How to improve CPF: Experts’ take

Singapore’s social security savings plan, the Central Provident Fund, is in the spotlight as people worry it will not meet their retirement needs. Ways to reform it were discussed at a forum organized by the Institute of Policy Studies on Tuesday, insight looks at some of the proposals.

By TAM VICK

"Americans on people's CPF savings is a common re- source of debate these days, and that is pickup by experts speaking of its likeness on CPF and browsing on HCI, which men- tion a large number of contributives, with some proposing up to 20% of their salaries and some up to 30%.

The CPF Board should consider how much it gives to the nest egg. Hence the call to move the retirement age up from 60 to 65, to make sure that people can work longer, in order to stay relevant in the workforce.

Withdrawal age

CPF Board to review the CPF withdrawal age to ensure that members have the necessary funds to meet their financial needs, especially in the longer term. They remain in the market for these members.

Risk pooling

CPF Board to consider introducing a risk-pooling scheme to provide a buffer for members who may face financial shocks. This will help secure their retirement funds.

Top-ups

CPF Board to consider introducing top-up schemes, such as promoting a healthy lifestyle or contributing to a retirement fund.

Michaelsen B.mozilla helps users save for medical costs.

WHO’S LEFT OUT

CPF is of help to those who do work or cannot work. That includes women who do not have jobs, or those who are not working for long periods, and do not contribute to CPF.

"What hurts

"How to improve CPF: Experts’ take

YOUR CPF RETIREMENT NEST EGG

WHAT HELPS

Years of work

CPF Board to consider increasing the retirement age to 65, to ensure that members have the necessary funds to meet their financial needs, especially in the longer term. They remain in the market for these members.

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WHAT HURTS

Too much in housing

"Too much in housing is a problem that needs to be addressed. The CPF Board should consider reducing the amount of money members can contribute to housing, or increasing the amount they contribute to their retirement funds.

Other withdrawals

CPF Board to consider allowing members to withdraw a certain amount from their CPF fund, especially in cases of medical emergencies.

Income replacement

CPF Board to consider increasing the amount of money members can contribute to their CPF fund, especially in cases of medical emergencies.

"End of the line: CPF, which stands for Central Provident Fund, is the main source of retirement savings in Singapore. It consists of three components: the Ordinary Account, the Special Account, and the Medisave Account.

The Ordinary Account is used for daily expenses, the Special Account for savings, and the Medisave Account for medical expenses.

The CPF Board is responsible for managing the CPF funds, and for providing advice to members on how to best use their CPF savings. The CPF Board also administers the CPF schemes, including the CPF Retirement Savings Plan (RSP) and the CPF Withdrawal (WD) scheme.

The CPF Board is an independent statutory body, and is not subject to government interference. It is governed by a Board of Directors, which is appointed by the Minister for Manpower.

The CPF Board is responsible for ensuring that CPF funds are well-managed and that members receive a fair return on their investments. It also provides guidance to members on how to best use their CPF savings, and how to plan for their retirement.