least, may I request support for ITEs to collaborate with community organisations and businesses and create internship and work opportunities for these students? Internships will help students to gain practical experience and improve their chances of finding employment after graduation.

Mr Speaker: Mr Edward Chia.

12.11 pm

Mr Edward Chia Bing Hui (Holland-Bukit Timah): Mr Speaker, Sir, I welcome the 2023 National Budget announced by Deputy Prime Minister and Minister for Finance, Lawrence Wong. The crux of this Budget focuses on keeping our economy competitive and innovative, equipping our workers and providing a fuller range of opportunities for everyone to reach their potential.

Mr Speaker, Sir, as a Member of Parliament serving in Zhenghua, having done walkabouts at our coffee shops and hawker centers, visited homes of our constituents, and from my interactions at Meet-the-People sessions, there are some concerns raised by my residents. Like all parents, they hope to secure the children's future. They want to ensure that their parents can have an adequate and dignified retirement. They are concerned on whether they can keep up with the cost of living. These are on-going concerns of Zhenghua families which forms the central motivation of my speech.

As a nation, we need to ensure that we have the fiscal capabilities and revenue to sustain our social and healthcare needs. To ensure continued real income growth for Singaporeans and adequate retirement savings, we must support local employers to compete and stay relevant on higher value products and services.

How do we achieve this? First, by remaining competitive and relevant in an increasingly hostile world. And second, by continuing to build a resilient nation.

I will first touch on remaining competitive and relevant in the global market. As Singapore's workforce ages and the cost of doing business increases, we run the risks of pricing ourselves out of the region and becoming irrelevant.

While doing a regional comparison scan, Singapore has the highest median age of any population in Southeast Asia in 2022. We stand at 42.1 years old, compared to Indonesia at 29.4 years, Malaysia at 30.4 years, Cambodia at 25.6 years and Vietnam at 31.9 years old. It is clear we are dealing with an ageing population and a higher average age of our workforce. Our monthly average operating costs to do business is approximately 64% to 76% higher than other countries in the ASEAN region.

Despite the high costs, Singapore is still the top choice for companies with higher value-added manufacturing with complex processes and automation requirements. However, other countries with a larger, younger and increasingly educated labour force are catching up. The external environment is also becoming more hostile due to geopolitical tensions and rivalries. This has led to greater onshoring of key manufacturing processes which threatens our livelihoods. To safeguard our livelihoods and provide real wage growth for Singaporeans, we need to stay relevant in this new environment.

I would lay out three key areas of focus in my speech. First, we need to support employers to compete and stay relevant by providing higher value products and better service experience. Second, we need to ensure employers can compete for, grow and retain talent. Third, we need to support employers to compete on environmental sustainability credentials as more multinational enterprises (MNEs) and regional economic blocs are actualising emission cut targets and factoring this in their purchasing evaluations.

First, our nation needs to stay relevant on providing the best customer experience value. We are no longer competing based on costs, but rather on perceived value. To ensure continued real income growth for Singaporeans, we must support local employers to compete and stay relevant on higher value products and services.

The importance of building strong relationships between organisations and their customers has taken on added significance. As economies around the world develop in sophistication, consumers are offered greater choice and form higher expectations. Higher expectations specifically on the overall customer experience.

Singapore can do more to improve our service culture. The honesty in accepting that service levels can be improved marks the first step towards building a strong service culture. With it, comes the commitment to improve and it is believed that it is not an impossible task. Soft skills such as tone, general demeanour and body language need to be further developed.

Indeed, these "soft skills" are important horizontal skill sets that apply across industries and engender greater self-awareness. This is attainable for us. Our national airlines, Singapore Airlines, is a stellar example of what excellent customer experience is around the world. How can we achieve this in other sectors?

These soft skills are a part of SkillsFuture Singapore (SSG)'s Critical Core Skills and that it is a good start. Under the "Interacting with Others" cluster, identifying internal and external needs of customers to deliver an effective customer experience is mentioned as a key competency. How can we encourage more employers to send their employees for training in these areas, to support businesses and workers' growth? Importantly, how do we evaluate the effectiveness of this training?

One way to evaluate is to scale up national benchmarks yearly when measuring service delivery and customer service standards. We currently have the Institute of Service Excellence at Singapore Management University (SMU) doing a robust yearly review of the Customer Satisfaction Index in Singapore. It measures a gamut of customer satisfaction including customer expectations, the perceived overall quality of the product and service as well as its value. Can this review be expanded to do a horizon-scanning against other comparable and emerging economies?

Our enterprises will also need to compete for, grow and retain talent. To do so, our enterprises will need to benchmark human capital standards vis-à-vis industry and regional peers. At present, the Institute of Human Resource Professionals has a free Human Capital Diagnostic Tool (HCDT).

The self-diagnostic HCDT Navigator covers 11 areas of human capital measurements and provides a diagnostic report within 30 minutes. A more comprehensive diagnostic is led by a qualified assessor, the result is an organisation report detailing the calculated human capital maturity level for processes and practices. Employers will then be able to assess key areas to improve and benchmark against industry peers.

This is a good tool that needs greater awareness amongst employers and be scaled up as every organisation's basic tool kit. Through more tools like this, we can encourage higher adoption of human capital diagnostic and benchmarking.

In my Adjournment Motion on strengthening mental wellness at the workplace, I proposed that Enterprise SG grants, such as the Enterprise Development Grant (EDG) and the Productivity Solutions Grant (PSG) include a survey on employees' well-being before and after the implementation of the project to measure potential improvements on employees' wellness, in addition to employee's value add gains.

I would like to reiterate the call and make a further recommendation to include the HCDT diagnostic tool as a key requirement for all Enterprise SG grants. Any form of transformation needs to begin with human capital improvements. Human capital practices form a foundation for any ability to attract and retain talent. This foundation would also maximise the value of the new Job-Skills Integrator scheme announced in this Budget.

Conversely, if an employer has a weak human capital quotient, the resource to integrate jobs and skills would be wasted, as there will be eventual churn than integration. Certainly, we need to support employers to execute more progressive HR policies and I will share more recommendations during MOM's Committee of Supply debates.

Sir, we need to constantly benchmark our industries domestically and regionally. Two key areas of benchmarking, customer experience and human capital quotient, these provides a constant health check for employers on competitiveness based on perceived value to customers and manpower talents.

To stay competitive in the global markets, aspects such as the cost issue may be difficult to compete on. But we can be a strong contender in the realms of service culture, overall value and experience underpinned by strong human capital management.

Sir, before I proceed to my next point, I would like to declare that I am a business owner of a food waste valorisation company, which assists clients to reduce carbon footprint attributed to food waste disposal. We need to support employers to compete on environment sustainability credentials as more MNEs and regional economic blocs are actualising emission cuts' targets and factoring this in their purchasing evaluations.

Therefore, there is an increasing emphasis on carbon accounting in global supply chains. Carbon accounting is a way of measuring how much greenhouse gas an organisation emits. Like financial accounting, carbon accounting quantifies the impact of an organisation's business activities. There is now a focus on "Scope 3" of accounting, referring to indirect emissions that occur in the value chain of a company and are not already included in Scope 1 and 2.

Tackling Scope 3 presents an additional layer of complexities, including opaque carbon accounting and tracking practices, the need to work collaboratively with customers, supply networks and industry groups; and the difficulty of keeping stakeholders engaged in a complex change effort.

As such, Scope 3 measurements and management can be daunting for many companies in Singapore because the data coverage is comprehensive while the data sources fall out of the companies' direct control. Collecting this data requires collaboration with companies' value chain partners and is an important effort.

I would like to call on the Government to first assist local enterprises to adopt a nationally recognised standard of carbon accounting; and second, to rapidly support enterprises to build internal capabilities and tools to account for carbon. This will be seen as an effort to future-proof our industries and dovetails with the Singapore Green Plan.

I have heard of cases where MNEs prefer one hotel over another to conduct their yearly corporate conferences and Dinner and Dance (D&D) because it is more sustainable. Therefore, by equipping our local enterprises with the abilities and tools to account for carbon, we future-proof their relevance in a world increasingly being traded by green measurements. We can build this new capability on our competitive advantage, on our reputation as a trusted, transparent financial hub.

I will now move on to the importance of building a resilient nation. A very important aspect of "resilience" is climate resilience and adaptation, something which cannot be ignored. Singapore is not insulated from the impact of climate change. From 1980 to 2020, the annual mean temperature has increased from 26.9°C to 28.0°C. The mean sea level in the Straits of Singapore has also increased at the rate of 1.2 millimetres to 1.7 millimetres per year.

Last year, I spoke on climate resilience and adaptation. I am heartened that this year, it is mentioned in the Deputy Prime Minister's Budget. No matter what we do to advance the green economy and reduce the rate of temperature increases, we are already experiencing the effects of climate change. We need to safeguard our island.

Climate adaptation should not just be seen as a defensive mechanism. We should regard this as an offensive strategy by turning this into a new exportable technology and service to societies around the world. As Singapore is not endowed with renewable energy resources such as land for solar energy production or large river dams for hydropower production, our ability to create value in this area is limited. However, Singapore has built up deep expertise in engineering and design over the past few decades. Climate change adaptation is a tremendous economic opportunity for Singaporeans.

Sir, bringing back the issue to a pertinent concern: the average age of our Singaporean workforce in comparison to the region. Indeed, there are manpower constraints as businesses continue to face issues. If businesses do not have the available manpower, they will be hard pressed to deliver the best service experience in a timely manner.

With our ageing workforce and low birth rates, in comparison to the younger workforce in the region, in the longer run, other concerns emerge. Are the existing foreign worker policies sustainable?

There are fiscal implications, we continue to need tax revenue from an aging tax base. Also, it is important to note that foreigners do not just compliment Singaporeans in the workforce but also contribute to taxes and do not receive much of the social benefits. Hence, I call on the Government to continue to ensure Singaporeans have access to the best jobs. But growing jobs for Singaporeans is a non-zero-sum game. Employers need complimentary manpower to stay competitive and relevant.

Sectors still recovering from the pandemic need help to transform while those that are ready should be enabled to seize emerging opportunities. I, hence, call on the Government to continue to review more targeted manpower measures vis-à-vis key growth areas that bolster our economy with better jobs, higher wages and support our transition to a greener economy.

Mr Speaker, Sir, there are growing sentiments amongst SMEs and certain business segments that the Government appears to be shifting from a pro-growth, pro-business approach to one that is more pro-redistribution. While I do not believe that this is the case as supporting society and businesses goes hand-in-hand, I hope that the Deputy Prime Minister can allay such concerns.

We need SMEs to feel that they are being supported in their growth journey, so that we have more large local enterprises (LLEs). LLEs and SMEs are rooted to Singapore and can provide longer-term jobs for Singaporeans.

Mr Speaker, Sir, for Singapore to continue to provide good jobs and for our seniors to have sufficient retirement adequacy, for our young to achieve their dreams in Singapore and not have to leave Singapore for greener pastures, we need to ensure two things that I have touched on in my speech.

First, that we remain competitive and relevant by constantly benchmarking on two key areas, customer experience and human capital management, and equipping our enterprises with the ability to account for carbon as more MNEs and regional economic blocks are factoring supply chain carbon footprint in their purchasing evaluations.

And second, that we continue to build a climate resilient nation and turning this into a new exportable economic value. Overall, this Budget will continue to strengthen our common resilience agenda and reinforce Singapore's strong social compact. Mr Speaker, Sir, I support the Budget.

Mr Speaker: Ms Hazel Poa.

12.26 pm

Ms Hazel Poa (Non-Constituency Member): Mr Speaker, it was announced that the grant for resale Housing and Development Board (HDB) flats will be increased in order to make resale flats more affordable for first-timers. This is exactly the price spiral I spoke about during the debate on public housing two weeks ago.

The resale grant will push up demand for resale flats and therefore, increase resale prices, which would later necessitate a further increase in resale grants feeding into a continuous price spiral. More tax revenue would also be needed to fund the additional grants.

As land costs is determined based on resale transactions, the increase in resale prices would result in higher land cost. The amount that HDB pays to Singapore Land Authority (SLA) for land would increase, thereby, increasing the cost of new flats.

This would mean that either new flat buyers have to pay more, or subsidies and grants for new flats must be increased to make the new flats affordable. More tax revenue would be needed to fund any increase in subsidies and grants. Such a cycle of more and more tax revenue being needed to be paid into reserves in the form of land price is unsustainable and places an unnecessary tax burden on taxpayers. Let me explain why I say it is unnecessary.

The Deputy Prime Minister and Finance Minister has said that we continue to be in a financially tight situation and the reserves drawn out to fund the COVID-19 packages were unlikely to be paid back. An occasional paper from the Ministry of Finance (MOF) on medium-term fiscal projections has also warned of the need to raise further taxes to fund the expected increase in expenditures.

Under such an environment, any increase in subsidies and grants for housing would necessitate an increase in taxes. This situation is caused by the way we treat land sales proceeds. Under current practice, the proceeds from the sale of land are put into reserves. The Government argues that to do otherwise would reduce the value of the reserves. Progress Singapore Party (PSP) begs to defer.

Back in the days when land was sold on a freehold basis, this practice made financial sense and was the prudent thing to do. PSP agrees with this approach. However, when land is sold on a leasehold basis, this practice should have been reviewed.

Since land reverts to the state at the end of the leasehold period, there is no reduction in the value of the reserves at that point. On what basis do we claim that our future generations have been deprived? The same piece of land the Government now owns will still belong to the Government 99 years later, or 20 years later or at the end of any other lease period.

The land sale proceeds is payment for the use of the land over the lease period. This is similar to rental payments which is also payment for the use of land over a fixed period, albeit a shorter one. Whether the use of the land is given on a three-year basis, 20-year basis or 99-year basis, the same principle applies.

At the previous Budget, I have argued that land sales proceeds should be treated as revenue divided over the period of the lease. I have also illustrated via a table how this can grow into a significant revenue stream in a steady state.

MOF's response to my proposal then was that this is a different concept. They do not deny the soundness and financial prudence of the proposal. Today, I venture further to point out that the situation we are facing with home affordability issues highlights how the current practice of putting land sales proceeds into reserves is not sustainable and places unnecessary tax burden on taxpayers. The increasing land cost that necessitated higher subsidies and grants in order to keep houses affordable makes higher taxes necessary.

However, if the land sale proceeds were taken as revenue, higher land costs mean higher revenue which can fund the higher subsidies and grants without needing higher taxes. There is inherent stability in this approach and the concept is sound. Against the backdrop of the tight fiscal position shown in MOF's paper, if we continue with the current accounting practice, the tax burden of HDB subsidies and grants will get increasingly painful in the years ahead.

Proceeds on the sale of leasehold land is income generated from land reserves, similar to the investment returns from our Sovereign Wealth Funds. Treating the proceeds from sale of leasehold land as revenue is thus similar to Net Investment Returns Contribution (NIRC). Whereas in the case of financial assets, we may need to retain part of the investment returns to ensure the value of the assets keep up with inflation, the value of the land that reverts to the state at the end of the lease period is inflation-proof.

PSP therefore urges the Government again to review its accounting treatment of land sales proceeds.

Coming after the announcement of the 2% GST hike, MOF's paper warning of tax increases raises worries of further tax burdens on the people who are already straining under the rapid increase in cost of living.

The additional taxes in this year's Budget have fallen primarily on individuals rather than companies. For example, higher GST, higher taxes on tobacco and higher-end properties and vehicles. Companies, on the other hand, have either new tax incentives or existing ones extended.

PSP is of the view that the more profitable companies should pay more taxes. Based on MOF's reply to my Parliamentary Question (PQ) on corporate taxes paid by companies of different profit levels, it is seen that for YA2018 to YA2021, companies earning profits before tax of between \$200,000 and \$10 million paid on average 8% to 9% of their profits as taxes. Those with higher profits paid a lower percentage.

Companies earning between \$10 million and \$100 million in profits paid on average 5.1% of their profits as tax. For companies earning between \$100 million and \$1 billion in profits, 2.8%. For companies with profits beyond \$1 billion, 0.9%. Companies with the highest profits actually pay the lowest percentage of their profits as tax!

To illustrate, a company making \$2 million in profits pays 9% of its profits as taxes. This is 10 times the rate of a company that makes \$2 billion in profits, that is, 1,000 times the profit. This is highly inequitable.

In their reply, MOF stated that effective tax rate should be calculated based on percentage of chargeable income, not profits before tax. I disagree.

Profits before tax is calculated based on internationally accepted accounting standards but chargeable income is affected by things like which expenses are tax deductible and which are not, what income is taxable and what is not, which capital expenditure can be expensed over one year and which over longer and so on. In other words, chargeable income has already incorporated part of our tax policies and treatments.

Therefore, to see the full effect of our tax policies on companies in a holistic manner, not just of the corporate tax rate but also tax incentives, exemptions and other treatments, we should be comparing the amount of tax paid with profits before tax.

We should review the tax incentives and treatments given to companies earning profits beyond \$10 million so that they pay more taxes. For example, if companies earning above \$1 billion in profits pay just 3% of their profits as taxes instead of the current 0.9%, the additional revenue raised would be about \$5 billion per year!

It is time for companies to pay a fairer share of their profits as taxes. Even in the absence of any global agreement, this is something we should do, not because we are forced to and it need not be tied to any global timetable.

We have traditionally used low corporate tax as a means to attract investments. When the global minimum corporate tax is implemented, this strategy will lose effectiveness. With the loss of this tool, it has become even more urgent for us to find ways to address the high cost in Singapore. With higher corporate tax revenue, we can use that to lower business cost and cost of living to offset the higher effective tax rate thereby making Singapore still an attractive investment destination and provide relief to Singaporeans. PSP therefore urges a thorough review of our policies on property and transport to bring down costs.

In conclusion, we urge that land sales proceeds be taken as revenue divided over the lease period to ease the tax burden on taxpayers and for more profitable companies to pay more taxes and to use that additional corporate tax revenue to lower cost in Singapore.

Mr Speaker: Mr Desmond Tan.

12.37 pm

The Minister of State, Prime Minister's Office (Mr Desmond Tan): The Labour Movement welcomes Government's support for workers in this year's Budget Statement to grow our economy, improve training and job placement, enhance employment support for those who may need more help and to tackle the rising cost of living.

The COVID-19 pandemic has taught us that trust between people, institutions, businesses and Government is critical. When businesses in some sectors were badly hit and jobs were uncertain, it is this trust that enables National Trades Union Congress (NTUC) and our tripartite partners to work closely to save jobs, support our businesses and workers.

We cannot assume that the trust we have built with our workers will continue to be strong over time. We have to engage with each generation of workers to listen to their needs, anxieties, their aspirations and to provide assurance that we will walk the journey with them.

With these in mind, NTUC launched the #EveryWorkerMatters Conversations or EWMC in short, last year. The #EWMC aims to reach out to at least 20,000 workers through dialogues, focus group discussions and surveys to hear their views around work and to refresh NTUC's compact with workers.

Since its launch, NTUC has been listening to a wide range of workers from youths to mature workers, Professionals, Managers and Executives (PMEs), the self-employed, essential service workers, caregivers and to ex-offenders. We are excited to share our recommendations when they are ready, sometime later this year.

But what are all these for? Let me quote our NTUC Secretary-General Ng Chee Meng, "Through #EWMC, NTUC will ensure that our workers' voices are heard. We aim to put forth valuable feedback and useful recommendations that can shape policies with our workers' interests at its core. After all, workers are at the heart of our nation's progress."

Through the #EWMC engagements, key themes and preliminary ideas are emerging and taking shape, which my fellow Labour Members of Parliament (MPs) will cover in their respective speeches. This includes retirement adequacy, un-employment support, supporting younger workers and workers in the lower-wage sectors, workplace health and safety, caregiving, training, among others.

And in the next part on my speech, I will provide an update on NTUC initiatives to support training and upskilling of our workers.

I believe that to empower our workers with opportunities and abilities, we need to build a culture of lifelong learning.

In Randstad's recent 2022 Workmonitor study, 91% of employees surveyed in Singapore have indicated an interest in career learning and development opportunities. Despite this, only 22% said that they have received training and upskilling opportunities from their employers in the past 12 months.

That said, since 2015, around 30% of eligible Singaporeans have utilised their SkillsFuture credit. A steady increase over the past years.

I would like to take this opportunity to share three possible reasons observed from the #EWMC and research conducted by NTUC on why workers do not attend or complete their training.

The first reason is a practical one regarding time, money and manpower. At the focus group discussions, participants shared that manpower-lean firms may not allow workers to go for training and might call workers back even if they were scheduled for training due to operational needs.

Many find training course fees rather high despite subsidies from SkillsFuture Credit and other funds. Companies also do not provide protected time and employees often have to take time outside of work to upgrade themselves. And this often has to be balanced with other priorities like caregiving.

The second reason is the lack of confidence in the returns on training. Employees had expressed their doubts if training could bring about any real positive impact for their careers, in terms of job or wage growth. Employees also questioned how useful or relevant training could be, if there are no real opportunities for application within the company. Similarly, employers expressed concerns that employees might change jobs or change companies after receiving training.

The third reason is the lack of awareness towards training needs and opportunities. Workers may not have sufficient knowledge to diagnose their own skills gap and the skillsets required for their next intended career move. Similarly, employers find it challenging to identify the required skill sets or knowledge that employees might need for certain job roles.

These findings do suggest that employees are more prepared to go for training if they were initiated by the employers, when training is for purpose of meeting specific job demands within the company and with better assurance of time support and wage outcomes.

And that is why in 2019, NTUC introduced the concept of Company Training Committees (CTCs) between our unions and employers to support business transformation that can lead to company-initiated training and skills upgrading for workers.

We are thankful for Government's support with the \$70 million CTC Grant which commenced in August last year. To date, I am happy to update that we had formed around 1,200 CTCs, approved 17 companies' CTC Grant projects, with many more applications being processed, as we speak.

One example of a CTC company is the Royal Plaza on Scotts (RPS). The company formed a CTC and had two rounds of Operations Technology Roadmap to transform its business and to redesign its jobs.

One direct beneficiary of CTC is Mr Hamid bin Selamat, who was an engineering supervisor. Positive and open-minded towards upgrading, he took up security modules and became a certified Security Officer at the age of 65. Now, he can perform two roles in the company – engineering and security – with benefits such as better wages and better work prospects.

Having experienced the positive outcomes from CTC for both business and workers, RPS has applied for the CTC Grant with a commitment to give wage increment for the impacted local workers.

We hope more companies will follow suit and will work with NTUC in forming CTCs, because we are committed to support you in the journey of enterprise and workforce transformation.

Last year, brother Chee Hong Tat spoke about the challenge of jobs-skills mismatch, where employers, on the one hand, are short-handed and could not find enough workers to fill vacancies, and workers, on the other hand, find the skills they acquired are not a good fit to what employers are looking for. The Labour Movement is therefore pleased to hear Deputy Prime Minister Lawrence Wong announce the Jobs-Skills Integrators pilot initiative, which will commence with three sectors.

With the involvement of industry, training and employment facilitation partners, we envisage that the Jobs-Skills Integrators will help to bridge the information gap for workers and employers, who may find it difficult to identify high-quality training which industries will find relevant. NTUC will fully support this pilot.

Our Government has always been supportive of continuous learning and skills upgrading. Many initiatives have been introduced to support workers' upskilling, whether at work or during job transition. The SkillsFuture Career Transition Programme (SCTP) implemented in April 2022 is a good example. I am glad that the Government has decided to make this a long-term programme in replacement of the SGUnited Skills Programme (SGUS) and the SGUnited Mid-Career Pathways Programme which were implemented during the pandemic.

I hope SkillsFuture Singapore will progressively expand the SCTP to more sectors so that more workers can benefit from this scheme.

I also call on the Government to consider protected training leave for employees and review training fund and allowances, to support our workers in alleviating their concern for the lack of time and finances and for opportunity cost when they had to attend training.

For example, the Government can consider introducing training allowances that are tied to the trainees under the SCTP.

Mr Speaker, Sir, Singapore is experiencing persistently high inflation and uncertain economic outlook, just like the rest of the world. Supply chain disruptions caused by the war in Ukraine and the COVID-19 pandemic have impacted our economic and labour landscape significantly.

In many countries, this heightens the risk of conflict and instability. As risk intelligence company Verisk Maplecroft's chief analyst said, and I quote, "We are talking about numerous powder kegs around the world simply waiting for that spark to be ignited. We just don't know where that spark will come first".

Recently, we have seen these "sparks" flying through bitter strikes in countries such as the UK, France and South Korea, which threaten the delivery of essential service in healthcare as well as in public transportation.

In the UK, strike actions were carried out by workers such as nurses, rail workers, postal workers, ambulance workers and airport staff. Workers there demand for higher wages due to higher inflation. Because of the strike by ambulance workers, residents with serious but non-life-threatening conditions might not be immediately attended to by an ambulance.

Closer to home in Asia, the truckers in South Korea initiated strike actions against their government. They were calling their government to make permanent a policy on minimum freight rates for container and cement truck drivers. To end the strike, the government had to issue "back-to-work" orders, by which the strikes had already lasted for two weeks and cost US\$2.7 billion to the economy, according to their government's estimates.

These strike actions had caused disruption to public lives, demoralised workers, discouraged investments and destabilised the economy.

In Singapore, we have managed to avoid such stand-offs through tripartite arrangement and with each tripartite partner doing its part and working hand in hand. One example is the Progressive Wage Model (PWM).

PWM was first implemented in 2014 for the cleaning sector. Since then, we have progressively rolled out PWM in seven sectors and two occupations. With PWM, workers can be assured that they will not only receive a minimum wage corresponding to their sector and occupation, but also defined career pathways that would ensure that their wages increase as their skills and responsibilities increase as well. For example, the landscape workers have moved up by 3.5% per annum from \$1,300 in 2016 to \$1,650 in 2022, more than twice the median wage increase of 1.4%. These wages will continue increasing, till about \$2,385 in 2028.

This is not all. Together with the expanded Local Qualifying Salary (LQS), this would benefit more than 90%, in fact, 94% of lower-wage workers.

At this juncture, I would like to make a comment on the proposal by Mr Leong Mun Wai on "Living Wage", which is a guaranteed take-home of \$1,800 for all Singaporean workers. It is noteworthy that Mr Leong agrees with the PWM, as he also said that the PWM can remain to help workers achieve a higher level of wage than the "Living Wage".

The PWM mandates fair and sustainable wages according to skill level. It is tailored to each sector and agreed upon by the tripartite partners – the Government, the employers and unions.

As mentioned, we have steadily expanded the PWM into seven sectors and two occupations, and together with the LQS which is set at \$1,400, our low-wage workers can also receive a Workfare Income Supplement (WIS) of up to \$350 per month. PWM and LQS combined already cover a wide base of 94% of all low-wage workers within this year. The remaining 6% are small family-owned businesses which

would usually not be covered by minimum wage in other countries as well.

As for the level of minimum wage or "Living Wage" that has been proposed, we note that there have been different proposals: \$1,300 by Workers' Party; \$1,800 by PSP this year, which is \$300 more than the \$1,500 that they proposed in 2021.

We need a sustainable and systematic mechanism to set and review the floor. The LQS is a stable methodology and until COVID-19, the LQS has been increased \$100 each year from 2017. My colleague Fahmi Aliman will suggest a way to review our LQS in his speech later.

I recognise that we all want wages to be high. In NTUC it is our raison d'être to have better wages, welfare and work prospects.

But we must also do this sustainably, without causing unintended consequences like disemployment. We want higher wages but we also want higher employment rates and there had been studies that showed clear downsides on minimum wage, including disemployment and the perverse outcome that the minimum wage becomes the maximum wage. And this is of concern especially in a small economy in Singapore where SMEs form the bulk of our workers. PWM has a proven track record of raising wages without the risk of job losses.

So, in NTUC, we support a PWM that is customised to sector or occupation, ensure productivity improvements with clear career pathways. In this way, we can move confidently with our tripartite partners and our workers get their assurance of a basic wage and a ladder for increase over the years as their skills upgrade.

Mr Speaker, please allow me to speak in Mandarin before I conclude in English.

(In Mandarin): [Please refer to [Vernacular Speech](#).] Mr Speaker, the challenges posed by the pandemic over the past three years have highlighted the need for Singapore to build a more flexible and adaptable workforce to respond to the rapidly changing labour market and industry needs.

NTUC must also constantly transform to better serve workers in all sectors regardless of job position, industry, full-time or part-time, platform worker or self-employed. NTUC is committed to safeguarding your interest and providing you with better wages, welfare and work prospects.

In this respect, tripartism is crucial. NTUC is pleased to receive a \$70 million grant from the Government for us to continue to develop the training and placement support ecosystem for local workers and provide more employment assistance and support for them. For employers, we hope that they will continue to drive business transformation.

Although this year is the Year of the Rabbit, we should not adopt a wait-and-see attitude. Instead, we should be as nimble as a rabbit and use the keen sense of business acumen to drive business transformation and bring about business growth by leaps and bounds.

(In English): Charting our paths forward, the NTUC affirms the importance of tripartism. Since the NTUC Modernisation Seminar in 1969, generations of Government, businesses and union leaders have worked hard to build and sustain Singapore's brand of tripartism.

I quote Prime Minister Lee Hsien Loong's speech during NTUC National Delegates Conference in 2011. He said this about tripartism, and I quote, "We have to preserve this ability, this trust at all costs. It's an intangible national treasure; we built it up through our young history. It's one of the most valuable things we can pass on to our future generations."

Tripartism is Singapore's national treasure. And we must never be complacent or take it for granted because one misstep can break this trust.

I thank Member Raj Joshua Thomas for agreeing that tripartism is our key pillar for our economic and social resilience. It works when all parties represent our constituents' interests well.

Regarding the case he mentioned of how NTUC raised an issue with the security agency, I want to assure him and his industry colleagues that in NTUC, our unions believe that companies must be given the flexibility to transform and right-size. But the company must also do so fairly and adhere to the established principles and guidances, such as in this case the Tripartite Guidelines for Fair Employment Practices both in substance and in spirit.

The Labour Movement will continue to work with our tripartite partners to resolve any differences that may arise every now and then amicably and through established processes. Ultimately, we want our companies to do well and to create good jobs for our workers.

Through the #EWMC, the NTUC will renew our social compact with our workers and bring to the table of tripartite partners the collective sentiments of our workers. And in so doing, strengthening tripartism, preserving industrial peace and building a more resilient nation as we move into the new era together.

To every worker in Singapore, on behalf of the Labour Movement, we want to thank you for your hard work and sacrifices throughout the pandemic. The NTUC will continue to champion for your interest to achieve better wages, welfare and work prospects because every worker matters. Sir, I support the Budget. [Applause.]

Mr Speaker: Mr Patrick Tay.

Mr Patrick Tay Teck Guan (Pioneer): Mr Speaker, Sir, I rise in support of Budget 2023. It is a thoughtful and forward-looking Budget which supports the diverse needs of society while ensuring judicious spending as we build our resilience to embrace future challenges and opportunities.

The nature of our economy as we know, is shifting and changing due to digital disruption and the green transition. We cannot shy away from these, and in fact, we must be at the forefront to ensure that Singapore remains a competitive and attractive investment location. In the longer term, this will lead to better jobs, better wages and better opportunities for our local workforce.

However, because of this rapid restructuring, the nature of work is transforming and the half-life of skills is shortening. Understandably, this has caused greater uncertainty and anxiety for our local workforce. This is further exacerbated by demand softening in various parts of the world, resulting in cyclical headwinds in sectors such as manufacturing in the electronics and semi-conductor space.

On top of this, there is also the challenge of soaring energy prices which is eroding profits of companies. Deputy Prime Minister Lawrence Wong mentioned the extension of the Energy Efficiency Grant which would be welcome by eligible businesses. I do hope the Government will also consider helping other critical sectors to cope, such as through energy rebates for export-focused electronics firms, to keep these high-value industries afloat and ensure workers' livelihoods.

In my past speeches, I have highlighted a segment of our workforce which has been impacted immensely. They are the Professionals, Managers and Executives – PMEs for short – especially those 40 to 60 years of age. They are in a particularly precarious position when they lose their jobs as they generally have more dependents. They also take a longer time to find a new job in view of their age and may lack relevant skills to take on the new and growing areas and jobs. Upon re-entry to employment, there is also an increasing propensity for them to suffer from a drop in wages.

As we move forward, we need to keep a look out for every worker and bring everyone along together on this journey of progress because every worker matters. To do so, we need a threefold approach, what I call the "three Fs": first, financial support for displaced workers to cushion them and their families in the short term as they actively search for new employment; second, facilitated employment and training to upgrade workers and help them seize opportunities in the new economy; third, fair access to PME roles to allow our local PMEs to compete with foreign PMEs, regardless of age, on a level playing field and boost local PMEs' employment outcomes and strengthen the Singaporean Core.

Some of these, such as the short-term financial support, are part of the recommendations presented by the joint NTUC-SNEF PME Taskforce which I co-chaired with the Singapore National Employers Federation (SNEF). I also spoke about them in my last Budget speech. I am heartened that the Government has taken these recommendations to help our local PMEs into serious consideration, but there is also still more that we can do to support our workers facing anxieties about unemployment. Allow me to elaborate.

First, short-term financial support for displaced workers.

Today, PMEs are generally less likely to receive support from the Government in view of their earlier higher income. However, as I shared earlier, PMEs are an increasingly vulnerable group because of rapid economic changes and cycles.

When complemented with active labour market interventions, unemployment support – or using another term, re-employment support – can help displaced PMEs in their job search journey. The support provides displaced workers the space to upgrade their skills and look out for suitable employment, with the knowledge that they would be able to continue supporting their family's basic needs during this difficult period. This increases the likelihood of PMEs looking for jobs that are a good match to their skillsets or which offer progression opportunities. With a better job match, their employment duration at their next job could be longer and any under-employment mitigated.

There are understandably concerns that with unemployment support, workers will remain unemployed for longer periods, making it harder for them to re-enter employment and causing a strain on Government resources. However, in an online survey with 500 respondents conducted in April 2021 as part of the PME Taskforce's work, almost 80% supported the introduction of unemployment support, with most citing that it would help workers cover their basic needs during their job search. This finding echoed the calls I made consistently since 2014 when I first started lobbying for some form of unemployment support for our PMEs and workers.

We still hear the same today, as we carry out our #EveryWorkerMatters Conversation.

Indeed, we have seen how unemployment support can serve as a lifeline while facilitating workers to upgrade their skills and actively search for jobs. At the height of the pandemic, the Ministry of Social and Family Development (MSF) introduced the COVID-19 Recovery Grant (CRG) to provide temporary financial support to workers who experienced involuntary job loss, no-pay leave or income loss. To be eligible, unemployed workers must prove that they have actively participated in job search or training or attempted to improve their business revenue, if self-employed. NTUC's e2i will contact individuals who are receiving their third tranche of CRG to refer them to resources that can support their job search efforts. In the same vein, we introduced the Self-Employed Persons Income Relief Scheme (SIRS) to help freelancers and the self-employed to tide through the first year of the pandemic for up to \$1,000 per month and up to nine months.

