

Analysis of Balances of CPF Members by Gender

Accumulation of CPF savings for retirement is affected not only by wage levels which determine the amount of contributions made into one's CPF accounts, but also by how regularly members work and make contributions. Over the years, economic participation among both genders have evolved and today, many women play dual roles in the home and at work.

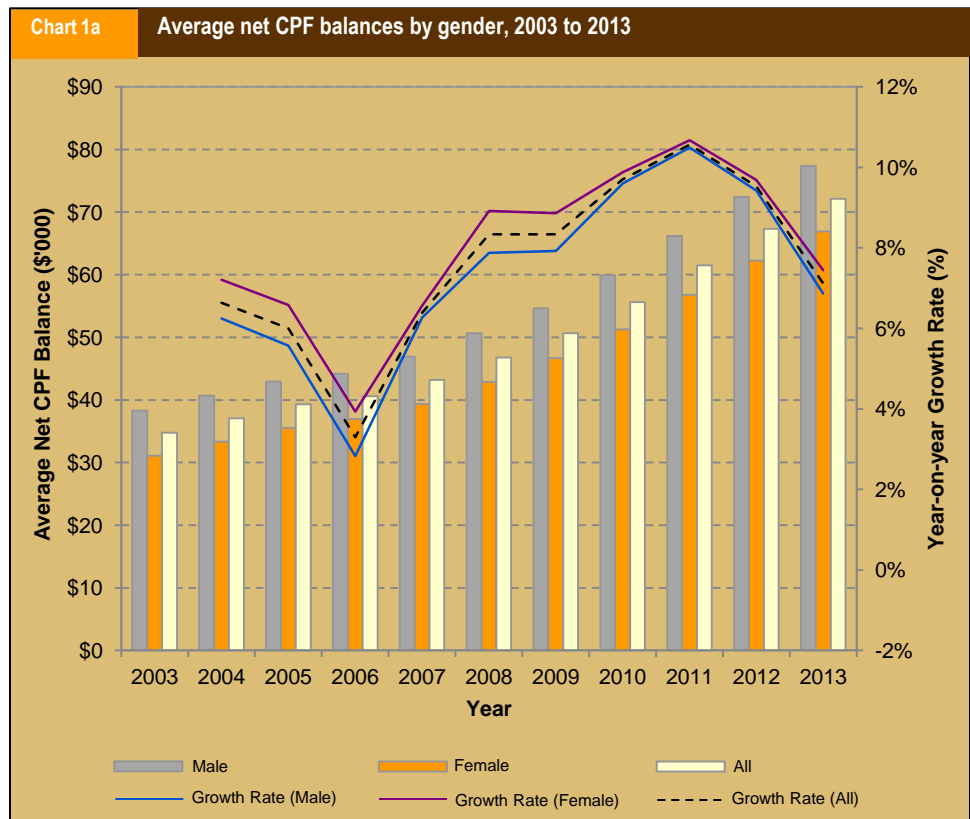
This article provides an analysis of CPF balances¹ by gender and examines how their balances have evolved over the last decade.

Growing average net CPF balances

Higher growth rate of average net CPF balances registered by females

The average net balances of CPF members² have grown at an annual average rate of 7.6% over the last 10 years, from \$34,800 in 2003 to \$72,100 in 2013.

The year-on-year growth of the average net CPF balances of females over this period was consistently higher than that of males, despite lower average net CPF balances of the former group over the last decade (**Chart 1a**).

