



**TOGETHER,
A BETTER
FUTURE**

Over the years, we have achieved much by working together:



Built new homes and improved older homes and estates

- BTO launches & enhanced subsidies
- Remaking Our Heartland
- Lift Upgrading Programme



Reduced waiting times and expanded public transport network

- More buses and trains
- New rail lines and new stations
- Upgrading of signaling systems for NSEWL



Made healthcare more affordable and increased capacity

- MediShield Life
- Pioneer Generation Package
- More hospitals, polyclinics and nursing homes
- Higher subsidies



Strengthened our social security

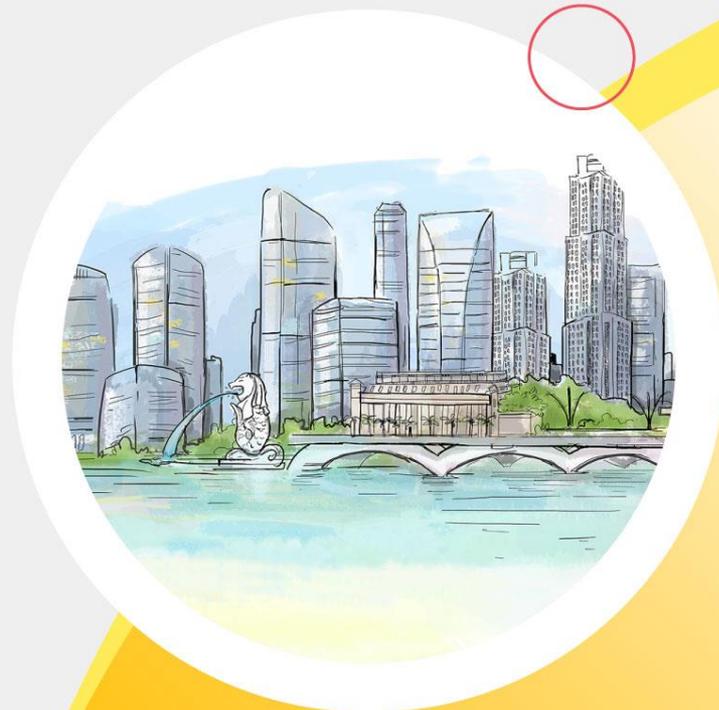
- Workfare
- Silver Support

Last year,

 **3.6%**
GDP growth

 **4.5%**
productivity growth

 **5.3%**
increase in real median incomes



TOGETHER, A BETTER FUTURE

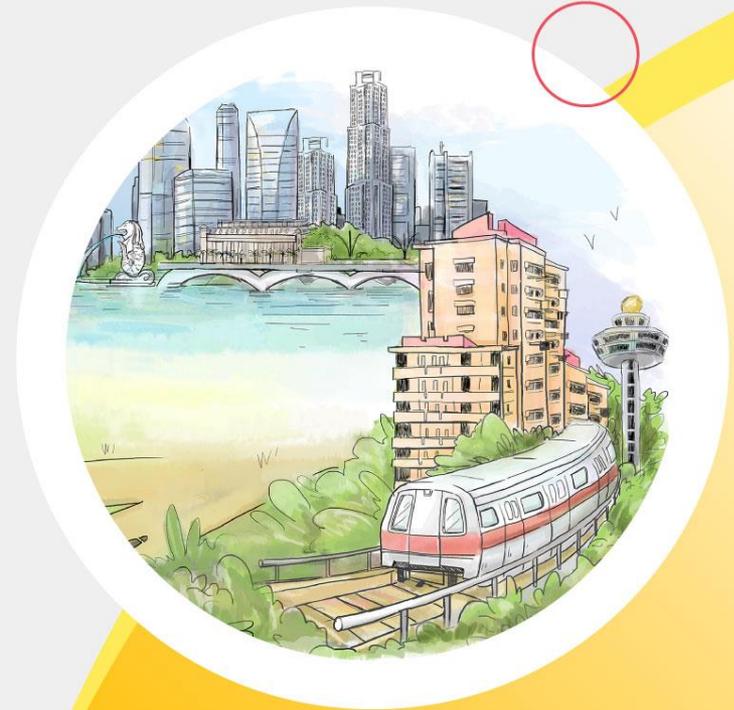
Looking ahead, three major shifts:

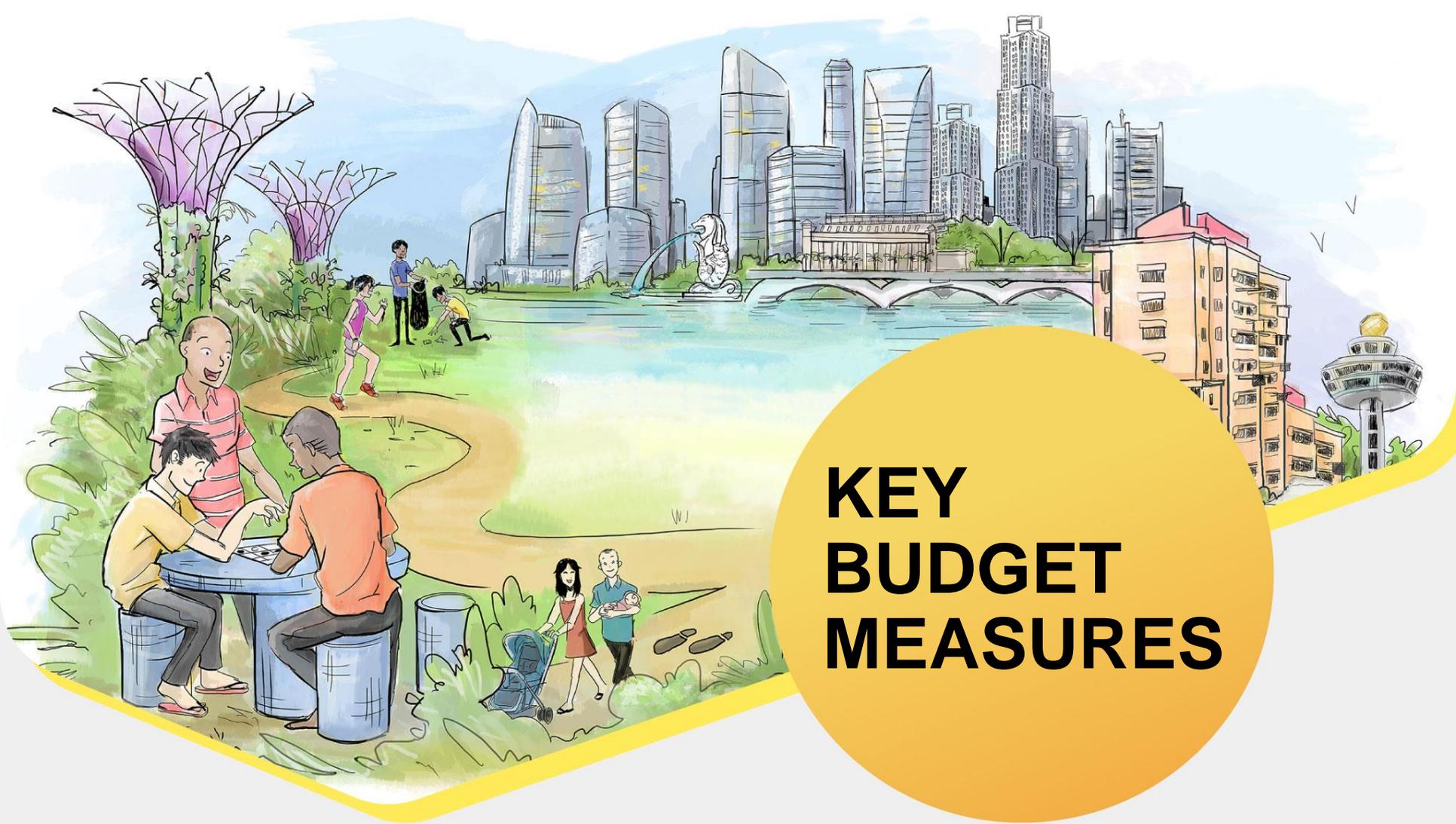
- Shift in global economic weight towards Asia
- Emergence of new technologies
- Ageing



Budget 2018 is a strategic and integrated plan

- Develop a vibrant and innovative economy
- Build a smart, green and liveable city
- Foster a caring and cohesive society
- Plan ahead for a fiscally sustainable and secure future





KEY BUDGET MEASURES

For Businesses

Building a vibrant and innovative economy together.

Wage Credit Scheme

will be extended to support employers who give wage increases to Singaporeans.

Productivity Solutions Grant

to support companies that wish to adopt off-the-shelf technologies and productivity solutions.

Enterprise Development Grant

to provide more integrated support to companies to build a range of capabilities.



For Workers

Creating opportunities and preparing Singaporeans for better jobs and better lives.