I am grateful that the CRG has been extended till the end of 2023, as many workers are still recovering from the pandemic's economic impact. However, I would like to reiterate the call for the Government to go a step further and introduce a permanent scheme that would provide short-term unemployment support for all workers who are involuntarily displaced, including PMEs. Beneficiaries could similarly be

required to prove that they are actively trying to re-enter the job market. In this way, it provides targeted support, coupled with upskilling and job matching which NTUC is well-placed to support, to help workers rebound and re-enter employment.

I acknowledge that a scheme of such scale will be challenging to introduce, but I implore the Government to seriously consider this proposal. This scheme would reassure our workers that we will work hand-in-hand with them to navigate through the exacting changes and challenges in the global economy.

The second important element is facilitated employment and training.

Job-seeking can be a very daunting experience, especially when the individual is forced to seek new employment involuntarily. In another online survey with 1,000 respondents conducted in April 2021 as part of the PME Taskforce work, only 58% of mature PMEs were confident in getting a job with their current skills and capabilities. Our employment facilitation landscape must optimise the job-seeker experience by funnelling them seamlessly to the support they need at various stages.

This could be in the form of customised career counselling and advisory or training that would equip them to take on jobs in growth areas or redesigned job roles. Thereafter, we need to enable a good career match via schemes such as the Career Conversion Programmes, which allow workers to be placed in new roles, and then undergo structured on-the-job training to transit into the new role. Finally, we must continuously monitor outcomes for participants so we can come in and support them in a timely manner.

NTUC's e2i is committed to working closely with the Government to support jobseekers, particularly the more vulnerable, mature tech mid-careerists as well as those most likely to be affected by the green transition, such as workers in the oil and gas industries. e2i's Lift-and-Place model can be leveraged to facilitate the movement of workers from sectors that are declining to adjacent sectors that require similar skills, or sectors that need to quickly ramp up operations.

Our unions and union leaders will also work together to improve career matching and transition assistance to workers at the grassroots.

While we embark on these efforts, I hope employers will also do their part by recognising vocational certifications of mid-careerists who have upskilled or reskilled themselves and want to enter different sectors, such as the tech sector. In the long run, this will help the local talent pipeline and strengthen our Singaporean Core.

Beyond supporting displaced workers, we must also facilitate upskilling and reskilling amongst those who are still in employment. I urge the Government to consider incentivising more employers to send their employees for training, by providing higher funding support for Absentee Payroll and providing maximum funding for courses relevant to sectors where there is a shortage of local PMEs and workers. This enhanced funding of both training and absentee payroll can also be extended to sectors and companies facing difficult cyclical challenges such as in the electronics sector, even as most of our industries recover post pandemic.

We should also facilitate access to career coaching to empower workers to chart their career paths. Beyond larger establishments like NTUC's e2i and Workforce Singapore, there are numerous private sector career coaches that individuals can tap on. I therefore ask for SkillsFuture Singapore to consider extending the usage of SkillsFuture Credits to engage personal career counselling and advisory as well as coaching services as these are currently limited to selected segments of the workforce.

The last element, or should I say the last "F" is fair access to PME roles for our locals.

We must ensure a level playing field for our local PMEs and the foreign talent that we bring in to complement our local workforce. NTUC as the Labour Movement have been lobbying for and watching this space, whether it is discrimination with respect to age, gender, nationality, or even disability, whether physical or mental, as well as all other forms of discriminatory practices. We now have the tripartite guidelines for fair employment practices, as well as the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP).

Employers should establish and implement policies and practices to foster a fair and inclusive workplace and provide a safe environment for workers to report concerns. To do so effectively, it is crucial for companies to have certified Human Resource (HR) professionals, either by the Institute of Human Resource Professionals (IHRP) or other internationally recognised organisations. SMEs with lean manpower should also be equipped with such HR professionals, perhaps through the introduction of shared HR services.

I would like to call for the Government and tripartite partners to generate more awareness on the importance of improving HR standards, possibly through the IHRP certification, and to further collaborate to improve existing policies and practices. Where retrenchments are inevitable, the Government must ensure fair and responsible retrenchment practices are adopted.

For the small proportion of egregious companies with discriminatory practices, there should be a penalty framework in place to bring them to task. I hope that the upcoming Workplace Fairness legislation will strike a good balance between protecting our local workforce and managing business needs.

Mr Speaker, Sir, to conclude, we cannot escape from disruptions and rapid structural changes in our economy. Our local workers, especially mature PMEs, will continue to face volatility and uncertainty. What matters is that we remain resilient, seek out opportunities amidst these disruptions and adapt to ride the waves of change.

To support our workers as they navigate these uncertainties, we need a threefold approach with the "three Fs" of financial support to cushion displaced workers in the short-term, facilitated employment and training, as well as fair access to PME roles.

We at NTUC will continue to champion these for all workers, so that every worker can secure better wages, welfare and work prospects because every worker matters.

I believe we have the means, the resources, the capabilities and the right people to make this happen in Singapore. The strong tripartite bond between Government, employers and the labour movement has been our secret weapon for many years and will continue to do so as we transition into a new and prosperous future. Mr Speaker, Sir, I support the Budget.

Mr Speaker: Assoc Prof Jamus Lim.

1.11 pm

Assoc Prof Jamus Jerome Lim (Sengkang): Mr Speaker, while the Workers' Party retains its opposition to the GST hike – believing that there are indeed alternative revenue sources available – and we recognise that this Budget embeds the self said hike, we also acknowledge that the Budget is a forward-looking one, aimed at both stimulating medium-term growth as well as improving progressivity. For those reasons, it has my support.

Nevertheless, I believe it falls short in a number of areas. My speech will begin by offering some direct responses to the Budget before moving on to offer suggestions on how we may inspire growth via three of its key drivers: labour, capital and productivity.

My first observation is that the fiscal policy stance will be contractionary. To be clear, the fiscal balance, using the Government's accounting conventions, will result in a deficit of -0.3% of income in the fiscal year just past and there is projected deficit of -0.1% for the year to come.

But Members will undoubtedly be aware that this fiscally conservative approach tends to reduce the amount of available revenue, which in turn is more likely to throw up a deficit. I will not quibble over whether this methodology is justified. It has been litigated and relitigated already in this House. But I simply point out the fact, evident to all economists, that the Budget is, by conventional international standards, in surplus.

We may argue that this position is well justified; after all, we are not currently in a recession and we do need to build up a fiscal buffer should one visit us next year, and the Government is also constitutionally bound to run a balanced Budget during its full term. But let us just recognise that just two years after the worst recession in our country since Independence and notwithstanding the many giveaways in this year's Budget, our fiscal impulse has decisively turned negative.

In my speech on the Income Tax (Amendment) Bill last year, I had suggested that one option available to the Government for rebating some of the unexpectedly higher revenue receipts to the people was to beef up of the GST Voucher (GSTV) scheme. In particular, I had suggested that the Government's claim that GSTV would offset 20 years of GST payable had been eroded by inflation, by between one month and a year, depending on one's flat size.

The Budget's announcement that the permanent voucher scheme would be increased restores the Government's original promise of offset years, and in fact, if anything, exceeds it with an additional \$3 billion boost to the Assurance Package. It therefore offers much-needed support for coping with higher costs of living. Of course, the increase in cash quanta of between \$100 and \$150 has been somewhat diluted by higher sticker prices. Still, even taking inflation into account, the Budget still offers real increases of between \$94 and \$104 measured in last year's dollars, or \$90 and \$135 in 2021 dollars. This is welcomed.

In my speech on last year's Budget Statement, I had also outlined a number of alternative revenue levers that the Workers' Party believes are viable ways to raise revenue. These included an externalities lever, which would increase sin taxes as well as a wealth tax lever, which requires greater contributions from those who can afford to pay more.

As I explained then, it would be even possible to mix and match between the levers to derive a revenue mix that we can all accept.

I note that this Budget, by introducing additional taxes on high-end properties, luxury cars and tobacco, pulls some of the levers that we had previously suggested. While they do not go as far as we would like, they do add a cumulative \$600 million to revenue.

To paraphrase Groucho Marx – a few hundred million here, a few hundred million there, and soon, you are talking about real money.

The Budget also raises the CPF ceiling from \$6,000 to \$8,000. Minister Wong explained that this was about "keeping pace with inflation".

I understand that this will not affect lower-income earners who earn below the ceiling and that, while it will reduce take-home pay for those earning more than \$8,000 by about \$400, the increased employer contributions mean that certain workers would enjoy a modest pay bump of around \$340 as their employers' contributions rise.

Pay increases to cope with inflation are certainly a good thing as is making sure that our savings are adequate for retirement. However, for the typical middle-class family in Sengkang, the smaller take-home will stretch already tight budgets. The \$400 could mean cutting back on tuition fees or that extra visit to the dentist for the family.

Is there an alternative way?

One wonders why the Government did not choose the route of returning the employer contribution to the full 20% instead. After all, this was the status quo in the 1990s until the Asian Financial Crisis. The employer share has since been cut and raised a number of times since but the equal share that was the case in the past has never been restored.

While I understand the need to provide employers with relief in the wage bill during a recession, we are not in one now. While restoring the employer contribution alone will not fully make up for the additional CPF savings that would result from an increased ceiling, one is still left to wonder why this approach was not part of the consideration for addressing the effects of inflation on CPF.

Mr Speaker, I mentioned that one important thrust of this year's Budget was to sustain long-term growth. I now move on to discuss three ways I think we can do even more.

During 2021's Committee of Supply debate, I sketched out the case for heightened total R&D expenditures, noting that its share – of a little shy of 2% of GDP – fell behind not only the global average of 2.3% but also those of leading knowledge-oriented nations such as the United States, Japan, Korea and Israel.

Two years hence, this remains the case. But if anything, the gap has widened.

The latest data reveal that spending by these other nations have all ticked up, as has world R&D spending, which is now up 0.3 percentage-points to 2.6% of GDP. In contrast, our national R&D rose only to 2.2% as a result of a collapse in output that year. As a share of GDP in the prior year, it remained mostly stagnant at 2%.

At the time, the Government stressed that our public expenditures do not significantly lag that of a number of advanced economies. It cited the spending of 0.7% relative to Denmark, Sweden and Switzerland, all of which spend around 1%.

This Budget, to be clear, will inject the Productivity Fund with another \$4 billion, which should bring our public share closer to that of our comparators.

But where is the discrepancy between the public and the private? It starts with an acknowledgement, which I believe that the Government will agree with, that public R&D cannot be expected to carry the load on its own. Rather, it needs to be a catalyst for our otherwise woeful private-sector spending on R&D.

Recognising this is key since there is evidence that the two are indeed complements and raising public R&D directly will contribute to greater business R&D. Moreover, such spillovers may be even greater for open economies such as our own.

But what is necessary to elevate our lagging national productivity is both of these working in tandem. Here is where a combination of increased spending in public R&D, coupled with strong tax incentives to foster private R&D would come in.

This Budget introduces an Enterprise Innovation Scheme meant to enhance tax deductions for innovation-related activities in Singapore. This will take advantage of exemptions for R&D credit in the Organisation for Economic Co-operation and Development (OECD)'s Base Erosion and Profit Shifting (BEPS) framework. Specifically, countries are indeed allowed to continue awarding R&D contracts to reduce the tax bills of multinational corporations (MNCs).

The strategy is straightforward. Generous tax credits create incentives for firms to locate their R&D activities in a subsidiary in Singapore, which in turn books R&D fees off revenue from the firm's entities in other jurisdictions.

Singapore is a signatory to the agreement and so adhering to the stipulations to BEPS eventually will be a given. R&D credits offer an opportunity for us to stimulate our domestic research activity in a perfectly legitimate fashion. But aspiration aside, up till now, the absolute number of firms assisted remains small – to the tune of about 520 companies.

The question is how the Government plans to scale up this assistance, especially among SMEs.

This echoes a point made by my hon friend, Leon Perera, in a speech that highlighted our missing mid-sized firms, way back in 2016.

What has been the main inhibitor to more enthusiastic take-up? Could these constraints be relaxed especially if we were to ease up on the need for recipients to demonstrate short-term results?

Minister Wong also announced that the SME Co-Investment Fund would enjoy an additional injection of \$150 million. This is welcome, especially if it is directed towards investment and innovation.

Our public expenditure on R&D remains inadequate, especially, in my view, in the "D" part of R&D. In 2020, applied research expenditures actually declined by 4.3% even as spending in a number of other classes rose. This is especially worrisome since it is translational research of this form – basically, adapting basic research into commercially viable products, which often experiences a higher failure rate – where the Government can play a critical role in risk sharing, with a potentially high payoff for the economy.

Such vehicles already exist, such as A*STAR, EDBI or EDB New Ventures. But in my conversations with those in the sector, the need for officers in such agencies to meet short-term key performance indicators (KPIs) has been cited as a constraint.

Adopting the "venture" mindset requires tolerance of higher loss ratios. Would the Government consider setting up specific funding buckets that will allow the funding of moonshots with more flexible targets and fill more of the gap between seed and Series A funding?

Another approach is to undertake the exercise hand-in-hand via a more involved public-private partnership (PPP) model.

There is evidence that public credits directed towards PPPs can spur private sector innovation as can a better matching of universities with startups. Such an approach would be especially fruitful in areas such as biotech and pharmaceuticals where we have world-class upstream research produced by our universities along with excellent specialised downstream production capacity but, up till now, insufficient midstream capabilities.

Speaking of BEPS, it is worthwhile thinking carefully about the practical rollout of the treaty. The terms require that the global minimum corporate tax rate be set at 15%. Minister Wong shared that to comply, a domestic top-up tax would likely be implemented here in 2025.

My hon friend, Louis Chua, had previously made the point that the effective tax rate faced by MNCs and SMEs differ. According to the Government, the effective corporate tax rate averages between 8% and 10% for MNCs and around 3% for SMEs.

Notwithstanding the ongoing uncertainty about the implementation of BEPS, the Workers' Party continues to urge the Government to maintain this differential treatment of MNCs and SMEs, insofar as the effective corporate tax rate is concerned and to treat all MNCs regardless of size equally.

By our calculations, even with a reasonable loss of corporate and personal income taxes arising from the agreement, this approach to BEPS will still be a net positive for Government revenue. Placing the burden of higher corporate taxation on the shoulders of MNCs that are more able to afford it – a point that the hon Member Hazel Poa has mentioned earlier on – and who are the primary targets of the agreement in any case will provide a better business climate for our SMEs to eventually grow and become international companies in their own right and help rebalance our economy away from our historical reliance on multinationals.

Sir, in the 2021 Committee of Supply, I had spoken about how reskilling via schemes such as SkillsFuture could be better paired with a re-employment promise. At the time, I had also suggested a natural end-to-end complementarity between redundancy insurance at the point of separation, to re-training, to eventual reintegration into the workforce.

In his speech, Minister Wong spoke about introducing Jobs-Skills Integrators as a means of better empowering our workers. He also spoke about strengthening our safety nets but glaringly misses out how our net still provides inadequate support at the point of unemployment.

The Stanford economist, Paul Romer, once quipped that "a crisis is a terrible thing to waste". It is a pithy way to emphasise how competing interests may be willing to question their long-held assumptions and come together to confront a common problem. COVID-19 was our crisis du jour and the generous support we offered then to displaced workers offered us a tantalising glimpse of how valuable redundancy insurance can actually be.

This Government likes to reiterate that "a job is the best welfare." But what happens when our workers lose their jobs for reasons little related to their performance or ability?

It seems to me that as a society, we need to help these workers get back on their feet. In other words, we need a backup support system for redundant workers to access their first-best welfare system – which is a job.

One of the common reasons cited for not deploying an unemployment insurance scheme is the potential corrosive effects that having such insurance could have on workers' incentives to search for a job, at least until the payout period ends. In the worst-case scenario, detractors fear that having unemployment insurance will encourage quits because workers are confident that they will have a fallback source of income.

This is the crux of the objection by the then-Second Minister for Manpower, Mrs Josephine Teo, in her response to then-Workers' Party Non-Constituency Member of Parliament Daniel Goh's speech on redundancy insurance.

Notwithstanding how our proposal is for involuntary redundancy and not all forms of unemployment, these so-called "moral hazard" concerns are well recognised. However, the theoretical fear does not find much support in the empirical data.

Studies of advanced economies that have rolled out such insurance schemes tend to find little adverse effects for employment outcomes. Moreover, we should not simply focus on the negatives and conclude that the scheme is a bad one. The flip side of a greater willingness to quit is the reduction of insecurity and worry associated with a lost job or an end to the helplessness and frustration felt when stuck in a job that is making one unhappy.

The converse of a possible free rider who is soaking up welfare payouts and therefore voluntarily remaining unemployed is a parent who does not need to worry about being able to afford sending their child for tuition or to the doctor just because they lost their job.

Indeed, economists understand full well this trade-off and suggest that the optimal design of unemployment insurance schemes is to properly calibrate the tenure requirement – that is, how long an unemployed worker can benefit from the scheme – with a monetary requirement, which determines how much payout a worker can receive.

Interestingly, optimal schemes tend to pair a larger monetary requirement with a low tenure requirement. Other tweaks may entail a diminution of benefits over the course of one's unemployment spell or to deploy a wage tax after re-employment that increases the longer an individual has remained unemployed.

The Workers' Party longstanding proposal, raised at least since our 2015 manifesto, on redundancy insurance is broadly consistent with these principles.

Our suggested coverage duration of about six months is lower than the one year or more common to schemes in other countries, albeit still in line with our nation's lower than average unemployment spells of about two months. The proposed payout of 40% of the last-drawn salary is about average but still on the low side for advanced economies.

We were deliberately conservative here to ensure financial sustainability. However, we leave open the door for increases based on consultation and social consensus.

We also stress the importance of flexibility. Workers made redundant may choose to front-load their benefits if they have urgent bills to pay but may opt to rely on savings initially and only receive payouts later in the event that their unemployment turns out to be longer than anticipated.

In the spirit of encouraging risk-taking and entrepreneurship, we can also consider including the self-employed in the scheme, perhaps with different contribution shares, as we did during COVID-19.

Another major thrust of Mrs Teo's critique of our proposal at the time was that it was better for the Government to bear the burden of unemployment support, rather than to layer another cost onto our businesses.

But is this a fair characterisation? As this House is aware, the incidence of a tax differs from those who are asked to pay it. In our view, part of the contributions toward redundancy insurance will be passed on to the workers. This part amounts to workers taking care of other workers. But to ensure that the tripartite nature of the social contract remains intact, the Government should also step in and contribute regularly to this pool in the form of a special-purpose development fund.

Mr Speaker, there are many things in this Budget that I like, but as I have explained, I think it remains incomplete in a number of areas that I believe can inspire long-run growth, for our people and our country.

Mr Speaker: Mr Abdul Samad.

1.31 pm

Mr Abdul Samad (Nominated Member): Mr Speaker, Sir, on behalf of my fellow union leaders, members and working people, I would like to express our appreciation for the various support measures – from mitigating rising costs through the Assurance Package, supporting Singaporean housing aspirations and my personal favourite item – piloting the Jobs-Skills Integrators. This would certainly make training more meaningful for both workers and employers.

The enhancements to the existing schemes reflect the Government's continuous commitment to support Singaporeans. For example, the \$300 CDC vouchers can now be used at participating supermarkets in addition to heartland merchants and hawkers. This is over and above what we have received recently. As the sole breadwinner of my family with three children over the age of 20, I have always been receiving various forms of support, ranging from subsidised school fees for my children, U-Save rebates and many more.

Nonetheless, the Budget is not a "one-size-fits-all" and there will always be voices of unhappiness and complaints that the amount of support is not enough. Regardless, I have picked up this catchy phrase from my fellow technical officer – "life goes on!"

Sir, the focus areas in my last two Budget debates were about strengthening our Singaporean workforce and providing support for the middle-income group.

Today, I will reiterate on the former with a focus on desired outcomes for workers. But before that, I would like to give special mention to a group of fellow Singaporeans who sacrifice their personal time and commitments to be the heart of the Labour Movement by serving working people at workplaces. I will share more about their selfless contributions shortly.

Sir, prior to who I am today, I admit that I belonged to the group of Singaporeans that always complained that the Government was not providing sufficient support for our citizens, especially the middle-income group. As cliché as it sounds, all changed in 2004 when I had an exchange with my colleague on income tax matters. I was unaware that I could offset my income tax payment with the Parenthood Tax rebates. After writing to the Inland Revenue Authority of Singapore (IRAS) to seek clarification and further advice, I was shocked and beyond overjoyed to see that previous payments for my income tax were credited back to my bank account within a month. Since then, I started to acknowledge and appreciate more, as the Government does support fellow Singaporeans in a fair and responsible manner.

Curiosity got the better of me and the rest is history as I stepped into the shoes of a union leader, to be an advocate and voice for all workers, representing their interests in the areas of wages, welfare and work prospects. Since then, it has been an enriching and fulfilling journey, and I have not looked back.

The group of people that I would like to give special mention to is none other than my fellow unionists. Many take this group for granted and often overlook their contributions. Unions are one part of what we call tripartism. This model is unique only to Singapore due to the strong collaboration between all three parties – unions, Government and employers – to achieve a common outcome of harmonious labour management relations resulting in better wages, welfare and work prospects for Singaporeans.

I have had the privilege to get to know and work alongside many senior leaders in my short span of 16 years as a unionist to ensure that our members in the represented group of companies are rewarded fairly and well taken care of. Like myself, this group of people are not chosen by the management. Rather, we made the conscious choice to volunteer, or are volunteered by fellow workers, to be their voices at

the workplace.

Unionists are ever ready to represent their members in any instances of workplace grievances or issues relating to unfair practices. Cases are primarily settled amicably with management partners at the earliest possible moment. However, when the situation warrants, cases will then be escalated to either MOM or the Industrial Arbitration Court (IAC). With the presence of union leaders, I can attest and assure that such cases are few and far between.

At this juncture, I would like to call on MPs who are advisors to our unions to consistently engage with them so as to hear, understand and feel first-hand the challenges faced by my fellow union leaders, especially when dealing with unsupportive and stubborn management partners. I strongly believe that you can value-add to the respective unions.

I say this with the benefit of hindsight when I presented the case to our advisor and he exerted his influence over the management partners, hence ensuring that our workers were treated with dignity. This particular MP has since retired, but I will never forget his commitment to be by the side of the union leaders when we needed him most. This is just one of the few incidents that I have personally experienced. I also believe many other union leaders have had similar experiences like me. I call upon workers to reach out to your union leaders, join the union, be part of this family of the Labour Movement as we will always be alongside you because for us, "Members First, Workers Always".

Sir, our recent battle against COVID-19 is not just purely about saving lives. It is also about ensuring that the livelihoods and dignity of our fellow Singaporeans are protected and being ready to step forward quickly to help workers when they face any issues or unfair practices at the workplace.

One such example that I would like to highlight is the unfair retrenchment exercise carried out by Eagle Services Asia in July 2020. Our union leaders from the aerospace and aviation industry conducted a secret ballot to sanction legal industrial action against the company.

Another example is concerning our security officers who were often subjected to verbal and physical abuse. Our leaders from the Union of Security Employees (USE) played a very active role to step in whenever they hear of such cases and ensure the perpetrators are dealt with by the respective authorities. Many of us remember recent cases such as the one where a luxury car driver had injured a security officer stationed at a primary school, or another, where a security officer was assaulted in a lift at a condominium located in Bukit Batok. For these two cases, USE made their presence felt and extended support for the affected officers even by helping to lodge Police reports. We are grateful that the perpetrators for these cases have since been charged in Court. This are just few examples of our unions in action.

Besides standing up for the rights of our workers, how many of us can recall when NTUC volunteered to administer the Self-Employed Persons Income Relief Scheme (SIRS) for self-employed personnel (SEP), where eligible individuals received a total of \$9,000 from the Government? Many of the NTUC-Affiliated Unions and Associations (NTUC-ARU) staff and industrial relations officers were activated and mobilised to man the centres at Devan Nair Institute, One Marina Boulevard and Downtown East to assist our SEP in their claim submissions while in need.

Also, let us not forget our social enterprise NTUC Club which supported our nation through the COVID-19 crisis practically and housed our affected COVID-19 patients.

Sir, we must not take the peace and harmony in the employment front for granted. It took years of painful lessons to achieve what we have today. On this note, I want to record my appreciation for all my fellow union leaders for all your hard work at the workplace. Concurrently, I encourage all management partners to increase your appreciation for our union leaders in your company and industry. The peaceful and harmonious industrial relations that we experience today did not happen by chance, but only through the efforts, and sacrifices of our union leaders.

Not forgetting also, I would like to thank the NTUC staff for their tireless support and efforts in going the extra mile to support the administration for the SIRS scheme and other schemes that NTUC rolls out for members and workers.

While there is no doubt that NTUC and our unions have been the voice of workers, we will not and never rest on our laurels. We recognise the need for continuous training and upskilling of our workers, so that they will be skilled, efficient and productive contributors to Singapore.

Sir, training is fundamental for every worker to learn, unlearn and relearn skills that add value to them as individual and for their employers. Under the guidance of our Secretary-General, brother Ng Chee Meng, we envision the model, Worker 4.0. This model targets the training needs of every worker based on three broad areas, namely, adaptability, technology and training. With our workers attending the relevant training lessons and applying their new skillsets, we hope to achieve the wins for our workers; and also strive for better wages, welfare and work prospects.

To achieve this mission, NTUC embarks on what we called the Company Training Committees (CTCs). This training is not just business as usual, but new skills to transform the workforce to meet the new business demands.

The recently announced Jobs-Skills Integrators model is one that I really welcome and wholeheartedly support. It requires an intermediary body like NTUC to ensure that training benefits both workers and employers.

After our workers attend the training, we hope and strive that workers will progressively achieve the "three Ws", while employers get better skilled workers. This would also make training more meaningful and not just clocking the hours and collecting allowances.

Hence, I remind myself and call on fellow workers to learn, unlearn and relearn the skills to broaden your knowledge that will increase your value at current workplace. Do not miss out to seize any opportunities for growth and self-improvement that come with better pay and work prospects. Allow me to speak in Malay.

(In Malay): [Please refer to [Vernacular Speech](#).] This year's Budget signifies the Government's promise to help Singaporeans cope with the cost of living, raise families, empower Singaporean workers, and most importantly, to take all Singaporeans towards a new direction.

This year's support is rather unique because the Government is focusing on efforts to expand the available support by increasing its amount appropriately. In fact, the Government also promised to continue monitoring both the economy and our people and is willing to render more support if the situation requires it. This can be seen last year when additional assistance was given to the people in their Assurance Package.

But we must acknowledge the challenges faced by Singaporeans working in the platform industry who need to make CPF contributions. This is a responsible measure to ensure that such workers possess enough savings to own a home and secure their retirement later. Let us not see this step as an obstruction to one's livelihood. Instead, it displays responsibility on the part of the Government. Many within our community, I believe, have the qualifications and capabilities that enable them to secure permanent employment. If it this is not the case, we should redouble our efforts in upskilling to secure permanent employment opportunities that are available. There are many Government support schemes that enable you to undergo training and acquire the necessary skills so that you can seize the available job opportunities.

For Singaporeans who are newly married and intend to start a family, there are many support schemes available and the amount has been increased in this latest Budget. I would like to remind everyone that there is adequate support to raise a family and you should not worry.

On a personal note, I have friends who work as postmen and technical officers but manage to start a family with six to 12 children, still with the same one wife and residing in an HDB flat. This is because there is adequate Government support to ensure that every child gets the necessary assistance from childhood until they finish school at the tertiary level. Have faith that every child is a blessing. Do not just stop at two children. If possible, have at least three children. The more the merrier, and Singapore will not have to go through the trouble of finding outside talent in the future.

(In English): Sir, before I conclude my speech, I would like to put forward four requests based on the conversations I had with a group of young union leaders. Will the support for those living in bigger HDB houses be reviewed based on income and number of dependants instead of just annual value of the house?

While there are measures to support people with physical disabilities, will the Government also support families who have children with hidden disabilities like Autism Spectrum Disorder and Attention-deficit Hyperactivity Disorder as these are equally challenging scenarios?

Will the extended childcare leave of two days per year be extended to parents who have children above 12 years of age, perhaps till the child completes secondary school? Will there be additional support for families with more than two children and with their parents staying with them?

In conclusion, the Labour Movement will continue to support our fellow members and workers because Every Worker Matters. Speaker Sir, I am thankful and support the Budget. [Applause.]

Mr Speaker: Ms Yeo Wan Ling.

1.47 pm

Ms Yeo Wan Ling (Pasir Ris-Punggol): Mr Speaker, I would like to second Deputy Prime Minister Lawrence Wong's commitment to strengthening the social compact. Indeed, the three long years of COVID-19 winter has brought about significant shifts in our community and workforce. As we adjust and settle into new equilibrium, we need to pay particular attention to social, economic and livelihood inequalities that may have bubbled to the surface during the pandemic.

Two tectonic shifts have impacted our workforce norms and they are: one, the rise of the gig and self-employed workers and the need for level playing fields; two, the prolific adoption of flexible work arrangements, its impact on women returning to work and balancing caregiving with work responsibilities.

Mr Speaker, the rise of the gig economy has been ongoing for quite some time, even before the COVID-19 pandemic added tailwinds to the growth of the industry with higher demands for home delivery services. And I would argue that the self-employed gig workforce will continue to grow as more Singaporeans embrace the flexibility freelancing work allows for.

However, this flexibility does come with its trade-offs and these trade-offs are numerous. Unlike the self-employed of yesteryears, where our self-employed persons (SEPs) have total control over their terms of work – when they work, where they work, how much they charge – many self-employed of today no longer have full control over their terms of service as they: one, depend on platform partners to hook them up for gigs; two, are less skilled or have no core technical skills; and three, are price takers impacted by controls from the platforms, doubled down by the lack of control on mitigating the changes in the greater geo-economic environment.

Thus, as the fortunes of our gig workers ebb and flow with the gig platforms and with the general flow of life, many of our self-employed workers find themselves caught in a bind where they hope to transit out of a vulnerable situation. They are unable to do so easily as upskilling and training can be costly. But it comes at a greater cost as it impacts the gig workers' daily takings and hence, their livelihoods.

Indeed, our self-employed workers, like Alexander the Great, face a Gordian knot when it comes to their financial future. And as the legend goes, a headless knot cannot be undone, unless one takes extreme measures to cut it apart. I believe as a society we need to support and arm our vulnerable, self-employed workers better when they decide to face their Gordian knots.

A headless Gordian knot to a typical freelance driver looks like this: Gabriel is one of our leaders at the National Private Hire Vehicles Association (NPHVA) and he is about to turn 50. He is a provider to his very young family. He has had several recent conversations with me on his plans for retirement and is making serious decisions on his CPF contributions. However, he is worried. To improve his income, he hopes to upskill, but to upskill, he must take time off for training. Yet, training will take time up and eat into his daily income, coupled with fluctuating fuel prices in an unstable geopolitical landscape, inconsistent trip prices with his platform and daily rentals he needs to make, Gabriel literally has miles to go before his dream of a comfortable retirement can come true. We must assist our SEPs and improving their productivity through upskilling and providing level playing fields to mitigating their business costs. I would like to bring up some of the ways we can do so.

In the area of upskilling. First, expand the training allowance for self-sponsored trainees to include SEPs so that they can afford a few days off to upskill. Secondly, consider deeper support for SEPs upskilling in critical skills such as digitalisation and digitisation. This is especially so for SEPs working in sectors where there have been technological disruptions, such as the media and transport industries. Thirdly, develop skills frameworks for SEPs and crafts and trades-based professions, such as for photographers, videographers, plumbers, mechanics, and incorporating apprenticeship programmes into such training frameworks with Government support

In the area of levelling business costs due to the small size of the businesses, most SEPs are unlikely to grow to a scale where they can become GST-registered, but they face the full impact of GST increments on their business cost and may not enjoy the Government support given to businesses as they are freelancers. Consider providing GST rebates for SEPs who are not GST registered to buffer the increase in cost. For taxi and private hire drivers specifically, we should consider the co-sharing of GSTs by SEPs with their operators and platforms.

Secondly, we call on the Government to review the 60% fixed expense deduction ratio to better reflect the thinning margins experienced by drivers, especially with global inflationary pressures and in the same vein, to consider increasing the relief limit for business expenses and allow insurance, such as prolonged medical leave, to be categorised under business expense.

Thirdly, for Government procurement to take the lead in recognising SEPs who trained under the abovementioned craft and trade skills frameworks when awarding Government contracts. The COVID-19 situation has allowed us to celebrate the contributions of our freelance community.

At the height of the pandemic, our drivers ferried COVID-19 patients to isolation facilities while we stayed in the safety of our homes. Our riders brought warm food to our tables while we settled in our comfortable work from home pattern. While we celebrate and thank our gig workers for making the pandemic safer and more comfortable for everyone, the last three years has also allowed Singaporeans a glimpse into the lives of our SEP workers and a deeper appreciation of the challenges they face.

The SEPs in Singapore are capable of generating incredible value for our economy and society if only we would hand them the tools they need to loosen their Gordian knots. By supporting them to upskill, providing skill frameworks for their professions and alleviating their cost of businesses, I have confidence that the investment they receive will leverage disproportionate returns for our economy.

Mr Speaker, Sir, even as we move forward into a new post-COVID-19 era, we have not wavered in our core priorities, especially the imperative highlighted by Deputy Prime Minister Lawrence Wong to equip and empower our workers, while building a Singapore Made for Families.

The call echoes the Labour Movement's own advocacy of enhancing support for workers with caregiving responsibilities, of which women constitute a large proportion of those who managed to double shift in the workplace and at home. MOM has noted that there are 260,000 women of employment age currently remaining outside of the labour force and their immense potential to power our economy and industries cannot be underestimated.

It was interesting to note that according to MOM's annual labour statistics, the two most cited reasons why women are not in the workforce are: one, home caregiving duties; and two, housework. And yes, I can completely relate to this.

During COVID-19, many women came up to me wanting to look for work. Some wanted to supplement their diminished household incomes, others wanted to do their part to bolster the Singapore economy during our times of need. However, even as we match jobs to them through job fairs and job mentorship programmes, the same caregiving concerns that keep our women out of the workforce are still barriers that do not go away. The seniors are still seniors, the young are still young and unfortunately, the infirm are still infirm.

To allow our women back into the workplace, the workplace will need to evolve and the prolific adoption of flexible work arrangements (FWAs) and the consequent need to job redesign was a silver lining that happened in the dark cloudy days of the pandemic. It is with this in mind that I underscore the urgency of enhancing the inclusivity of our jobs and reimagining the way we work by adopting family-friendly FWAs.