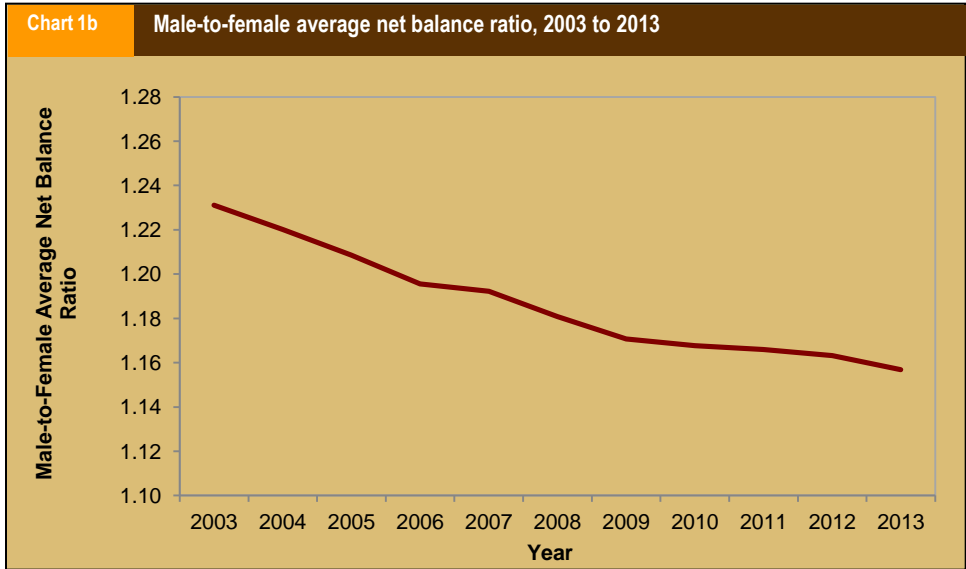


¹ CPF balances refer to net balances in the Ordinary, Special, Medisave, Retirement, and Living Expense Accounts.

² CPF members refer to persons with positive CPF balances in any of their CPF accounts.

Narrowing gap in average net CPF balances between gender

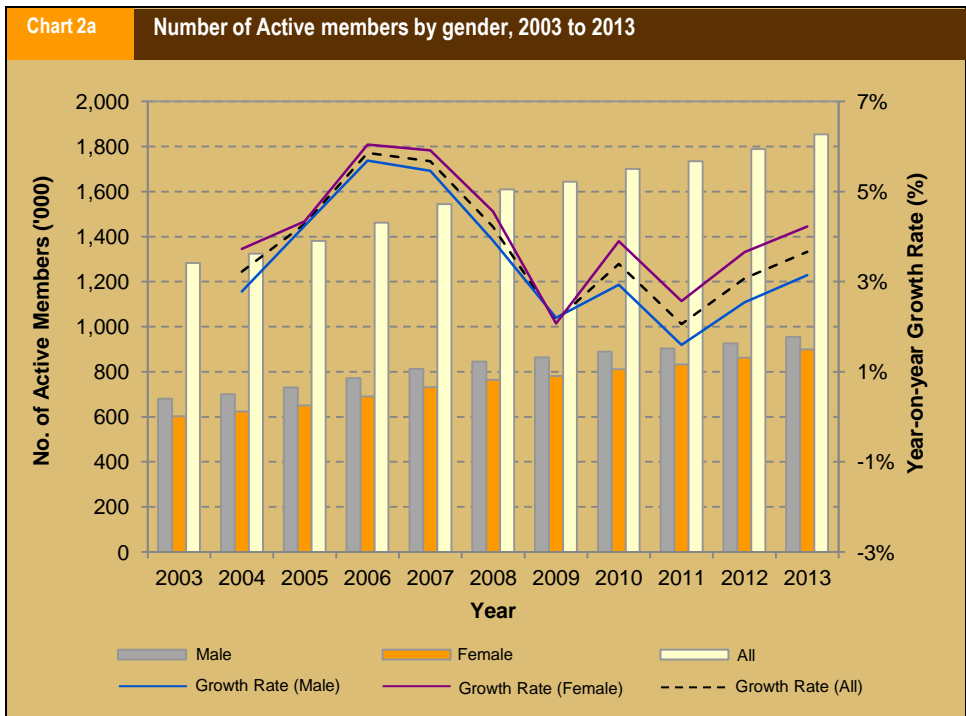
The male-to-female average net balance ratio has declined from 1.23 in 2003 to 1.16 in 2013. The disparity in average net CPF balances between the two genders has narrowed, possibly due to an increasing ability of females to accumulate CPF savings from increased workforce participation (Chart 1b).



