

# 7 in 10 elderly Singapore residents received cash allowances from loved ones

## Executive Summary

In Singapore, family is one of the key pillars of social support. For instance, cash allowances from family often supplement other sources of retirement incomes for the elderly (e.g., private savings, payouts from CPF and other annuity/pension schemes). Using data from the first four waves of the Retirement and Health Study (RHS) (2014 - 2021), this analysis aims to understand the pattern of cash allowances among older Singaporeans (aged 65 and above) in recent years.

About seven in 10 elderly residents received regular cash allowances from their loved ones

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About seven in 10 elderly Singapore residents received regular cash allowances<sup>1</sup> from their loved ones. This share was higher among those who were above 75 years old, female, and widowed. The most common source of cash allowances was from children.

While more elderly residents reported receiving cash allowances from their children between 2014 to 2018, there was a slight drop in the share of elderly residents who received cash allowances in 2020. At the same time, the median transfer amount also fell slightly in 2020. This could reflect the negative economic effects of the COVID-19 pandemic, affecting children's ability to provide regular cash allowances to their parents.

## 70% of elderly residents received cash allowances

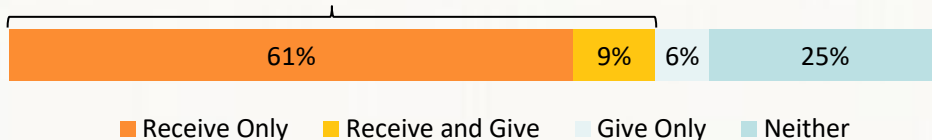
The RHS is a longitudinal survey of Singapore residents' retirement and health needs, and how these change over time. Since 2014, a cohort of respondents has been interviewed every 2 years – to date, four waves have been completed.

Based on the survey findings so far, 70% of residents in Singapore aged 65 and above ('elderly residents') received cash allowances.

<sup>1</sup> Regular cash allowances refer to those received on a relatively consistent basis, such as monthly allowances, contributions for household expenses, and gifts for birthdays and festivals such as Chinese New Year and Hari Raya.

**Figure 1 Prevalence of Regular Cash Allowances among Elderly Residents**

70% of elderly residents were recipients of regular cash allowances



Note: Figures do not sum to 100% due to rounding.

### Older, female and widowed residents were more likely to receive cash allowances

Among the elderly residents, those who were 75 years old and above were more likely to receive cash allowances. 77% of those who were 75 years old and above received cash allowances compared to 65% among those aged 65-74 years old. This is likely because older residents were less likely to have income flows from employment or other sources, and thus more likely to rely on financial support from family and friends.

Women were also more likely to receive cash allowances, with 77% of elderly women receiving regular cash allowances. The corresponding share among elderly men was 60%. Elderly women were less likely to have employment income and therefore more likely to receive cash allowances. Also, cash allowances were likely provided to women as they tended to be responsible for household expenses.

A high proportion (80%) of widowed residents received cash allowances, followed by residents who were married or living together (71%) and residents who were separated or divorced (56%). Single residents were the least likely to receive cash allowances (28%).

### 65% of elderly residents received cash allowances from their children

The most common source of regular cash allowances was from children, with 65% of elderly residents receiving regular cash allowances from their children. By contrast, only 4% and 8% of elderly respondents received allowances from their spouses, and other family and friends (e.g., siblings) respectively.

The most common source of regular cash allowances was from children

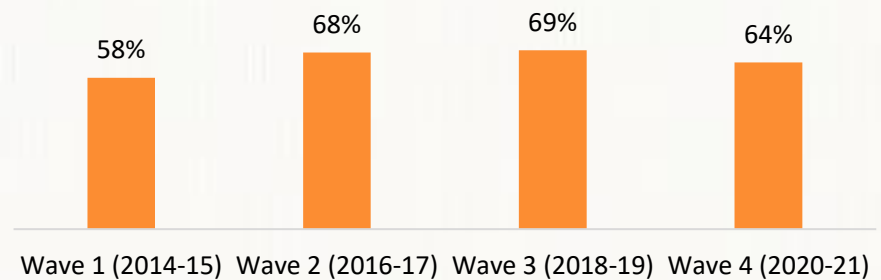
There was a decline in the share of elderly residents who received cash allowances in 2020