Let me elaborate. First, encourage employers to implement flexible work hours and allow employees more autonomy in calibrating their schedules. Flexi-time arrangements help workers better meet their personal responsibilities such as those tasked with taking care of young children and their loved elderly family members.

Secondly, through the introduction of the compressed work week, this will allow workers the option of re-allocating the same number of work hours to fewer days, giving them longer blocks of personal time.

Third, implement telecommuting arrangements so that employees can carry out their work in a location away from the conventional office. Flexible work options facilitate work-life balance and can accommodate workers with diverse and varied responsibilities and needs.

Fourth, while embracing these changes, it is imperative that companies fairly assess their employees on FWA for their work performance and opportunities for promotion. A worker who works on FWA must never be unfairly compared to a worker who works full-time in the office. I believe that this would be key to the long-term norming of FWA in workplaces.

Fifth, while the dust settles on FWA norms, we must ensure that there are sufficient safeguards in place to protect them from workplace discrimination and to the extreme, harassment. Owing to the power of asymmetries that workers faced, a fear of repercussions such as losing one's job while being marginalised at work and the lack of anonymity may discourage our employees from reporting incidents of discrimination. Employers therefore need to be engaged and educated on strategies to manage these cases while creating safe independent avenues for workers to seek recourse without fear of backlash.

Silver linings and silver bullets notwithstanding, it is paramount for us to recognise that some companies and industry face greater hurdles in adopting FWAs in a sustainable way due to the current nature of work and the sector they are in. These include SMEs and sectors with front-facing, customer-facing workers and those which include workers using specialised equipment. Some of these sectors where hurdles are more acutely felt include the retail, food services, healthcare, manufacturing, wellness, security, cleaning and landscaping sectors. It is also of note that these are also the very same industries and sectors that face manpower shortages. And while the task of job redesigning can seem to be daunting or impossible, I believe that with some innovation, some thinking out of the box and support from the Government, the impossible can be made possible.

I have seen this being done in several sectors to very good outcomes. The health and wellness sector is often one where FWA seem to be out of the question, given the high touch nature of frontline job roles. However, innovative companies such as the Singapore Spa Institute have started to pilot out a ninja workforce. This is a float of part-timers or gig workers, who would take up short stints when the regular full-timers are on FWAs.

Job redesigning can also be a clear and transparent part of HR practices. When we introduced the Progressive Wage Mark at Uniqlo, I was very impressed by how transparent the company was in terms of what employees need to achieve in order to be promoted to the next level. This includes clear indications of internal exams that needed to be taken, scores to be achieved, daily tasks to be completed and these were all available for all employees to see on their staff notice boards.

And one of the most innovative job redesigns that I saw was also one of the simplest. I am sure we all love the fluffy and light dough fritters for breakfast, what we call "you char kway", but the process of making these dough fritters sure is not light.

Flour sacks can weigh up to 50 kilogrammes, and the boss of Xi De Li, a 100-year-old you char kway company here in Singapore, was finding it hard to get employees. In a eureka moment, she asked the supplier to repackage the flour sacks to 25 kilogrammes and below. And then, she started to get more females and seniors to join her company.

These are wonderful and effective examples of how thinking out-of-the-box can allow companies to job redesign. And I believe that with more targeted support from the Government and focused action from businesses, more SMEs can reap the benefits of FWAs, while allowing caregivers to stay or return to the workforce.

During the job redesign process, companies may face manpower crunches and need help through redesign consultancy or facilitation. For this, the Labour Movement can work with the Government on a combination of grant support, road maps and specialised consultancies through a job redesign support package.

While FWAs and job redesign processes bode well for our back-to-work women, it is worth noting that facilitating the transition back to work is equally as important.

The NTUC's Women and Family unit has, over the past 24 months, introduced a Women Supporting Women Mentorship Programme, and this has been introduced in over 10 locations all over the island. This growing programme is targeted at supporting women returning to the workplace and addresses the issues that women face when they are looking for a smooth transition back.

Together with the larger NTUC family of social enterprises and our partners in the Labour Movement, we have put into place:

(a) A mentorship network, consisting of community leaders and unionists to support women returners who report challenges in adjusting to the culture and pace of the workplace, and thereby, a lack of confidence in their new job roles.

(b) A suite of training programmes conducted by NTUC Learning Hub to uplift skillsets which are outdated or irrelevant, especially if our women returners have been out of the workplace for a longer period of time.

(c) A network of connections to career opportunities and job vacancies through NTUC's e2i (Employment and Employability Institute) and our trade association partners. To this end, crafts and trade programmes promoted include tailoring and dressmaking with TaF.tc; confinement and infant nanny care with NannyPro; plumbing with the Singapore Plumbing Society (SPS) and logistics with the Singapore Logistics Association. We have seen some good progress on this front, for instance, we saw a doubling of women returners joining the tailoring programme from 2021 to 2022.

And for the same time period, a doubling of women joined us in the SPS networks. In this light, we call for the Government to continue the support of our women returner programmes, in particular, for the popular trades and crafts person programmes, and for employers to join hands with NTUC in designing and adopting positive returnship programmes.

Mr Speaker, this is an especially important Budget, as this is our nation's first post-COVID-19 Budget, and we have an opportunity to co-create together, as one Singapore, the new norms that will impact our lives and our livelihoods. It is exciting times ahead for Singapore, and with a keen focus on balancing inequalities, opening up new livelihood opportunities and building safety nets for our vulnerable, I look forward to creating a new social compact. I support the Budget.

Mr Speaker: Mr Desmond Choo.

2.04 pm

Mr Desmond Choo (Tampines): Mr Speaker, Sir, thank you for allowing me to join the Debate. The world is opened for business after COVID-19 has eased globally, but it is a world marked by geopolitical tensions and high inflation. The Government's Cost of Living support packages will help Singaporeans to cope better with inflation.

Critical to coping with inflation is to ensure wages keep pace with rising prices. Inflation is likely to stay for quite some time. The measures announced in this Budget to improve productivity structurally, are especially important. Many of these improvements will require many years of effort, and central to long-term productivity gains resides with our younger people and our younger workers.

I will first speak on helping our in-school younger Singaporeans. Second, on younger Singaporeans already in the workforce, who are currently in their first and second careers.

Our younger Singaporeans in the Institutes of Technical Education (ITEs) who are soon to join the workforce face a daunting challenge. The starting salary gap between university and non-university graduates continues to widen. From 2016 to 2021, the gap between university and polytechnic graduates increased by \$200; and \$300 between university and ITE graduates.

The wage premium given to degree holders is understandable. The degree holder has spent more years preparing for the workforce compared to the Nitec or diploma holder. An ITE graduate enters the workforce in three years, while a university graduate takes another three to four years.

However, in the longer term, the same phenomenon occurs. For example, the median salary for Singaporeans in their 20s and 30s with a university or post-graduate degree is \$4,200. This is more than double of that earned by those with only secondary or lower education and ITE qualifications. Studies have also shown that a large proportion of non-university degree holders took up roles as associate professionals and technicians (APTs). In comparison, university degree holders largely took up roles in professional occupations.

The value APTs bring to our economy might not be valued fairly by the market currently. Without APTs, those in professional occupations possibly cannot complete their work with quality, or at all. We need to move towards a better balance in valuing both technical and academic routes of career advancement.

First, we need to strengthen vocational training and apprenticeship programmes for ITE students, or even graduates. Recently, National Trades Union Congress (NTUC) engaged ITE students who took up the ITE Work-Study Diploma to understand how their experiences have helped them in their careers.

One participant, upon completing his higher Nitec, took up a Work-Study Diploma in Automation Engineering. Through his diploma, he was given the opportunity to undertake full-time employment in the host company he was attached to during his studies. The company has set out a good career pathway for him. There are structured avenues for deepening industry knowledge and skillsets. This includes a company-sponsored overseas study programme with a bond to work in the company's overseas branch for at least three years, which he is considering taking up.

While early days yet, the future for him is bright. The issue for us is: can we scale this up further? We can incentivise more companies to develop structured work-study diplomas, and even overseas training stints. This improves not only productivity but also Singapore's pool of talent.

Next, we need to have better quality internships to strengthen the nexus between school and work. This can reduce the number of younger Singaporeans not going into jobs that they are trained for. Through the NTUC Youth Taskforce surveys and engagements, we found that internships rank highly in easing the transition from school to the workforce.

Our engagement findings also suggest that students who had internships gained valuable work experience, better understanding of the industry and career prospects within their sectors. They were also able to appreciate prospective job roles better.

The reticence of employers to offer internships is not unfounded. Resources must be dedicated to guide interns; this can be difficult when manpower is tight. But, at the same time, this is what our social compact is about; companies in Singapore offering younger Singaporeans opportunities to build a stronger Singapore. It requires thinking beyond just a company's immediate needs.

Therefore, unions and schools can work with companies to put in place good internship programmes. Clear standards of internships should be established. Government can provide more resources, perhaps in the form of tax incentives, to companies keen to support such a social compact.

Next, on mentorship. Structured mentorship programmes can be a vital tool in easing career navigation and improving studies to work nexus. We often associate mentorships for older working people, but there is equal value to extending this to ITEs and polytechnics.

By connecting students with mentors from their interested industries, their ideas on potential careers and aspirations are potentially broadened. They receive targeted career advice and counselling particular to their field. An example is the SIT-Young NTUC's Industry Mentorship Programme (IMP), which is in its sixth iteration this year. Young NTUC plays a bridging role in IMP, providing linkages to career mentors for SIT students and also hosts various networking opportunities.

This is also another way for us to strengthen our social compact. Our compact is strengthened when more successful Singaporeans provide career mentorship to those who might not have easy access. There is scope for the tripartite partners to extend and scale structured mentorship programmes across the different Institutions of Higher Learning (IHLs), especially, in part, ITEs and polytechnics. The labour movement is committed to build such a compact and would share more information soon on its mentorship centre.

Next, on our youths who are in the workforce in their first or second careers. These younger Singaporeans, as I shared in Budget 2022, comprise of Generation COVID-19. Generation COVID-19 is now coming out of the previously uncertain job market. As our economy recovers, we are also faced with structural labour issues. Certain job pathways are still undervalued and the demands of employers are rapidly evolving alongside job opportunities, in sunset and sunrise industries.

This affects not only non-degree holders, but our degree holders too. The 2022 Joint Autonomous Universities Graduate Employment Survey found that, compared to 2021, more graduates remained jobless six months after leaving school, though wages are higher if they land a job.

To help Generation COVID-19 emerge stronger from the battle, I would like to focus on two areas. First, enabling Generation COVID-19 to tap on overseas work opportunities; second, allowing for smoother career conversions.

First, on overseas work opportunities. Singapore's strong performance during COVID-19 has buttressed its reputation as a regional hotspot for business opportunities. The question then becomes: how can we enable our people to capitalise on this, and go out in the world to explore and build greater networks to bring opportunities to other Singaporeans? Supporting our young people, including Generation COVID-19, would be a good way to start.

Earlier this year in January, Young NTUC conducted a focus group discussion with 38 working younger Singaporeans. Sixty-six percent indicated their interest in working overseas. They believed that this would be beneficial to their longer-term career prospects, gaining essential transferable skillsets and building professional networks. Support measures cited include remuneration support, relocation incentives and of course, mentorship with others who have been in their position.

We could consider changing the current IHL overseas exchange programme for our students into something a more work-based or company-centric. This can give our students an early taste of working overseas while sharpening the studies to work nexus.

The Government can look into providing targeted support such as co-funding remuneration and relocation incentives where the placements are done in strategic industries, where Singapore is short on talent.

Next, on smoothening career conversion. As I mentioned in Budget 2022, the pandemic has hastened the emergence and decline of multiple industries, professions and skillsets. It is not inconceivable for youths to now find themselves on the opposite end of the growth trajectory, unable to seize opportunities in bright-spot industries due to skills mismatch.

Even if our younger Singaporeans choose to specialise in a bright-spot industry now, no one is to say how bright the said industry would be in a few years' time. I believe this has partly contributed to anxieties amongst our younger people. They do stress over having to choose the "right" first degree. This could partly be due to the fact that only the first degree is being subsidised by the Government, or too much emphasis is on getting it right the first time.

An anecdotal example of this is one of our ex-colleagues with over 10 years of experience. Recently, at age 35, she decided to switch from the public sector to merchandising and commercial space, which was her lifelong interest. Her biggest challenge in making the switch was the lack of experience or training for the new role.

Although she possessed transferable skills, her employers were looking for the latest skills and experience, even for an entry-level position. Thus, she took up an entry-level position, took a pay cut and juggled working full-time and night classes. This anecdotal experience shows that the pains of career conversion can similarly affect those who are relatively younger.

The current support for career conversion is weighted towards older workers. This is rightly so, as older workers do find it even more difficult to switch careers. However, the ever more dynamic economy will require Singaporeans to make more career switches even earlier in life. A failure to switch decisively earlier can result in downstream difficulties to seize growth opportunities or even going down the wrong career trajectory.

I encourage the Government to consider offering graduated subsidies and loans for second diplomas and degrees to younger Singaporeans. This can help in making career pivots easier and earlier.

Mr Speaker, Sir, as Deputy Prime Minister Lawrence Wong mentioned, this Budget is centred on forging ahead together as a nation amidst the uncertain global environment. The Labour Movement will work closely with the Government and employers to do right by our workers and ensure that no worker gets left behind. We need to ensure that the successes enjoyed by Singapore today will continue to be shared with future generations by enabling our young workers to be well-equipped and form our new future-proof workforce. Mr Speaker, Sir, I support the Budget.

Mr Speaker: Mr Ang Wei Neng.

2.16 pm

Mr Ang Wei Neng (West Coast): Mr Speaker, Sir, as our DORSCON status was just lowered from Yellow to Green, it sends a clear signal that Singapore has truly exited the pandemic. But it is not all back to normal as we face many challenges on the global and national front.

The Budget unveiled by Deputy Prime Minister Mr Lawrence Wong is one which acknowledges that Singaporeans are going through hard times. The financial help and various relief schemes announced are much welcomed and recognised as a means to help Singaporeans cushion what might be a hard landing to come.

I believe that resilient families are the pillar of our society. I would like to focus on what the Budget means for families and give some suggestions on what can be done for Singaporean families.

Many people in Singapore feel that property prices are high. Back in 2011, I recall relating this to our former Prime Minister Lee Kuan Yew. I told him that young people were very concerned that property prices are very high in Singapore. His reply was very sharp. Mr Lee said that if Singapore continued to be successful, property prices will remain high or continue to rise.

If we think deeply about it, land has no value unless there is a future for it. The more successful Singapore is, the more expensive the property prices will be given the limited land supply.

I share this anecdote also to remember Mr Lee, for whom we are celebrating the 100th anniversary of his birth later this year.

If we followed the paths of many successful cities like Hong Kong, Tokyo, London, New York, it is likely that many young Singaporeans will never be able to own their own homes in their lifetime. It is thus important that HDB flats are made accessible to young Singaporeans.

Budget 2023 has provided additional support to this specific group of Singaporeans and the support ranges from an additional Build-To-Order (BTO) flat ballot for families with children and young married couples aged 40 and below who are buying a flat for the first time, as well as an increase in the CPF Housing Grant for first-timer families purchasing resale flats.

Apart from pricing, there is also timing. In May last year, National Development Minister Mr Desmond Lee said that median waiting times for new BTO projects should come down slightly to four to 4.5 years, compared to the previous waiting time of four to five years.

In 2017, HDB also introduced a scheme where construction on selected BTO projects in Sembawang, Sengkang and Yishun started about one year ahead of their launches and buyers can expect to get their flats in less than three years from the time they selected their flats. Minister Desmond Lee also announced in early this month that HDB would resume building 2,000 to 3,000 such Shorter Waiting Time (SWT) flats per year by 2025.

I hope HDB will not stop there. I urge HDB to continue to increase the supply of SWT flats to comprise up to 50% of all BTO flats and possibly shorten the waiting time to below two years.

This is important especially since home-buying has accelerated in the wake of the pandemic and many young Singaporeans who are working from home more than ever want to create their own work-from-home (WFH) havens.

The significant increase in SWT flats would still be relatively safe in terms of the Government's commitment and capital expenditure.

Having 50% of the SWT flats would most likely not lead to many empty and unwanted flats as demand for HDB flats is unlikely to drop by 50% overnight. Having 50% SWT flats would still allow HDB sufficient leeway to adjust its pace of building BTO flats according to changing demands and this would go a long way to help young families to get their flats earlier.

The perennial issue of how to raise Singapore's birth rate is a challenging one. But for those who do choose to have children, easing the financial burden always helps. I am glad that couples will be given an extra \$3,000 as part of the enhanced baby bonus for eligible Singaporean children and now raising from \$8,000 to \$11,000. I am also happy that it would start immediately which is very important as this relates to my personal experience.

When the Baby Bonus scheme was first introduced by then-Prime Minister Goh Chok Tong during his National Day Rally speech in August 2000, it was a big thing. It was a sharp reversal of the two-child policy. At about that time, my wife was also pregnant with twins and that was the third pregnancy. We thought we would be able to receive the baby bonus. However, the bonus was only meant for babies born after 1 April 2001. While my wife was due to deliver in mid-April 2001, our twins were born earlier in March. We did not get our baby bonus, which is why I am delighted that the Government today is dispensing the enhanced baby bonus with immediate effect after Deputy Prime Minister Wong's announcement on Valentine's Day.

I also applaud the decision to double the paternity leave to four weeks from 1 January 2024. This is a welcomed move. However, what I have heard from the ground is that more childcare leave is required. Currently, an employee is entitled to a maximum of two days of childcare leave per year if the youngest child is between seven and 12 years old, regardless the number of children they have.

One teacher related to me recently that parents were reluctant to fetch their children home even when they were sick in school. The parents often request the school to hold their children at the sick bay until the parents finish work. Childcare is a marathon, not a one-off effort after birth. Hence, I hope Deputy Prime Minister Wong could consider increasing the childcare leave to two days per child when the child is in primary school, up to a cap of say four days a year.

In Singapore, Mr Speaker, Sir, the percentage of seniors over the age of 65 living alone or with other seniors increased from 29% in 2010 to 41% in 2020. This represents a 41% increase over just 10 years and the proportion is growing. Apart from the concerns arising from the elderly living alone, it is clear that if this trend continues, the elderly will require smaller living spaces which are easier to maintain.

I suggest that the Silver Housing Bonus scheme, which enables the elderly to supplement their retirement income if they downsize to a three-room or smaller flat, could be made more attractive to improve the take-up rate. The cash bonus, which is currently up to \$30,000 for seniors 55 years and above, could be doubled. At the same time, the resale levy, if any, could be halved.

For the elderly who move to a smaller flat and want to stay within close proximity to their families to promote family bonding even while maintaining a separate household, HDB could provide additional subsidies.

The above suggestions to improve the Silver Housing Bonus scheme would not only provide elderly Singaporeans with more options to increase their retirement nest but would also increase the pool of resale flats to better meet the housing needs of families with young children.

Mr Speaker, Sir, it is time that we signal to all Singaporeans and employers that we are serious about encouraging more Singaporeans to have babies and that we are ready to help ease the burden of bringing up their children by making it easier for the parents to stay near to them. I support the Budget.

Mr Speaker: Mr Derrick Goh.

2.25 pm

Mr Derrick Goh (Nee Soon): Mr Speaker, Sir, we ended 2022 and emerged stronger from COVID-19, demonstrating resilience and trust between our people and the Government. However, Singapore and the world entered 2023 facing a confluence of continued geopolitical tensions and slower economic growth alongside persistent inflation and higher interest rates. We therefore cannot take our past successes for granted.

Notably, Budget 2023's expenditure is 2.6% lower than last year, although higher than prior Budgets before the pandemic. To me, this signals the balance of fiscal prudence along with continued support to Singaporeans to overcome near-term challenges and secure long-term prospects.

Last year, during the GST debate, I expressed my concerns from my Yishun residents about the impact of a GST increase to the cost of living, so I am heartened by Budget 2023, given the improvements to the Assurance Package and further enhancements to the Permanent GST Voucher scheme. Evidently, the Government has followed through on its commitment to make a regressive GST increase even more progressive, when taken as a whole.

The pandemic has changed the way we live significantly. As such, it is critical for the Budget to continue focusing on how we can move Singapore forward to increase our standard of living and strengthen our social fabric. There are three areas I would like to highlight: one, strengthening our economy and workers by better supporting and transforming our SMEs; two, enhancing the safety and security of Singapore by boosting efforts to tackle worrying crime trends, particularly scams and youth crimes; thirdly, fostering greater social harmony by improving the way we manage community disputes.

The Ministry of Trade and Industry (MTI) forecasted our economic growth to be between 0.5% and 2.5%, down from 3.6% last year. Our SMEs continue to navigate a challenging environment with many forces beyond their control. Higher business costs are being driven by higher energy prices, wages and a tight labour market where vacancies are hard to fill. The interest cost businesses will shoulder will easily be twice given that rates are expected to be higher for longer, while revenue growth are less certain despite some bright spots, like China's early reopening.

Given the above, some local businesses have given feedback that Budget 2023 seems to be pro-distribution and seemingly a shift away from pro-business growth. They wonder if this means that they should fend more for themselves and expect less help going forward. If indeed Budget 2023 is being rated by many as an A-grade for families and individuals, I suppose SMEs would score this Budget as a B or

even a C!

Nonetheless, while much has been said about more support being provided to families, individuals and vulnerable households, I do note that Budget 2023 has also factored some help for our SMEs. I welcome the extension of the Enterprise Financing Scheme and the Energy Efficiency Grant and am also glad to see the Government attempt a new initiative to address the jobs and skills mismatch through the Jobs-Skills Integrators. While I look forward to more details, I hope this can benefit SMEs, particularly smaller ones lacking a full HR function, through more relevant training with a targeted outcome to improve productivity. Crucially, better training and job-matching will give residents who are unemployed opportunities to learn by doing and gain confidence to re-enter the workforce. Hopefully, more incentives can be considered for SMEs to take a chance to hire them to fill the vacancies and help improve the mismatch between labour supply and demand.

I also hope that the administrative journey for grants and support schemes can be made more seamless. This will improve accessibility for more SMEs to benefit swiftly and minimise the need for intermediaries and documentation. This view is echoed by the industry such as the Association of Trade and Commerce, from which I had earlier received feedback.

Beyond the tactical aspects of the above schemes and from a strategic perspective, I wonder if these business initiatives, including the innovation grants, are enough to help our local businesses and SMEs capture new opportunities in the longer term.

Globally, the green movement is gathering momentum. For Singapore, we progressed with our Singapore Green Plan 2030 and committed to net-zero by 2050 alongside many countries. Our SMEs must hence: one, boost efforts to reduce carbon footprint and two, be ready to capture new business opportunities.

Little has been said in this Budget specifically about SMEs strengthening capabilities in Environment, Social and Governance (ESG). I am glad that Budget 2023 retains existing measures such as the Resource Efficiency Grant for Energy as well as the Enterprise Sustainability Programme by Enterprise Singapore. However, I am uncertain if these are enough to help push our SMEs to step up their game sufficiently and in time as changes in the ESG space are rapid and exponential.

Notably, MNEs are focusing on ESG to meet demands from regulators, investors, lenders and consumers. They in turn expect their SME suppliers to be ESG-compliant.

Our SMEs must therefore adopt greener practices in their delivery of services and products. They too must apply the mind-boggling methods to measure, track and report their own carbon footprint. Otherwise, they could risk being disregarded as a preferred supplier or worse, being entirely left out of tomorrow's greener supply chain.

Beyond internal transformation, SMEs who are more advanced in their green transition should venture out and capitalise on regional prospects such as helping businesses in the region to accelerate their sustainability efforts. Businesses should also be encouraged to co-create and contribute to the establishment of a sound classification and regulatory framework for voluntary carbon credits in Singapore to develop a transparent, liquid and scalable market.

These efforts will help establish Singapore as a growing and leading green hub, leveraging on and furthering our status as a trusted international centre for finance, consulting and legal services. In a nascent and growing market, it is not size but trust, credibility and speed that are fundamental, which we should capitalise as our competitive advantage.

Like ESG, not much was discussed specific to digitalisation in the 85-page Budget speech, so I hope that the Government can re-emphasise the continued measures to encourage SMEs on their digitalisation journey, which is difficult but also very rewarding.

To SMEs who may give Budget 2023 a B or C grade, I would encourage them to adopt a holistic view and factor the generous support measures provided by the Government over the last few years. Nonetheless, I hope the Deputy Prime Minister can clarify the Government's commitment to local businesses in this Budget debate so that we can achieve a vibrant and growing SME and startup landscape, which can offer good jobs and opportunities for Singaporeans.

Sir, of equal importance to economic progress is the continued assurance of the safety and security of our people as well as the strengthening of social bonds.

I welcome Budget 2023's estimates for the Ministry of Home Affairs (MHA)'s expenditure to increase by 4% compared to a 1.8% increase last year, which I previously said seemed low. I hope this represents the re-doubling of efforts to tackle some worrying trends such as scams as well as youth crimes.

Despite commendable efforts by MHA and its partners, scams remain unabated and continue to evolve. Year 2022 saw both record cases and losses of \$660 million. So far, close to \$1.3 billion has been lost to scams in the past two years. A further \$146 million would have been lost last year had our Anti-Scam Command not partnered banks and telecommunications companies or telcos for a swift intervention.

I look forward to hearing more details of MHA's plans in terms of resources and capabilities to fight scams with a concerted all-hands-on-deck strategy, through deeper partnerships with entities in the digital value chain. Singapore has often been lauded as one of the safest cities in the world and we should extend this standing into the digital sphere.

Our youths, our perpetuating crimes are also under the spotlight. The Singapore Police Force (SPF) reported that the majority of those arrested for e-commerce scams were youths and the Central Narcotics Bureau (CNB) also highlighted a worrying trend of more youths abusing cannabis. Some abusers were even as young as 14 years old.

Our youths are the future of Singapore. I hope that MHA can continue to engage with all in the ecosystem – schools, parents, youth groups, media and so on – for swifter intervention so that their lives will not be marred by crime.

Finally, overcoming the crisis of our generation has taught us that our most formidable reserves lie not in our financial strength but in the unity and resilience of our people. We therefore need to keep investing and working on improving our social harmony as attitudes and norms evolve.

One significant way our lifestyles have changed is with hybrid working. Many continue to work and learn from home, which inadvertently results in more friction in our high-density heartlands, particularly regarding noise. I raised this point at last year's debate and want to again highlight the need for a better framework to manage and resolve community disputes.

In my recent engagement with Dr William Wan, Chairperson of the Community Advisory Panel on Neighbourhood Noise, he too echoed the need for more legal teeth to make attending mediation and to strengthen the enforcement of agreements between quarrelling neighbours. Residents have also provided feedback that the current framework remains cumbersome and hence ineffective.

I look forward to the Government's consideration of the Panel's proposals as well as other measures for more proactive engagement by agencies, for quicker and more effective dispute resolution.

Sir, in conclusion, I would describe this Budget as big-hearted and forward-looking. I support the Budget and am confident that it can move Singapore and Singaporeans forward in a new era.

Mr Speaker: Mr Melvin Yong.

2.37 pm

Mr Melvin Yong Yik Chye (Radin Mas): Mr Speaker, I stand in support of the Budget, which seeks to chart Singapore's path towards a new era.

My speech will touch on how we need to strengthen our social compact for a post-COVID-19 world, specifically, how consumers will need to adapt to a new era of higher for longer inflation to better protect themselves and the need to urgently refresh our social compact to engender a safer workplace for every worker.

Sir, let me first declare my interest as President of the Consumers Association of Singapore (CASE).

Budget 2023 comes on the back of significant global inflationary pressures and at a time where central banks globally have significantly hiked up interest rates to temper inflation.

I am therefore heartened that the Government has recognised inflation concerns and will provide significant cash assistance under the Assurance Package to provide comprehensive help to the majority of Singaporean households. During my house visits over the weekend, many residents told me that they appreciated the various help packages, in particular, the CDC vouchers, which come in very handy as they purchase their daily necessities in the neighbourhood.

At CASE, we believe more can be done to help consumers make informed purchasing decisions. That is why we launched the Price Kaki mobile application – to allow consumers to compare prices of household essentials, groceries and cooked food and help to stretch their dollar.

I am glad that Price Kaki has been well received by consumers. Since its launch, the application has been downloaded more than 130,000 times. With our sizeable community of price transparency advocates, CASE will expand Price Kaki this year by introducing community and gamification features to benefit more consumers. Through these features, we hope to encourage our advocates to share deals with other like-minded users and help them compare prices across a wider range of products and promotions.

We will also integrate Fuel Kaki, a fuel price comparison website, into Price Kaki. This is but a first step in Price Kaki's evolution into a one-stop platform for all consumers.

To combat and mitigate the issue of shrinkflation, I announced last year that CASE would display unit price for items listed on Price Kaki. Today, we have unit pricing displayed on over 1,200 items, including groceries and beauty products.

Consumers have told us that this is an effective way to compare prices and found this feature useful. I am happy to announce that CASE will expand unit pricing to more than 6,000 items on Price Kaki by the third quarter this year.

But the efforts of CASE alone cannot stop shrinkflation. I call on the Government to mandate the display of unit pricing. With digital price tag displays, I do not see a reason why companies, particularly our supermarkets, cannot do this.

In my Budget debate speech last year, I called on major supermarket chains to do their part to cushion the impact of rising prices and support everyday consumers. I am heartened that these major supermarket chains have leaned in to do just that.

Last year, NTUC FairPrice provided customers with more than \$11.5 million in savings through various discount schemes. FairPrice will extend these schemes for 2023, which is expected to cost the social enterprise an additional \$10 million more. FairPrice is also absorbing the additional 1% increase in GST for 500 essential items for the first half of 2023.

Elsewhere, Sheng Siong provided a 4% discount for senior citizens while Giant is absorbing the GST increase for 700 essential items.

Beyond supermarkets, DBS has also launched an initiative to subsidise five million hawker meals for Singaporeans and residents for a year.

Sir, I applaud the actions of these big Queen Bee companies and I am certain that there are numerous more. I encourage all companies with economies of scale to do the same in the coming months.

Lastly, we need to pay special attention to vulnerable consumers who might be struggling to adapt to a new era of high interest rates.

Our sandwiched class, in particular, often face a financial squeeze due to the need to care for their elderly parents and younger children. According to a report on the auctions market by real estate consultancy Knight Frank, more homes in Singapore could be put up for auction this year as the number of bankruptcy petitions rise.

I would like to ask how the Government intends to support the sandwiched class, many of whom had bought their homes in a "dream scenario" of low interest rates but will now be required to refinance in a high interest rate "nightmare"?

We also need to address the vulnerabilities of consumers in markets where high prepayment sums are involved but the sector does not provide any prepayment protection. I will speak more about mandatory prepayment protection during the Ministry of Trade and Industry's (MTI) Committee of Supply (COS) debate.

Mr Speaker, in addition to refreshing our social compact to adjust to a higher for longer inflationary environment, we urgently need to review and strengthen our compact on what a safe workplace means.

Sir, I am dismayed at the current poor workplace safety and health (WSH) outcomes despite the many interventions in the past two years.

Last year, a total of 46 workers did not make it home after work. This is a significant increase from 37 workplace fatalities recorded in 2021. Even more appalling was the news that many of the lives lost were due to a fundamental lack or inadequate workplace safety arrangements that could have and should have been in place.

In September 2022, the Ministry of Manpower (MOM) introduced the Heightened Safety Period (HSP). In the initial three months of its implementation, we saw a promising decrease in the number of workplace fatalities. The Labour Movement had hoped that the HSP would prove decisive in preventing workplace accidents, injuries and fatalities. Unfortunately, this has proven to be a false dawn, with the number of cases rising once again in the later months.

We are barely two months into 2023 and we have already recorded five fatalities at the workplace. This is simply unacceptable.

Could it be that companies had become complacent with the HSP's end within sight? While I am heartened that the HSP has been extended for another three months, I would like to urge the Government to seriously consider making permanent some of the HSP requirements, such as higher penalties for WSH breaches, so that we send a strong message that every worker deserves to return home safely at the end of each workday.

Sir, the NTUC and our affiliated unions have been stepping up efforts to enhance safety standards at the workplace. We have trained more than 1,000 union leaders as safety ambassadors. We have also worked with our unionised companies, through the Company Training Committees (CTCs), to redesign jobs and to redesign the work environment to improve workplace safety.

One example is the sectoral tripartite committee on rail safety comprising the National Transport Workers' Union (NTWU), the Land Transport Authority (LTA) and our two rail operators. If we compare the data from January to June 2022 versus the same period in 2021, the number of workplace injuries for rail operations fell by almost 30%.

Sir, the majority of our workplace accidents involved SMEs and more than four in five workplace fatalities recorded in 2022 involved non-unionised companies. I would like to call on all companies, regardless of size, to work with NTUC and our unions to improve safety standards at your workplace. I would also like to reiterate my call on the Government to provide greater support to our SMEs to adopt new safety technologies at the workplace. I will speak more about this at MOM's Committee of Supply debate.

Beyond the dangers at the workplace, I have also raised numerous times, in and outside of this House, on the importance of ensuring the safety of our workers' transportation. I strongly urge the Government to end the practice of allowing workers to co-mingle with goods and heavy equipment at the rear deck of lorries. Man and machine simply do not mix and should not be placed together, especially at the rear deck of lorries. I will further elaborate this point during the Ministry of Transport (MOT)'s Committee of Supply debate.

Sir, physical safety is but one measure of a worker's total workplace safety and health. A more comprehensive social compact on providing a safe workplace needs to also incorporate mental health.

I first spoke about the need to give employees a right to disconnect from work in July 2020. MOM, together with NTUC and the Singapore National Employers Federation (SNEF), subsequently published the Tripartite Advisory on Mental Well-being at the Workplace in November 2020 which included recommendations on after-hours work communication.

Almost a year later, in September 2021, the Alliance for Action on Work-life Harmony issued a policy template to help companies set clearer boundaries for after-hours work communication. But how many companies have actually adopted these recommendations? Are company leaders simply paying lip service to disconnecting after work, but continue to expect their employees to respond anytime and anywhere? I will speak more about this during MOM's Committee of Supply debate.

Sir, Budget 2023 helps Singapore chart the way forward in the post-COVID-19 era. As the Government does its utmost best to help Singapore and Singaporeans navigate an increasingly complex global environment, I hope that more emphasis can be placed on strengthening our social compact to better protect consumers and workers, because every consumer matters and every worker matters. Sir, I support the Budget.

Mr Speaker: Mr Henry Kwek.

2.49 pm

Mr Kwek Hian Chuan Henry (Kebun Baru): Mr Speaker Sir, I stand in support of the Budget. Deputy Prime Minister Wong mentioned that as part of the Forward Singapore exercise, we would rethink about how we want to augment the range of care and support options within the communities. This will, of course, enable our seniors to age in place. And therefore, I would like to contribute to this discussion today.

