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***Managing Shocks in Singapore's Ageing  
and Retirement Arrangements***

by

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**Date : 1 April 2019 (Monday)**  
**Time : 10:00 a.m. – 11:00 a.m.**  
**Venue : Boardroom, School of Public Health, G/F, Patrick Manson Building, 7 Sassoon Road, Pokfulam**

**Abstract:**

Asia is rapidly-ageing and there is a need for governments to adjust social security expenditures accordingly to facilitate better management of socioeconomic shocks by the individual/household and society as a whole. This paper examines the ageing and retirement arrangements in Singapore and argues that they provide a very limited ability for the individual/household to mitigate the effects of an adverse socioeconomic shock. A major contributor to this is the limited social risk pooling resulting from a continued focus on mandatory savings to a defined-contribution scheme for ageing and retirement-financing needs, age and gender biases in existing policy designs, and low real rates of return to mandatory savings balances. More fundamental reforms are needed if Singapore is to be able to better manage the impact of adverse socioeconomic shocks. This includes introducing a budget-financed universal social pension, and a realignment of the mandated returns to the contributions and balances under existing retirement financing arrangements. Otherwise, there is potential for socially-destabilising and -detrimental outcomes to emerge in the medium- to longer-term.

**Bio-sketch:**

Chang Yee Kwan is currently affiliated with the Center for Southeast Asian Studies as a Non-Resident Fellow. He served as an Assistant Professor in Economics at Xiamen University Malaysia, and as a Research Fellow at the Lee Kuan Yew School of Public Policy, National University of Singapore. He earned a PhD and MSc in Economics at the Universities of Dundee and Edinburgh, and a Bachelor's degree in Business from the Nanyang Technological University. His research interests lie in macroeconomics and trade policy with imperfect competition, tax and subsidy policies, and the role of the state in socioeconomic development.

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