Steady increase in number of females in the workforce over the last decade

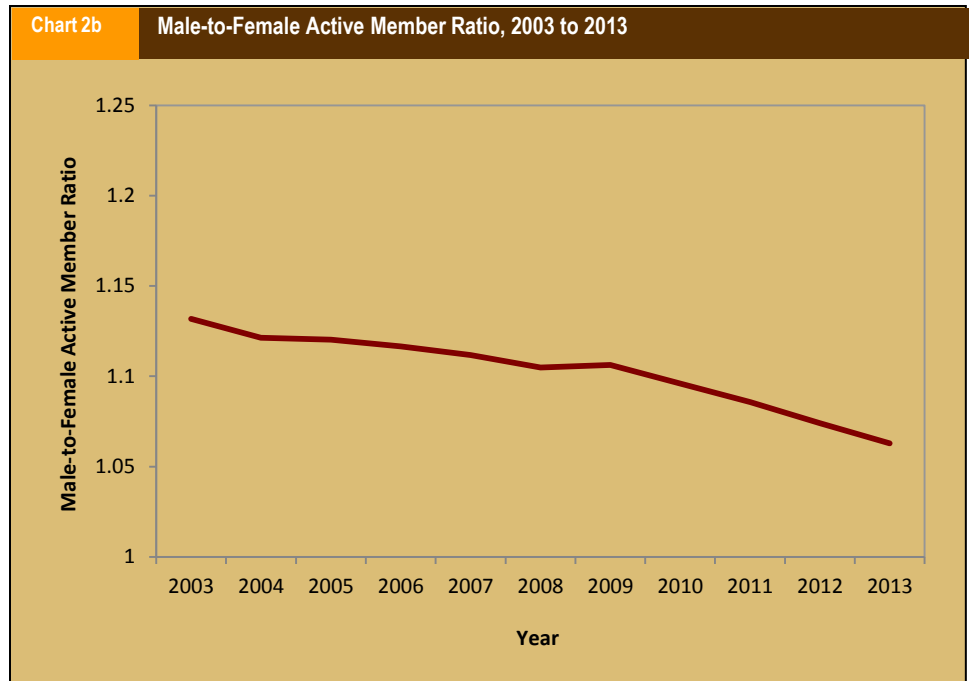
More working females today

Looking at active CPF members³ by gender, an increasing number of females in the workforce can be observed over the last 10 years. The growth rate in the number of active female members is higher than active male members, especially in the recent years from 2010 to 2013 (Chart 2a).



³ Active CPF members refer to persons who have at least one CPF employment contribution paid for them for the current or any of the preceding three months. Activity status is based on data as at end of each year.

The male-to-female active member ratio has dropped from 1.13 in 2003 towards 1 in 2013. This is likely because females are contributing actively to the workforce and taking dual roles at the workplace and at home (**Chart 2b**).



Readiness for retirement

To assess the balances of CPF members for retirement purposes, we looked at active CPF members aged 25 to 54⁴. In the following sections, the analysis is based on the median balances in the Ordinary Account (OA) and Special Account (SA) plus the amount withdrawn under the CPF Investment Scheme (CPFIS). For brevity, the sum of OA and SA balances including the amount withdrawn under CPFIS will hereafter be referred to as OASA.

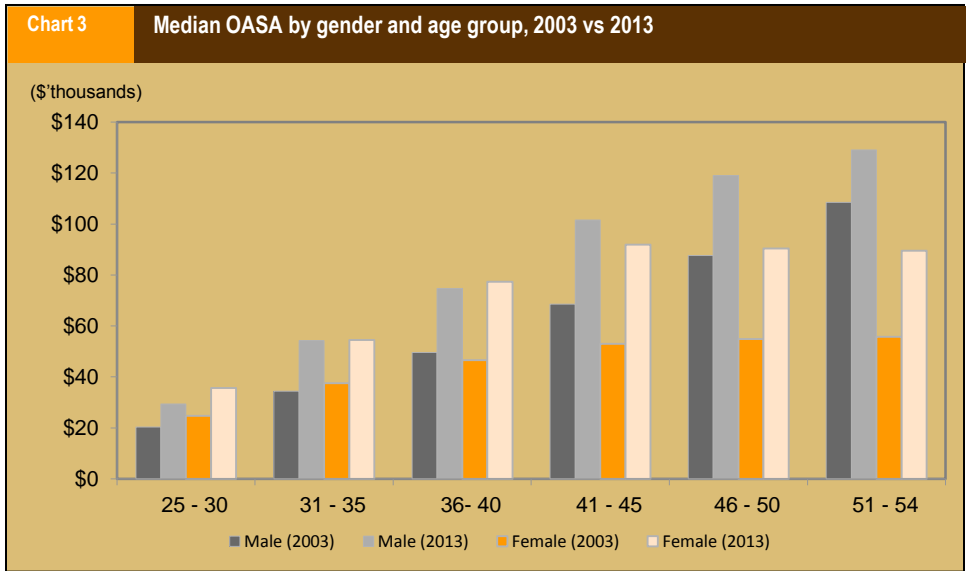
The analysis will focus on the comparison of median OASA at two points in time, 2003 and 2013.