Many seniors wish to stay in their familiar surroundings, near family, friends, neighbours or even their beloved pets. As they age, however, their lives become more restricted and they require more assistance near or within their homes. More resources are needed to care for them.

Caring for seniors is not an easy task for any society; yet, Singapore faces unique challenges as one of the fastest ageing societies in the world. There will be fewer young Singaporeans to support each senior, as many of our youth are needed for our economy and our society. We must not over depend on foreign manpower to care for our seniors because even our neighbouring countries are ageing fast.

Furthermore, as a small city-state, our seniors cannot just move to rural areas with cheaper cost of living and there is not enough land for purpose-built retirement villages for everybody. Therefore, we must retrofit our existing towns and estates to meet their needs.

To achieve this ageing-in-place vision, we need bold and creative ideas. I would like to share four of them today.

First, we need to ramp up care and supporting services in the estates. In his Budget speech, Deputy Prime Minister Wong proposed reviewing the operating model of Active Ageing Centres (AACs). Last year, during the Healthier SG debate, I shared with the House how Kebun Baru provides assisted living services through a piloting a communal centre at Block 115 in Kebun Baru.

I feel that we must increase the number of AACs substantively and ensure they are thriving communities for seniors, offering loving care, connecting them to doctors, nurses, social workers and assisted living providers, while encouraging our seniors to stay positive and healthy.

Additionally, we should consider providing overnight respite and palliative care for seniors living nearby. AACs can be largely staffed by part-time and full-time seniors and be homely rather than clinical. Residents can work with the community to make it feel more like a group home and conversions can therefore be done relatively cheaply.

Furthermore, in both HDB and private estates, we need assisted living service centres staffed by a combination of foreign and local part-time workers. Not all seniors can afford a live-in domestic helper so we need such centres to provide affordable and basic services to a number of our seniors.

Secondly, I hope the Government can review transportation options within HDB estates and private neighbourhoods so as to support seniors and healthcare professionals.

HDB can consider allowing AACs and service providers to potentially use golf carts and other small service vehicles to transport frail travellers. This is already done in airports today. It is done in Sentosa Cove. Town Councils today have small service vehicles where we shuttle things around. It is conceivable that we can introduce a small number of these in the estate to support our seniors, as long as we start with proper trials and enforce speed limits.

For private estates, I feel that autonomous vehicles can provide that last-mile connection to MRT stations, bus stops, healthcare facilities, and AACs. This will help seniors who no longer drive or cannot afford private hire cars. These autonomous vehicles can contribute to congestion. Therefore, we should focus their use to seniors, the disabled, and parents travelling with infants. Kebun Baru's Teachers Estate, with many seniors, could perhaps host a pilot programme if the Government is interested.

Third. I hope that the Government can adopt IT aggressively to take care of our seniors. We must get as many of our doctors, nurses, and therapists to adopt tele-consulting for suitable seniors. We should allow as many services as possible for seniors to be coordinated digitally and deploy AI-powered services to interact with and care for our seniors.

Over the last few months, AI developments have skyrocketed. I am now far more optimistic about leveraging AI to support senior care. ChatGPT, for example, can understand, communicate, break down tasks and complete them.

In the future, imagine, seniors could use AI-powered services over the phone or use home-speakers to ask the AI to coordinate appointments, seek general help and even get basic counselling. Although it seems impossible now, the technology already exists. Just last week, I tried an AI service that played the role of a psychologist. I am not saying that it replaced one, but it is just supplementing whatever care that our service providers are providing.

AI will also radically reduce the cost and time to develop software. Today, AI can already write low-level code automatically if you can articulate clearly what needs to be done. Therefore, seasoned programmers can achieve much more with less. It will also significantly lower the barrier for non-IT professionals, including our healthcare professionals to learn computing. With some training, they can quickly come up with good proof-of-concepts and pass them on to IT professionals to scale up. In short, AI will help turbocharge IT, which can be used to improve the lives of our seniors.

My final point is, we should empower our seniors to tap into their own assets to pay for services related to ageing-in-place. HDB owners today already can do Lease Buybacks, but more solutions are needed, including for those in private estates. Recently, DBS and CPF started a collaboration where DBS would offer a loan using houses as a pledge at an affordable interest rate. Seniors do not have to pay back the loan until the house is sold many years down the road. This loan is used to then top up their CPF account, allowing them to earn higher interest rates and enjoy higher monthly payouts from CPF.

I hope that MAS can perhaps consider mandating more banks to join this programme and also increase the loan quantum, which would benefit more residents from private housing estates.

We should also think about changing our insurance regulations, permitting seniors to withdraw a portion of their life insurance for aged care. This reduces the amount due to their estate and it lowers returns, but this is a fair trade-off to allow our seniors to fund these services using their insurance.

Also, we can consider introducing a default Lasting Power of Attorney (LPA) for seniors who have lost mental capacity and do not have an LPA in place. This will allow the next-of-kin or the Government to use maybe just a portion of their wealth, depending on the net worth, to provide the necessary care.

To conclude, Singapore has taken many steps in the past decade to prepare for ageing. We have increased healthcare capacity, fine-tuned financing frameworks and enhanced befriending services. Through Healthier SG, we can also help our seniors stay happy and healthier for longer.

Even as we prioritise the roll-out of Healthier SG, we must also act swiftly to create the infrastructure and the care services and a whole ecosystem to allow our seniors to age-in-place with dignity. To do so, we must pilot and scale ideas, while also supporting, but not supplanting, caregivers. Finally, we must find a way to embed genuine care and concern in our system, even as we roll out more and more complex solutions. So, let us get to work!

Mr Speaker: Mr Mohd Fahmi Aliman.

2.58 pm

Mr Mohd Fahmi Aliman (Marine Parade): Mr Speaker, Sir, I am encouraged by the central theme of this year's Budget, "Moving Forward in a New Era".

As we continue to find ways to deal with the ever-evolving nature of the pandemic, we must also set our eyes on how we can prepare Singaporeans for a post-pandemic future riddled with uncertainty. My esteemed colleagues and I in the Labour Movement strongly support and welcome the slew of measures introduced to strengthen our social compact, thereby helping Singaporeans cope with the rising cost of living amidst global uncertainties.

Strengthening our social compact means uplifting marginal groups as we progress in society. During the Budget Statement this year, I was heartened to learn that the Government will be allocating more resources to help all Singaporeans, especially our brothers and sisters in the vulnerable facets of society.

As we chart our way forward, we ought to remain sensitive to the challenges and concerns of our vulnerable workers, especially our lower-wage and middle-income workers. The best way to address our workers' concerns over inflation and cost of living is through better wages and better jobs.

There is more we can do for vulnerable groups in society. The reality is that rising prices would continue to exert pressure on all income groups, especially our middle-income workers.

Our middle-income workers are vulnerable to inflation because as prices for goods and services rise, their purchasing power decreases and it becomes more difficult for them to afford their daily necessities. Overall, based on public data published by the Ministry of Manpower (MOM) and the Department of Statistics, we note that when adjusted for inflation, median wage growth between 2014 and 2019, which was pre-COVID-19, stands at 21.5%.

However, the median wage growth of certain worker groups lags behind the overall median wage growth. This is particularly so for our Associate Professionals and Technicians (APTs) and Professionals who have experienced real median wage growth of between 5% and 8% during this same period. As Deputy Prime Minister Wong also shared in his Budget speech, Singapore's headline inflation is likely to remain high, at least for the first half of this year. As such, some of our middle-income workers will continue to feel its effects.

As such, inflation affects different income groups differently, and middle-income workers are often hit the hardest as they are unable to receive Government subsidies and support as their salaries tend to be higher than the qualifying threshold. Those who need to take care of dependents may also feel the pinch more. As a result, inflation can have a significant impact on their standard of living and ability to save for the future.

Workfare Income Supplement (WIS) enhancements took effect from January 2023, including a rise in qualifying monthly income cap from \$2,300 to \$2,500. My fellow labour MPs as well as myself have lobbied for such reviews to WIS over the years, and this is heartening to note and is certainly a step in the right direction to assist the sandwiched class amidst rising costs.

There is room to better address the needs of our middle-income workers. In this regard, I would like to take the opportunity to call on the Government to expand the eligibility criteria and increase payouts for those with dependants to cover more middle-income workers. To improve liquidity further, we recommend the Government phase out benefits more gradually by changing cash or CPF ratio and index pay-outs to cost of living. That way, more middle-income would be covered, providing them with more support to cope with rising prices. In Malay, Mr Speaker, Sir, please.

(In Malay): [Please refer to [Vernacular Speech](#).] Our lower-wage workers play a critical role in maintaining essential services and keeping the nation running during times of crisis or disruption. This includes workers in sectors such as cleaning, security and waste management. In my Budget speech last year, I spoke about the ongoing efforts to support lower-wage workers as we transitioned to a post-pandemic future.

In recent years, the collective support from various stakeholder groups to uplift the incomes of our lower-wage workers have been encouraging. NTUC, alongside our partners, will remain committed to help workers improve their income security, give them confidence to progress in their careers and help improve their quality of life overall.

As mentioned in my Budget speech last year, NTUC and our tripartite partners have worked hard to enhance and expand the Progressive Wage Model (PWM). With the PWM, workers can be assured that they will not only receive a minimum wage corresponding to their sector and occupation, but also defined career pathways that would ensure that their wages increase as their skills and responsibilities increase as well. The four ladders of the PWM – skills, wages, productivity and career – work hand in hand to ensure that our lower-wage workers can seize the opportunity not just to earn an honest day's work, but with the dignity they place in their jobs, to progress upwards and better secure the future for themselves and their loved ones.

NTUC first mooted the PWM in 2012. Subsequently, the PWM was implemented in 2014 for the cleaning sector, followed by the security and landscape sectors in 2016 and the lift and escalator sector in 2019. Since 2014, we have progressively rolled out PWMs every two to three years. As we strive to narrow the wage gap between P20 and P50, PWMs have also been recently introduced in Retail, Food Services, Waste Management, and just recently, this week, for the occupations of Administrators and Drivers.

Combined, the PWMs will cover around 135,000 full-time lower-wage workers, which represent almost half of the total number of lower-wage workers. Together with Progressive Wages measures recommended by the Tripartite Workgroup on Lower-Wage Workers such as the expanded Local Qualifying Salary (LQS) and the Progressive Wage Mark (PW Mark) accreditation, this would benefit up to 94% of lower-wage workers.

An important facet of the PWM is how wages are linked to skills upgrading and productivity gains – workers are equipped with the required skills to be better and more efficient in their jobs and empowering them to scale up the career ladder, like in the case of Senior Escalator Specialist Jeremy Yap. He has worked in the industry for over 20 years, and he harbours hopes of advancing to become a foreman and has recently taken one step closer to achieving his goal by taking a course to become a lift and escalator inspector. Under the Lift and Escalator PWM, his salary is expected to increase from \$2,600 to \$3,820 by 2028. As he continues his path towards becoming a foreman, his wages may also be even higher. Jeremy's aspirations show how our workers can benefit from the clear progression pathways set out via the various PWMs, with some like Jeremy, setting their sights to achieve even more.

(In English): The Progressive Wage Model (PWM) has proven and will continue to benefit our lower-wage workers and assure them of wages and work prospects on a sustainable basis – and this is especially crucial in an era of rising cost of living.

The success of PWM so far lies in our not-so-secret ingredient of tripartism, where unions, employers and Government come together to reach win-win-win outcomes for all parties. This is why PWM is a sustainable model to uplift wages, welfare and work prospects for our workers.

This secret ingredient of tripartism is not new – and it is built upon another important ingredient that unions and management have worked hard to establish and strengthen – harmonious labour-management relations (LMR). We do not take either LMR or tripartism for granted. NTUC will continue to work with our tripartite partners to further bolster efforts to uplift our lower-wage workers, and where necessary, resolve any differences through established processes.

Another area that I would like to talk about is the Local Qualifying Salary (LQS). LQS refers to the minimum salary that employers must pay to local employees to qualify for various work pass types, for example, E Pass, S Pass and Work Permit.

Previously, employers hiring foreigners were only required to pay the LQS to local workers whom they need to count towards their foreign worker quota. From September 2022 onwards, firms hiring foreign workers needed to pay all local employees at least the LQS, which is currently at \$1,400 for one Full-Time Equivalent (FTE), or relevant Progressive Wages, which are higher. This expanded requirement has had an impact of uplifting more than 100,000 full-time resident employees, who were previously earning below \$1,400.

While the implementation of LQS is necessary to protect local workers and prevent the displacement of low-wage jobs by foreign workers, it can also potentially be problematic for lower-wage workers, because the current amount of \$1,400 is much lower than the P20 wage levels of about \$2,800 in 2022. Further, most of the Progressive Wages are also pegged at higher amounts, ranging from \$1,500 for a data entry clerk to \$3,330 for a principal lift and escalator specialist. PWMs are also designed such that their wages are increased at an agreed-upon rate annually.

At NTUC, we are cognizant that efforts to help lower-wage workers is a long-term strategy. Therefore, I would like to call on the Government to annually review the LQS to ensure that wages keep pace with wage convergence targets for our lower-wage workers. This can be done through a mechanism like the National Wages Council, which already provides annual guidance on the range of progressive wage growth for lower-wage workers.

In conclusion, as we move forward in a new era, looming uncertainties will continue to put pressure on vulnerable groups in society and test our resilience as a nation. Despite the challenges, many Singaporeans have stepped up to support our vulnerable groups.

The truth of the matter is that uncertainties will continue to persist in the year ahead. However, I am confident that we will overcome any challenges that come our way. As we tread uncertain waters, the Government and NTUC are committed to helping workers in every step of the way, help them achieve better wages, welfare and work prospects. Rest assured – NTUC will continue to champion all workers because every worker matters. Mr Speaker, Sir, I support the Budget.

Mr Speaker: Senior Minister of State Heng Chee How.

3.12 pm

The Senior Minister of State for Defence (Mr Heng Chee How): Mr Speaker, thank you for allowing me to join the debate. I speak as a Labour MP and my focus will be on advancing the interests of senior workers.

Sir, from my engagements with residents, workers and union leaders, the rising cost of living is the one of the top concerns amongst Singaporeans. The top concerns of our senior workers, aside from the cost of living, will be that of retirement adequacy and healthcare cost.

At the same time, NTUC has embarked on a series of dialogues with workers from different segments under the banner of Every Worker Matters Conversations, what we call EWMCs. This is part of our efforts to refresh our Compact with Workers. The ones that engaged senior workers received the same feedback.

We have highlighted this clear feedback to our Government partner as part of our Social Partnership and are keen to work with Government and tripartite partners to proactively and systematically strengthen existing arrangements to make further progress – to reassure senior workers as they prepare for retirement.

The feedback from senior workers validates the strong emphasis that Government, NTUC and Singapore National Employers Federation (SNEF) have put on improving senior employment and employability.

In July 2022, the Government raised the Statutory Retirement Age and the Re-employment Age ceiling by a year each, to 63 and 68 respectively. In January 2023, the Government adjusted upwards the CPF contribution rates for senior workers above the age of 55 according to a tiered structure. Deputy Prime Minister Wong announced in this year's Budget of increments in CPF contributions for senior workers in January 2024, again according to a tiered structure, with provisions of transition offsets to help employers.

These moves are the fruit of tripartite negotiations and agreements struck under the auspices of the Tripartite Workgroup on Strengthening Support for Older Workers.

These are concrete steps taken in the national interest and that reflect correct understanding of the realities that Singapore faces.

I am happy to see our work in the Tripartite Workgroup being executed, bringing concrete benefit to our senior workers and the companies they serve. I thank the Government for enabling this through policy and legislation.

At the same time, I want Singaporeans to know and to appreciate that our ability to do this, the whole of Singapore's ability to do this – to come together, to negotiate strongly from each side and then to reach a fair and feasible balance of interests and to then implement it effectively and in good faith in a timely manner – reflects the deep trust and value that tripartism has yielded for Singapore and Singaporeans over many years. In many other countries, they try to do similar things but they meet with protests and they meet with paralysis because of the lack of trust. The recent protests in European countries such as France serve as a good example. When that happens, actually nothing happens. You just get gridlock and everybody, all parties suffer – degradation.

So, the fact that we are actually able to make progress for a segment of our workforce, namely our senior workers to be able to provide better for them, better assurance for them in terms of their employment, giving them a chance and a choice, to prolong it where they can and when they want and, at the same time, in the course of that to provide better for their retirement adequacy – this is no small achievement, and we must never take this competitive and social advantage for granted as we go on and tackle more and, indeed, endless challenges.

The goals set out under the Tripartite Committee for the older workers set 2030 as the year where we would aim to achieve the outcomes. And we have eight more years. We aim to reach the statutory retirement age of 65 by then and the re-employment age ceiling of 70 by then and for equalising the CPF contribution rates for those aged 55 to 60 with those of younger cohorts while strengthening the rates for who those who are older in a tiered manner.

I started the speech by sharing that cost of living, retirement adequacy and healthcare cost are top concerns for senior workers. Enabling senior workers to earn more, save more and earn for longer are, therefore, clearly among the best ways to help generate resources and engender confidence in these areas.

Hence, Mr Speaker, Sir, as we complete the implementation of the agreed first tranche of moves, namely, the increase in the statutory retirement age and re-employment age ceiling by one year, we should consider a suitable juncture to commence tripartite deliberation to formulate the second tranche of moves to progress the Workgroup's recommendations.

This process will take time because there is a need to consider economic and business realities and the experience of the first tranche implementation and what would constitute a viable balance and pace. Hence, while we need not rush, should not rush, we should make sure that there is sufficient traction along this journey and that such tripartite discussions be convened in due course, in good time.

I thank the Government for extending the Senior Employment Credit (SEC), which was to end in 2023, by two years, to 2025. SEC improves the wage competitiveness of senior workers and strengthens their employment and re-employment prospects. The Employment Rate for senior workers aged 55 and above has reached new highs in the course of this pandemic period. So, for example, for those who are aged 55 to 64, it went up by three points, from 67.6% in 2019 to 70.6% in 2022; and for those aged 65 to 69, it went up to 47.5%, which is an increase of 2.9% from the year 2019. These are the figures as reported by the Ministry of Manpower (MOM). These we achieved despite the challenges of COVID-19. We must make every effort to anchor these gains as the Singapore economy emerges from COVID-19 to meet new challenges.

In the 2019 Budget debate, I had argued that enabling proper part-time work options is an important way to unlock a latent workforce among Singaporeans so that more middle-aged or older Singaporeans who may have had to leave work can instead stay in work or return to work, and companies in turn will be able to retain more good workers and have a bigger local workforce to meet their varied needs.

I therefore also welcome and support the Government's extension of the Part-time Re-employment Grant to 2025.

The past three years of COVID-19 have demonstrated many more possibilities of flexible work arrangements (FWA) that can be leveraged for win-win outcomes, when used wisely and not mechanically. I certainly agree with the elegant elaboration earlier by my parliamentary colleague Ms Yeo Wan Ling on this aspect and I shall not belabour the point. It has proven to be something that we have all learned – companies, workers – that under given circumstances, it can really be win-win and we should leverage that the best we can. I urge Government to strengthen its support for companies to acquire the practical know-how on the smart use of FWA to strengthen their manpower models and sources.

Next, onto the raising of the CPF contribution ceiling from \$6,000 to \$8,000. There is every reason to encourage saving more and earlier to strengthen retirement adequacy. The raising of the CPF contribution ceiling from \$6,000 to \$8,000 does that and I fully support it.

Raising the ceiling has the advantages of upkeeping the real value of CPF savings and enables workers to also benefit from longer periods of compound interest.

This move benefits both current cohorts of Senior Workers as well as future cohorts of Senior Workers. Because then you can already begin to earn and save more into your CPF at the wage range of between \$6,000 and \$8,000 as the rates are raised.

I had called for such a review in last year's Budget debate and I am, indeed, happy to see the Government had taken this move this year. I urge that such reviews be carried out periodically for the reasons that I have discussed.

Next, Government's pledge for basic retirement adequacy. Deputy Prime Minister Wong was frank in noting that different age cohorts of workers will likely face different prospects and challenges in saving for an adequate retirement. I am heartened by his pledge that Government will formulate different ways to help Singaporeans achieve basic retirement adequacy and is actively studying ways to do so, beyond the steps that have already been taken such as those in this Budget.

A volatile economic environment heightens the risks of intermittent unemployment. Rapidly changing business models and technology force an equally rapid need to reskill and raise the risks of premature exit from the workforce. Market failures result in sticky lower-end wages. These are just some of the challenges that can complicate and undermine retirement adequacy. The future may yet bring even more and even harder tests. This is also why retirement adequacy features as a significant concern among the senior workers as revealed in NTUC's survey.

I therefore agree that this is a critical area to pay attention to because it concerns a basic sense of security and confidence of Singaporeans. The NTUC wants to work closely with Government in this area to see what additional innovations can be arrived at that can yield practical and sustainable improvements, and then to help Government and to help all of society rally our workers' support for those.

Sir, I move on to fair treatment for Senior Workers. MOM recently released the interim report of the Tripartite Committee on Workplace Fairness. I look forward to the final report of the Tripartite Committee and the implementation of its recommendations to further strengthen workplace fairness for all.

Beyond individual cases and claims of age discrimination, I hope that the tripartite partners can work closely to leverage on in-company mechanisms to proactively ensure that senior workers are given due consideration and opportunity for training and skills-building.

Relevance of skills is a factor that all parties agree will materially impact the employability of a worker. Hence, all efforts aimed at boosting employment and earnings of senior workers will be seriously hampered if they are rendered skills-obsolete through not being given fair consideration and opportunity compared to younger workers.

The NTUC-initiated Company Training Committee (CTC) is an in-company mechanism that can serve this purpose of ensuring fair and productive conduct of training for all workers, including senior workers.

I thank the Government for the strong support in Budget 2022 via the \$100 million grant to spur the scaling up of CTCs to accelerate purposeful training and skills-building in workplaces to meet rapidly changing needs of businesses and workers. I hope that we can fully leverage on such relevant mechanisms and regulations to accelerate fair and productive outcomes for companies and workers.

Finally, Mr Speaker, Sir, people I have spoken with who are aware of the contents of this year's Budget have all said that they felt that the Government understood Singaporeans' concern over inflation and cost of living, and that the Budget measures – ranging from CDC vouchers to Assurance Package payouts to enhanced GST(V) vouchers, conservancy rebates and more – all these go to show the Government's sincerity and responsiveness to help citizens cope better in this challenging environment. It is appreciated by Singaporeans.

Sir, what the past few years have clearly taught us is that big unknown surprises can catch us unaware and set us back even as we must grapple with known big structural challenges in our economy and society.

At the same time, we also learnt in tackling and overcoming these that unity, rationality, ability to build and mobilise trust and always wanting to build a better future Singapore are priceless traits that will set us apart as a country and as a people. So, we, today's generation and the generations to come, must learn this and must always remember this and come back to this basic tenet which is that we will be stronger together.

Sir, I fully support this Budget because it allows us to realise the future and the dreams for Singapore and Singaporeans and, for workers, it makes every worker matter. *[Applause.]*

Mr Speaker: Ms He Ting Ru.

3.26 pm

Ms He Ting Ru (Sengkang): Mr Speaker, after last year's Budget of "Charting Our New Way Forward Together", it is fitting that this year, we are "Moving Forward in A New Era", with the focus being about looking to a new era – even if it is one that is uncertain and unpredictable. I agree that the sense of post-COVID-19 normality is more than welcomed, but we must slow down and give pause. We must ask ourselves about the important lessons from the last three years and ask if we as a society have really "returned to business as usual".

Recovery from COVID-19 has not been equal for all of us. Some have lost loved ones. Some close to us may still be suffering the debilitating effects of long COVID. I would be surprised if anyone in this House can say that they do not have residents still seeking assistance because of lingering economic or other adverse effects of the pandemic.

"Resilience" has been a key word used to describe the ambition of this Budget – and the ambition that we as a nation need to trek down to ensure we are ready to navigate future challenges that might come our way. Yet we can take lessons from psychology on what "resilience" really looks like and apply that to how we build resiliency as a nation.

In psychology, resilience is not just about harnessing our own individual inner strength. It is also about strengthening our ability to deal with challenges. This is done through building a connected network, learning from our experiences and taking care of our own mental and holistic well-being.

Applied to the context of a country, this means that we must not find resilience by simply looking inward or becoming more insular, but by continuing to stay connected within the communities around us in Singapore and also with the world at large. We must be open to constructive criticism and be enlightened enough to translate mistakes into lessons learned. We need to walk together, bringing every corner of Singapore along equally on the journey forward. We cannot do it alone.

That is why it is critical that we have policies that holistically ensure the well-being of our economy, our society and our planet.

Focusing on our economy, we know that our most vulnerable may find themselves between Scylla and Charybdis, moving from the pressure that movement controls had on incomes, to the inflation that accompanies the loosening of restrictions and economic recovery. In particular, there is concern that poorer segments of the population are facing greater food insecurity in the wake of the pandemic, something exacerbated by recent increases in food and hawker prices.

Various NGO-commissioned studies have recently found that up to one in 10 Singapore households are food insecure. I note from a reply to a Parliamentary Question (PQ) I posed last year that the Ministry for Social and Family Development (MSF) does not specifically track the food insecurity experienced by our vulnerable households, although there are various workgroups and initiatives to provide support. I believe that there is room for our Ministries and agencies to specifically track this issue to measure the effectiveness of our support schemes.

We should strive to understand shifts in nutritional consumption that occur in response to fluctuating macroeconomic circumstances. It is imperative that we ensure that lower-income households do not end up drastically cutting back on nutrition given ever-increasing costs. In this, I am reminded of a retiree who came to my Meet-the-People Session who told me that he was sometimes reduced to filling his stomach with white bread because anything else was a luxury.

The impact of this falls disproportionately on children and the elderly, with many adverse health effects taking root from poor nutrition. If left untackled, it has the potential to further entrench generational poverty. Poor nutrition also has an effect on outcomes for various chronic illnesses like diabetes and cancer. In the wake of Healthier SG's launch and the pivot to preventative healthcare, we must pay more attention to this.

Aside from the support packages announced this year, there may be many initiatives and support schemes available to help these residents, but a lack of awareness and the scarcity effect means that vulnerable residents do not always get the help that they need when it is most needed.

Next, I move on to the well-being of our society and people. This year's Budget emphasises the family and its well-being. Enhancements to the tax and financial incentives for young couples to have children, along with the introduction of tripartite guidelines to allow parents to request for flexible working arrangements are undoubtedly welcome. However, economic incentives and tinkering around with the way our workforce is structured are only part of the greater picture when it comes to building a Singapore for families not only to survive, but also to thrive.

Additionally, headline announcements in Budget 2023 appear to leave out groups of our population, namely, those of us who are unmarried or childless. They are Singaporeans too and are and will continue to be part of our families. This is concerning in an age where we trumpet greater inclusivity and claim to celebrate diversity, especially as the number of single Singaporeans has increased across all age groups, according to the 2020 census.

In particular, single unmarried mothers are left out of the enhanced baby bonus tweaks and our singles are generally more adversely affected by increasing rental prices. It therefore behoves us as a society to ask that our enhanced baby bonus and parenthood policies are extended equally to all parents.

Children of unmarried mothers do not have a choice. Most single, unmarried mothers, given a choice, would also hope to be part of a stable, fulfilled marriage. Yet, in our haste to ward off the hex of "encouraging single parenthood", we appear to either be punishing innocent children born to unmarried mothers or encouraging hasty, possibly unsuitable marriages. This may lead to further difficulties down the line, ending in strife within the home or even divorce. Moreover, children born to single unmarried mothers only form under 1,000 of live births each year, according to 2021 statistics and thus the fiscal impact each year of the equalising of financial support to children of single unwed parents would not be significant.

Changing demographics that lead to more singles across all age groups is also why we believe that singles should be allowed to purchase new flats from the age of 28, rather than the current 35. My Sengkang colleague, Mr Louis Chua, spoke about the limited impact of the housing shortage on married couples seeking homes since statistics show that singles tend to apply for smaller flats.

COVID-19 and its aftermath seems to have left behind epidemics of loneliness and mental health struggles. These are threats to the progress that we hope to make in strengthening our country's resilience. Recent studies indicate that larger numbers of Singaporeans are feeling isolated in a post-COVID world – from working adults speaking through Zoom, to students missing out on the crucial years of social life that tertiary education usually brings to the 30% to 40% of senior citizens who still feel isolated even while living with family. A recent Duke-NUS Medical School study also quantified what psychologists have known for a while; that loneliness has real, measurable consequences on physical health, negatively affecting life expectancy and healthy life expectancy.

While loneliness is something we may associate with retirees, studies found that younger people were in fact more likely to report loneliness across cultures, genders and geographies. I hope that we look into this phenomenon urgently here in Singapore, as I believe more must be done to understand the scale of the problem, its effects on the well-being – physical and mental – of our people.

I was also alarmed to read that the initial report from the Singapore Youth Epidemiology and Resilience Study found that one in three youths in Singapore report internalising mental health symptoms like sadness, anxiety and loneliness, and that one in six externalise symptoms such as hyper-activity and aggression. This is compared against the one in seven estimated to suffer from a mental health condition in the general population. An estimated up to 75% of these people never seek professional help or treatment.

These are sobering facts, and while our Ministries and various agencies are aware of the magnitude and severity of the issue and are working on it, it is no secret that even if individuals or their families are willing and can afford to seek help now, wait lists for professional help are long. Untreated mental health issues in children and adolescents can leave lasting damage into adulthood. These also correlate strongly with poverty, reduced life expectancy and reduced potential and achievements in all aspects of life.

Compared with adolescents, mental health struggles may be even harder to spot in children under 11. Young children can struggle to describe their emotions and often the only way they can express themselves is to "act out". These signs can be so subtle and easily characterised as "bad behaviour", which means that adults often try to punish or discipline these children to make them "behave". These children consequently miss out on getting the support and treatment needed. In fact, the problem may be exacerbated by well-meaning but ultimately erroneous interventions to treat the behaviour rather than the cause.

Indeed, many educators and mental health professionals that I speak to have shared anecdotal observations that our youngest members of society do seem to be struggling recently and are unable to communicate to us how bewildering they have found the last few years.

We owe a debt to those who work with children as psychologists, counsellors and therapists in our schools, our medical institutions and private practices. They often go over and beyond in trying to secure the well-being of our children. Yet many of them speak of concerns stemming from a lack of central regulation and of burning out due to a lack of resources and manpower. More awareness and sensitivity, both at the individual and systemic levels, is required to spot issues early and to get our children and people the help they need.

Compounding the problem are knock-on effects that having a family member struggling with mental health has on the rest of the household. As the saying goes, a parent is only as happy as their unhappiest child.

It is so easy to forget that in order to care for kids – especially kids that are struggling, whether because they are differently-abled, or living with mental health conditions – we also need to care for our parents. Yet, there is often little discussion on and even less support for this aspect of the parenting journey. Parents and carers can themselves be overloaded and overlooked as they strive to do everything, sometimes inhumanly possible to support their struggling child. This is despite research showing the important role that the home environment plays in helping children learn to regulate themselves. And we know that a dysregulated family often causes challenging situations to spiral.

Even as we continue to ensure that our existing networks and services provide the necessary support for our parents to lean on, an overwhelmed parent is going to find it challenging to navigate the myriad schemes and agencies that provide the help needed. We need to help our parents along, to offer them support, compassion and non-judgement.

We need to let our parents know that it is alright to struggle along with our children. We need to let our parents know that sometimes it is okay to not enjoy being a parent – especially when the going gets tough – and that non-judgmental help and a listening ear is available to offer suggestions and strategies to make the tough hours and days a little easier.

I fear that sometimes in our haste to encourage more young Singaporeans to have children, we focus so much on how fulfilling the journey is and neglect to address and normalise how we as parents do not have all the answers and can find it really difficult too.

This may have an inadvertent consequence of adding to the stress that parents feel, especially when faced with glossy social media feeds of how everyone else seems to "have it together" when reality leaves them feeling exhausted and terrified. Psychological and medical research indicate that stress and clinical burnout can be equally damaging to physical health. Stress is not just in the mind, but can affect people physiologically too, especially chronic stress, which leads to high levels of cortisol, which in turn affect the body's ability to regulate blood sugar, reduce inflammation, regulate metabolism and formulate memories. Just on the work front, Mercer's 2022 Global Talent Trends Survey found that Singapore workers were highly stressed, with 85% feeling at risk of burn-out, and one in five are feeling de-energised at work, double that of the Asia average.

For parents, there appear to be fewer studies on the severity of this phenomenon in Singapore. While platforms such as Parentwise have highlighted the real presence of and danger posed by parental burnout, more accessible and effective measures must be in place, particularly as COVID-19 changes from pandemic to endemic.

Among lower-income groups, research in the last decade shows links between stress, deprivation and how this can sometimes lead to bad choices, including counterproductive economic behaviours.

One of the forms of chronic stress facing Singaporeans is the lack of sleep. Singapore often ranks high amongst the echelons of sleep-deprived cities, coming in third out of 43 in one of these latest surveys. Sleep deprivation, like chronic stress, has adverse effects on an individual's ability to function.

And sleep deprivation also extends to our children. Duke-NUH recently found that teenagers are only sleeping an average of 6.5 hours a night rather than the recommended eight hours for optimal development and functioning. Many of us have children who cry when woken up before the crack of dawn for school, because they are just not getting the required sleep that their growing bodies and minds need. We must pay more attention to this issue and mitigate some of these ill effects while recognising that they are not a panacea.

One possibility is to implement later school start times to align with the natural body clocks of our children and adolescents. My colleague, Assoc Prof Jamus Lim, previously put forward this proposal and I hope we seriously move to implement later school start times, particularly when less of the workforce is now required to be at the workplace at 9 am.

Our policies and systems need to be flexible and compassionate enough to keep up with the rapidly changing and challenging environment that our children, parents and families find themselves in. While we have policies with good intentions, our systems have to be mindful of the amount of mental effort and resources needed from individuals to battle challenging situations. Our systems also need to work together with the people whom they serve to reduce the stress that our people and families are facing in this uncertain world. It is only when we and our systems are optimised to extend help and support without judgement that we can lay that crucial feeling of security that is essential for us to build resilience.

Moving to the macro, the topic of climate resilience was briefly mentioned in the Budget. Yet, climate resilience goes beyond energy security and adapting to rising sea levels. It encompasses building the resilience of our people and businesses to navigate the climate crisis and ensuring a smoother transition to a more equitable and sustainable future.

Blue-collar workers, migrant workers and gig workers will bear the brunt of rising temperatures more than others. With Singapore's temperatures rising twice as fast as the rest of the world, more measures will be needed to enable them to adapt to the effects of extreme heat.

Extreme heat and weather events also affect our families. Households in rental flats report that the temperatures in their homes during the day can be quite unbearable, particularly during the dry and hot seasons. More needs to be done to sustainably cool down our buildings, and we need investment in better cooling infrastructure when building flats.