Career Trial

to provide funding support for lower- and middle-income workers to try out new careers.

Tech Skills Accelerator (TeSA) Scheme

will be expanded to more sectors, and to train more Singaporeans to learn emerging digital skills.

New ASEAN Leadership Programme

to help Singapore business leaders better understand and plan business expansions into Southeast Asian markets.



For Our Children

Education helps our children realise their potential.



Edusave contributions will be increased

Government will provide more support to our students. From Jan 2019, Edusave contributions will be increased for primary and secondary school students.



Financial assistance schemes will be enhanced

Every child will have the opportunity to realise his/her potential. Financial assistance schemes will be enhanced to benefit more students and provide greater financial support.

For Families

Helping individuals and families prepare for the future and support one another.

Proximity Housing Grant (PHG) has been enhanced to encourage more family members to live with or near each other.



Families who choose to live **with** their parents or children

Higher grant of **\$30k**



Singles who choose to live **with** their parents

Higher grant of **\$15k**

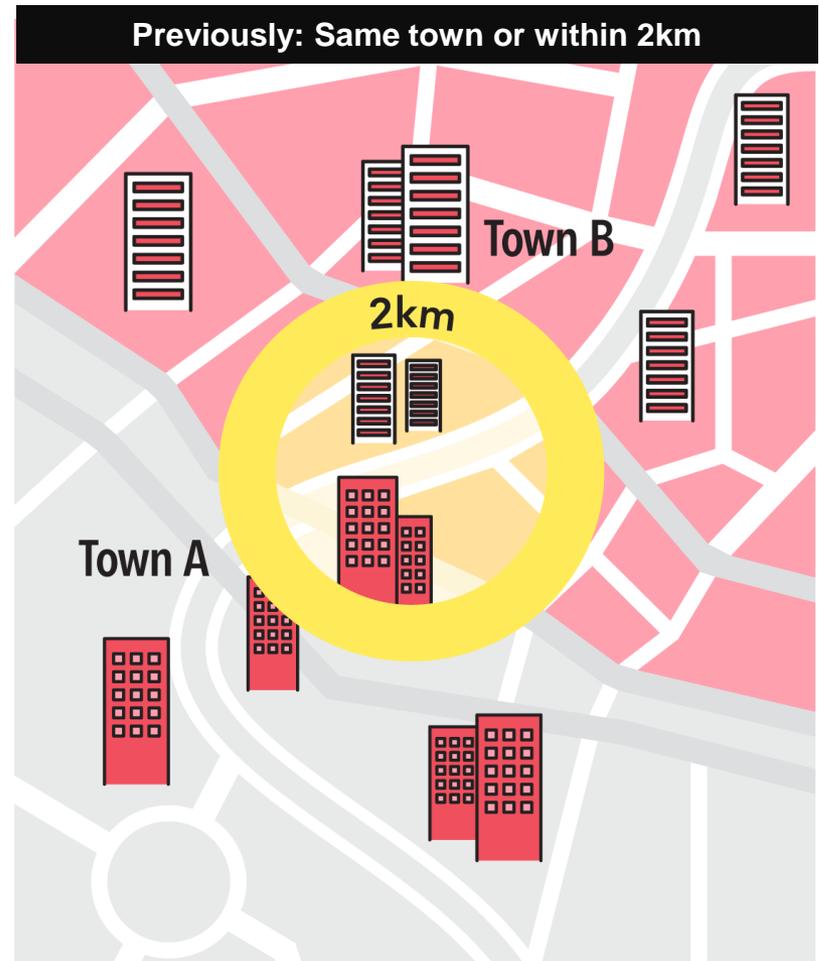


Singles who choose to live **near** their parents

New grant of **\$10k**

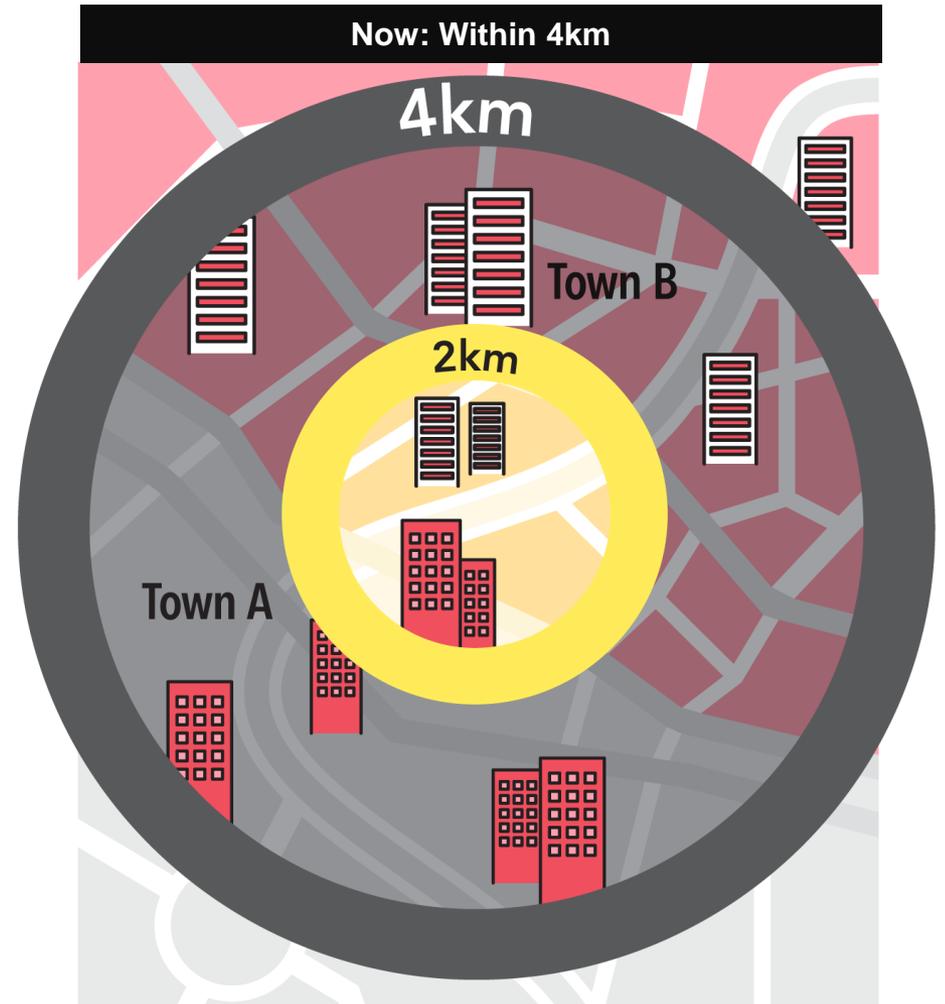
For Families

What is considered “near” has been simplified to “within 4km” so families have more choices.



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For Households

Supporting households with their expenses.