## Slight decline in share of elderly receiving cash allowances from children accompanied by slight drop in median allowance amount

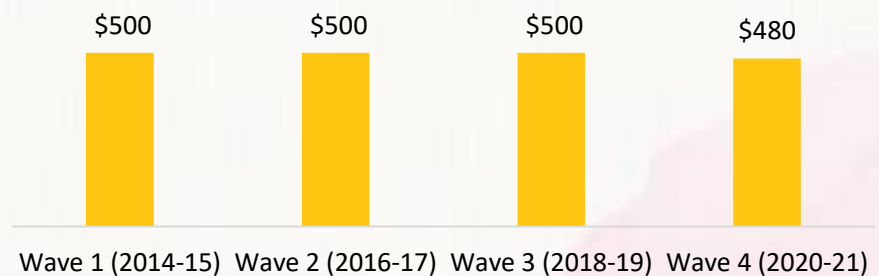
From 2014 to 2018, more elderly residents received cash allowances from children as they aged. However, there was a decline in 2020, which could reflect the negative economic effects of the COVID-19 pandemic, affecting children's ability to provide regular cash allowances to their parents.

Similarly, the median cash allowance amount among those who received cash allowances from children was stable from 2014 to 2018, but fell slightly in 2020.

**Figure 2** Share of Elderly Residents Who Received Cash Allowances from Children by Wave



**Figure 3** Median Monthly Transfer Amount for Elderly Residents Who Received Cash Allowances from Children by Wave

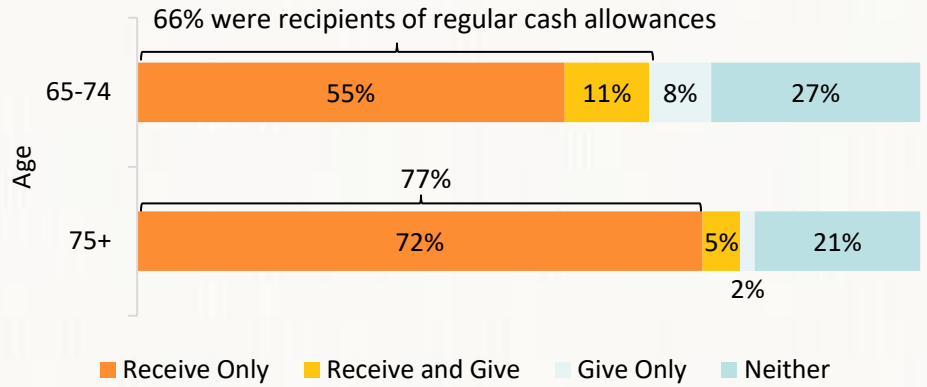


The next RHS wave is expected to be conducted from the second half of 2022

The next wave of the RHS will be conducted from July 2022 to May 2023. Respondents' continued participation will be valuable in improving our understanding of Singapore residents' evolving retirement and health needs to better design ageing-related policies and services.