So, it is that even as we support this year's Budget, I hope that we will make true and meaningful progress that our people will feel supports them to better navigate the challenges facing us as individuals, as families, as a society and as citizens of the blue planet that we call home.

Mr Speaker: Mr Gan Thiam Poh.

3.44 pm

Mr Gan Thiam Poh (Ang Mo Kio): Speaker, Sir, the outlook for the global economy is uncertain. Achieving economic growth in the current environment will be challenging, due to the decoupling of the US and China, the Ukraine war, supply chain disruptions and rising interest rates, among other reasons. With the slowing global economy, one after another, tech companies are retrenching worldwide. And there may be ramifications across other sectors. We need to stay prudent and exercise great care in how we manage our expenditures.

I would first like to speak on the property market.

We need to keep our property prices in check. I agree with the Government's cooling measures to curb the demand while striving to pump up the supply which was interrupted by the COVID-19 pandemic.

Despite the dark horizons around us, Singapore remains attractive as a hub for many investors. The demand for housing is very strong. Robust demand from investors who have the confidence to invest in Singapore also helps to drive the demand for rental private properties.

Would the Government review and consider boosting the supply of public and private housing even more? Will HDB be able to increase the supply of HDB flats from the current 25,000 to even more, such as 50,000 per year for the next two years? Would HDB consider doubling the number of new Executive Condominiums (ECs) supply?

Similarly, will the Ministry of National Development (MND) consider implementing measures to support and facilitate the development of more private housing, especially on some lower density land plots in the central region? Some are occupied by ageing, even decrepit or neglected buildings, which require high maintenance and repairs. Many are in good locations with excellent amenities. Redeveloping these plots and intensifying the use of these mature centrally located estates will make better planning and financial sense.

There is a need to check on the HDB resale market too.

The increase in grants to first-timers for the purchase of resale flats is certainly welcome. However, the sudden and rapid increase in the prices of resale flats without the support of economic fundamentals would affect some more, such as non-first-timers, including divorcees and hard-pressed families with unfortunate circumstances who can only buy resale flats. This also has a serious impact on those whose incomes are unable to progress to match the rapid increase in resale prices.

There are suggestions to apply the same income ceiling for Build-To-Order (BTO) applicants to the buyers of resale flats and to disqualify those who can afford to pay exceptionally high Cash Over Valuation (COV) from buying resale flats.

On the other hand, there are others who want the income ceiling caps to be removed to help the sandwiched classes who can neither afford private housing nor are eligible to buy public housing.

I urge the Government to review these feedback and suggestions and consider a balanced solution. The limited supply, rise in EC prices as well as the rise in prices in private property in areas other than the central core area are other contributing factors to be dealt with.

I am in full support of ensuring stable public housing prices, which is important for providing a social safety net for Singaporeans.

The people trust the Government to safeguard Singaporeans' interests and be the buyer of last resort for public housing.

On the one hand, this may have led to the perception that property prices will only go north, not south, thus driving up their demand and prices. HDB flats are perceived to be risk-free and underwritten. On the other hand, this has consequently led investors into thinking that the same would apply to private property.

I would like to suggest that the marginal buyer's stamp duty (BSD) be better reviewed to have different set of rates for HDB resale flats, private residential and non-residential properties and to be progressively tiered based on per square foot instead of purchase value. It can be applied to both buyers and sellers. This may help cool down the market, especially the HDB resale prices and tax more equitably high cash over valuation (COV) above the average and the norm.

For young families, in addition to the extra chance for balloting as first-timers with a child, the Government may consider another extra chance for those with two children and so on. May I suggest that such applicants be prioritised ahead of other applicants? Likewise, those who have registered at the Registry of Marriages (ROM) should also be prioritised ahead of those who have not.

Next, I would like to appeal for the Progressive Wage Model (PWM) to be extended to skilled tradesmen.

I am heartened that the PWM covers workers in the cleaning, security, landscape, lift and escalator, retail, food services and waste management sectors. The PWM will ensure sustainable wage increases for these workers that commensurate with their skills, productivity and career progression.

Together with the Occupational Progressive Wage and Progressive Wage Mark, these are concrete measures to show that we value their work and compensate them adequately. These changes are steps towards strengthening our social compact to be a more inclusive society that values both cognitive and technical skills.

I echo the appeals of NTUC's Secretary-General for skilled essential tradesmen like plumbers, electricians and air-conditioning technicians to be included in the PWM too. Many of our local skilled tradesmen are graduates from our Institutes of Technical Education (ITE) or polytechnics. We should recognise and value their expertise and experience and ensure a sustainable supply of locals into these trades to meet our national needs.

Finally, about building a Singapore Core in the maritime sector.

The seafaring career has always been tough but it presents many opportunities to Singaporeans when they achieve a certain level of competency as their skillsets are highly sought after in Singapore's vibrant and diverse maritime industry.

The Sail Milestone Achievement Programme (SailMAP) is an excellent initiative to encourage Singaporeans to take up a sea-going career. Tripartite partners contribute up to \$50,000 to each local seafarer through this programme when he achieves key milestones in his career.

I would like to seek the Minister's support to extend the SailMAP to our Special Limit seafarers who move ships such as bunker tankers and passenger ships up to 30 nautical miles off Singapore waters. They are essential to our country as we aim to develop Singapore into a premier global hub port.

We need locals to provide high service levels for maritime-related activities in port. As an international maritime hub, it is important to have a core group of Singaporeans to keep the supply chain going in these vital sectors.

We should also be looking at uplifting their wages to retain more of these seafarers as they form the backbone of the team navigating our local waters and we should provide a holistic career for them. This will also decrease our dependency on foreign labour in this sector. With that, I support the Budget.

Mr Speaker: Dr Shahira Abdullah.

3.53 pm

Dr Shahira Abdullah (Nominated Member): Mr Speaker, Budget 2023 beckons us to move forward into a new era. We have transitioned to DORSCON green after three years of battling COVID-19 and it seems that we are finally returning to normalcy.

However, there are still many worries that Singaporeans are grappling with. Geopolitical tensions from the year-long Russian-Ukrainian war and US-China rivalries still remain. There have been massive tech layoffs from big tech companies like Gojek, Amazon and Google throughout the last few months. Resale housing prices rose for the 11th straight quarter. The cost of living is rising.

It becomes almost imperative for the Budget to protect and support Singaporeans, particularly those who are more vulnerable.

A Budget reflects the priorities of the Government. Therefore, I am heartened that this year's Budget reflects a kinder approach – one that is listening to its people amidst many uncertainties.

The enhanced permanent GST Voucher Scheme and Assurance Package ensure that more help is directed to the low- and middle-income to overcome the effects of high inflation and GST. Seniors will be receiving higher CPF payouts and eldercare subsidies. Platform workers will have increased CPF contributions. Employers hiring senior workers, ex-offenders and persons with disabilities will be given wage subsidies.

These are good measures with positive socioeconomic objectives and I am very happy that we have this in the Budget.

I recognise that there is already a strong focus on the people. Nevertheless, I wish to speak about a certain vulnerable group that I believe we can do more for.

I am speaking of the unwed single mothers – the mothers who are trying to make a living while raising their kids, who are doing their best to provide for their kid so that he is not left behind.

It is already hard raising a child alone. It is even harder when our policies become inadvertent structural roadblocks that result in unequal access.

I recognise this Government's pro-family policies and myself agree that parenthood within marriage increases the likelihood of a stable family. However, we should consider the knock-on effects of certain policies on the children of these single mothers, namely the Working Mother's Child Relief, Parenthood Tax Rebates as well as certain housing policies.

It is imperative to remember that measures that penalise single mothers or leave them out of society-wide benefits ultimately do not just penalise these women but also penalises their children. It affects how these children live and grow and their experiences during this time. It affects the possibility of social mobility and it affects their future. Let us not forget that in the end, these children will form the next generation of Singaporeans.

The Parenthood Tax Rebates and Working Mother's Child Relief require the single unwed mother to marry the biological father of their child. An ancillary consequence of some of these measures is that a single mother may feel they are penalised so drastically as a single parent in the Singapore system that it is impossible to walk away from a bad or abusive relationship to avail themselves to the Budget incentives.

If that does happen, the likelihood that the family unit breaks down is higher. The child will suffer.

From unwed single mothers, I would like to now speak about working mothers.

The Working Mother's Child Relief was converted from a percentage-based calculation to a fixed sum. I appreciate its intent to redirect more support to lower- and middle-income working mothers. Nevertheless, I question if doing so may also unwittingly deter, especially the higher-end middle-income mothers from having more children.

Notably, Singapore is trying to raise the total fertility rate (TFR) and having this change might discourage higher-end middle-income mothers from having more children.

May I ask then ask what percentage of working mothers currently will have less tax relief after this change?

Can I suggest instead that we keep the fixed sum as the minimum amount of tax relief a mother should get while retaining the percentage-based calculation to a maximum of \$80,000? In this way, it will strengthen the Government's position to encourage families to have more children as well as encourage mothers to return to the workforce after having their children.

Thirdly, I applaud the increase in paternity leave from two weeks to four weeks. Having had my first child last year, I realised how I really needed my husband for support those first two weeks and wished that he could have returned to work later. Postpartum recovery is difficult and the additional two weeks of support is invaluable.

As such, could I request that this increase in paternity leave start a bit earlier to benefit more couples? I understand that companies may need time to adjust to this change in manpower, so can I suggest increasing in tranches, starting with three weeks in the second half of the year and to the full four weeks in January next year?

Finally, while this big-hearted Budget aims to promote and support the creation of families, I hope employers and workplaces also take it upon themselves to be kind as well. The increase in paternity leave as well as unpaid infant care leave is a welcome move but one that may be taxing on the workplace. Even with these positive changes, I find that a supportive workplace and colleagues are just as important.

One common example is when children fall sick and children fall sick a lot. You cannot predict when it will happen. Working parents may need to take urgent leave. I have heard many stories of workplaces giving parents a hard time when this happens.

It may be mandated by the Government but it may be frowned upon by the company – unofficially, I must add. Therefore, I would like to implore to employers to instil a strong pro-family work culture where flexible work arrangements are the new norm and where work-life balance is respected.

As a working individual as well, be kind enough and willing to pick up the slack during these moments when a parent has to take some leave as it will ease the parent's mind greatly.

I hope this kindness extends to other working individuals with other needs as well, like adult children who are caregivers to their elderly parents or the new mother who just returned from maternity leave and needs time and a place to express her milk.

Let us not wait for incentives and legislation from the Government. We can all do our part. Only then can we move the needle for supporting families in Singapore.

Budget 2023 ensures that help is directed to those that need it the most. It does not forget the vulnerable groups and redistributes the wealth so that those who have more will give more. But change can be difficult. Not all will be happy. However, I still believe that this Budget is leading Singapore in the correct direction and I fervently hope that future Budgets will carry the same spirit and intent. Mr Speaker Sir, I support the Budget.

Mr Speaker: Miss Cheng Li Hui.

4.00 pm

Miss Cheng Li Hui (Tampines): Mr Speaker Sir, the 2023 Budget covered a breath-taking set of initiatives ranging from growing our economy and supporting businesses to safeguarding our climate resilience. Along with the many other policies introduced in preceding Budgets, we have a comprehensive coverage for Singaporeans and Singapore that is the envy of many. Today, I wish to dive a little deeper into the topic of strengthening our social compact and building a Singapore Made for Families.

Whilst the Budget provides generous support in the form of Baby Support Grant, Paternity Leave, Baby Bonus Cash Gift and Child Development Account (CDA) to name just a few, I believe that there are many reasons why young couples still find it challenging to want and have children. In speaking with many young residents and many others who reach out to me, I often ask about these reasons and I will share some of them today.

The Government has provided much housing support for young couples to stay near their parents so that childcaring duties can be shared. However, this may not be a suitable arrangement for some. There seems to be an increasing number of young parents who want to raise their children themselves, they want to be very much more hands-on and involved. Anecdotal evidence suggests that the children may sometimes bond more with their grandparents or domestic helpers. Grandparents also tend to dote on grandchildren and even "spoil" them, inadvertently undermining the relationship between the child and his or her parents. The parents would also need to step in to impose discipline and dial back on the indulgence.

In order to support parents who want to be present and active in raising their children, it is essential that we provide them with sufficient infant care and childcare facilities near their home or workplace.

I visit my new BTO estate Green Verge mainly on weekends. Why? This is the result of the lack of ready infant care and childcare facilities when they moved in. For new BTO estates, the tender for childcare and other amenities only go out after residents start moving in, resulting in a demand and supply problem. Therefore, some young couples continue to live with their parents on weekdays when they cannot get childcare places in their new estates and stay over in their new homes only on weekends.

For example, Green Verge residents had to register for childcare in Green Meadows, Green Ridges and Sunshine estate's childcare around them. As their children assimilate to the childcare centres, they usually would not move their kids back to Green Verge's new childcare centres that are now up and running. As a result, we end up with a tight situation in terms of childcare spaces in Green Meadows, Ridges and Sunshine, and the parents there have to in turn register their children in Green Verge's new estate. The savvy ones in the upcoming estate, Green Court, have also put their children on the wait list there. So, at dismissal time, you will see parents, grandparents and helpers crossing roads to each other's estate to pick up the children.

Near, but not so near. This messy arrangement creates a lot of unnecessary anxiety on everyone. Infant care and childcare facilities are critical in new estates and should be ready as residents move in.

A recurrent observation, and no surprises here, is that the cost of raising children is prohibitive. Many are appreciative of the generous support provided by the Government and this year's measures are most welcome, it is still however only a small part of the total investment in a child over the course of their first 18 years.

Many people I spoke to shared that if the cost of raising a child could be managed on a single income and/or with flexi-work arrangements, it would then be a much more appealing prospect. Modern couples want quality time, more hands-on parenting. If our society can evolve to allow both parents to take turns to be around, it will motivate more couples to have children and it will serve our next generation well too.

During the COVID-19 outbreak, the Government encouraged the work-from-home model. Many that I have spoken to said it was a good thing for the family and enabled parents to spend more meaningful time at home. Perhaps this is a hint at what we can do to encourage more young couples to build and expand their families. Incidentally, it is about 14 months since work-from-home is no longer made default on 1 January 2022. I wonder if there has been an uptick in babies birthed nine months after the periods of work-from-home.

Mr Speaker, I have often advocated for more assistance for couples undergoing Assisted Reproduction Techniques (ART). This is a very important group of people that will help improve our total fertility rate (TFR) because they are determined to have children. However, they face challenges conceiving. And no, I am not asking for more money in co-funding – yet.

I believe there are practical things that we can do to help them. Many couples told me that they give up because of the process. It was not just about the physical strain but it is incredibly, emotionally draining. They are often in a confused state as doctors rush them through the consultation as the queues are long in public hospitals.

In one hospital, they had to keep repeating their responses to the same questions at every appointment, since each time, it is a different doctor. They feel bad holding up the queue and wondered why the records were not updated.

Different hospitals offer different experiences. What I know is the National University Hospital (NUH) used the same doctor from consultation to stimulation and birth, which some feedback that it felt more personable.

Last week, I did a support group Zoom session with a small group of ladies who underwent ART in different public hospitals. It was to understand their experiences in the respective hospitals. After the session, a few ladies texted me to say the session was quite informative. It will help to prepare couples to prepare for what to expect in reality as they listen to the different experiences. They said that they want to listen to more such sessions in case they want to try again in future. One added that she had not thought of asking the doctor those questions and the support group had prepared her better. I realised that each and every hospital had their unique way of managing their client. Hence, I am going to make some suggestions on possible areas of improvement.

Hospitals should hold more online dialogues to prepare couples better. Doctors and couples sharing would help them to have more insights and help allay their concerns as they embark on this journey.

Provide couples with counselling. Some commented that they leave the doctors' consultation feeling confused and discouraged and if they are lucky, an experienced nurse might notice and help them with their queries. It is cost effective and also efficient to have experienced nurses counsel couples. A few joked about how they went into the counselling room and were shocked that it was about financial counselling and felt that it was so transactional at a time when they were struggling with their emotions.

We need more specialists. Some centres are too swamped and felt chaotic and rushed in consultations. Another joked that it was so crowded that they stood around waiting for appointment and it was like musical chairs, because when someone stood up, another would quickly take the seat.

The good thing, of course, is the medical chit was always issued at the beginning of the appointment as the consultation and scan would usually take half a day.

My final point is, can we consider opening a new fertility centre in the eastern region to serve our BTO estates in Tampines, Sengkang and Punggol?

I would like to share the journey of Mrs Neo. She said her experience in Hospital B was not as good as in Hospital A. They are both public hospitals. She presented her set of known problems to Hospital B's doctor, but the doctor did not really follow up on her medication unlike the doctor in Hospital A. But the doctor in Hospital A had gone into private practice and due to co-funding being only for use in public hospitals, she did not follow.

She added that she did not get to see the doctor in Hospital B throughout the stimulation process or scans, and the nurses would just relay the messages. While the waiting time was shorter, she felt that the experience was less personable and felt like a wasted cycle.

She is now on her fourth try, this time in a private clinic. An embryologist was there to explain things she felt she should have learnt in her first cycle such as the grading of embryos of 5AB, 4BB, 3BCs. And this is why online talks might be useful. She has decided this would be her last cycle as the psychological pain was too trying. She wanted to discard her last frozen embryo and the embryologist spoke to her for nearly half an hour and persuaded her to keep it first.

Can we look at portable co-funding like portable subsidy in Agency for Integrated Care (AIC) for chronic kidney and nursing homes? Could we have private-public collaboration to help sub-fertile couples after they have had two failed in vitro fertilisation (IVF) attempts in public hospitals? Can we use co-funding or reduce the cost of pre-implantation genetic screening (PGS) so that couples who have suffered miscarriages can have a better chance if they wish to choose a better grade embryo for transfer? The Ministry of Health (MOH) together with NUH had the pilot project on PGS some years ago. What is the outcome of that? Do we have more information to improve the couples' chances with PGS?

Mr Speaker, Sir, the Budget for 2023 is generous in supporting young families and society and I wholeheartedly support it. I also ask for attention on some of the more nuanced aspects of addressing our TFR, including facility support for families in new estates and work-from-home support. For the women undergoing ART, we need more community support and information and simpler, easier and supported response from the hospitals.

Mr Speaker: Mr Yip Hon Weng.

4.10 pm

Mr Yip Hon Weng (Yio Chu Kang): Mr Speaker, Sir, this Budget is a roadmap towards a better future. Even though we are recovering well from COVID-19, there are still many geopolitical headwinds to contend with. The ongoing war in Europe and the tensions between the US and China have caused much uncertainty on a global scale. A small country like Singapore is certainly not spared.

In this Budget, I am pleased that we are taking a bolder approach to increasing revenue. This is by getting those who can afford it to contribute more, thus lessening the burden on the less privileged. In my Budget response, I will focus on seniors.

This topic is close to my heart for several reasons. Firstly, we are a super ageing society. Next, we should view the silver sector as an opportunity, not as a burden. Finally, my constituency is home to many senior residents and it is my purpose and duty to represent their voices.

Foremost, I will share my perspective on the need for a holistic review and consolidation of senior-related initiatives. I will then share my thoughts on areas where we can do more for seniors, which were not touched on in this Budget.

To start, we should systematically review all the senior-related initiatives and consolidate them as far as possible. This is with the goal of making them more easily understandable and accessible for our seniors. Many new or enhanced schemes to provide for seniors were announced during this Budget. They ranged from financial incentives such as the Cost-of-Living Seniors' Bonus, to promoting senior employability and retirement adequacy through the Senior Employment Credit extension and increment of CPF contribution rates, to top-ups for the ElderCare Fund and the Community Silver Trust.

There are also existing schemes for seniors today. This includes the Pioneer and Merdeka Generation packages. While all these initiatives are appreciated, it is important to consider whether there is a holistic view of all these schemes. The many disparate initiatives cause confusion. And seniors do find it difficult to navigate through all the help that is available to them.

We should consolidate and communicate these schemes to seniors better. Such schemes have to be translated into tangible support. I often hear from seniors during my house visits or at the market that they do not fully comprehend or know how to access many of the schemes. Our grassroots team is always glad to do our best to address these queries.

But the fact remains that many of them are unable to understand the schemes without external help. Some do not even know that they are beneficiaries of these schemes. This is concerning.

Effective schemes should be implemented and communicated in ways that make them readily accessible to beneficiaries. Beneficiaries should not have to go through multiple agencies or move mountains to get the support they need. That can be discouraging, considering that our older generations have always had a fiercely independent spirit that helped build the Singapore we have today.

I will now move on to speak on areas where we can do more for seniors.

First, we need a greater push to help seniors benefit from the digitalisation of services. Digitalisation is the way forward for our Public Service. It enhances service delivery and productivity. It is worth noting that during the pandemic, we have seen seniors embrace digital technologies. I have seen seniors using Zoom to connect with their loved ones overseas, when borders were closed. Seniors also use WhatsApp video calls to communicate with us during our Meet-the-People Sessions. When physical activities were stopped, many went online and took part in Zoom cooking classes and other activities.

But we certainly can do more. I will cover this topic in greater detail in my Committee of Supply cut for the Prime Minister's Office (PMO).

One area where we can go big on is in telehealth. Seniors will be the biggest beneficiaries of this technology. I have met many seniors who found it a hassle to go to the clinics and hospitals for their follow-ups because of mobility issues and the long wait times. Telehealth can be a game changer in this regard. By adopting telehealth, we can provide seniors with access to medical care and support from the comfort of their own homes, or at convenient nodes in the community.

Next, we can also do more for the sandwiched families. When we think of seniors who need help, seniors who live alone or with their spouse comes to mind, but this is not always the case. Seniors exist within the context of families, and many families are struggling to balance caring for both their children and their parents.

Unfortunately, I do not see many incentives in this Budget that are specifically targeted towards helping sandwiched families. Although financial relief is always appreciated, there are other ways that we can support these families. For instance, we could provide resources and materials to help them navigate the complexities of caring for aged parents.

We can also provide more assistance for end-of-life care, which can be an especially difficult time for families. I will touch on these issues in greater detail in my upcoming Ministry of Health (MOH) cut.

Third, we need more support for caregivers. We must recognise the importance of caregivers and the critical role they play in our families and communities. Caregivers are often the unsung heroes, quietly providing for their loved ones, without much recognition or backing. We need greater social health integration on this front. Our population is trending towards smaller families and smaller old age support ratios. This means greater awareness and more aid for this shrinking group of eventual caregivers is needed.

We must not neglect emotional and psychological assistance for caregivers. Navigating a fragmented landscape of caregiver assistance and services can be frustrating and intimidating for an average Singaporean, let alone one who is already acutely stressed from custodial duties or limited in their English language proficiency.

Much as the Agency for Integrated Care (AIC) currently helps in this area, we also do not want to go to the extreme of providing case management for every single case. This will be resource intensive for a care sector already dealing with a manpower crunch. Can AIC or the Regional Health Systems (RHS) be more targeted and consider training a team of coordinators who can journey with our caregivers, especially those from the lower-income families, from start to end?

Having a dedicated care coordinator for a family makes sense for a few reasons. They can guide caregivers to assess practical help. They can also help to look out for caregivers' psychological well-being. A coordinator can spot early signs of caregiver mental stress and provide timely intervention. If we believe family should be the first pillar of support, we must keep innovating better forms of assistance for the very

people who are trying their utmost to live out that value, especially those who are less financially privileged.

In conclusion, Mr Speaker, Sir, sometimes I ask myself: what do I want to do when I am of older age? If I can work, I would certainly like to continue contributing to the workforce. If I am retired, I would like to rediscover myself through new passion projects or pick up interests where, previously, I did not have time for.

Former US President George Bush Senior used to mark every fifth birthday after his retirement in a very special way – by putting on a parachute and jumping from a plane. His last skydive took place on his 90th birthday in 2014, despite him being confined to a wheelchair.

I do not think I am as adventurous as President Bush, but I would certainly like to pick up a musical instrument, enhance my skills in photography, travel around the world, and take in the new experiences and sights. And if I have the blessings of having grandchildren, I would love to spend time and share my life experiences with them.

How would you like to spend your silver years? How can we, as a society, enable our seniors to pursue their passions, stay energised and continue to be enthusiastic about life?

For one, we must shift our mental model of our society from viewing seniors as a burden. We must view them beyond just a group that we support with schemes and social assistance. Instead, we should value our seniors' contributions and reframe their silver years as a different phase of life. This is a phase where they get to live a fulfilling life at a more relaxed pace.

We should empower them to stay independent and confident. This includes, as I have said above, empowering them to leverage technology in their daily life. It also includes enhancing their understanding on how to make the best use of Government schemes that are available to them. This is so that they can have access to a good quality of life and live out their aspirations.

So, how would you like to spend your silver years? Let us work together as a society to create a Singapore that values our seniors and enables them to live out their aspirations. Let us support their caregivers and the sandwiched families. This is so that they may continue to find pride and value in giving their loved ones the best kind of care possible. Only then, can we truly establish a Singapore Made for Families. Only then, can we make Singapore a great place to live and age in. I support the Budget.

Mr Speaker: Order. I propose to take a break now. I suspend the Sitting and will take the Chair at 4.40 pm.

Sitting accordingly suspended

at 4.21 pm until 4.40 pm.

Sitting resumed at 4.40 pm.

[Deputy Speaker (Ms Jessica Tan Soon Neo) in the Chair]

DEBATE ON ANNUAL BUDGET STATEMENT

Debate resumed.

Mdm Deputy Speaker: Mr Gerald Giam.

4.40 pm

Mr Gerald Giam Yean Song (Aljunied): Mdm Deputy Speaker, as we step out of the shadow of the COVID-19 pandemic, Singapore continues to face numerous challenges as we navigate the uncertainties before us.

In my response to the Budget Statement, I would like to discuss challenges faced by three stakeholders in our society – businesses, workers and families.

The Singapore Business Federation's latest national business survey highlighted that the key challenges faced by businesses in Singapore were an increased and overall business costs, the availability and retention of manpower and the main cost pressures include raw material cost, energy cost, manpower cost and rental cost.

Singapore is generally a price taker on raw materials and energy.

Higher manpower cost, while challenging to businesses, can improve the welfare of our workers by increasing their income. As long as the wage increases do not set off a sustained wage price spiral.

High rental costs, however, benefit a smaller segment of society, namely landlords and property owners, and come at the expense of tenants, especially SMEs who may struggle to afford the rent. They can also affect the competitiveness of these businesses which have to allocate more resources to rental expenses and less to other productive aspects of their operations.

The Government needs to look for ways to moderate industrial and commercial rental costs for SMEs. This will benefit a broader base of businesses which plays a critical part in growing our economy and providing good jobs for our people.

To achieve this, JTC could expand its market share for industrial space and offer more low-rent options to SMEs and the Housing Development Board (HDB) could also offer lower rent commercial spaces allocated by ballot to stimulate micro-businesses and entrepreneurship in the heartlands.

Next, I would like to discuss the challenges faced by workers in Singapore, particularly those in industries that rely heavily on foreign workers.

In recent years, the Government has implemented various work pass restrictions to manage the inflow of foreign workers and professionals. Additionally, the Government has allocated funding to help local companies become more productive and manpower lean. However, there needs to be more emphasis on attracting Singaporeans to work in industries that are currently overdependent on foreign workers, such as the marine, manufacturing and construction industries.

The Government has introduced several programmes such as career conversion and professional conversion schemes to equip those who have decided to switch to these industries. However, there has been less success in urging our local workers to switch to these industries in the first place.

While the Government has been working to raise awareness of the job opportunities and career prospects in these sectors, more needs to be done to address the perception that these industries are less prestigious than other sectors like finance, technology and law.

It is commonly believed that Singaporeans are not interested in these industries due to the long hours, shift work, low pay and difficult working conditions. However, the popularity of platform food delivery jobs indicates that many Singaporeans are willing to work in physically demanding jobs. Food delivery riders work long hours, with many cycling around town for over 12 hours a day. The job can be dangerous, with one-third of riders having been in accidents that require medical attention, and the median income is less than \$2,000, according to a paper by researchers at the Institute of Policy Studies (IPS).

The IPS paper also found that our platform delivery workers who intended to leave the food delivery industry for other industries were looking for higher salaries, longer-term career pathways and opportunities to learn new skills in their next jobs. A significant number was seeking flexible work hours, although less than a third were looking for jobs in air-conditioned offices.

If the industries that are currently lacking in local workers can provide these benefits, they will be able to attract more locals to join them.

Some progress has been made in attracting more locals to work as nurses and early childhood educators. The same effort could be undertaken to upgrade other industries which are facing local worker shortages.

However, even if these human resource matters are resolved, these industries may still face difficulties attracting job applicants from Singaporeans due to a lack of awareness of jobs in these industries. To address this, there is a need to increase awareness of these industries amongst students early on their school life.

Schools can work with industry representatives to introduce these career opportunities to students even as early as lower secondary school. By doing so, students and their parents will be more aware of the career prospects in these industries and be better equipped to select suitable subject combinations in Secondary 3 and eventually make informed career choices when they are graduating from school.

Our success in reducing dependence on foreign workers and professionals relies heavily on being able to raise local talent in these occupations by providing better pay, training and career pathways and better work-life balance. By increasing awareness of these industries among young people, we can attract more locals to work in these industries and reduce our dependence on foreign workers.

Finally, I would like to discuss the increased CPF Housing Grant and its effect on home buyers.

The Government has announced that it will raise the CPF Housing Grant for first-time home buyer families purchasing resale HDB flats by \$30,000 for those 2-, 3- and 4-room flats and by \$10,000 for those buying 5-room or larger resale flats. First-time singles will get half the increase given to married couples.

This increase in the CPF Housing Grant will be welcomed by many first-time home buyers, especially those who are looking to get a flat in a mature estate near their parents' home but have been unsuccessful in balloting for a BTO flat in a mature estate.

However, some property analysts have cautioned that the increased grant amount may also raise demand and prices of resale flats. The hon Member Hazel Poa also raised this concern in her speech earlier. This could potentially offset any progress made towards enhancing the affordability of resale flats. As such, it is important to understand the Government's projections on how this increase in the CPF Housing Grant would elevate HDB flat prices over the next two years. Has the Government projected any resale flat price increases as a result of the CPF Housing Grant increase by modelling the huge amount of housing transaction data available to HDB?

Additionally, since only first-timers will benefit from the increase in the CPF Housing Grant, non-first-timers may end up having to pay even more for their resale flats. I hope the Government can provide more information on its projections to help Members assess the net effect of the CPF Housing Grant increase.

More fundamentally, is increasing housing grants going to continue to be the Government's main approach to making resale flats affordable? Has the Government considered the alternative proposals which I shared during the debate on the housing Motions earlier this month to moderate resale flat prices?

This include: one, providing more help to empty nesters who are prepared to sell their larger flats to obtain 2-room Flexi flats and community care apartments; two, requiring future buyers of private properties to sell their HDB flats; and three, incentivising those who currently own both a private property and a HDB flat to sell their flat by rebating the additional buyer's stamp duty they paid on their private property.

These proposals may provide longer-term solutions to moderating the prices of HDB resale flats.

Mdm Deputy Speaker, as we contemplate the future, it is natural that Singaporeans are apprehensive, especially for their children. The soaring property prices have made it increasingly challenging for families to purchase a new home. The Deputy Prime Minister has cautioned that we may continue to confront a period of high inflation, which is highly to persist throughout the first half of this year.

In these trying times, it is imperative for us to keep our minds open to workable solutions, regardless of where they may emerge from, so that we can help our fellow Singaporeans in need and progress and prosper together as a nation. Madam, I support the Budget.

Mdm Deputy Speaker: Ms Mariam Jaafar.

4.50 pm

Ms Mariam Jaafar (Sembawang): Mdm Deputy Speaker, we are living in a time fraught with uncertainty. Global disruptions and macroeconomic headwinds show little signs of slowing. For the first time in a long, long time, global trade, a key driver of Singapore's GDP, is projected to grow slower than global GDP over the medium term.

It all makes for unprecedented complexity and uncertainty in the economic and competitive environment for companies and for countries. Given our size, lack of natural resources and reliance on trade, it is an environment that makes us more vulnerable than many.

But it is an environment that Singapore is prepared to handle – if we leverage on our solid financial foundations to buffer ourselves against disruptions and seek out opportunities amidst uncertainty, if we can build resiliency.

Before I elaborate on building resiliency, I would like to thank the Ministry of Finance (MOF) for its work on the Occasional Paper on Medium-Term Financial Projections. In debating fiscal policy, it is always helpful to take a medium-term view and understand the drivers of Government finances.

The Occasional Paper outlines the external and internal challenges that will shrink our fiscal space. Without the Budget moves of 2022, we would have been at risk of not having enough revenue to cover projected public expenditure, which has grown fast in recent years and will continue to grow rapidly on the back of higher healthcare, social and infrastructure spending, let alone to deal with unexpected contingencies.

Resilience. The term "resilience" was introduced into the English language in the early 17th century from the Latin verb "resilire", meaning "to rebound". In recent years, as we moved from one crisis to another, the word has become more commonly used and taken on a broader meaning. Resilience is not only about bouncing back but about being prepared for bigger shocks and about seizing opportunities that arise out of uncertainty. It is not only about grit and determination in the face of adversity but about being able to anticipate adversity, cushion its impact, adapt and even shape the future.

I would like to make two observations on resilience.

First, resilience operates at multiple levels. There is personal resilience, organisational resilience and national resilience.

Personal resilience and organisational resilience are mutually reinforcing. Resilient individuals can contribute their skills to making their organisations more resilient and resilient organisations can develop and invest in their staff to build their resilience.

Similarly, for Singapore to be resilient, Singaporeans and Singapore businesses must be resilient – with one important caveat – that care must be taken to ensure that resilience is built in an inclusive way so that we do not end up with widening inequalities where some people and some businesses are better able to bounce back and exploit uncertainty than others. Our social compact must recognise this.

Second, building resilience means different things to different people and organisations. How best to build resiliency depends on one's starting position.

For example, a company with a strong financial position operating in a volatile market might best act by diversifying its business model, expanding its supply chain and looking to get a leg-up on its competition. A company with a weak financial position in a more stable market has to focus first on changing its business model in ways that will shore up its financial position and consolidate its supply chain.

Similarly, while a rich man could build financial buffers with insurance, a poor man may turn more to belt tightening and community support. There is no one-size-fits-all.

Budget 2023 contains several initiatives and programmes designed to help companies build resilience, such as the extension of productivity grants, energy efficiency grants, support for nurturing and sustaining innovation and developing local enterprises, including the Singapore Global Enterprises. I will discuss some of these in my Committee of Supply cuts but I will focus today on helping individual Singaporeans to be more resilient.

Mdm Deputy Speaker, the Government has made big investments in strengthening our social safety nets over many years. Social spending almost doubled between 2010 and 2019. Beyond financial support, the Government has made huge investments in lifelong learning, from early childhood education to new education pathways, to upskilling and reskilling.