S&CC Rebate will be extended

for one more year, benefitting ~900,000 households.



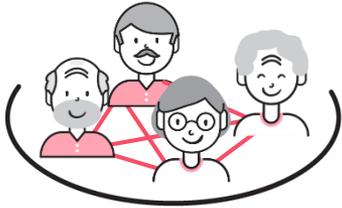
Increased U-Save

from 2019 to 2021 for eligible HDB households will cover the expected average increase in electricity and gas expenses that may arise indirectly from the carbon tax on large emitters.

Flat type	Estimated average increase in annual utilities bill	Additional U-Save per year over 2019-2021
1-Room	\$3.60	\$20
2-Room	\$5.00	
3-Room	\$7.20	
4-Room	\$9.70	
5-Room	\$11.20	
Executive/ Multi-generation	\$13.70	

For Seniors

Strengthening partnerships between Government and community to better care for our seniors and the vulnerable.



Community Networks for Seniors and Silver Generation Office

Expand Community Networks for Seniors nationwide. Silver Generation Office will reach out to all seniors.



Agency for Integrated Care

Bring together social and health-related services for seniors under the Ministry of Health. Agency for Integrated Care will become the central point-of-contact.



Social Service Offices

Role and capabilities of Social Service Offices will be strengthened, so citizens who need help can get it more quickly and effectively.



For Everyone

Encouraging a spirit of giving in every Singaporean.

250% tax deduction for donations

made to IPCs will be extended till end-2021 to encourage donations.

Community Development Councils

to be given greater support, enabling them to do more to help the community.

Empowering for Life Fund

donations matched to support skills upgrading and employment for the most vulnerable in society.

