

## **Annex A: Budget 2021 Themes & Questions**

1	<p><b><u>Adapting our Way of Life to be a Safe and Smart Nation</u></b></p> <p>To combat COVID-19, we expanded the healthcare system significantly. We more than doubled ICU capacity, built up contact tracing and testing capabilities, and set up temporary community care and isolation facilities. We focus on four key areas – vaccination, testing, tracing, and safe management. The positive outcomes so far give us the confidence to reopen our economy and society, gradually and safely.</p> <p>Singapore has evolved and adapted its strategy and measures to keep COVID-19 under control. We have changed how we live, work, and socialise, so that we can keep our community, our loved ones, and ourselves safe. Our national crisis response provides us with an opportunity to transform the economy. To keep us safe and connected, increased digitalisation will also advance our Smart Nation agenda.</p> <p>With rapid digitalisation becoming necessary, we needed to step up digital adoption to ensure people remain connected. Besides providing digital access for students from low-income backgrounds through the Neu PC Plus Scheme, the Seniors Go Digital and Hawkers Go Digital Movement help those who are less familiar with technology, enabling them to benefit from technology.</p> <ol style="list-style-type: none"><li>a) With further waves of COVID-19 internationally, how can we continue to strengthen our links with other countries while protecting our people?</li><li>b) How can we turn the COVID-19 crisis into an opportunity to transform our way of life and our nation?</li><li>c) How can we encourage and accelerate digital adoption, especially among individuals and groups who are unfamiliar with, or who are hesitant to use technology?</li></ol>
2	<p><b><u>Emerging Stronger - as an Economy</u></b></p> <p>Although the post COVID-19 global economy will be fundamentally different, we remain in a good position to identify and respond to new economic opportunities. For example, we can invest in economic resilience and sustainability as a source of growth and competitive advantage.</p> <p>We have set up the Emerging Stronger Taskforce (EST) to update Singapore's economic roadmap to respond to the new realities, and to emerge with a new competitive edge. The EST set up Alliances for Action (AfAs) in growth areas such as:</p> <ul style="list-style-type: none"><li>• Sustainability: market-testing concepts and business opportunities in carbon services;</li><li>• Enabling safe and innovative visitor experiences: exploring the re-designing of business events and leisure itineraries for a post-COVID world;</li><li>• Facilitating smart commerce: looking at enhancing online-to-offline partnerships and designing new user experiences in malls.</li></ul> <ol style="list-style-type: none"><li>a) How can we help businesses transform and thrive in a post-COVID world? Strategies could include digitalisation, innovation, and automation. What help do businesses need to access bigger overseas markets such as in ASEAN?</li></ol>

	<p>b) What are the new opportunities in economic resilience and sustainability that businesses can seize?</p> <p>c) How can we build a resilient workforce to support our economy?</p> <p>d) How can the Government partner businesses and workers to deliver support schemes better and at larger scale?</p>
3	<p><b><u>Emerging Stronger - as a Workforce</u></b></p> <p>COVID-19 has accelerated economic transformation, and the business environment has become more volatile. Older workers, lower-wage workers and gig workers have been particularly affected. We need to strengthen support for our workers, including softening or lessening the impact of unemployment on the vulnerable.</p> <p>To support workers affected by COVID-19, the Government launched the SGUnited Jobs and Skills Package to expand job, traineeship, and training opportunities. The Package aims to help local jobseekers acquire industry-relevant skills and capabilities, and access good job opportunities.</p> <p>To support lower-wage workers, the Government introduced schemes such as the Workfare Income Supplement, Workfare Skills Support, and Progressive Wage Model.<sup>1</sup></p> <p>To support older workers, the Government introduced the Senior Employment Credit to encourage employers to hire older Singaporeans, and the CPF Transition Offset to cushion the increase in CPF rates for employers. Under the Jobs Growth Incentive, the Government also co-pays salaries of all new local hires aged 40 and above until Feb 2021.</p> <p>To lessen the economic impact of COVID-19 on workers, the Government introduced the Self-Employed Person Income Relief Scheme (SIRS) and COVID-19 Support Grant (CSG), which ends in Dec 2020.</p> <p>a) How can we equip the workforce with the skills to stay relevant to a more volatile economic environment, and help them cope with the long-term impact of unemployment?</p> <p>b) How can we build a culture of lifelong learning and constant reskilling in our workforce? How can we better support middle-aged workers, who may face greater difficulty in acquiring new skills?</p> <p>c) How can the Government, employers, and lower-wage workers work together to uplift the workers' incomes in a meaningful and sustainable way?</p>

<sup>1</sup> To support our lower-wage workers, the Government has introduced:

- Workfare Income Supplement to encourage eligible workers to work and build up their CPF savings.
- Workfare Skills Support to help lower-income workers to upgrade their skills and boost their career mobility.
- Progressive Wage Model to increase the wages of workers through upgrading skills and improving productivity.
- ComCare Short-to-Medium-Term Assistance for lower-income Singaporeans who are temporarily unable to work or looking for employment and require financial assistance.