The Government has also encouraged Singaporeans to seize new opportunities and embrace change, risk-taking, failure and learning, though admittedly, this shift is a work in progress.

Budget 2023 goes further in this direction and I welcome the move to strengthen the link between training and job placement with Jobs-Skills Integrators to enhance employment support and to strengthen retirement adequacy despite the pain that some will feel in the short term.

But while I recognise the efficiency and effectiveness of these broad-based measures, I also think we need to recognise that there are Singaporeans who are being pushed to their limits of adversity more than others and to be truly inclusive, we need to face up to this and push ourselves to consider whether it warrants more specific support for them to build resiliency.

I will highlight three groups of residents today for whom I believe we might need a stronger trampoline: first, Singaporeans, in particular, middle-income Singaporeans, who lose their jobs; two, ex-offenders; and three, Singaporeans in debt.

First, Singaporeans who lose their jobs. The Government has built up many schemes to help Singaporeans who lose their jobs, from short-term relief through ComCare to extensive subsidies on skilling programmes like Career Support Programmes, Professional Conversion Programmes and so on.

During the pandemic, the Government turbocharged this with the COVID-19 support grant and SGUnited training programmes and helped many Singaporeans, including middle-income Singaporeans. But these moves are sometimes not enough for middle-income Singaporeans who have larger financial commitments – commitments that payouts from ComCare cannot support.

Like one of my residents, Mr I. He had a high paying job in an MNC but was retrenched in his 40s after a merger. He struggled for more than two years to find suitable employment. He tried his hand at his own business but it did not work out and cost him a chunk of his savings and put him in debt. He could not pay off his renovation loan and his business loans, ended up under a debt repayment scheme (DRS) and becoming a platform worker.

One day, he shared with me a picture of his bank balance. It was in double digits. I asked him what he spent his income on: his DRS payments, household expenses, car, the money he gives to his parents and health and life insurance. I could not with a clear conscience tell him to let his health and life insurance policies lapse.

MPs from both sides of the House, including various Members of the Workers' Party and Mr Patrick Tay from the People's Action Party (PAP), have raised the possibility that with the increasingly volatile environment and whispers of more retrenchments, the time may have come for Singapore to implement some form of redundancy or unemployment insurance.

The Government has cited concerns on the moral hazards and the cost of such insurance. We also know that people have other formal and informal forms of insurance such as retrenchment benefits, savings, the ability to cut discretionary spending and, for dual income couples, the income of their spouse.

While we cannot be certain what the takeup would be, in a straw poll that I conducted of middle-income earners, very few said they were likely to take up a voluntary scheme and even fewer would support a mandatory scheme, say, one that deducts premiums from CPF. So, how would we create the market needed for the premiums to be super affordable?

Mdm Deputy Speaker, I believe an effective monetary and fiscal policy that keeps unemployment low and stable is likely to eliminate much of the need for the unemployment insurance scheme. Arguably, this is where we are in Singapore – with very low unemployment. But perhaps existing schemes could be tweaked to make it easier for people who have lost their jobs to bounce back. For example, we could tweak the ComCare scheme to tier the assistance level based on pre-job loss income – time-limited and subject to efforts to look for new jobs or attend suitable reskilling programmes.

I know there may be concerns over equity of having higher tiers of assistance for some. But on balance, I believe there is merit in considering ways to moderate the impact of a job loss on middle-income Singaporeans, helping them to meet their commitments and focus on recovery and growth.

Second, ex-offenders. We know how challenging it can be for ex-offenders to integrate back into society and pick their lives back up. The efforts of organisations like Yellow Ribbon Singapore and the support of employers and the community in the form of counselling, resilience training, job flexibility and other forms of support have been instrumental in supporting ex-offenders on the ground.

I am very glad to hear of the new Uplifting Employment Credit in Budget 2023 to help ex-offenders to find jobs. But I think we can be more holistic in our support.

One area that ex-offenders I see could use more help in is housing. Mdm Deputy Speaker, as we know, the home environment has a big role in shaping a person's determination, confidence and support. In disadvantaged surroundings, social problems are reinforced.

Many ex-offenders are fortunate to go back to living with their families, who become their pillars of support in the difficult journey of integration. But many also go from prison to less than ideal home environments or are disowned by their families who want nothing more to do with them.

This was the case for a resident who came to me to appeal for a rental flat. He had been sleeping rough for a few weeks. He claimed that he had approached the Family Service Centre (FSC) for shelter but had been told the shelter was full. He came every week with the same appeal for four weeks in a row, looking worse each time. And then he stopped coming.

Upon investigation, I learned that he was in the intensive care unit (ICU) after being attacked. After his discharge, he stayed with his niece for a short while and then stopped coming back home and was no longer contactable. I could not help but wonder if he would have been better off if he had stayed in prison.

Another ex-offender wrote to me for help with an appeal to be eligible for the Enhanced Housing Grant. He has four children, the oldest in polytechnic and the youngest is one year old. His family lives in a rental flat. While in prison, he resolved to turn his life around and provide a better living environment for his family. He and his wife applied for a flat of their own. They were overjoyed to be successful in their application, only to learn that they were not eligible for the Enhanced CPF Housing Grant, because he had not worked for 12 months prior to the date of application for the flat. But how could he? He was in prison. But at the time of the appeal, a month before his scheduled key collection, he had worked very hard for 12 months to support his family to be ready to buy the house. Cancelling the application would also cost him his \$1,000 deposit, not a small sum for him.

Early intervention programmes on housing, even prior to release and more flexibility on eligibility requirements can go a long way to giving our ex-offenders a better shot at re-integrating and turning their lives around.

The third group of Singaporeans I wish to highlight are Singaporeans who are struggling with debt. Sometimes it is a business loan or loans taken on to finance necessary expenditure like healthcare or education, but more often than not, the struggle is due to unsecured loans, credit card debt, renovation loans and yes, gambling debt, that have been allowed to balloon. "I made a mistake," they say. And they find it very hard to dig themselves out of the hole.

Debt is not just a financial problem. It can quickly go down a downward spiral, breaking up relationships and families. Mr Speaker, I have asked a few times in this House whether debt repayments can be considered as living expenses in determining a person's eligibility for and the quantum of social support to be granted. The Ministry of Social and Family Development's (MSF) view has been that it is not appropriate to fund debt payment out of public resources given they arise out of personal decisions. I see the logic. Perhaps more can be done in raising awareness of various debt management and repayment schemes, and provide more counselling and support to these individuals.

But I think the true answer lies in going upstream, investing further on financial capability building. I stress financial capability, not just financial literacy. It is not enough to increase knowledge of financial concepts. Ultimately, Singaporeans must change their behaviours in positive ways.

MoneySense is Singapore's national financial education programme. There are also initiatives such as the Financial Education Network and financial literacy programmes in schools, workplaces and the community. While we have made progress in the 2021 MoneySense Financial Capability Survey, four in 10 respondents still did not understand financial concepts such as "simple and compound interest" and "risk diversification". More than half of the respondents had not developed a plan for retirement savings. A lack of financial resilience also often leads to high risk-taking that one is ill prepared to manage and the proliferation of scams.

As financial resilience is a critical part of building personal resilience, I urge the Government to further strengthen the national financial capability programme such as by targeting specific segments with lower financial capabilities and in tandem with a stronger consumer protection framework.

Mr Speaker, I have focused my speech on the challenges faced by three segments of Singaporeans for whom building resilience is particularly difficult and what the Government could do to help.

But beyond the "what", allow me to say a word about the "how" as we try to help Singaporeans build resilience. Mr Speaker, as our colleague Mr Sitoh Yih Pin put it yesterday, pain is not always bad. Building resiliency does not mean removing adversity or pain altogether. Adversity helps to develop new skills, capabilities you may not know you had. But too much adversity can overstrain a person, such that it delays recovery and growth. I echo Mr Sitoh's call for greater empathy. But let us do it by setting goals for someone who is being assisted, that gets progressively higher and harder as he or she gains in capabilities and confidence. And let us remove unproductive stress and frustration that is created through excessive complexity and bureaucracy. So, can we spend less time on a multitude of forms, CPF statements and bank statements, and more time on real conversations to push people to grow?

Mr Speaker, when we began this term of Parliament, we were in the throes of COVID-19, and then-Minister of Finance Deputy Prime Minister Heng Swee Keat had the unenviable task to deliver four Budgets in a single fiscal year.

We said then that we were facing the crisis of our generation. We drew on our reserves to keep Singapore and Singaporeans afloat throughout the pandemic while continuing efforts to keep our economy competitive.

Today, we have emerged from COVID-19, DORSCON Green and our economy is in relatively good shape. Yet, new storm clouds have gathered and we are in a new era of increased complexity, uncertainty and competition, even while we tackle domestic challenges of ageing and slowing social mobility.

We need a Budget that can move us forward in a new era. Our response in Budget 2023 is clear – to build resiliency. Notwithstanding my suggestions to improve some existing schemes to help some segments of our population to bounce back, I support the Budget.

Mdm Deputy Speaker: Senior Parliamentary Secretary, Mr Eric Chua.

5.05 pm

The Senior Parliamentary Secretary to the Minister for Culture, Community and Youth and Minister for Social and Family

Development (Mr Eric Chua): Mdm Deputy Speaker, in his Budget speech, Deputy Prime Minister Lawrence Wong rightly said that "families form the bedrock of our society and are the emotional, social and financial support for all of us." While I am certain various moves such as bumping up the Baby Bonus Cash Gifts and enhancing the Working Mother's Child Relief are very much welcomed, I hope Members in the Chamber can be clear-eyed about one thing: beyond dollars and cents, we need to address the many other invisible forces chipping away at our families' ability to function as an individual's emotional and social safe harbour. Some of these invisible forces are unique to Singapore. Many others mirror broad global trends.

Mdm Deputy Speaker, today, I am neither making a push for specific legislative amendment, nor am I making a case for any number of policy shifts. As a father of a young two-and-a-half-year-old son, all I am asking for is for us to pause and have a think. Ask ourselves: how are our family units faring, in terms of being that nurturing fortress and safe space where love is unconditional, and where no topics are too taboo or too awkward to be talked about? If we could give a score to how Singapore families are doing in this respect, what might our score be?

Mdm Deputy Speaker, I grew up in the 1980s and 1990s. I loved Singapore Broadcasting Corporation (SBC) and subsequently, Television Corporation of Singapore (TCS)'s Channel 8 drama series: 雾锁南洋 (The Awakening), 青春123 (Happy Trio) and 咖啡乌 (The Coffee Shop). These drama series served two important functions for me. One, I reinforced what I learnt during English classes by diligently reading onscreen subtitles. Two, I love music. Learning to sing and play the theme songs on my recorder were good supplementary music lessons. My parents were blue-collared workers. Mum always told me quite plainly: study hard, be somebody useful someday. Those were simpler days.

Fast forward to 2020. That year, I became a father for the first time. I was over the moon, but also afraid of heights. I fret incessantly over the little one's eating habits, sleeping patterns, developmental milestones. Quite clearly, I am the worrywart between me and my better half.

Compared to my parents, my wife and I have a very different parenting approach. To me, one of education's key mission is to pique the young mind's curiosity for the world and to ignite the child's passion to uncover and learn about the many wonderful things around him. My wife and I often talk about future planning for the little one late in the evenings. One area we sometimes talk about – tuition and enrichment classes, outside of school curriculum. "Should we sign him up, simply because other parents will be doing so for their children? What if we miss discovering some talents that he has but we miss it because we do not sign him up for the classes? If other parents are doing it, and if we do not, will he lose out?" We often end such conversations thoroughly exhausting ourselves, agree on one fact, that is, the need to respect his choices too, and then heave a sigh of relief that we have a few years more to go before we come head-to-head with some of these decisions.

As a worried and overwhelmed parent, I cannot help but feel at times that the feel-good vibe of "keeping up with the Joneses" that I experienced as a kid growing up in the 1980s and 1990s have today taken on a somewhat fiercely competitive tone. In my interactions with young people today, some anecdotes ring alarm bells. I remember being told not once but several times over, that competition in academic settings today is so rife. Some students, as I was told, deliberately share wrong answers with other students just so they get to pull ahead of the pack. A fine line divides a relentless pursuit of excellence from an unscrupulous clamour to the top. There is absolutely nothing wrong with striving to be the best versions of ourselves, but at what cost? What values do we really treasure in society today? Are we keeping up with the Joneses, chasing our white picket fence pipedream, or are we more intent on one-upping the Joneses, whatever it takes?

I also worry for my son because of how we perceive and define success today. Mdm Deputy Speaker, I declare that I am a big fan of our Institutes of Technical Education (ITE) students. Yes, a big fan. Many of them are talented, creative, and not to mention, lovely to hang out with. These students may not be as academically inclined as their peers and oftentimes, their strengths are glossed over simply because they carry the "ITE label". When can we start seeing ITE students for who they really are? If my son turns out to be not quite the "academic type", would this society still embrace him for his non-academic strengths and talents? Beyond school, would he still be able to realise his full potential in life, even if he is not equipped with a university degree? Would he be respected and appropriately remunerated if he so chooses to pursue a trade or profession and become a carpenter, mason or artisan?

Mdm Deputy Speaker, my young son will be growing up in a world that is nothing like the world I knew when I was a child. We often hear complaints that our youth belong to a generation of lab-bred strawberries: pretty on the outside, soft on the inside and very easily bruised. To this view, I respectfully beg to differ. Youth today are dealt an entirely different deck of cards and challenges.

The recent retreat from globalisation aside, Singapore today is more connected to the world than ever before. Our youth must deal with a barrage of adulting challenges us digital migrants could only begin to wrap our heads around. Truncating attention span, information overload, the constant thirst for social validation, the fear of missing out (FOMO), the inevitable exposure to negative influences online like pornography, cyberbullying, online predators are unfortunately here to stay. Just how well equipped are our families to serve as "social and emotional safe harbours" for our young ones? For that matter, how well do we really know our young ones and the challenges they face? And I look up to the viewing gallery of these Chamber right now.

In a dialogue I had with youth in their early to mid-20s some months ago, I asked the crowd I was in front of, "Growing up, how many of you had a conversation on the birds and the bees with your parents?" Of over 50 participants, a few raised their hands. I followed up by asking whether any of them had a conversation with their parents about dealing with online pornography, all of them stared blankly at each other.

Internet penetration in Singapore first crossed the 50% mark in the year 2003. That is some 20 years ago. And today, it stands at more than 90%. The Internet – along with its many boons and banes – is here to stay. In an unprecedented fashion, our young ones spend much of their time and effort curating and manicuring their social media presence and in some cases, disproportionately and quite recklessly, I would say, vesting their self-worth in their online personas. Incessantly scrolling their way to poorer well-being, our youth are fighting an invisible but ongoing guerrilla war. Their enemies? Addictions to social networking sites, pornography, cyberbullying, fraud, radicalisation, hate speech, to name a few.

How prepared am I as a father in helping my son navigate life as we now know it? Like many parents, perhaps in the Chamber, perhaps who are viewing this session today, I am frankly quite clueless. Growing up, I did not have a social media account and what free time I had were either spent roaming the HDB void decks or faithfully tuning in to my next episode of 早安老师 (Good Morning, Sir!), not endlessly scrolling or doing up short form videos to share with the world how I am getting on in life.

Fellow parents, whether we know it, whether we like it or not, we need help. Parents naturally want the best for their children but not all necessarily know how. Just because we live in the same household does not mean we naturally know our young ones well. It also does not naturally follow that they will continue to look up to us as they did when they were little.

An episode narrated to me recently was instructive. A psychologist at the Ministry of Social and Family Development (MSF) recounted to me her experience at an engagement session. When asked who their children would likely consult on matters concerning mental health, one mother replied confidently that her child would approach her. The child's reply caught this mother by surprise. The child said, "Well, I would try not to approach my mom because I am not sure if she would understand, and I also do not want to burden her." In that instant, the mother broke down in tears. In Mandarin, please.

(In Mandarin): [Please refer to [Vernacular Speech](#).] Mdm Deputy Speaker, Budget 2023 offers a boost for Singaporean families. However, the future is not all bright. As we shape a more family-friendly society through legislation and policy-making, let us all remember to make time for our loved ones. Pause, take a deep breath and experience all the beautiful things in this world together. Have more heart-to-heart talks with our family members and treasure each memory that the family creates together.

(In English): Mdm Deputy Speaker, this Budget holds plenty of promise for Singapore families to prosper and flourish, but the horizon is not without dark clouds. As we shape a more family-friendly Singapore through legislation and policymaking, let us all remember to make time for our loved ones in our lives. Pause, breathe, watch the world go by together. Have heart-to-heart talks with those that matter, on things that matter. Treasure every moment that the family creates together.

As a people, whether we spend time trying our best to outdo one another or we thoughtfully and purposefully make sure that as many amongst us as possible, flourish and thrive in our own ways, dump needless labels, connect to one another, starting within each family, person-to-person, soul-to-soul, the choice is ours to make.

And these are things that legislation and policy can do so little to fix, and these are choices that we must make, one family at a time.

Mdm Deputy Speaker, while I wholeheartedly support Budget 2023, it is both my lofty dream as well as sincere hope that some of what I had highlighted could make its way into our collective conversations and over time, nudge some much needed change in the tone and complexion of societal norms and mental models, so that Singapore, one day, can truly be Made for Families.

Mdm Deputy Speaker: Ms Poh Li San.

5.18 pm

Ms Poh Li San (Sembawang): Mdm Deputy Speaker, the COVID-19 pandemic was a crisis of a generation, but it will not be the last. Other potential crises will emerge, and we must try to be prepared.

The rising costs of living and economic slowdown are concerns that we devote resources to addressing. In addition, there may be other grey rhinos that may affect our future as a nation and I would like to highlight four of them.

It is well-known that we are heavily dependent on foreign manpower. This may perhaps be a global problem but the labour shortage problem exists across many of our industries, including aviation, cleaning services, construction, F&B, retail businesses and, crucially, healthcare.

Our healthcare system and staff held up well throughout the pandemic. However, should another pandemic come around, we may not be as fortunate. Finding workers to work in the cleaning services is a real challenge and it is getting harder to get help in the F&B and retail sectors. Similarly, our construction will soon grind to a halt if we do not automate more.

We have discussed various approaches to reduce manpower reliance by increasing productivity via automation, work process redesign, upskill workers, raise salaries and provide better benefits to workers. We hope to achieve this via the Progressive Wage Model (PWM) and Progressive Wage Credit Scheme (PWCS), National Productivity Fund (NPF), Enterprise Innovation Scheme (EIS) and SME Co-Investment Fund and Singapore Global Enterprises (SGEs) initiative.

Our local construction companies are aware that they need to leverage technology to automate, innovate and redesign their work processes. However, regardless of manpower savings downstream, automation can be an expensive investment and small companies will not be able to finance the upfront investment.

Perhaps, the Government can consider an interest-free loan scheme with a reasonable loan period under NPF to encourage our small- and medium-size enterprises (SMEs) to invest in automation in order to reduce reliance on foreign labour. Automation may assist certain sectors but there will always be a requirement for people interaction in multi-tasking micro roles that entail wide variability or high touch.

For cleaners and security guards, the PWM wage increase for cleaning started five years ago and the increases for security and landscaping wages have been active for almost three and two years respectively. Currently, the proportion of local staff in these three essential services sectors seem to be still faced with the same challenges.

And most importantly, we must find a way to attract Singaporeans to join the healthcare industry. This leads me into the next grey rhino, the Silver Tsunami.

We are trailing very closely behind Japan, at 83.7 years old, in terms of the countries with the longest average life expectancy. Our population is greying rapidly. With medical science advancements, Singaporeans will likely be able to live longer but there will be questions on the quality of life and health when the Silver Tsunami hits our shores over the next decades.

During the debate on Healthier SG last year, many Members in this House have spoken about the pressure on aged care facilities that is required. In my Adjournment Motion on dementia, I mentioned that family members may need to consider compromising their careers to care for their loved ones and medical spending for seniors will also be a major concern.

During the pandemic, there was a shortage of hospital beds and staff. Will our infrastructure be able to handle our greying Singaporeans when the Silver Tsunami hits us and do we have a clear plan to manage these challenges?

The third grey rhino is energy, a concern that may cause massive disruption. As a nation, we consumed more than 53 terawatt-hours of electricity in 2021. Currently, our electricity production is 95% dependent on natural gas, with two-thirds from Piped Natural Gas (PNG) and one-third from Liquefied Natural Gas (LNG). Hence, to maintain energy security, we will need to diversify sources.

Natural gas is cleaner than coal but it is still responsible for 40% of Singapore's carbon emissions. We will need to transit to cleaner fuel. Unfortunately, Singapore does not have any alternative energy sources other than some solar energy. Before hydrogen-powered electricity becomes a reality, we would have to import clean energy from regional power grids such as Malaysia, Indonesia and Laos.

The ongoing Russia-Ukraine war is severely affecting many European countries. This is a stark reminder for us because many of these European countries are dependent on Russian natural gas. Do we have a fall-back plan, should our electricity supply be disrupted for a prolonged period?

Singapore's first hydrogen-ready power plant that hopes to supply 600 megawatts of energy will be built on Jurong Island. In October 2022, Deputy Prime Minister Wong launched the National Hydrogen Strategy to accelerate transition to net zero emissions and to strengthen energy security.

While we are coming up with steps to accelerate the next chapter of our green energy transition, do we have the scientists and engineers, like they do in Australia, Germany and Spain, where the expertise in this area exists? And should we not be investing more to attract experts to Singapore and to develop local talents, to focus on the solutions required in our energy sector?

To add, it is uncertain when and if green hydrogen-powered electricity is economically viable and how do we ensure the import supply will be extended infinitely while the cost of imported electricity can be kept affordable.

The fourth grey rhino has reared its head during the pandemic, but it may charge at us more aggressively in the future. Singapore is a tiny island with only 720 square kilometres of land and is one of the lowest-lying countries in the world, with about 30% of our land that is less than five metres above sea levels.

Extreme weather may cause sea levels to rise by as much as four to five metres, taking into account coastal surges, extreme high tides and land subsidence. If heavy rainfall coincides with high tide, there will be flash floods that are worse than what we are experiencing now. If we do not have effective mitigation solutions, many homes, beaches and public infrastructure, like Gardens by the Bay and Merlion Park, will be affected.

During the National Day Rally in 2019, Prime Minister Lee committed \$100 billion or more, to protect Singapore against rising sea levels. And in his recent Budget speech, Deputy Prime Minister Wong shared that \$5 billion will be injected into the Coastal and Flood Protection Fund to support the construction of coastal and drainage infrastructure.

In view of the latest global temperature rise estimates and reports by sea level scientists, I have four questions: one, will we be able to bring forward the construction of coastal protection infrastructure? Two, can we accelerate our technology and construction research, and implement pilots more aggressively? Three, how do we ensure 100% protection against sea levels rising beyond one metre? And four, how do we test the effectiveness of the solutions or steps taken? I look forward to the answers.

Mdm Deputy Speaker, I would like to say a few words in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] During my recent Chinese New Year house visits, I met five seniors in their nineties, who are all still in the pink of health. One senior in her 80s is still working in McDonald's just to stay active, even though she does not need the income. I asked them about their secret of youth. All of them shared that they eat moderately, exercise regularly, stay engaged and do not fret over the small things.

For the rest of us who are barely half their age, we still have a good chance to live both a long and happy life if we can follow their advice. The Healthier SG programme will help us better monitor our health status, but really, the ball is in our own court.

Staying engaged is extremely important for one's physical, mental and emotional health. Hence, to better prepare for the silver tsunami, our seniors should stay employed or be involved in volunteering work for as long as they can, even past the statutory retirement age. One of my colleagues in Singapore Table Tennis Association (STTA), affectionately known as Auntie Amy, is 76 but she looks like 56. She could have retired but chose to continue working to keep herself active and engaged with younger people around her. She is an inspiration to us.

(In English): Mdm Deputy Speaker, I would like to say a few words now in Malay.

(In Malay): [Please refer to [Vernacular Speech](#).] Budget 2023 encourages active aging through employment. I strongly support the extension of the Senior Employment Credit and the Part-time Re-employment Grant until 2025 to support employers who offer part-time re-employment to eligible senior workers.

Employers and voluntary welfare organisations (VWOs) are key partners to help our seniors age better. I hope they will continue to allow seniors to contribute even if they are past 67 years old. They must be prepared to adjust their job scopes, lighten their responsibilities and shorten work hours. I also urge the insurance industry to support this initiative by providing employment insurance beyond statutory employment age limits.

(In English): I look forward to the Minister for Manpower sharing more details about the schemes at the Committee of Supply debates. Hopefully, with the interventions through Healthier SG programmes and with more seniors staying employed, our next generation of seniors will age gracefully and healthily into the next decades ahead.

The COVID-19 pandemic has reminded us of the importance of planning ahead. There will certainly be more grey rhinos. If we are not prepared, then Singapore's future can be severely impaired.

With a vibrant economy and a resilient and fair taxation system, we will be able to continue building our national reserves.

We must deploy both local and foreign top talents to create new solutions to tackle the difficult and complex problems. These solutions must be deliberate, long-term and must not be left to market forces.

Mdm Deputy Speaker, as a country without any natural resources, it was our founding leaders' foresight to develop a sizeable national reserve. It was their strategy to develop capabilities in the public sector and it was their achievements for Singapore that developed the trust the Government required from Singaporeans. I have faith that our 4G team will continue to develop Singapore into a happier, more prosperous and progressive nation.

Notwithstanding my queries and suggestions, I am heartened that many low-income families and young families will benefit from Budget 2023 and I am happy to positively endorse the Budget.

Mdm Deputy Speaker: Dr Lim Wee Kiak.

5.33 pm

Dr Lim Wee Kiak: Mdm Deputy Speaker, I rise in support of the Budget.

I would like to thank Deputy Prime Minister and Finance Minister Lawrence Wong for setting out Budget 2023 which addresses so many facets of our economy as well as the additional support for young couples. The baby bonus as well as incentives are just further enhanced and paternal leave is increased by 100%. I hope with these incentives, coupled with the power of the zodiac dragon year next year in 2024, Singapore will see a record number of babies born next year.

Hot-button issues like inflation and public housing are also being addressed. This is a budget that recognises the impact of high inflation on our cost of living and how we should embrace ourselves to face challenges ahead as we restructure and seek to re-energise our economy beyond the COVID-19 pandemic era.

Madam, I would like to focus my speech about resilience in three areas, now the three "E"s – energy, economic and environment.

For energy resilience. This month marks the one-year anniversary of the Russia-Ukraine war. The war has resulted in severe disruption of gas and oil supply causing huge increases and fluctuations in the prices of energy and fuelled global inflation as well. It exposed our vulnerability due to our over-reliance on natural gas and oil for our energy needs.

I suggest we need to urgently explore more ways to expand and ramp up our adoption of solar energy. Every time I look out at our buildings – residential, commercial and industrial – from a high vantage point, I noticed there are many, many roof tops that we could have used to install solar panels and increase our national solar energy production. We should do more to expedite and increase our solar energy production. For example, we could offer grants to private home owners for the installation of solar panels or provide grants to companies to use the rooftops of their industrial and commercial buildings for solar power generation. Additionally, I would like to boldly suggest that the Building Control Authority (BCA) can consider revising its building code to make the installation of solar panels mandatory as part of its Minimum Environmental Sustainability Standard for all new building projects.

Next, what about the use of nuclear energy for Singapore?

Monday, 5 December 2022, was an important day in science. On 5 December last year, US scientists at the National Ignition Facility in California generated more energy from a nuclear fusion reaction than they put in. The experimental result is a massive nuclear energy breakthrough in a century-long quest to unlock the power of the sun on Earth.

With more research and financial investment, researchers now believe we are just a few decades away from producing 100% clean and limitless energy.

The possibility of using nuclear energy in Singapore has been under discussion for many years. It is also time for us to make a bold decision, whether this is one of our best options to ensure our energy resilience. Naturally, we should consider factors such as cost, technology and safety, particularly since we lack the significant open space. But we have never shied away from challenges due to Singapore's limited size constraints. We can explore building a nuclear power plant on an offshore island or on a man-made rig in the sea. We can also consider building it deep underground, or even on the seabed. Currently, France is the forerunner in the development of underwater nuclear reactor technology with DCNS prototyping a 100-meters cylindrical small nuclear power reactor called the Flexblue. This is one of the possibilities we can explore.

The Energy 2050 Committee has identified three pathways that Singapore could take to achieve net-zero by 2050, one of which includes the use of nuclear energy. I understand the Ministry of Trade and Industry (MTI) has been closely monitoring developments in nuclear energy, studying building capabilities to better understand and assess their safety, security and environmental implications. It normally takes about 10 to 15 years to build a nuclear power plant. Singapore should be prepared if nuclear energy becomes an inevitable option. Therefore, I would like to ask is there a timeline in pursuing this option? It is crucial for us to set a clear target date as we evaluate the feasibility of using nuclear energy for Singapore.

At present, we are planning to import renewable energy from our Southeast Asian neighbours, which is a positive development, but it does not enhance our energy resilience significantly as we are still very vulnerable as such supply can be interrupted by the export country anytime. Currently, we are relying on imported natural gas to generate around 95% of our electricity. What is the risk of our natural gas source being interrupted? What is the current capacity of our liquefied natural gas (LNG) terminal and how long can this storage sustain us in the unlikely event of a natural gas disruption?

In addition, just as we prioritise food security, we must focus on supply diversification to reduce our reliance on piped natural gas. How are we progressing in making Singapore a key LNG hub by empowering private players to build, own and operate offshore LNG terminals?

Next, on economic resilience.

The COVID-19 pandemic has been a wake-up call for many businesses and company owners who have been operating under Singapore's very stable economic and political environment without worrying about the possibility of a black swan event.

The Severe Acute Respiratory Syndrome (SARS) outbreak in 2003 took only months to be reined in and for normalcy to return.

However, the impact of the COVID-19 pandemic was unlike that of SARS. It was more prolonged, severe and had a greater transmission rate, with the virus easily spreading from human to human. It ravaged the global economy and forced countries to close their borders. Factories were closed due to sick workers as well as quarantine measures. Travel, both air, land and sea, came to a standstill as a result of lockdowns and supply chains disrupted, with goods and produce stacked up in warehouses, unable to move.

If not for our Government's timely intervention, spending billions from our reserves to assist Singapore companies to tide through the difficult period, our economy could have suffered a deeper and more severe decline. Companies were kept afloat by various forms of reliefs such as grants, cash flow assistance, business loan schemes, tax rebates, rental rebates and job-support schemes. The Government also rolled out innovative schemes to give Singaporeans vouchers to support our heartland retailers, hotels and local tourist attractions. Despite all these efforts, there were still casualties. In 2022, last year, 205 companies were wound up, a higher number than in 2021 and 2020 when 119 and 201 companies respectively were shut for good.

Hence, we must not let this pandemic pass without learning its lessons. As we learn to live with the COVID-19 virus, international trade and travel are gradually re-opening. We are now beginning to breathe a little bit easier, but the business environment has also changed. Today, companies are confronted with a lot of new challenges, from workers preferring to work from home and interactions with colleagues and clients through e-meeting platforms, to the rise of e-commerce and e-banking. They are faced with huge rising costs in doing business, such as higher interest rates on their loans, higher rentals, a very tight labour market, higher wages due to our Progressive Wage Model (PWM) as well, a higher CPF ceiling coming up and more leaves for their workers because of childcare and paternity leave.

Companies, particularly our small- and medium-sized enterprises (SMEs), that account for more than half of our local employment, can only continue to thrive if they can innovate, increase productivity through continual digital transformation and reduce their reliance on intensive manpower. Just as our country undergoes a transformation in the post-COVID-19 era, companies need to go back to the drawing board as well. We need to identify the weaknesses of our local companies when confronting black swan events and help them better prepare them for the future. There has been a significant shift in the business environment.

Mdm Deputy Speaker, I hope our Government can double its efforts to support our SMEs and explore areas where they need to innovate and transform how they conduct their businesses. Even for today, many are still struggling to get both feet on firm ground. Economic resilience is key and critical to Singapore's future. If Singapore's economic engine loses power, how long can we survive relying on our precious reserves?

The last topic is on climate change – on environmental resilience.

Today, we are seeing more extreme weather events happening globally. Europe experienced an unprecedented cold winter, while nearer to home, Australia was hit by severe flooding caused by heavy rainfall. New Zealand declared a national emergency after being battered by Cyclone Gabrielle. There has been widespread flooding, landslides and huge ocean swells that forced evacuations.

Last year, in the US, it was the third wildest year in terms of extreme weather events and it cost over US\$1 billion in overall damages.

Here, we are not spared as we are seeing heavier downpours with water ponding occurring more frequently. It rained almost continuously in the last two weeks of January and into February, with a surge of strong winds and more days with temperatures falling to low 20°C. Certainly, we need to pay more attention to the changing weather conditions and speed up our efforts to build infrastructure to protect our low-lying areas.

What can we do to cope with the extremes in weather conditions? What can we do to become a climate-resilient society? Are our people and our businesses prepared to cope with sudden severe weather conditions? Do we need to review, tighten and enhance surveillance checks on our buildings to ensure that everything is stable? Are claddings on high-rise office buildings and shopping malls checked for stability to withstand increased incessant rain and heavy wind surges? Our underground gas pipes, power cables – are they able to withstand any undue soil movement underground? Do we have the necessary resources on standby?

During the 2019 National Day Rally, Prime Minister revealed an ambitious \$100 billion or more project to build polders and sea walls not only to protect our low-lying areas from rising sea levels but also to create new land with exciting possibilities. Prime Minister Lee said working on climate change defences should be done steadily over the years and will be over several generations. But do we have the luxury of time as the climate change clock is ticking away and seems faster? Can we accelerate the construction of the polder and help our local enterprise who are in this field to develop their capabilities in this new growth area? Bring forward the timeline for climate change defences projects will also create new land for Singapore and other new developments to enhance our attractiveness as a city to attract talent?

In conclusion, Mdm Deputy Speaker, I agree that this Budget is centred around building resilience. I have outlined in my speech three areas on resilience building, that is, energy, economic as well as environment. I support the Budget.

Mdm Deputy Speaker: Mr Vikram Nair.

5.46 pm

Mr Vikram Nair (Sembawang): Mdm Deputy Speaker, the last few years have brought some unprecedented challenges for us. The withering effects of COVID-19 continue to be felt. In the budget debates we had the two years before, we were discussing public health issues, taking measures to minimise the loss of life and prevent people suffering the serious effects of COVID-19. The travel, tourism, retail and F&B industries were hard hit as people cut down on travel and going out.

Today, the lingering tail continues to be felt with the delays and slowdowns in construction culminating in long queues for Build-To-Order (BTO) flats and a frothy HDB resale market as people compete for the more limited supply of available flats.