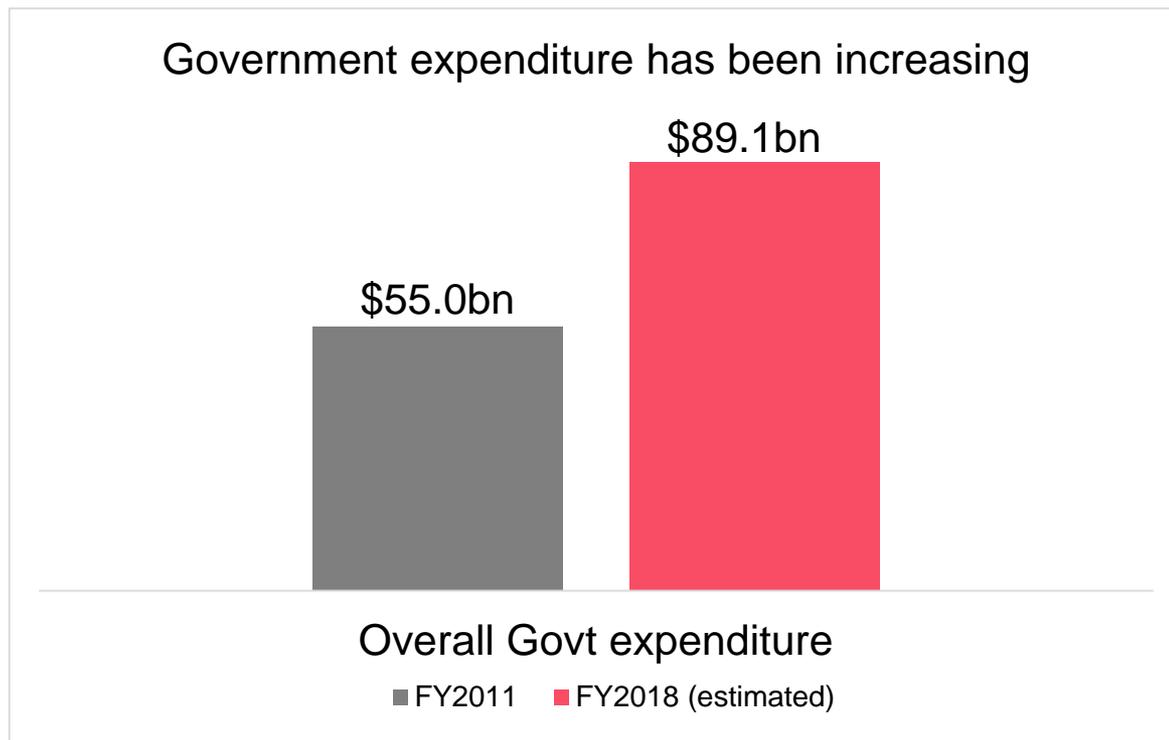




**PLANNING
AHEAD FOR A
FISCALLY
SUSTAINABLE
AND SECURE
FUTURE**

Over the past decade,

Government has increased spending to benefit Singaporeans.



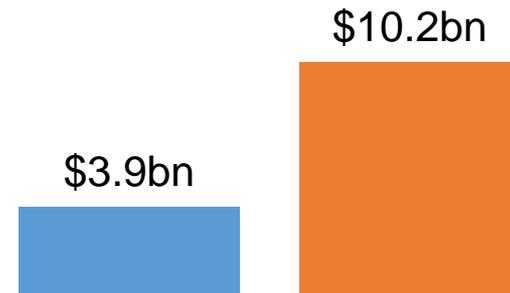
Large increase in Healthcare spending

One of the biggest contributors to the Government's increased expenditure is healthcare.

This includes:

- New hospitals
- New polyclinics
- More nursing homes
- Higher subsidies in primary, specialist and long-term care
- MediShield Life

