

Pre-Budget 2024 Youth Conversation - Summary Insights

22 January 2024 | Asian Civilisations Museum

On 22 January 2024, 100 youths from diverse backgrounds gathered to hear about the considerations behind crafting the Budget 2024 policies and shared their views on the Budget themes (i) Developing a Competitive and Sustainable Economy with Good Jobs for All; (ii) Forging a Strong Social Compact; and (iii) Building a Secure and Resilient Nation.

This session was co-organised by the Ministry of Finance (MOF) and the National Youth Council (NYC), and involved the following the following panellists:

- Mr Chee Hong Tat, Minister for Transport and Second Minister for Finance
- Mr He Ruiming, NYC Council Member, #LifeHacks Youth Panel Adviser, and Co-founder, The Woke Salaryman
- (Moderator) Ms Marie Teo, NYC INSPIRIT Member, #LifeHacks Youth Panel Lead, and Community Manager, Technology and Public Policy, Tony Blair Institute



The moderator began the session with a Slido Wordcloud poll asking: “What does the Singapore Budget mean to you as a Singaporean youth?”:

- The more prominent responses centred on ensuring that Singapore remained corruption free, ensuring a better future for Singaporeans, and tackling inequality.
- In response to the poll results, Min Chee said that the Government maintained a zero-tolerance policy against corruption. He added that while zero corruption was a must, a strong social compact was also necessary to ensure a stable and cohesive nation.
- Mr He added that the Government, businesses and individuals each had a part to contribute towards strengthening our social compact and urged everyone to be socially responsible.

Here are the key insights from the breakout discussions and panel dialogue:

1) The moderator asked the panellists to share some common misconceptions of the Budget.

- Min Chee said that the Budget was often misunderstood as being solely about money and Government expenditure. He said that the allocation of the Budget ultimately reflected the Government's values and beliefs. For instance, the Government honoured the seniors' efforts in building Singapore and ensured that they would be taken care of in their senior years through the Pioneer Generation, Merdeka Generation, and Majulah packages.
- Mr He said that individuals often focused on the individual benefits from each Budget. He shared that individuals should re-visit what was considered as a “crisis” which demanded Government support, stating that not being able to afford a home was more of a crisis than not being able to afford a dream home. He said that the Budget should focus on real crises such as water security and the aging population. He noted that the Government would require revenues to better prepare for the crises; and that the increase in Goods and Services Tax (GST) could be understood in this light.

Theme: Developing a Competitive and Sustainable Economy with Good Jobs for All

Issue: Ensuring that Singapore remains an attractive investment destination through urban planning, business transformation and innovation.

Discussion points from breakout groups:

- Participants said that it was important for policies to benefit both multinational corporations (MNCs) and small and medium enterprises (SMEs) and suggested that the Government support SMEs in expanding overseas to gain exposure and expertise.
- Participants said that continuous investment in local talents and businesses, improvements in the education system to keep up with evolving labour demands and offering tax incentives could attract foreign investments and keep Singapore competitive in the global economy.

Issue: Supporting every worker to stay relevant and secure good jobs in the future economy.

Discussion points from breakout groups:

- Participants said that they were unsure of the actual benefit of SkillsFuture certifications on employability. They also said that the over-dependence on foreign manpower in certain industries would affect Singapore's resilience during pandemics.

2) A participant asked about the impact of Artificial Intelligence (AI) on our workforce, income inequality, and the broader Singaporean economy given the workforce disruption observed in the western economies due to AI.

- Min Chee said that it was necessary for Singapore to prepare for a future economy which incorporated AI. Businesses and workers should thus prepare for the transition by building up the necessary skills and capabilities. He assured participants that the Government would provide support to Singaporeans to adapt to these changes.
- Mr He said that the difference between AI and human labour was the skills, branding and values that humans had to offer over AI. He also said that individuals should explore more effective and innovative ways of working, to remain valuable in the future economy.

3) A participant asked about automation in the workplace, and if the Government would support the transition into a four-day work week.

- Mr He said that from a business owner's perspective, the prerequisite to a four day work week was trust between employers and workers. He said there needed to be the cultural shift from equating presence to productivity for a four-day work week to be achieved; accordingly employees would need to demonstrate that a four-day work week would be just as, if not more, productive.
- Min Chee said that the suitability of a four-day work week depended on a number of factors, including the industry and job scope, as some high-touch industries required human presence such as healthcare. He added that flexible work arrangements might be more feasible for businesses.