The war in Ukraine has been another body blow to the world economy. Ukraine was the largest wheat producer in the world and also a large producer of corn, barley and sunflower oil. Russia was one of the largest producers of oil and gas. Now that these supplies have been disrupted from the world market, energy prices have spiked, as have food prices because wheat and the other materials produced are not just food for us but also food for livestock. This coupled with the supply chain disruptions caused by COVID-19 have caused inflation and rising costs on the global scale.

To deal with inflation, central banks in many places have started raising interest rates. In Singapore, the Monetary Authority of Singapore (MAS) does not raise interest rates, but the banks generally take the lead from international benchmarks when setting their own lending rates. So, this has meant that interest rates in Singapore have also spiked, causing higher loan payments for borrowers, which include the many mortgages as well as companies for their trade loans.

There is not much that Singapore can do to change these global forces. Against this backdrop, I support the Budget measures which provide much needed support and relief to individuals and businesses faced with cost crunch and disruptions.

There is a wide range of assistance to both individuals and businesses to deal with these challenges. For the housing issue, a comprehensive proposal has been put forward which I am sure will be elaborated on in Ministry of National Development (MND)'s Committee of Supply debates. Young couples will now have more chances to get a BTO flat, there will be more financial assistance to tap into the resale market and there is a wide range of financial and social assistance being given out, including GST Vouchers, Cost of Living support payments, U-Save rebates and support for parents with children, all the way from babies to tertiary education and for lower-income groups, many of these measures would more than offset the rise in cost of living.

Now these are commendable and, I think, these are measures that we can take because we have the luxury of strong reserves as well as prudent financial planning and these measures will alleviate some of the immediate cost of living pressures for many people.

However, high prices and high inflation is likely to be here to stay and the only real long-term solution would be to ensure that Singapore continues to grow and remain an attractive place to invest and do business and this in turn will create attractive jobs for Singaporeans. This Budget provides significant support for multinational corporations (MNCs) that choose to locate here, people who do R&D, for local enterprises to build up as well as for local enterprises to go global. Singapore is one of the few places where the Government provides such significant and wide-ranging support to the private business community to help them to grow and develop.

One suggestion I have though is that when the Government gives out generous grants to businesses or tax breaks, the Government should also put into place requirements for them to share the benefits and profits from such investments – at the very least with employees at all levels, and at best, with the broader community. I think it is fair to put conditions and expectations on private enterprises that benefit from the public purse. This will also ensure a more equitable distribution of the profits if those ventures do well. Mdm Deputy Speaker, I will continue in Tamil.

(In Tamil): [Please refer to [Vernacular Speech](#).] The previous year has been a challenging one. Although the COVID-19 restrictions have eased, the war in Ukraine has caused global commodity prices to spike and this in turn has caused inflation all the way down the value chain. To deal with this inflation, central banks have raised interest rates and this has added to cost of business for companies and cost of living for ordinary people.

This Budget has a wide range of measures to help alleviate the immediate cost of living issues we will face – GST Vouchers, CDC Vouchers, Cost of Living, U-Save Vouchers. There is a special bonus for seniors, which is fair since many of them will no longer be able to continue working. Young families have also given feedback that difficulty getting flats and the rising cost of living have been deterring them from starting families.

This Budget has comprehensive assistance for such young families – assistance in getting BTOs with a second ballot, higher grants to assist them to buy resale flats as an alternative and, importantly, assistance for children's expenses all the way from birth (Baby Bonus); preschool (CDA account top-up); school (Edusave top-up) and tertiary (PSEA top-up).

I support this Budget that provides important support to assist with the cost of living and which allows for people to face the upcoming year with optimism.

Mdm Deputy Speaker: Mr Leon Perera.

5.53 pm

Mr Leon Perera (Aljunied): Mdm Deputy Speaker, my speech will be an attempt to answer one question: what kind of meritocracy do we want in Singapore? In it, I will also address some of the measures in Budget 2023 that deal with wage levelling, early intervention for children in poor families and raising productivity.

Madam, a few months ago, I posted on social media about a book I read entitled "The Tyranny of Merit" by Harvard political philosopher Prof Michael Sandel. While I do not necessarily agree with all the arguments Sandel makes in this book, I would heartily recommend it to all Members here. In essence, Sandel says that meritocracy in the US today has become a tool to justify inequality and condescension towards those without university degrees. It is also an unfair game because from the pursuit of these academic credentials that are often said to define merits, some have advantages of genetic endowments, social capital, parental guidance and resources that others lack. He calls for a re-focusing of attention on vocational and trades jobs which, in the past, would yield more stability and respect to balance up the advantages now conferred by a university degree.

Madam, to be sure, no one would argue for devaluing degrees or that professionals can do without professional training and credentials.

At the same time, I am sure we all recognise that more can be done to promote equality of opportunity and social mobility but beyond that, I want to put across another idea here today – that ensuring a more level playing field alone does not justify vast and ever-increasing gaps in income, economic security and social respect between those who do well in the academic and job arenas and those who do not.

There is a strong case for raising floor levels of living standards and dignity for those who have skills that are less marketable but doing so in ways that are economically sustainable, like retraining and so on.

We should reject the notion of a natural aristocracy of merit – that the more successful behave like aristocrats did in feudal societies.

I received some interesting comments on my social media posts on meritocracy but let me quote an excerpt from one of those comments that I found gut-wrenching, and I am paraphrasing here a little bit and I quote, "I am not an academically driven person. I used to study in ITE but I dropped out. I don't wish to be discriminated against as a lowly-educated person, thus I pursued my diploma after NS. The point here is that there is a perception that those who went through university at NTU, NUS, etc., these are the best people, not only at school but at work. Going to job interviews, employers will outright tell me that my grades are bad, why should they consider my application? The discrimination for those who didn't go through good schools with good grades is real, not to mention usually in workplaces, those with university degrees were often be pushed up the career ladder faster than those who don't have. Life for me is tough. I seriously don't know why people have to shame those who are not well-educated like myself." I am sure we can all feel the pain of this person that comes not only from the sense of the economic game stacked against him but also the pain of feeling disrespected in society.

Interestingly, a survey by OPPI showed that whilst Singaporeans overwhelmingly believe in meritocracy, Singaporeans in the younger age group, 18 to 25 especially, have a lower belief that Singapore society is equal and fair compared to older age groups.

Anecdotally, in my conversations with younger Singaporeans, many expressed that the intense competitiveness in Singapore at work and academia coupled with a high cost of living and housing is taking a toll on their ability to live holistically meaningful and purposeful life with enough time for family, hobbies and passions.

To be sure, meritocracy has its merits. Jobs should go to people with the best abilities. Ours should not be a society where we punish those who can invent, lead, create, take responsible risks, inspire others even as we strive to uplift the least advantaged. We need a high productivity, innovative economy to grow the pie. If we fail in this, the poor will be the hardest hit.

But to get that economy, do gaps in income and economic security need to be so large? Some countries seem to generate entrepreneurship and economic dynamism with smaller gaps. Sweden and Denmark come to mind as examples.

Taking this idea seriously is important and not only because we want to be fair to those who have been less successful in conventional academic economic terms, though that alone would be enough. After all, in reply to my Parliamentary Question in 2021, it was revealed that there was a gap in life expectancy in Singapore of almost six years between those with post-secondary education and those without.

No, but this is also important because as scholars like Richard Wilkinson have argued, high inequality weakens everyone in society. His work suggests that more unequal societies generally have poorer physical and mental health, trust levels, child well-being and so on.

So, Madam, I return to the question I began with: what kind of meritocracy do we want? I think our answer to that question has to be not an unbridled winner-take-all meritocracy. Rather what we should seek is a meritocracy that strives for equality of opportunity and social mobility but going beyond that, one that ensures sustainability, a decent standard of living and societal respect, a levelling up for those who are less successful in conventional terms.

The remainder of my speech, Madam, will provide specific suggestions on just how to do that.

Firstly, I would like to speak about vocational or trades jobs. I have spoken at length in this House on this subject in the past. We need a concerted policy effort to improve wages, skills, productivity, working conditions, societal respect in trades jobs, for example, carpentry, plumbing, air-condition repair, forklift and crane operators and so on. We need this so that the Singapore core can be attracted back to these jobs since, anecdotally, it would appear that there are a few younger Singaporeans entering such trades, a theme I will come back to later.

I would also add to this list skilled artisanal or craft jobs like jewellery designers and historical architecture conservationists.

Madam, right now, about 250,000 Singaporeans work in gig jobs. Some of these jobs, such as delivery or transcribing, for example, will gradually become obsolete due to technologies like drones, autonomous vehicles and artificial intelligence (AI).

We need to nudge Singaporeans in these jobs to consider a career switch to other jobs, including revamped trades jobs. This would entail expanding the range or capacity for Career Conversion Programmes (CCPs) where capacities are now limited in terms of their share of the workforce. More importantly, this would need a change of mindsets and that in turn would need to be catalysed through education and communication efforts.

Interestingly, even now, some of these jobs like prime mover drivers, for example, which require much skill and experience, offer fairly decent pay, though that can be increased further, as I will explain. But these blue-collar jobs seem to be attracting few young Singaporeans.

According to a recent Channel NewsAsia (CNA) article on this topic, some in the haulage industry, for example, estimate the average age of prime mover drivers to be 55, with younger drivers accounting for 5% to 10% of the workforce or less. Pay could be part of the reason but other reasons may include negative perceptions, working hours or conditions.

I believe what is needed is to develop job redesign and career ladder plans for these trades jobs in conjunction with industry chambers and stakeholders. We should nudge or move towards more training and productivity for such jobs, which would enable better pay and conditions. This would need to be accompanied by educational campaigns to change mindsets and remove the social stigma some associate with such jobs. Such trades jobs are skilled and should command respect in society.

Lastly and most importantly of all, our national strategy towards these trades jobs should include two more elements.

Firstly, we should fast track some foreign Work Pass holders who are very skilled and experienced in these trades jobs to become Singaporean Citizens to enhance the Singapore Core in those jobs. Secondly, once it is clear that we have attracted a critical mass of Singaporeans into these jobs, we should slowly reduce the supply of foreign Work Passes in those professions but at a calibrated pace that businesses can adapt to. Nothing nudges employers to take better care of workers than the prospect that that worker may leave and be hard to replace.

Next, I would suggest that our economic development agencies like the Economic Development Board (EDB) and Enterprise Singapore try to nudge foreign investors and local firms towards hiring some Singaporeans with lesser educational credentials so as to retrain them in skills that are adjacent to the skillsets that they have but are more future-proof and enable them to operate at a higher level of productivity that can command better pay. Perhaps this can be one consideration – not the only one, of course – in the award of economic incentives.

Next, I would like to move to the subject of productivity. Raising productivity is a necessary but not sufficient condition for improving the lot of those in trades jobs.

In Budget 2023, the Government is making a \$4 billion top-up to the National Productivity Fund (NPF). Sir, I note that the NPF was set up in 2010. I tried searching for information on the NPF and the Productivity Fund Administration Board, and I found it difficult to identify its activities and investments every single year. All that was readily available from an admittedly basic online search were reports on activities from 2010 and 2017.

I would like to ask that the goals, strategies, KPIs and investment activities of the NPF be made easily available online for transparency. Most importantly, I would like to ask what would be the KPIs for how the funds are used? Also, does the NPF funding give sufficient focus to non-tradeable domestic sectors where there are productivity problems, perhaps, are the worst, as I will explain later.

I ask this because it is important for such funding to be very results driven. A case in point – was there evidence that the old Productivity and Innovation Credit (PIC) Scheme actually had a causal effect in raising productivity – a question I have raised in this House previously.

A KPMG report from 2015 stated, "While take-up rates have gone up, the scheme's impact on productivity has been muted."

Sir, our value-added per worker fell in the latest quarter, which underlines the challenge we are facing with productivity. However, there are some sectors in Singapore that are fairly productive by global standards, for example, manufacturing and financial services. The main problem seems to be non-tradeable domestic sectors such as F&B, retail, personal services, construction and so on – sectors which provide services that are not exported but consumed in Singapore.

Has the Government studied if and why our productivity is lower than other developed countries in these sectors? I would suggest that we work with trade associations and chambers (TACs) to benchmark more productive countries in these sectors and then use schemes such as NPF funding to nudge our small- and medium-sized enterprises (SMEs) in particular to implement more productive business processes and technologies.

At this point, I declare my interest as the chairman of a research consultancy that undertakes economic and business consulting.

Also, will the Government take seriously our abysmal performance on total factor productivity (TFP) – a subject I have raised in the House previously?

In an extended analysis of Singapore's productivity performance in 2020, economists Manu Bhaskaran and Nigel Chiang provided data to show that our "TFP growth—is poor relative to our peer group as well as the OECD group of developed nations and has been worsening substantially over the years. After a surge in 2003 to 2004, TFP growth began to decelerate before declining outright after 2005."

Could managerial skills play a role here? This should be studied and addressed. On this note, I filed a Parliamentary Question (PQ) on the latest findings of the World Management Survey, which suggests poor results for Singapore.

Next, I will move to another topic relevant to our meritocracy – ensuring fair minimum floors for those who are less successful in life and doing more to bring about equality of opportunity for poor children.

I acknowledge the expansion of KidSTART and ComLink as referred to in Budget 2023. These are moves in the right direction but I have a few suggestions here.

Firstly, preschool plays a key role in setting the stage for success in school and work later in life. The earlier we intervene to help children from disadvantaged backgrounds, the less of a disadvantage they will face when they enter primary school and the less likely they would be to drop out.

My suggestion is that the Government makes preschool education compulsory and completely free for those of lower incomes. A UNESCO study conducted in 2020 found that 63 countries have adopted legal provisions for free pre-primary education and 51 countries have adopted pre-primary education as a compulsory level in national legal frameworks.

I know from a reply to my PQ last year that 90% of children in Singapore aged three to four are enrolled in preschool, but this proposal would make a difference to the 10%.

Secondly, I would urge the Government again to consider lowering form class sizes and to publish randomised control trials on the benefits of smaller classes on learning outcomes in general and for those less advantaged students in particular, where some research has shown that smaller classes bring benefits. I set out the detailed arguments for this and why it is different from ad hoc smaller banded classes in an Adjournment Motion in this House in 2017. My colleague, Assoc Prof Jamus Lim, has also spoken about this.

Thirdly, would the Government consider a proposal for a SkillsFuture education loan to help fund Continuing Education and Training (CET) for adults who cannot competitively secure places among scholarships and places in retraining programmes like Professional Conversion Programmes (PCPs), a supply of which is still limited?

The Workers' Party made this proposal in its 2020 manifesto, which is for SkillsFuture to disburse a zero-interest loan for adult CET. This thrust could support the upgrading and future-proofing of trades and blue-collar jobs that I spoke about earlier.

Access to such loans could be made more readily available than the supply of special SkillsFuture grants, but weighted towards those with lower incomes and towards CET programmes that support retraining to a sunrise industry like high-tech farming, for example.

Fifth, would Government agencies work with industry bodies to nudge companies to offer more internships and attachments to students from less popular secondary schools? Such students would benefit from understanding the culture and work norms in companies.

Right now, some companies do engage with the universities and polytechnics to secure interns but it is less easy or common for them to engage with secondary schools and junior colleges to the same end, particularly, the less popular ones.

Lastly, our social service agencies should provide more generous levels of aid to poor families but in such a way as to encourage positive behaviours that will help them improve economically and break the poverty cycle for their children – healthier eating and cooking habits, regular health screening, financial literacy training and so on.

I recently had the privilege of working with a few non-governmental organisations (NGOs) in one of the rental blocks in the Serangoon ward of Aljunied GRC. They held sessions at the block to help families take better care of their mental health and physical confidence and to support the children in terms of confidence building, decision-making and goal-setting skills. Such interventions can be deeply meaningful. I will speak more about this at the Ministry of Social and Family Development (MSF) Committee of Supply.

I come to the final part of my speech, Madam. How do we address the issue of prejudice against those lacking degrees, high levels of education and great career success? How do we make sure that Singapore does not become the "two Singapores" that the Leader of the Opposition alluded to, that we do not become a society where such people are looked down upon and face either quiet or overt condescension? How do we ensure, in Michael Sanders' words, "that credentialism does not become the last acceptable prejudice"?

I would like to finish this last part of my speech in our national language.

(In Malay): [Please refer to [Vernacular Speech](#).] There are different approaches the Government can take here. But upon deep reflection, I think the onus here is not only or primarily on the Government but on all of us. It is very difficult to successfully choreograph events and policy practices that set out to foster mingling and respect across socioeconomic lines unless culturally, Singaporeans bring to such engagements the right mindsets and values.

So we should always guard against prejudice when deciding on awarding a contract or promotion or choosing a service provider between someone with credentials and someone with less; rather, we need to focus on their ability to do the job.

We should always guard against the lionisation of book-smarts and the undervaluing of street smarts. We should be vigilant to not privilege conventional pathways to success at the expense of those who are successful in other fields that are more craft-intensive.

And to paraphrase Martin Luther King Jr, we should always, as the cornerstone of Singapore culture, judge and value each person not on their credentials and net financial worth, but on the content of their character. The one does not beget the other.

(In English): In conclusion, Madam, we should reject a meritocracy that creates a natural aristocracy.

The term "meritocracy" comes from the British author, Michael Young. He coined it in 1958 as a satire to parody the concept of an unbridled meritocracy as a dystopia. In his satirical work, he envisioned a popular revolt against meritocracy in the year 2033.

An unbridled and heartless meritocracy inevitably leads to a backlash on those who feel disadvantaged and discriminated against because society undervalues and underpays for their skills, aptitudes and potential. It would be a backlash not only around distributive justice – the distribution of economic fruits – but also contributive justice – the right of citizens to contribute equally to society and to obtain dignity and recognition in making that contribution.

In the US, voting patterns have come to diverge between those with and without college degrees, with many non-college graduates turning to the kind of anti-systemic politics seen in the Capitol riot on 6 January 2021.

As the writer Oren Cass said when speaking of the dangers of irresponsible populism, "The question is not whether the open agenda and a very laissez-faire unbridled meritocracy, will lose, but to what?"

An extreme form of meritocracy and laissez-faire policies that elevate it, to some extent, unfairly, define as having merit too high and too harshly above all other people, cannot be sustained, as is the case with all tyrannies in the end.

Mdm Deputy Speaker: Ms Carrie Tan.

6.12 pm

Ms Carrie Tan (Nee Soon): Mdm Deputy Speaker, I am not sure whether I am still the last speaker for today.

Mdm Deputy Speaker: No, you are not.

Ms Carrie Tan: Okay. I would like to thank all my colleagues for all the policies and for working so hard to tackle very immediate and near-term challenges that we are facing as a nation. It gives me great trust and also gives me the liberty to set my sights further into the future.

I ask this House for its indulgence to listen with an open heart, an open mind, an open will as well as an open imagination for what I would like to share in my speech today.

I am very thankful and glad for the Budget provisions that Deputy Prime Minister Wong has made for Singaporeans, especially the measures to increase paternity and parental leave as well as the legislation to advance flexible work arrangements as a norm.

All these go a long way to enhance the well-being of our people and it has been long due. I am very inspired by the theme of this year's Budget, "Moving Forward into a New Era". It is time, I feel, for us to think boldly in order to meet the new realities we are facing as a nation as well as globally.

On our shores, our workforce is burnt out – 57% of our workforce said burnout was the leading factor affecting their mental health during the pandemic.

Abroad, quiet quitting, a phenomenon that emerged last year, is a silent protest within the workforce across the developed world against a state of work that is demanding too much of people.

The cost of living is going up drastically. Our core inflation was just 1% in 2019. Last year, it was 4%. It is no longer just the bottom 10% or 15% of Singaporeans who feel anxious about their ability to put food on the table. Our middle-class Singaporeans are also feeling anxious. Singaporeans are working harder than ever before and our standard of living has improved.

In my parents' younger days, for most families, a rare treat was going to the movies and buying a 10-cent kacang putih wrapped in newspaper. Today, having a \$4 cup of bubble tea or coconut shake might be an equivalent, and for certain more well-off segments of our population, it might be enjoyed too frequently to be considered an indulgence. Many more of us can afford more things in life, many more non-essential things to adorn our lives but we do not seem to be happier.

Our sense of insecurity about meeting basic needs appears to be getting worse. Of course, these anxieties are real and pressing, given that there is inflation and various global uncertainties presenting multiple pressures.

At the same time, we are also one of the wealthiest countries in the world and we have emerged out of COVID-19 triumphant. So, what else might be perpetuating and driving this pervasive sense of insecurity? Is it perhaps time to rethink and review our national narrative and model of progress that we are just a small red dot with no resources, constantly fighting for our survival? With this narrative, we have pushed our people harder and harder, through various iterations of workforce development initiatives and industry transformation maps, relentlessly chasing for ever higher productivity.

Is this survivalist narrative presenting a disconnect with the fact and reality of our progress? Could it be entrenching more anxiety in our people than is really necessary? My hon colleague Mr Sitoh Yih Pin's comment in his speech yesterday resonated with me. Is it really true that our glass is always half empty and are our prospects as a nation only getting bleaker? Is the best already behind us or is our best yet to be?

Other than within the geopolitical context, is it really still true that Singapore is vulnerable with no resources to rely on? I challenge that notion. From our humble beginnings in the 1960s to 2023, we have become a nation that is abundant in many aspects. We have a world class education system, we have built robust financial system and governance structures with a stellar reputation for trade and business, we have greatly admired urban planning blueprints and methodologies that many countries are keen to learn from. We continuously innovate and we have a population of people who are honest, hardworking and seen as a reliable and trustworthy pool of talent internationally.

Since our Independence, our main priority has been economic growth because it had to be thus far. Economic progress was the way to survival for a nation scarce in natural resources. It helped us Singaporeans make great leaps in our quality of life that many countries today are envious of. Hence, it is only natural that economic growth seems to be the only way we understand quality of life. It has served us so

well that it may seem mad to anyone to talk about deliberately slowing down economic growth.

But is it not equally mad to continue this drive for ever higher economic growth when our only resource – human resource – is coming under great threat? In the Singapore Youth Epidemiology and Resilience Study last year involving over 3,000 young people aged 11 to 18, it was found that one in three youths in Singapore has reported internalising mental health symptoms. How will this impact our workforce and the quality of our talent pool, and how may our current way of life be contributing to this phenomenon?

If the premise for our nation's progress is that human resources are our biggest national resource, then protecting it and allowing it to thrive should be the key agenda. Economic growth and the ever-growing demand for increased productivity despite a rapidly ageing workforce and potentially zero growth in our labour force is taking a toll on a whole generation of people.

I urge this House and Singaporeans to seriously consider a different model of progress. After all, what is growth for, if not for our people's well-being? As hon Member Mr Seah Kian Peng also reminded us during his speech, that our founding father Mr Lee Kuan Yew made it his business to ensure our people's happiness. How can a people be happy, if we are constantly anxious or under stress?

In the background of many anxieties lies the real existential threat and crisis of the global fossil fuel and climate change crisis.

The stark reality: according to the Millennium Alliance for Humanity and the biosphere at Stanford University, the world will be out of coal by 2090. By the world, it means the human race. It means us. As Ms Poh Li San and Mr Lim Wee Kiak has reminded us, our electricity is 95% reliant on natural gas. What happens when we are out of natural gas by 2060?

In the Statistical Review of World Energy through British Petroleum as well as many other sources, it tells us that at our current rate of consumption, we will be out of oil in 47 years' time. When that happens, I will be hopefully still alive at 87 years old, my nieces and many of my young residents will be in their 50s or 60s. The children born today will be only 47 years old.

I am not alone in feeling anxious about climate change. In a survey of 10,000 youths, including Singaporean youth, close to 60% have felt "very" or "extremely" worried about climate change, with 45% reporting that this anxiety negatively affects their daily lives.

Climate anxiety is a logical reaction to an existential threat. This is the single most important threat we face as Singaporeans. It is a huge obstacle that stands in the way of our progress as a nation.

Economic growth has resulted in increased energy consumption, which then leads to greater greenhouse gas emissions. Carbon dioxide, methane, nitrous oxide – all these emissions trap heat in the atmosphere, leading to global warming, climate change and extreme weather conditions.

Our current economic model does not account for our people and our planet's well-being as a measure of growth. We need a more sustainable, tenable model of progress that does not leave our planet and our people's well-being out of the equation, but instead sees progress and wellness as one and the same that respects the Earth's limits. I want to make sure that what we do today ensures that we pass on a thriving Earth, not a depleting one to our next generation.

Governments around the world are investing in green technology and alternative energy research in a bid to slow down this global energy depletion and mitigate this threat.

While such efforts are absolutely necessary, it is not enough. We urgently need to look beyond. Solar, hydro and nuclear, while they present good options as alternative energy sources, are still highly complex and highly extractive in nature. What do I mean by extractive? It means they still require vast amounts of steel, metal and materials to build the necessary infrastructure and equipment to harness secondary sources of energy.

What happens when we run out of the materials to run these plants that power our lights, our transport and our computers? Our primary source of energy, fossil fuels, which took millions of years to form, is now running out. The only way to avoid the crisis is to consume and produce in ways that are transformatively different from before.

If we do not start regenerating our Earth, we are consuming it to death and putting humanity on the trajectory to an era of war and destructive competition, which is already beginning to set in.

Once we understand these key truths of the 21st century, as political leaders, we must have the gumption to lead our people to a different future.

One of the world's most important living economists, Kate Raworth, designed a new economic model to guide countries' transition from having an extractive relationship with the Earth to a more harmonious one. It is called Doughnut Economics. It sounds delicious too.

It provides a map for how to establish a better relationship between the economy, the planet and people. It illustrates an outer ring which is the limit that Earth can support and an inner ring which is the base that we need to build to allow humans to thrive. Our actions and our policies will have to reside between those two rings. Go beyond the outer ring or fall within the inner ring, and we will be in trouble. This model values well-being and a solid social foundation that helps people to rely on one another and nature harmoniously to meet our needs.

In order for us and our world to survive, we must slow down the rate of economic growth or our future generations will suffer its consequences. This requires us to reshape our national narrative and understanding of progress. Ms Nadia Samdin asked a really important and worthy question – can there be a different version of the Singaporean dream?

Progress in the next era of growth for Singapore must be measured less in terms of economic numbers and account for our human limits and planet limits. I offer a motto that not only gives us hope, but also gives practical steps in guiding us towards a future beyond fossil fuels. The motto is "Share More, Use Less, Waste Not".

I propose two key imperatives we must start doing.

One, cultivate sharing communities by redesigning work and housing to optimise resources and extend the "reduce" pillar to the ways we live and work.

Making work-from-home the norm for professions that allow it can drastically reduce daily transport fuel consumption, reduce vehicles on the roads and reduce the need to keep building more roads or expressways. It would also improve work-life balance. The Government can set an example by making work-from-home the norm across the civil service and associated statutory boards.

On the housing front, creating more community living formats such as the ones we are piloting in Queenstown to aid in eldercare. Community Care Apartments (CCAs) can be built also for single parent families, families with special needs members and co-living precincts for young adults and singles can be designed and built in neighbouring precincts to these CCAs, so that they can conveniently volunteer for these families who need more help.

For all we know, co-living communities for singles could help us to improve our marriage and birth rates! I will elaborate more on these in my Committee of Supply cuts.

In our daily lives, we currently have an increasing norm of online shopping where we can buy something for as cheap as \$1 or \$3 and have it shipped to your door in layers of boxing and packaging. Such rates of consumption as a norm for a society creates tremendous waste of energy and resources.

Instead, we can make swapping and sharing the default way of life to reduce wasteful consumption. Creating a sharing culture has already begun in Nee Soon South, where we piloted a "Shwap" initiative for people to "shop" for pre-loved clothing that others would like to give away. I intend to extend this effort beyond clothing to other daily use items, so that within our neighbourhoods, people can swap items they no longer need for items that others want to give away.

I hope that every neighbourhood can have a sharing movement to make this the new norm for Singaporeans.

Two, invest in permaculture and other regenerative nature-based solutions and research.

Localised permaculture reduces the carbon footprint of growing and transporting food. It helps to capture carbon from the environment. It will also help us reduce our dependence on foreign industrial agricultural techniques that have worsened the climate crisis. I will elaborate more on this during the Committee of Supply cuts on how permaculture holds multiple benefits, including increasing our food security.

In the 1930s, in the midst of the Great Depression, American President Roosevelt implemented a "New Deal", which greatly invested in environmental conservation. It was a huge risk at the time and went against conventional wisdom. But it paid off.

I believe it was Winston Churchill who said towards the end of World War Two, "Never let a good crisis go to waste". In fact, many of our own Ministers have said similar things in Parliament, especially in the last two years of the pandemic – that we can turn crisis into opportunity.

Getting a miracle out of a crisis is not new to Singapore. We created a miracle when we became independent in 1965 and became a first-world nation by the 1990s. Similarly, I believe we have what it takes to turn the global energy crisis into another miracle with our unique Singaporean way. Investing in and rebuilding our relationship with the planet has the potential to open up new industries for Singapore to be leaders in and improve the economic opportunities for our people.

I am very glad that the Green Economy initiative under the SG Green Plan has already started to invest in nature-based technologies and research. This needs to start as early in life as possible, so that our current children can be "Nature Natives" and not just "Digital Natives" in the new global reality. I urge that we make it a top priority and extend nature-based pedagogy to our early childhood and primary education. Again, I will elaborate more in my Ministry of Education (MOE) Committee of Supply cut.

Deputy Prime Minister Lawrence Wong mentioned during his Budget speech that we need to increase Singapore's resilience in response to climate realities. He mentioned efforts in coastal protection and so on, to prepare us for rising sea levels. These measures are critical. But we need to go beyond and take an even more proactive approach to pioneer a new way of life that the world can look to.

We have the opportunity to be a global change-maker by engineering and actualising a new model of progress. If we put our hearts and minds together, we can achieve this, referencing the Doughnut Economic Model, applied to our specific Singaporean context.

Given how small we are as a country, we may not significantly impact the actual amount of energy saved globally. But we still can make a really substantial impact by showing and leading the way to a different progress model. In doing so, we can inspire other urban cities and countries to chart their own path to a more regenerative economy that meets the needs of all.

Our strong social fabric, highly collaborative, cooperative population and high trust between Singaporeans and our Government are the assets that we have to rely on to do this well.

Forward Singapore should be an exercise ambitious and daring enough to rally our citizenry towards the big picture – a future where Social and Ecological well-being is valued equally with economic well-being.

What I look forward to, as do many Singaporeans of my generation and younger, is a regenerative city state and a system that ensures the well-being of our People and Planet. We must start to intentionally REdesign our way of life, work and play.

To do this, Ministries including National Development —

Mdm Deputy Speaker: Ms Tan, you have a minute to round up.

6.32 pm

Ms Carrie Tan: To do this, Ministries including National Development, Sustainability and Environment, Health, Manpower, Trade and Industry must work together and adopt a lens of ensuring the wellness of our people and planet is adopted across all efforts. I urge the Government to set up a Coordinating Ministry for Wellness help implement this, to land a sustainability land across all Ministries.

A truly progressive nation is one in which its people are well. Imagine a society that consumes less, with people who work less but connects more and are happier and healthier for it.

I was very moved by Senior Parliamentary Secretary Eric Chua's speech earlier. Perhaps it is time for us to collectively take a pause, a slowdown, to smell the roses and perhaps that is what it truly takes for our nation to be able to be truly wealthy in our minds, bodies and spirit.

I am thankful for this year's Budget. I would like to say, we have what it takes, let us go further and beyond!

Mdm Deputy Speaker: Prof Koh Lian Pin.

6.33 pm

Prof Koh Lian Pin (Nominated Member): Mdm Deputy Speaker, in his Budget speech, Deputy Prime Minister Wong provided a stock-take of the socioeconomic challenges that Singapore had experienced in 2022, as well as the various policies and actions to help us overcome these challenges.

He also presented the outlook for 2023, including the uncertainties and downside risks linked to the global economy, as well as new opportunities to add vibrancy to our own economy and create more jobs for Singaporeans.

Deputy Prime Minister Wong also introduced several support measures, including the Enterprise Financing Scheme, the Energy Efficiency Grant, the permanent GST Voucher scheme and the Assurance Package to support our businesses, our workers and our families.

In other words, Budget 2023 recognises and addresses many of the bread-and-butter issues that Singaporeans are understandably concerned about.

Another issue of concern this Budget also touches on is climate change. Given the tight fiscal position that Singapore is in and the socioeconomic challenges we face, why should we continue to invest in climate resilience and sustainability?

Some of us may think that we are saving the planet. But the planet has been around for billions of years before us and will continue to be around for billions of years after us. It had recovered from at least five mass extinction events over the last 500 million years. By comparison, we modern humans have been around for only the last 200,000 years or so.

The reason why we need to cut emissions, stop deforestation, protect biodiversity, reduce pollution and reverse ocean acidification is because we need to live within the finite and safe operating space of our planet for which humans can survive and continue to thrive.

In other words, we need to take climate change and sustainability seriously, not to save the planet but to save ourselves, to ensure a liveable Singapore for this and future generations to come. This may require us to constantly reflect on our assumptions, our priorities and our way of life.

Our way of life in Singapore reflects our social compact, which is underpinned by our shared purpose and values. I believe we want to be a fairer and more inclusive society, a kinder and more gracious community.

And as we refresh and strengthen our social compact, we must also take seriously the desire of fellow Singaporeans, especially the youths, for stronger climate actions and a just transition to a sustainable future. We must ensure that climate change and sustainability are always among the bread-and-butter issues we focus on. And as we address the impacts of climate change, we must ensure that the most vulnerable among us are well supported and the able are doing their part by contributing appropriately.

At the same time, our climate and sustainability efforts must be considered in light of other societal priorities and their trade-offs, particularly when different priorities require common and limited resources, such as our land. We have to consider the value of our land not only for its climate and biodiversity benefits, but also for its contribution to meeting our housing, education, healthcare, transportation, economic, defence and other societal needs. In other words, we must recognise that no single interest should be considered absent of the others. In fact, the greatest challenge we face as a small island state arguably is the reconciliation of all our priorities.

As I had mentioned in this House before, this tension between priorities can be painful. But it can also be helpful to remind us that as we transition to a climate resilient, more sustainable and more equitable society, no one succeeds until everyone succeeds.

Singapore's climate mitigation measures include progressively raising the carbon tax, improving our energy efficiency, greening our buildings, electrifying our transportation as well as transitioning to solar and other cleaner sources energy.

Our adaptation measures include increasing our vegetation cover, building a polder at Pulau Tekong and establishing a Coastal and Flood Protection Fund, to support the construction of coastal and drainage infrastructure. Singapore should aspire to do more. We can create positive climate impacts beyond our shores by supporting regional and global efforts as a strategic partner in R&D, capacity building, green growth and policymaking.

For example, our revised carbon tax policy will soon allow carbon-tax liable companies to use high-quality carbon credits to offset up to 5% of their taxable carbon emissions. This measure can help grow a new carbon services industry in Singapore as well as support impactful climate actions internationally, including nature-based solutions such as forest conservation and restoration projects.