	d) How can we help gig economy and informal workers save more towards their healthcare and retirement?
4	<p><b><u>Emerging Stronger - as a Society and Community</u></b></p> <p>COVID-19 has posed greater challenges to the vulnerable groups, and the Government is committed to help those in need. At the same time, there has been a deepened sense of solidarity and a greater momentum for giving. If we can get more participation and resources from the community, this allows us to better support those in need and build a more inclusive and resilient society.</p> <p><u>Households.</u> To support households through the pandemic, the Government introduced a range of measures. They include about \$5.9 billion in transfers comprising the Solidarity Payment, Solidarity Utilities Credit, and measures under the Care and Support Package (CSP), such as the Care and Support – Cash, PAssion card top-up, Workfare Special Payment, additional GST Voucher – U-Save rebate, Service and Conservancy Charges (S&amp;CC) Rebate, Grocery Vouchers, CDC vouchers, and grants to self-help groups. Together, these schemes supported more than 2.8 million Singaporeans, with the lower income receiving more support.</p> <p>Apart from schemes introduced to support households through the COVID-19 pandemic, there are also existing schemes for vulnerable households such as ComCare, MediFund and Silver Support Scheme<sup>2</sup>.</p> <p><u>Charities and social service agencies (SSAs).</u> To encourage philanthropy and volunteerism, the Government provides a 250% tax deduction on donations made to Institutions of a Public Character. This comes on top of matching grants, and the Businesses and IPCs Partnership Scheme.</p>

<sup>2</sup> Existing schemes supporting lower-income

- ComCare provides Short-to-Medium-Term Assistance for lower-income Singaporeans who are temporarily unable to work or looking for employment and require financial assistance, as well as Long-Term Assistance for those unable to work due to old age, illness, or disability.
- The Silver Support Scheme provides a cash payout to seniors who had low incomes through life and now have little or no family support. The scheme will be enhanced from 2021 to benefit about 100,000 more seniors, and the payouts will be increased by 20%, to up to \$900 per quarter.
- MediFund provides a safety net for low-income Singaporeans, to ensure everyone can pay for healthcare that is appropriate for their needs.
- Education subsidies such that families can pay as little as \$3 per month for full-day childcare, and have their primary and secondary school fees fully subsidised.
- Healthcare subsidies of up to 80% for hospitalisations, with the lower-income receiving more.
- GST Vouchers to offset some of their GST expenses.
- Community Development Council (CDC) Vouchers to redeem food, essential items, and services at local hawker stalls and heartland merchant shops near their homes.
- Bicentennial Bonus in 2019, including (i) additional GST Voucher and Workfare payments, (ii) a personal income tax rebate, (iii) top-ups to Edusave accounts or Post-Secondary Education Accounts, and (iv) a CPF top-up.
- The Workfare Income Supplement scheme and Progressive Wage Model uplifts the wages and productivity of lower-income workers, and the Workfare Skills Support scheme provides them with help to upgrade their skills and boost their career mobility.

Existing schemes supporting Persons With Disabilities (PWDs)

- The Early Intervention Programme for Infants & Children (EIPIC) provides support for children under the age of 7 with developmental needs. Low-income families pay as little as \$5 a month.
- The Financial Assistance Scheme provides financial help on fees and other school expenses for students in Special Education schools.
- The Open Door Programme encourages employers to hire, train, and integrate PWDs. The programme includes support such as the Enabling Employment Credit, Job Redesign Grant, and Training Grant.
- The Home Caregiving Grant provides \$200 cash payouts each month, for those with a permanent moderate disability and who are not residents of an Intermediate and Long-Term Care institution

	<p>To support charities facing difficulties during this period with reduced donations and volunteerism, the Government tops up the matching for donations through Tote Board's Enhanced Fund-Raising scheme by \$100 million. We have also provided a top-up of \$18 million to the Invictus Fund to support SSAs to deliver their services more effectively.</p> <p><u>Community partnerships.</u> Many Singaporeans are keen to play a part, and to make a difference. In the spirit of the Singapore Together (SG Together) movement, the Emerging Stronger Conversations (ESCs) give Singaporeans a shared opportunity to reflect on our COVID-19 experience and articulate how we can emerge as a stronger and more resilient Singapore.</p> <ul style="list-style-type: none"> <li>a) How can we encourage stronger partnerships across the Government, businesses and the community to support vulnerable groups in our society more effectively?</li> <li>b) How can we review and improve current schemes to further support the families and community in caring for one another?</li> <li>c) How can we better assist low-income households who still need further help with their cost of living?</li> </ul>
5	<p><b><u>Building a Green and Sustainable Future</u></b></p> <p>We want to encourage greater collaboration between the Government, community and businesses to make Singapore a liveable city, promote the sustainability agenda, and tackle the effects of climate change.</p> <p>Sustainability has always been a key consideration in the Government's decisions, and we are placing increased emphasis on it, as well as on climate change as we move forward. In 2020, the Government announced several broad strategies:</p> <p>First, Singapore will continue to support global efforts to combat climate change, such as playing an active role at the UN Framework Convention on Climate Change (UNFCCC). This includes exploring bilateral power trading arrangements and regional power grids, which will allow us to tap on green electricity options such as hydropower and large-scale solar power.</p> <p>Second, Singapore will work towards a vision to phase out all Internal Combustion Engine (ICE) vehicles and have all vehicles run on cleaner energy by 2040, as part of efforts to transit to a low-carbon, low-emissions economy. To encourage the take-up of cleaner vehicles, there are plans to enhance incentives to encourage the adoption of cleaner and more environmentally vehicles and expand the public charging infrastructure for electric vehicles.</p> <p>Third, to mobilise the community on sustainability issues. The Government announced incentives to encourage households to purchase energy-efficient household appliances and make sustainable living a key feature of HDB estates, such as through the addition of more greenery and efforts to reduce energy consumption. A \$50 million SG Eco Fund supports the co-creation of sustainability initiatives with Singaporeans.</p> <p>Fourth, to implement measures that enable long term adaptations to climate change. A new Coastal and Flood Protection Fund was set up to prepare our island for rising</p>

sea levels. We will also continue to invest in research and development to address our climate and sustainability challenges and create solutions that can be exported globally.

- a) In what new areas can the Government partner businesses and citizens to improve Singapore's liveability and promote environmental, resource, and climate sustainability?
- b) How can the Government finance green infrastructure and initiatives, while managing costs across the different generations who will benefit?