Healthcare expenditure has been increasing

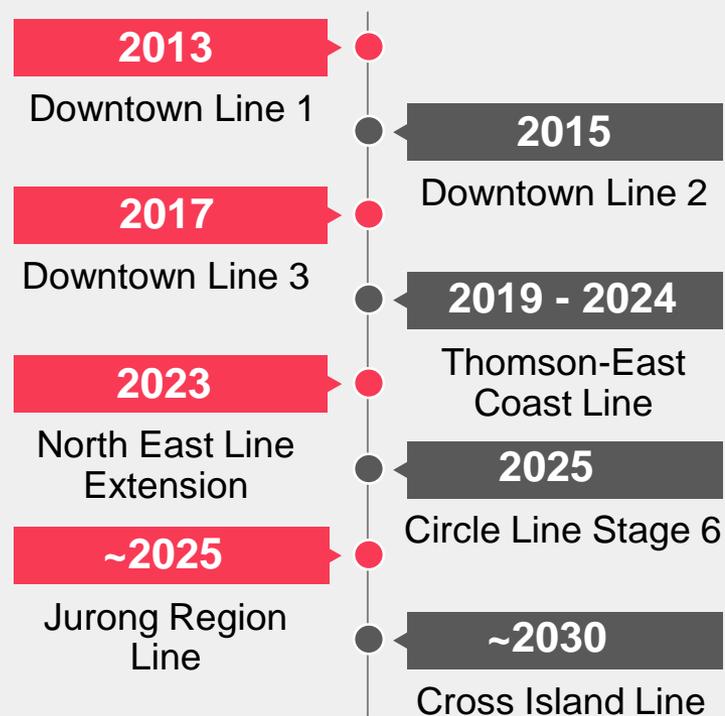


Healthcare expenditure

■ FY2011 ■ FY2018 (estimated)

Major investments in transport

We also made major investments in transport so that 8 in 10 households will be within 10mins of a train station by 2030.



Over the next 5 years,

- ~\$5bn on bus services
- ~\$4bn on rail upgrading and renewal
- ~\$20bn on public transport infrastructure

Government Spending Has Benefitted Singaporeans

For all Singaporeans

- Subsidies for education, healthcare and housing
- Tax reliefs for parenthood, caregiving and retirement savings

For Young Families

- Baby Bonus, Child Development Account, Medisave Grant for Newborns
- Foreign Domestic Worker Levy Concession
- Kindergarten, Student Care, and Childcare Subsidies

For Seniors

- GST Voucher – Medisave
- Intermediate & Long-term Care Subsidies
- Foreign Domestic Worker Levy Concession
- Seniors' Mobility and Enabling Fund
- Enhancement for Active Seniors (EASE)

For middle- and lower-income families

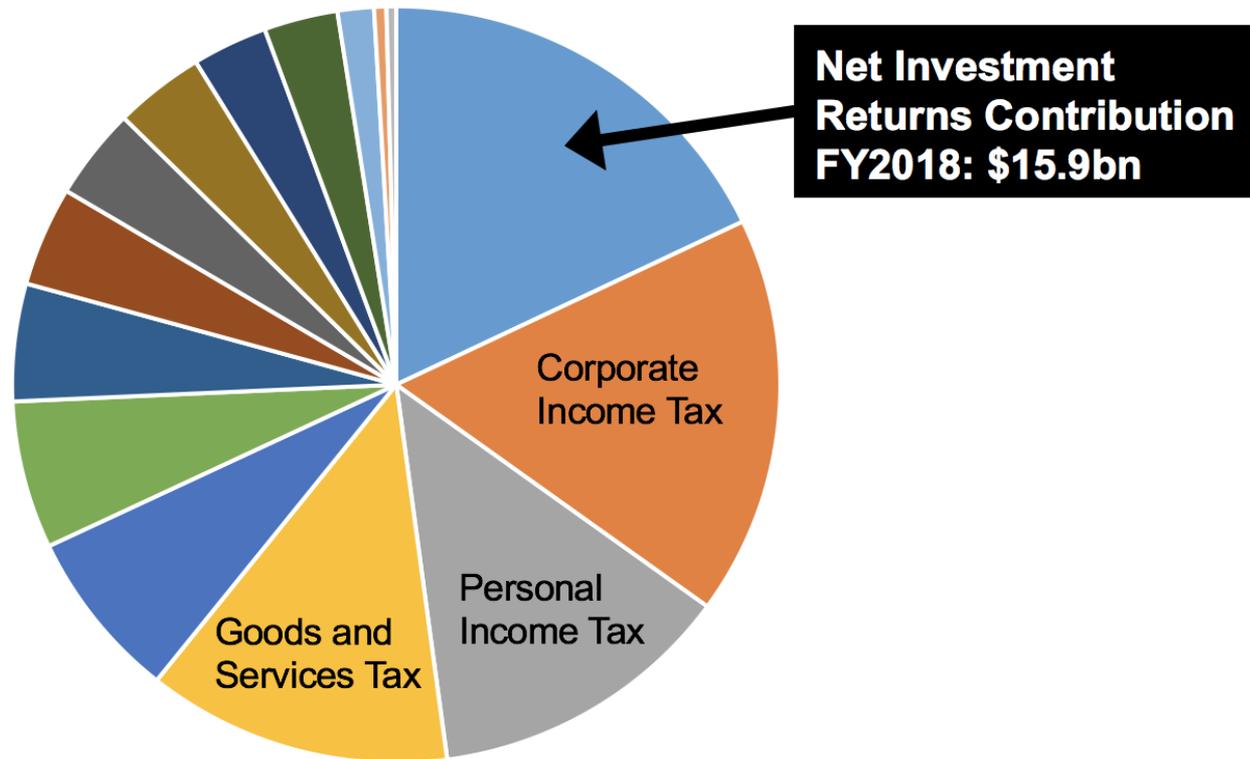
- Community Health Assist Scheme (CHAS)
- Edusave Merit Bursary
- CDC/CCC and MOE Bursaries for Post-Secondary Students
- MOE Financial Assistance Scheme
- CPF housing grants
- GST Voucher – Cash and U-Save
- Workfare Income Supplement