The global voluntary carbon credit market was worth about US\$2 billion dollars in 2021 and is expected to grow in value to between US\$10 billion and US\$40 billion in 2030.

Unsurprisingly, there is a wide disparity in the quality of carbon projects and products in the market today. There is also a disparity in the credibility of carbon accounting standards. Indeed, these underlying issues of quality and credibility have created confusion and anxiety, leading to recent controversies around the use of forest carbon credits.

The fact is, nature-based solutions are integral to every mitigation pathway to achieve the goal of the Paris Climate Agreement, as recognised by the Inter-governmental Panel on Climate Change. In other words, meeting the Paris goal requires us to implement nature-based solutions in addition to our decarbonisation efforts.

Carbon credits and carbon markets in general, are ways of shifting capital across sectors and across borders to help us implement these nature-based solutions at scale. However, to ensure genuine climate and societal benefits, it is vital to invest in the R&D of credible carbon accounting and monitoring methodologies. There is no perfect methodology and we should never let perfect be the enemy of the good. But the good must get better.

Here is where Singapore has another important role to play. We can help to improve the credibility of carbon accounting standards and our ability to discern the quality of carbon credits. For example, with support from the National Research Foundation, the National University of Singapore (NUS) recently launched a new research programme called Carbon Integrity SG. I declare that I am the principal investigator of this programme.

Carbon Integrity SG will enable Singapore researchers to work with regional universities, Government agencies, businesses and civil society to develop more robust and more accurate carbon accounting methodologies for Southeast Asia's ecosystems, to ensure the supply of high-quality forest carbon credits to meet our needs and market demands.

In his speech to the UN Climate Ambition Summit in December 2020, Prime Minister Lee emphasised that climate change is an existential threat for the global community and especially for a small island state like Singapore.

By thinking and acting beyond our geographic constraints as a small island state, Singapore has the opportunity to create climate impacts beyond our borders. Our businesses can support climate actions beyond their value chains. We can become a world-embracing global city for sustainability.

Ultimately, the highest quality carbon credit is the one we will never need. Avoiding or reducing carbon emissions sits at the top rung of our climate mitigation hierarchy. In other words, decarbonisation must remain our top priority as Singapore transitions towards a low-carbon society.

Sometimes, I like to imagine how Singapore would look like in 2050. I would like to think that we would have achieved our net zero target by then and many years ahead of schedule too.

In 2050, every building in Singapore would be solar-panelled. Every vehicle would be electric. These electric vehicles would be silently plying our streets. Our streets would be lined by a few million more trees, creating a dense network of Nature Ways. These Nature Ways would be home to a rich diversity of native birds, mammals and other animals – a testament to the foresight of NPark's Rewilding Plan.

Our waterways and coastlines would be a showcase of technology-based and nature-based solutions, offering optimal protection against storm surges and sea level rise, while also providing recreational and other benefits to society. Singapore would be an international hub of climate and sustainability solutions, providing services and products to the rest of the world.

Our investments in Research, Innovation and Enterprise through the decades, would have ensured not only our climate resilience but also our long-term prosperity in a green economy. Our new economy would be supported by a robust green talent pipeline, creating a workforce with sustainability competencies as well as opportunities for a lifetime of upskilling and meaningful contributions.

I hope to be still alive then, in 2050, as a 74-year-old grey-haired professor, perhaps sipping tea from the balcony of my Community Care Apartment with a pair of binoculars, peering out into the forest canopy below, taking comfort in having been a part of this journey.

I believe for this to be more than my personal daydream, we will require a whole-of-society paradigm shift now. Everyone must recognise that climate change and sustainability are not fringe issues. They are not just green issues. They are bread-and-butter issues, top-of-mind planning issues, quality-of-life issues, existential issues.

As we move forward together in a new era, climate resilience and sustainability must be the zeitgeist of our times. Everyone from every sector has important contributions to make. We need local Singaporeans, overseas Singaporeans, returning Singaporeans, foreign talents, from Government, businesses, civil society and Institutions of Higher Learning (IHLs) to be able to visualise, articulate and work towards the common climate resilient and sustainable future that we all want for ourselves and our future generations.

We must intuitively know that while we address the very real and immediate challenges of the day, we cannot afford to ease up on our efforts to achieve climate resilience, meet our sustainability goals and become a low carbon society, a City in Nature.

These are the things worth fighting for. This is a future worth fighting for. Mdm Deputy Speaker, I support the Budget. *[Applause.]*

Mdm Deputy Speaker: Leader.

ADJOURNMENT OF DEBATE

6.47 pm

The Leader of the House (Ms Indranee Rajah): Mdm Deputy Speaker, did you wish me to extend the time?

Mdm Deputy Speaker: No. Please go ahead and adjourn.

Ms Indranee Rajah: Mdm Deputy Speaker, may I seek your consent to move, "That the debate be now adjourned."

Mdm Deputy Speaker: I give my consent.

Resolved, "That the debate be now adjourned." – [Ms Indranee Rajah].

Mdm Deputy Speaker: Resumption of debate, what day?

Ms Indranee Rajah: Tomorrow, Madam.

Mdm Deputy Speaker: So be it. Leader.

ADJOURNMENT

Resolved, "That Parliament do now adjourn to a date to be fixed." — [Ms Indranee Rajah].

Mdm Deputy Speaker: Pursuant to Standing Order No 2(3)(a), I wish to inform hon Members that the Sitting tomorrow will commence at 11.30 am. Order. Order.

Adjourned accordingly at 6.48 pm.

WRITTEN ANSWERS TO QUESTIONS FOR ORAL ANSWER NOT ANSWERED BY END OF QUESTION TIME INCREASES IN STARTING SALARIES FOR HOUSE OFFICERS, MEDICAL OFFICERS AND JUNIOR RESIDENTS IN PUBLIC HEALTHCARE SYSTEM

8 **Mr Leon Perera** asked the Minister for Health with regard to the pay rise in starting salaries for junior doctors in the public healthcare system (a) what is the percentage increase in take home pay applied to house officers, medical officers and junior residents respectively; and (b) what are the reasons for the different increments for different levels of junior doctor.

Mr Ong Ye Kung: Following the recent salary revision for junior doctors in the public healthcare sector, House Officers and first year Medical Officers (MOs) can expect a 7% and 13% increase in their starting salaries from 1 January 2023 respectively. Eligible in-service MOs or Residents up to post-graduate year (PGY) 6, and Dental Officers up to PGY 4 can expect a salary adjustment based on their years in service and bond period.

The amount of adjustment made depends on the market movement of salaries across different levels of seniority. The Ministry of Health (MOH) will continue to review the salaries of doctors in the public healthcare system so that they remain competitive.

IMPACT OF SURGE OF WEALTH FROM INVESTMENTS BY FAMILY OFFICES ON INCOME GAP IN SINGAPORE

9 **Mr Yip Hon Weng** asked the Deputy Prime Minister and Minister for Finance regarding the recent surge of wealth from foreign investors establishing family offices in Singapore (a) what is the projected impact on our income gap; (b) whether there are any ongoing assessments of inequality and the widening income gap in Singapore; and (c) how does the Government plan to strike a balance between staying attractive to wealthy foreigners looking to invest in and relocate to Singapore, and ensuring that low-income Singaporeans have access to opportunities for social mobility and benefit from these investments.

Mr Lawrence Wong: Family offices are set up primarily to invest their own families' funds. They have come to Singapore to access investment opportunities in the broader Asian region, not unlike other asset management entities such as institutional fund managers, sovereign wealth funds and pension funds. Family offices therefore add to Singapore's role as a regional asset and wealth management centre, and enhance our attractiveness as a destination for foreign investments. Such offices together with other asset management entities contribute to Singapore's economic growth and create more good jobs for our people. Ultimately, our economic strategies are guided by the key imperative to advance the well-being and improve the lives of Singaporeans.

The Government monitors and tracks income inequality closely. We have not seen evidence of the growth of family offices having an impact on income inequality in Singapore. Over the past decade, income inequality in Singapore as measured by the Gini coefficient has been steadily declining. The Gini coefficient declined from 0.478 in 2012 to 0.437 in 2022. If we include the effects of redistribution through taxes and transfers, our Gini coefficient in 2022 would further decline to 0.378, down from 0.432 in 2012.

Income growth at the 20th percentile has also been rising faster than median income. The real annualised income growth for full-time employed resident workers at the 20th percentile was 3.5% per annum from 2012 to 2022, higher than the income growth at the median, which was 2.6% per annum.

What is critical to maintaining social mobility and mitigating income inequality is our broader strategy to grow the economy, and to share the benefits of progress with all Singaporeans.

This means maximising opportunities for every citizen to realise their full potential, and investing in the continual re-skilling and up-skilling of workers to help them access good jobs and earn higher wages. Through initiatives like Workfare and the Progressive Wage Model, we are also uplifting the incomes of lower-wage workers and further narrowing our wage gap.

The Government will also ensure that our overall system of taxes and transfers remains fair and progressive. Everyone contributes something, but those who are better off will contribute more. Likewise, everyone benefits from the State's spending, but the vulnerable will benefit more. This is how we strengthen our social compact, and move forward together as one people.

COMMUNITY VOLUNTEERS WHO ENGAGE AND PAY VENDORS FOR GRASSROOTS SERVICES

11 **Mr Leon Perera** asked the Minister for Culture, Community and Youth (a) whether individuals who are volunteers but not staff of the People's Association have the authority to approve decisions in relation to the engagement and payment of vendors for grassroots services; (b) if so, what is the rationale for such a convention; and (c) whether the Government will consider enhancing safeguards to deter improper procurement practices, in light of the conviction of a Residents Network ex-chairman for cheating offences.

Mr Edwin Tong Chun Fai: Grassroots leaders (GRLs) are volunteers appointed by the People's Association (PA) to serve in various grassroots organisations (GROs). They play an integral role in building and serving our communities actively through programmes and events they organise and schemes that they help to administer and also help PA to oversee and supervise local amenities. The work that they do contributes to our racial harmony and social cohesion and helps promote a diverse, united and resilient society.

Numerous events are organised for residents each year. The GRLs, together with PA staff, plan the programmes, raise funds where necessary, and make decisions on how they will be executed. This process gives GRLs more ownership of their programmes and allows them to respond to the needs of residents more efficiently and in a more timely manner.

This authority, however, is not at the expense of governance. The GROs are guided by a set of Rules and Regulations that stipulate their roles and composition, how they conduct their meetings and activities, and the authority to use their funds in accordance with the Financial Rules for GROs. The Financial Rules stipulates how the GROs should manage the receipts, payments and acquisition of goods, services and works.

Beyond these rules, there are existing measures and safeguards put in place by PA to minimise conflict of interest (COI) and to uphold transparency in our grassroots procurement rules for goods and services to reduce the likelihood of fraudulent activities. Training is an important strategy to instil strong governance principles. To develop the competency of key Office Bearers of GROs, PA has induction and refresher training programmes to instil proper governance.

Regular audits by auditors and compliance checks by PA staff are also conducted to send a strong signal in policing malpractices. As evident in the incident involving the former Residents' Network (RN) Chairman, his offences came to light as part of PA's review of the RN's finances.

Governance compliance has strengthened in recent years with the digitalisation of procurement and payment procedures via systems to reduce the amount of manual tasks and paperwork. This helps to tighten compliance with existing rules as every transaction is recorded in the system for future audits.

There are also sound processes and due diligence in place when it comes to the appointment of GRLs, and we expect GRLs to conduct themselves in a manner that befits their standing and roles in the community. We do not condone nor trivialise wrongdoings. However, we should not allow a few cases to tar the good work by many more GRLs who have volunteered their time and efforts to build and bond the community and provide support to the residents, particularly during trying times such as in our fight against COVID-19, while conscientiously adhering to the financial rules at the same time.

At the same time, no system can completely prevent attempts at fraud and misconduct. Therefore, PA will continue to identify new controls and measures, to strengthen our systems and processes to ensure that there is proper adherence to the financial rules and regulations, and to enhance the ability to detect irregularity.

SUPPORT FOR ELDERLY AND UNSKILLED WORKERS AT RISK OF BEING REPLACED BY AUTOMATION

12 Mr Yip Hon Weng asked the Minister for Manpower how will the Ministry support elderly and unskilled workers who are at risk of being replaced by automation.

Dr Tan See Leng: Automation and other technological advancements will transform jobs to varying degrees. Simpler job tasks may be automated, leaving more complex tasks that will still require humans to perform. This creates opportunities to enlarge job scopes and create higher value jobs for our workers. To seize these opportunities, workers will need to be prepared. That is why the Ministry of Manpower, together with sector agencies, have launched Jobs Transformation Maps (JTM). These JTMs, provide detailed insights on the impact of technology and automation on jobs in each sector so that employers and workers can take necessary steps to upskill for jobs of the future. Since 2019, we have launched 10 JTMs, and eight more are in development.

A recent example is the Food Manufacturing JTM launched by Enterprise Singapore in December 2022. The JTM identified that workers in job roles such as Production Operators would need to undergo reskilling, as manual tasks such as transporting food products could be automated by conveyor systems. The Operators would need to learn to perform more complex tasks such as machine troubleshooting.

The Government will support employers and workers who are prepared to upskill for such new or redesigned jobs. Workforce Singapore has been working closely with sector agencies and employers to mount Career Conversion Programmes (CCPs), which provide substantial salary support for employers to reskill their existing workers at-risk of redundancy, and redeploy them to new or redesigned job roles within the company. For lower-skilled, lower-wage workers, the Progressive Wage Model sets out wage and skill ladders for workers to upskill for larger job roles. Employers can tap on training support under the Workfare Skills Support Scheme to send lower-wage workers for Workforce Skills Qualifications or in-house training.

We will also support workers who want to consider new careers. Singaporeans can also tap on CCPs to switch careers. I know that this can be more challenging for mature workers, and hence the CCPs provide a higher tier of support to employers who hire mature workers aged 40 and above. In 2022, WSG supported close to 1,900 mature workers through CCPs. The SGUnited Mid-Career Pathways Programme offers an attachment pathway to help mature workers to navigate a mid-career switch.

The Government has extended the Senior Employment Credit and Part-time Re-employment Grant. These schemes support the hiring of older workers and incentivise the provision of structured career planning, as well as part-time re-employment and other flexible work arrangements. Structured career planning will help employers map out future business needs and help their workers identify and develop the necessary skills to pivot with the company.

The Government will continue to work closely with our tripartite partners to support companies and workers in their transformation journey. Enterprise and workforce transformation are mutually reinforcing and should move in step. For example, I encourage companies to work with NTUC to set up Company Training Committees (CTC) and tap on the NTUC CTC grant to transform business processes, redesign jobs, and improve work prospects for their workers. Employers can also seek the assistance of the Singapore National Employers Federation, Singapore Business Federation, and other trade associations and chambers, to tap on programmes to reskill workers and redesign jobs.

REVISION TO CANCER DRUG LIST AND IMPACT ON INTEGRATED SHIELD PLANS' COVERAGE OF CANCER TREATMENTS

13 Mr Chua Kheng Wee Louis asked the Minister for Health (a) how has the number of drugs under the Cancer Drug List (CDL) changed since the introduction of the CDL in August 2021; and (b) what is the current CDL coverage of cancer treatments used in the public healthcare institutions as compared to private healthcare providers.

14 Mr Chua Kheng Wee Louis asked the Minister for Health in relation to the Cancer Drug List (CDL), with changes to Integrated Shield Plans (IPs) taking effect from 1 April 2023 (a) what is the number of cancer patients currently on a course of cancer drug treatment based on drugs not on the CDL; and (b) what measures will be put in place for such patients whose IPs' coverage will cease from 30 September 2023.

Mr Ong Ye Kung: The Cancer Drug List (CDL) was introduced to accord the Ministry of Health (MOH) the leverage to negotiate for lower drug prices, thus enhancing the cost effectiveness of cancer treatments in Singapore, and lowering financial burden on patients and families.

How it works is that for a treatment to qualify for inclusion in the CDL, the supplier needs to ensure prices justify the effectiveness of the treatment. Once in the CDL, the treatment will benefit from government subsidy and healthcare insurance claims.

Since announcing the changes in 2021, we have managed to reduce prices of drugs in the CDL by 30% on average, and by over 60% for some drugs. As more suppliers reduce their prices, more drugs are also included in the CDL. The number of treatments in the CDL has increased from 270 when it was first published in August 2021, to 340 as of 1 February 2023. This represents about 90% of all Health Sciences Authority (HSA)-approved treatments.

The rest of the treatments are not in the CDL because the prices do not yet justify the effectiveness, and suppliers are not willing to moderate their prices. But we will continue to work with them in good faith and try to expand the list.

On average, about 90% of patients in private medical institutions and about 95% of patients in Public Healthcare Institutions were on CDL treatments over the period of 1 September to 31 December 2022.

While some patients are undergoing treatment using drugs not on the CDL, most of them continue to be covered by their Integrated Shield Plan (IP) insurance. Insurers have committed to preserve the current IP coverage of policyholders at least until 30 September 2023. Based on the typical duration of cancer treatment, most patients would have completed their treatment with non-CDL drugs by 30 September 2023.

For those whose treatments extend beyond 30 September 2023, there are a few possibilities. One, it is possible that as the CDL continues to expand, it may include their treatment by then. Two, doctors and patients may consider shifting towards CDL treatments that are clinically proven and more cost-effective. Three, if non-CDL treatments continue to be needed, they may still be covered by private insurance products such as IP riders or critical illness plans that they previously purchased. Four, patients who require non-CDL treatments and face affordability issues may opt for subsidised care at Public Healthcare Institutions, where they may apply for additional support such as MediFund.

GOVERNMENT OFFICERS ALLOCATED TO DEAL WITH WILDLIFE TRADE

15 **Mr Louis Ng Kok Kwang** asked the Minister for National Development (a) in each of the past five years, what is the number of officers under the National Parks Board Wildlife Trade branch; and (b) whether the Ministry will consider increasing the manpower allocated to the Wildlife Trade branch.

Mr Desmond Lee: Various groups of the National Parks Board (NParks) officers are involved in carrying out wildlife trade regulation and enforcement. This includes officers from the Wildlife Trade Branch. For example, the Centre for Wildlife Forensics is involved in the identification and verification of wildlife specimens seized by NParks' wildlife trade inspectors. This provides evidence for NParks' Prosecution Branch to use in court when charging wildlife trade offenders.

NParks also works closely with other agencies, international partners, and the community to tackle illegal wildlife trade. For example, NParks works closely with Singapore Customs and the Immigration and Checkpoints Authority to assess tip-offs and take a risk-based approach to screen and identify cargo for further inspection. NParks also works with its counterparts in other countries and international organisations like INTERPOL, to exchange information and expertise to strengthen enforcement efforts. Importantly, NParks works with industry stakeholders on public education efforts to raise awareness on illegal wildlife trade.

This Whole-of-Government and multi-pronged approach enables NParks to carry out wildlife trade regulation and enforcement effectively. NParks will continually review its regulatory and enforcement frameworks to ensure that it has sufficient manpower, and to leverage science and technology, international cooperation and partnerships to support its work.

WRITTEN ANSWERS TO QUESTIONS

DUE DILIGENCE CHECKS ON NEW CLIENTS OPENING ACCOUNTS TO PREVENT MULE ACCOUNTS FOR SCAMS

1 **Mr Christopher de Souza** asked the Prime Minister how does MAS ensure that banks do their due diligence and investigate and interview new clients who wish to open accounts so as to prevent mule accounts for scams.

Mr Tharman Shanmugaratnam (for the Prime Minister): The Monetary Authority of Singapore (MAS) requires all banks operating in Singapore to put in place robust controls to detect and deter the flow of illicit funds, including the use of mule accounts for scam activities. These controls include rigorous processes to identify customers, understand the intended purpose of account opening, evaluate the risks posed, and monitor the accounts on an ongoing basis for suspicious activity.

Given the rise in the number and severity of scams in recent years, MAS and the Singapore Police Force (SPF) have worked with banks to incorporate an advisory to applicants at account opening. The advisory warns applicants that bank accounts should only be for their own use and that they may be facilitating criminal activities if they allow others to operate their accounts.

MAS has encouraged banks to use data analytics to improve their ability to detect mule activities, and has promoted the sharing of emerging mule typologies across the industry. These efforts have led to greater industry awareness and action, and contributed to credible intelligence being shared with law enforcement agencies for their investigations. For example, a collaboration in July 2022 between the SPF's Commercial Affairs Department and a bank led to the detection and investigation of 26 persons who allowed their bank accounts or Singpass credentials to be misused for illicit purposes.

WORKING WITH INTERNATIONAL PARTNERS AND FINANCIAL INSTITUTIONS TO TACKLE CROSS-BORDER MONEY LAUNDERING

2 **Mr Christopher de Souza** asked the Prime Minister how is MAS working with international partners and financial institutions to tackle cross-border money laundering.

Mr Tharman Shanmugaratnam (for the Prime Minister): As with all major financial centres, Singapore intermediates sizeable global fund flows and is exposed to similar risks of cross-border money laundering and terrorist financing (ML/TF). In recent years, ML/TF schemes have also become increasingly complex and difficult to detect globally, as criminal syndicates exploit technology to hide their tracks. Tackling these risks therefore requires close surveillance in partnership with the industry and international partners.

The Monetary Authority of Singapore (MAS) taps on information from a wide range of sources to detect suspicious financial activities, including reports filed by financial institutions (FIs) and intelligence from our overseas counterparts. Data analytics techniques such as network link analysis are deployed to sift out unusual patterns of activity, thereby allowing us to more swiftly identify and mitigate emerging risks.

An example of active collaboration on anti-money laundering and countering the financing of terrorism (AML/CFT) is the AML/CFT Industry Partnership (ACIP)¹. ACIP is co-chaired by MAS and the Singapore Police Force's Commercial Affairs Department and brings together key FIs to share analyses of emerging ML/TF risks as well as information on specific cases. These proactive efforts have led to the identification and investigation of suspicious accounts and activities. ACIP has issued advisory notes and best practices papers to help improve AML/CFT practices across the industry to strengthen collective defences.

MAS also collaborates closely with our international counterparts to combat cross-border crime. Singapore has in place a legal framework and information sharing mechanisms that are in line with international standards set out by the Financial Action Task Force (FATF). MAS proactively exchanges relevant information with its international counterparts to surface suspicious cross-border flows and activities so that it can take the appropriate mitigating measures.

Note(s) to Question No(s) 2:

¹ ACIP is a private-public partnership, which was established in April 2017. It is co-chaired by MAS and Commercial Affairs Department (CAD) and is supported by a steering group comprising nine banks and Association of Banks Singapore (ABS). The ACIP steering group is supported by Working Groups which will look into specific risk areas and topics relevant to ML/TF.

FOREIGN DOMESTIC WORKER LEVY RELIEF FOR MARRIED WOMEN, AND DIVORCED OR WIDOWED WOMEN WITHOUT SCHOOL-GOING CHILDREN

3 **Mr Leong Mun Wai** asked the Deputy Prime Minister and Minister for Finance why are married women without school-going children qualified to claim for Foreign Domestic Worker Levy Relief for their income taxes while divorced and widowed women without school-going children are not.

Mr Lawrence Wong: As announced in Budget 2023, the Foreign Domestic Worker Levy Relief will lapse with effect from the Year of Assessment 2025.

The Government continues to provide support through the concessionary migrant domestic worker (MDW) levy, which is targeted at those who need help caring for their dependants, including young children, elderly or persons with disabilities.

ACTIONS TO PREVENT FOREIGNERS FROM STAYING ILLEGALLY IN SINGAPORE FOLLOWING CANCELLATION OF WORK PASS

4 **Mr Leong Mun Wai** asked the Minister for Home Affairs (a) why and how were two Chinese nationals able to remain in Singapore illegally for 13 and 15 years respectively before being arrested; (b) when and how does the Ministry take enforcement actions after it is notified that a foreigner's work pass has been cancelled; and (c) in the last five years, what is the median duration of unlawfully remaining in Singapore for overstayers who are arrested.

Mr K Shanmugam: The Immigration & Checkpoints Authority (ICA) takes a serious view of foreigners who overstay. The penalties for overstaying more than 90 days are a jail term of up to six months and a minimum of three strokes of the cane.

ICA also takes strong action against persons who abet the offenders. Homeowners who are found guilty of harbouring immigration offenders may be sentenced to imprisonment of between six months and two years, or a fine up to \$6,000, or both.

ICA and the Ministry of Manpower (MOM) conduct specific checks at the last known residential and employment addresses of foreigners who have remained in Singapore beyond the validity of their pass. ICA also conducts operations regularly against immigration offenders in general. It was during such an operation that the two Chinese nationals were detected and arrested.

Employers and homeowners must exercise due diligence and ensure that a prospective foreign employee or tenant's immigration status in Singapore is legal, before offering employment or renting out their premises. Checks should include ensuring that the particulars on the immigration pass or work pass tally with the passport, as well as verifying the validity of the pass through the ICA or MOM website, or MOM's SGWorkPass app.

In the last five years from 2018 to 2022, the median duration of foreigners who overstayed in Singapore and were arrested is about three months.

Nonetheless, regardless of our measures, some may be able to evade detection and arrest. For these two particular cases, there are ongoing investigations into other individuals involved. We are unable to provide further information at this stage.

IMPACT OF MARKET PLAYERS' ANTI-COMPETITIVE BEHAVIOURS ON HIGH FOOD PRICES

5 **Mr Leong Mun Wai** asked the Minister for Trade and Industry whether anti-competitive behaviours by market players are factors contributing to continuing high prices of food such as chicken, pork and seafood.

Mr Gan Kim Yong: The Competition and Consumer Commission of Singapore (CCCS) conducts market surveillance and reviews all feedback on suspected anti-competitive behaviour. There has been no evidence of anti-competitive conduct in relation to food items such as chicken, pork and seafood.

Members of the public who are aware of anti-competitive activity are encouraged to provide the information to CCCS. CCCS will not hesitate to take enforcement action against anti-competitive practices.

DATA ON USE OF CHILD CAR SEATS IN PRIVATE HIRE VEHICLES AND INSTANCES OF NON-COMPLIANCE

6 **Mr Louis Ng Kok Kwang** asked the Minister for Transport (a) whether the Ministry has data on the annual number of rides in private-hire cars in the past five years where a child car seat supplied by the driver is used; (b) what is the annual number of private-hire car drivers who have been caught for failing to comply with the regulations on using appropriate child restraints; and (c) if this data is not collected, whether the Ministry will consider collecting such data.

Mr S Iswaran: Commuters who need to travel with young children are able to select from various family-friendly services provided by our ride-hail operators, or request for a child car seat when booking private hire cars (PHCs). Over the past three years, there have been about 415,000 trips per year on family-friendly PHC services.

The Ministry of Home Affairs tracks the number of violations of the Road Traffic Rules. According to the Rules, passengers below the height of 1.35 metres travelling in PHCs, like most other vehicles, must be properly secured by an approved child restraint appropriate for their height and weight, or a body-restraining seat belt when seated on a booster seat. The number of PHC drivers who were found to have violated this rule decreased from 66 in 2018 to 29 in 2019. This fell to one to two cases between 2020 and 2022, though the Traffic Police's enforcement priorities and protocols have remained unchanged.

CONTAMINATION RATE OF RECYCLABLES FOR HDB FLATS WITH CENTRALISED CHUTE FOR RECYCLABLES

7 **Mr Louis Ng Kok Kwang** asked the Minister for Sustainability and the Environment for each year in the past five years (a) what is the contamination rate of recyclables for HDB flats with a centralised chute for recyclables; and (b) if this data is not currently collected, whether the Ministry will consider collecting such data.

Ms Grace Fu Hai Yien: Under the National Recycling Programme, recyclables from both recycling bins and recycling chutes are collected for sorting at a Materials Recovery Facility. Recycling trucks collect recyclables from both recycling bins and recycling chutes to optimise collection routes. The aggregated contamination rate for recycling bins and recycling chutes is about 40%. The National Environment Agency (NEA) does not currently collect separate data for recycling chutes.

Moving forward, my Ministry and NEA will consider the usefulness and feasibility of collecting separate data for the contamination rates for recycling bins and recycling chutes.

DISCRETION FOR PRIMARY SCHOOLS TO ADMIT PRIMARY ONE STUDENTS DIRECTLY AND AHEAD OF BALLOTING

8 **Mr Chua Kheng Wee Louis** asked the Minister for Education (a) whether primary schools have the discretion to admit primary one students directly and ahead of any balloting conducted, should the number of registrants exceed the school vacancies; and (b) if so, what are the circumstances under which direct admission is permissible and what is the number of such students admitted annually in the last five years.

Mr Chan Chun Sing: Students enrol in Primary 1 (P1) through the annual P1 Registration Exercise, which is administered by the Ministry of Education. Schools do not have the discretion to directly admit P1 students before or during this exercise.

DISCONTINUATION OF "IT'S OKAY TO REACH OUT" CAMPAIGN FOR MENTAL HEALTH

9 **Mr Leon Perera** asked the Minister for Health (a) why was the "It's OKAY to Reach Out" campaign for mental health discontinued in March 2022; and (b) whether the Ministry is considering launching similar programmes in the future to encourage help-seeking behaviour and awareness of avenues for help for mental health challenges.

Mr Ong Ye Kung: The Health Promotion Board (HPB) launched the "It's OKAY to Reach Out" campaign in October 2021 to promote mental health awareness and literacy among Singaporeans, empower individuals to develop coping skills to manage their mental well-being, and encourage them to reach out for support when they feel overwhelmed.

The programme was not discontinued in March 2022 and is still ongoing, with sustained outreach through social media, online and on-ground programmes.

Aside from “Its OKAY to Reach Out”, HPB also runs a range of other mental health awareness programmes. One campaign is aimed at helping parents better understand their child’s emotional health and identify behaviours of concern. Additionally, HPB’s mental health promotion efforts include raising awareness on MindSG, a one-stop online national portal for mental health and well-being resources.

DATA ON SITE EXPIRY DATES FOR HDB FLATS INTRODUCED UNDER PARENTHOOD PROVISIONAL HOUSING SCHEME

10 **Mr Chua Kheng Wee Louis** asked the Minister for National Development (a) what is the current average site expiry in years, for HDB flats introduced under the Parenthood Provisional Housing Scheme (PPHS); and (b) in each year over the last five years, what is the breakdown of PPHS units by flat type, such as flats under the Selective En bloc Redevelopment Scheme, unsold HDB units, HDB rental units and polytechnic staff apartments.

Mr Desmond Lee: Flats under the Parenthood Provisional Housing Scheme (PPHS) have various site expiry dates. Out of the current stock of 1,430 PPHS flats:

a) 900 (63%) are HDB flats such as unsold flats and public rental flats, which generally have longer and more flexible tenures of more than three years and can be used for PPHS as long as they are not required for more urgent uses; and

b) 450 (31%) are vacated Selective En bloc Redevelopment Scheme (SERS) flats and 80 (6%) are polytechnic apartments, which generally have shorter tenures of around two to three years, and must be returned when the sites are needed for redevelopment or when the leases are up.

The breakdown of PPHS flats from various sources in each of the past five years is shown in Table 1.

Table 1: Number of PPHS flats by Year

Year	Source			Total
	HDB Flats	Vacated SERS Flats	Polytechnic Apartments	
2018	470	250	-	720
2019	460	250	-	710
2020	520	190	-	710
2021	690	250	10	950
2022	890	360	80	1,330

COMPANIES INVESTIGATED FOR UNAUTHORISED SALARY DEDUCTIONS FROM EMPLOYMENT PASS HOLDERS

11 **Mr Leong Mun Wai** asked the Minister for Manpower (a) to date, whether any companies have been investigated for making unauthorised salary deductions from Employment Pass (EP) holders such that these EP holders are effectively paid less than the minimum qualifying EP salary; and (b) if so, how many companies have been investigated.

Dr Tan See Leng: The Ministry of Manpower (MOM) implements various measures upstream to screen out employers who may not have the means or intention to pay the declared salary.

From 2018 to 2022, MOM investigated 167 companies for potential contraventions of the Employment Pass (EP) salary criteria. Of these, 10 companies were investigated for making unauthorised salary deductions from EP holders.

NUMBER OF STAY-AT-HOME MOMS AND EFFORTS TO HELP THEM SEEK EMPLOYMENT

12 **Mr Yip Hon Weng** asked the Minister for Manpower (a) how many Stay-At-Home Mums (SAHMs) are there currently in Singapore; (b) of these, how many are seeking employment; (c) how is the Ministry helping SAHMs who have been upskilling but are still rejected by potential employers and recruiters; and (d) whether the Ministry will consider a place-and-train programme for SAHMs.

Dr Tan See Leng: There is no recognised definition of stay-at-home mums. However, a good proxy would be women who are not looking for work because they have to take care of their own children aged 12 & below. Based on data from the Ministry of Manpower's (MOM) Comprehensive Labour Force Survey, the size of this group of women was 39,100 in 2022. Additionally, there were 2,400 unemployed women actively looking for jobs who had previously left their jobs to take care of their children¹.

Stay-at-home mums who need support to re-enter the workforce can tap on Workforce Singapore’s (WSG) full suite of employment facilitation programmes and services. Those who need a skills top-up can apply for Career Conversion Programmes (CCPs), which provide significant salary support to employers to provide training for their new hires to take on the new job role. With the breadth and variety of place-and-train CCPs available – close to 100 across around 30 sectors – they can choose from many options, depending on their career interests. Stay-at-home mums who have not been employed for at least six months, or are aged 40 years old and above, are eligible for higher salary support of up to 90% under CCPs.

Stay-at-home mums who need job search assistance can visit WSG’s Careers Connect and NTUC’s Employment and Employability Institute’s career centres for career advisory and guidance to learn how to better position their skills and experience to potential employers and recruiters.

Employers too have to play their part to help those who have been away from the workforce for some time to ease back into the workplace. By doing so, employers can tap into this segment of the labour force and the transferable skills and experiences that they may have acquired in their earlier careers. MOM also works with the Institute for Human Resource Professionals and the Singapore National Employers Federation to emphasise the need for employers to adopt fair employment practices and not to discriminate against any group, including stay-at-home-mums returning to work, in line with the Tripartite Guidelines on Fair Employment Practices.

Note(s) to Question No(s) 12:

¹ This refers to those not working but are actively seeking and available for employment.

VERNACULAR SPEECHES

Vernacular Speech by Mr Don Wee()

Vernacular Speech by Mr Desmond Tan()

Vernacular Speech by Mr Abdul Samad()

Vernacular Speech by Mr Mohd Fahmi Aliman()

Vernacular Speech by Mr Eric Chua()

Vernacular Speech by Ms Poh Li San()

Vernacular Speech by Ms Poh Li San()

Vernacular Speech by Mr Vikram Nair()

Vernacular Speech by Mr Leon Perera()