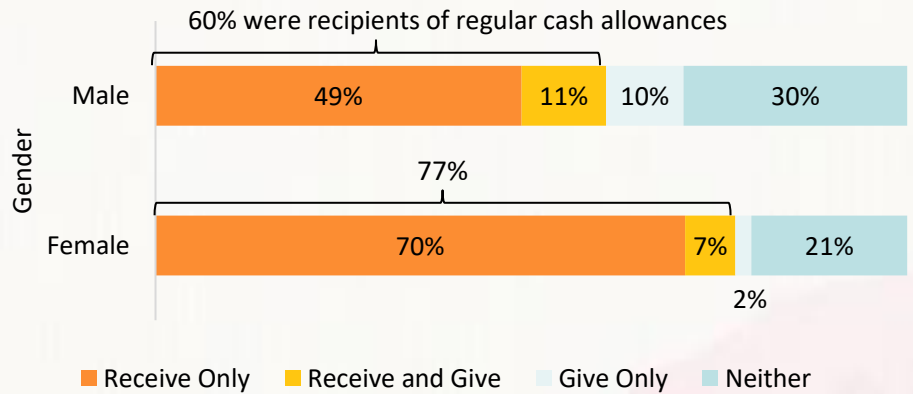
**Annex**

**Figure A1 Prevalence of Regular Cash Allowances among Elderly Residents by Age Group**



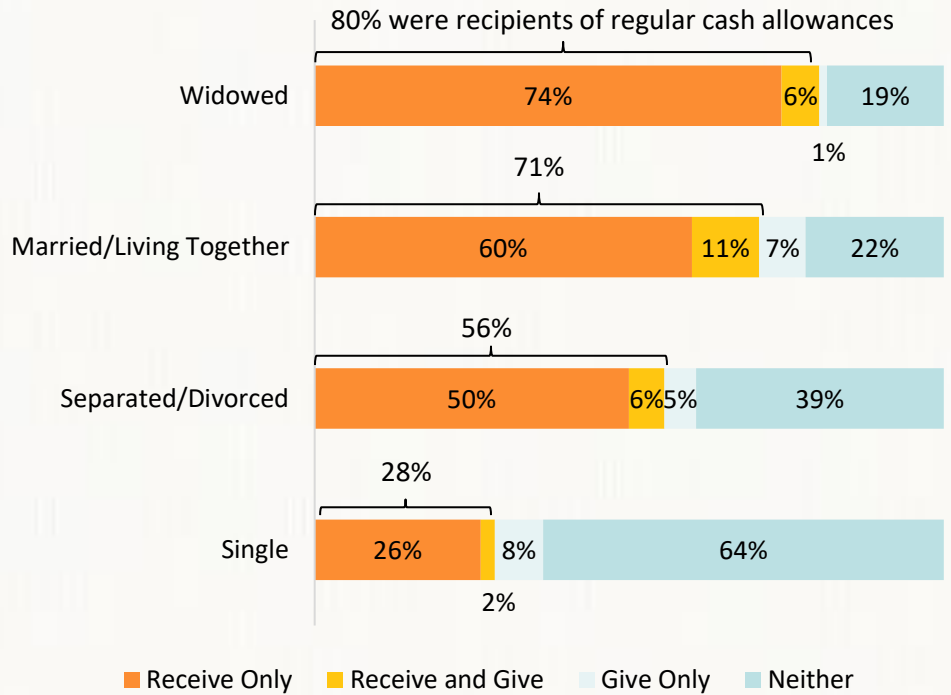
Note: Figures do not sum to 100% due to rounding.

**Figure A2 Prevalence of Regular Cash Allowances among Elderly Residents by Gender**

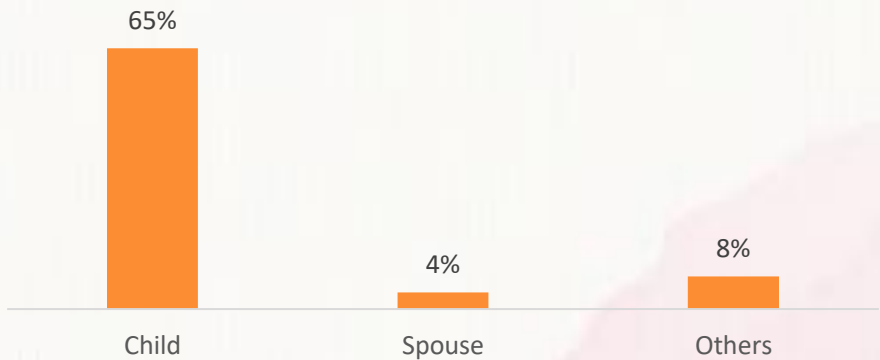


**Annex**

**Figure A3 Prevalence of Regular Cash Allowances among Elderly Residents by Marital Status**



**Figure A4 Source of Regular Cash Allowances among Elderly Residents**



Note: Figures do not sum to 100% as elderly respondents who do not receive cash transfers are included in the sample. Also, respondents may report more than one source of cash transfers.