For those with greater need

- Silver Support
- Public Rental Scheme
- ComCare and Public Assistance
- Medifund

Past Governments did the responsible thing and planned ahead for future needs.

Today, contributions from reserves is our largest revenue source.



Beyond this decade,

we need to sustain our investments in:



Education

Give our young a good start and invest in lifelong learning.



Infrastructure

Improve living environment & create jobs for generations of Singaporeans.



Security

Counter terrorism and wider range of threats.



Healthcare

Meet needs of ageing population, everyone will benefit.

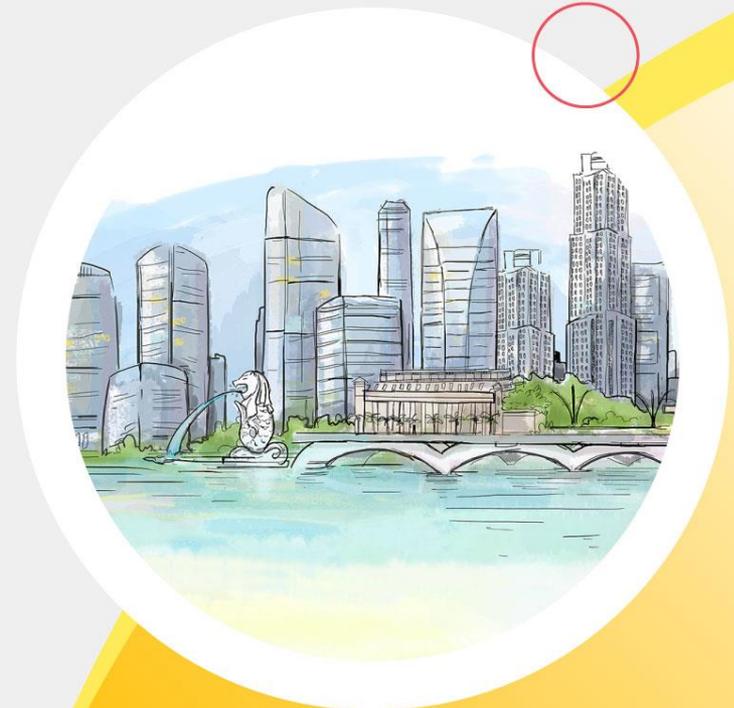
To support our needs, GST will be raised from 7% to 9% sometime within the period of 2021 to 2025.

Government understands concerns, especially for necessities

- Offset package to help Singaporeans with the transition.
- Lower- and middle-income households will receive more support.
- Permanent GST Voucher Scheme will be enhanced
- Government will continue to absorb GST on publicly-subsidised education and healthcare

The Government has:

- Taken in public feedback and studied them seriously
- Put in place measures to ensure prudent spending
- Explored and weighed possible funding models



Exceptional surplus in FY2017

Government will:

- Save ahead for future needs: To build a better future and lay the foundation for Singapore's development in the next decade.
- Share fruits of development with Singaporeans:
One-off SG Bonus



In summary,

Budget 2018 will help us:

- Develop a vibrant and innovative economy
- Build a smart, green and liveable city
- Foster a caring and cohesive society
- Plan ahead for a fiscally sustainable and secure future





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Young Family A currently lives in a rented 3-room flat



Husband, 34

Monthly income:
\$2,500



Wife, 32

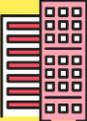
Monthly income:
\$2,000
Expecting 2nd child



Son, 3

Household income per person: \$1,500/month

This young family can benefit from the following schemes in 2018:

Benefits	Cash & other benefits	Total CPF benefits
 Healthcare subsidies e.g. MediShield Life premium subsidies, CHAS	~\$400	–
 Marriage & Parenthood Package e.g. Baby Bonus Cash Gift, CDA First Step grant, Medisave Grant for Newborns, Govt-paid maternity leave (16 weeks), paternity leave (2 weeks) and child care leave (3 days)	~\$21,600	\$4,000
 Extra Interest (CPF) 1% Extra interest on first \$60,000 of CPF balances	–	\$1,200
 GST Voucher Scheme – Cash	\$300	–
 GST Voucher Scheme – U-Save	\$340 (\$360 in 2019, 2020 & 2021)	–
 S&CC Rebate	~\$100	–
 SG Bonus	\$500	–
 Housing grants if the family purchases a 4R HDB resale flat with their parents as their first home after Budget 2018	–	\$90,000
TOTAL	More than \$23,000	More than \$95,000

Elderly Family B lives in a 3-room flat



Husband, 67

Monthly income:
\$1,200



Wife, 61

Monthly income:
\$800

Household income per person: \$1,000/month

This elderly couple can benefit from the following schemes in 2018:

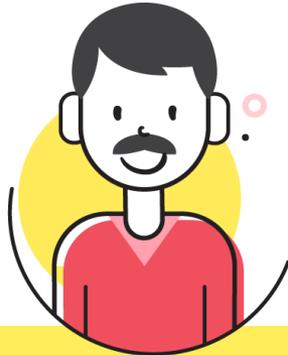
	Benefits	Cash & other benefits	Total CPF benefits
	Healthcare subsidies e.g. MediShield Life premium subsidies, CHAS, outpatient subsidies in public healthcare institutions, 5-Year Medisave Top-up	~\$1,500	\$400
	Silver Support Scheme	\$2,400	–
	Workfare Income Supplement	~\$2,600	~\$3,900
	Extra Interest (CPF) 1% Extra interest on first \$60,000 of CPF balances, Additional 1% Extra Interest on first \$30,000 of CPF balances (for age 55 & above)	–	\$1,800
	GST Voucher Scheme – Cash	\$600	–
	GST Voucher Scheme – Medisave	–	\$250
	GST Voucher Scheme – U-Save	\$340 (\$360 in 2019, 2020 & 2021)	–
	S&CC Rebate	~\$100	–
	SG Bonus	\$600	–
TOTAL		More than \$8,000	More than \$6,000

3-Gen Family C lives in a 5-room flat



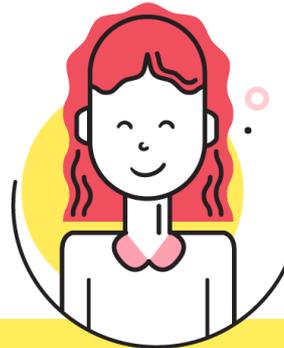
Grandma, 75

Pioneer, unable to perform three Activities of Daily Living



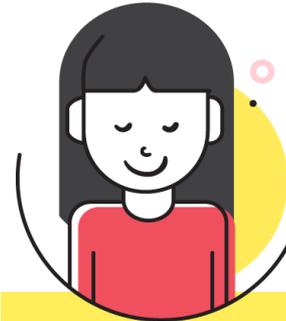
Husband, 48

Monthly income:
\$4,500



Wife, 45

Monthly income:
\$4,000



Daughter, 18

Junior College



Son, 15

Secondary School

Household income per person: \$1,700/month

This 3-Gen Family can benefit from the following schemes in 2018:

Benefits	Cash & other benefits	Total CPF benefits
 Education Annual Edusave Contribution, Edusave Merit Bursary (for top 25%)	\$990 (\$1,010 in 2019)	–
 Healthcare subsidies e.g. MediShield Life premium subsidies, CHAS	~\$500	–
 Pioneer Generation Package Medisave Top-up, PG subsidies for MediShield Life premiums, Special subsidies for outpatient care, PG Disability Assistance Scheme	~\$2,400	\$400
 Support for Seniors Foreign Domestic Worker Levy Concession, Foreign Domestic Worker Grant, Subsidies from Seniors' Mobility and Enabling Fund	At least \$3,900	–
 Extra Interest (CPF) 1% Extra interest on first \$60,000 of CPF balances, Additional 1% Extra Interest on first \$30,000 of CPF balances (for age 55 & above)	–	\$2,100
 GST Voucher Scheme – Cash	\$300	–
 GST Voucher Scheme – Medisave	–	\$350
 GST Voucher Scheme – U-Save	\$260 (\$280 in 2019, 2020 & 2021)	–
 S&CC Rebate	~\$160	–
 SG Bonus	\$700	–
TOTAL	More than \$9,000	About \$3,000



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