⁴ CPF members can withdraw their CPF savings when they turn 55, after setting aside their applicable CPF Minimum Sum. Therefore, only members aged 25 to 54 are analysed.

Median OASA of females aged 30 and below higher than males

Improvement in OASA of females

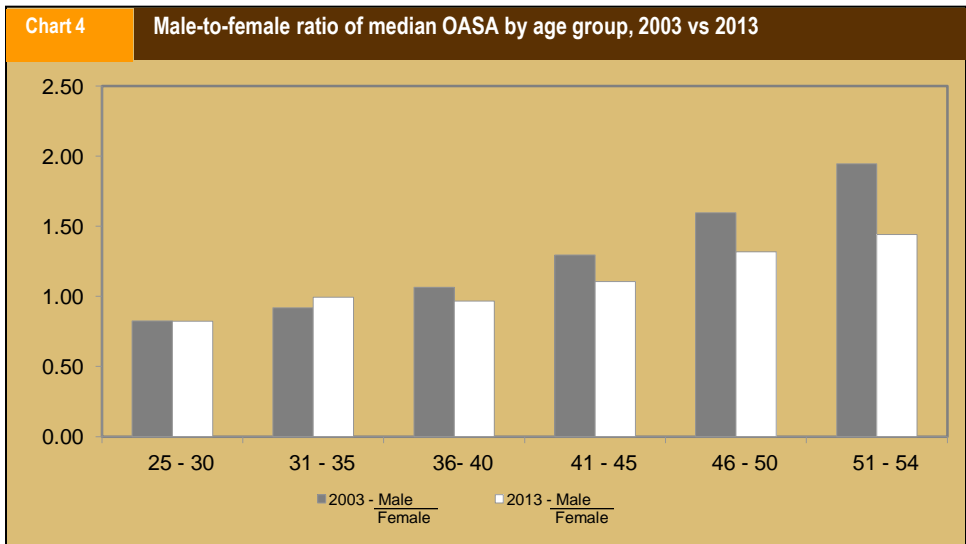
We observed from **Chart 3** that both male and female CPF members generally showed an improvement in their median OASA from 2003 to 2013⁵.



Females catching up with males in accumulation of OASA

Narrowing disparity between gender

Chart 4 shows the male-to-female ratio of median OASA across different age groups, which we used to measure the extent to which males were better off than females. The ratio had moved closer to one in 2013, suggesting that females were catching up in their accumulation of OASA. In fact, for members aged 40 or younger, females had a higher median OASA than males as shown by a ratio less than one.



⁵ It is interesting to note that the median OASA of females aged 30 and below are higher than their male counterparts. This could be the result of a shorter period of OASA accumulation for males due to their National Service (NS) commitment.

Summary

The comparison of CPF balances by gender from 2003 to 2013 indicates that females today are better off than they were 10 years ago in accumulating their CPF balances. Statistics show that females continue to enjoy growing average net CPF balances. The number of active females in the workforce remains strong. With a stronger foothold in today's working society due likely to higher educational qualifications, females are in a better position than they were a decade ago. This augurs well for their retirement adequacy, especially if the improvement can be sustained.

About CPF Trends

CPF Trends is a regular series of papers produced by the Management Information Department to disseminate analyses of statistical data and trends on CPF related issues. These papers are generally brief and aimed at a broad audience interested in CPF related issues.