Theme: Forging a Strong Social Compact

Issue: Building stronger families and supporting them through different stages of life.

Discussion points from breakout groups:

- Participants said that the Government should enhance the accessibility of mental health services for youths and families, such as establishing spaces and support groups for families at local community centres.
- Participants suggested that the Government implement an equal number of days of maternity and paternity leave for co-shared responsibilities, and adopt a broader definition of “family” to make policies more inclusive.

Issue: Uplifting vulnerable groups and empowering seniors to live a fulfilling life.

Discussion points from breakout groups:

- Participants said that the Government should encourage the private sector to hire persons with special needs and create inclusive workspaces. They suggested that companies could better educate the mainstream staff to promote awareness on special needs and disabilities.
- Participants said that volunteerism was a key avenue for uplifting vulnerable groups. They suggested strengthening collaboration between the private and public sectors to encourage volunteerism among the Singapore workforce.
- Participants said that there was a need to focus on dementia-related services and providing living spaces for demented seniors, as well as strengthen dementia-related training for healthcare workers.

4) Participants asked (via Slido) about the regressive nature of Singapore’s Goods and Services Tax (GST) and how individuals from lower socio-economic statuses could cope with it.

- Min Chee acknowledged that ordinarily, a Goods and Services Tax (GST) would be regressive. However, he clarified that Singapore’s tax and transfer system (for example, GST together with Assurance Package and GST Vouchers) had tilted the system to a progressive one.

5) A participant asked about the available support that the Government would be providing for those who might have been left behind due to the economic downturn.

- Min Chee said that the Government had introduced support schemes such as the Majulah Package for young seniors and Comlink+ for lower-income families to better support Singaporeans. He also said that the Government was adopting a whole-of-nation approach to uplift various communities.
- Mr He said that even with policies aimed at uplifting lower-income families and providing support, there would always be a bottom 20% in terms of wages. Thus, rather than relying on Government handouts, he said that it was more important to identify why the individuals’ wages had stagnated, and to explore how to re-skill/upgrade them to thrive in the future economy.

6) Participants asked (via Slido) whether migrant workers’ welfare was considered in the Budget and how protections could be enhanced to reduce fatalities of migrants.

- Min Chee shared that budget was allocated to the Ministry of Manpower (MOM) to ensure workplace safety and protection measures for migrant workers. He also said that the Government was collaborating with various non-governmental organisations to address and work on issues faced by migrant workers.

Theme: Building a Secure and Resilient Nation

Issue: Building a safe and united Singapore

Discussion points from breakout groups:

- Participants said that the Government should establish networks and reliable channels for verifying information in this digital age. They added that it was important for the Government to engage multiple stakeholders, including schools and parents, to manage digital challenges such as online harms and cyberbullying, and foster ground-up initiatives to build communities through in-person interactions.
- Participants acknowledged the need for a balanced and tactful approach in navigating international relations to maintain Singapore's positive global reputation. They also acknowledged the need for robust defence spending to safeguard our national security.

Issue: Balancing between supporting immediate needs and long-term planning

Discussion points from breakout groups:

- Participants suggested using the formal education system to instil Singaporeans with a clear understanding of Singapore's national priorities, its stances on fundamental geo-political issues and the importance of resilience and adaptability.

6) Participants asked (via Slido) how the Government ensured that initiatives that lacked key performance indicators (KPIs) but were essential for the society in the long run (e.g. fostering greater inclusivity) were continuously invested.

- Min Chee shared that although KPIs were important, that Singapore should not be too rigid or fixated on the KPI, and lose track of the larger outcome.
- Mr He added that such initiatives were a reflection of the country's priorities and people's interest.

7) Participants asked (via Slido) about SimplyGo and how would spending S\$40 million on retaining the older ticketing system affected the progress of projects under the Ministry of Transport (MOT).

- Min Chee shared that the current card-based system (EZLink) was due to sunset in end-2024 as it had reached the system end-of-life. He explained that MOT/LTA had judged that citizens were prepared to make the switch to an account-based system, based on its citizen-consultations, and the take-up rate for SimplyGo. However, the public reaction indicated that MOT/LTA had misjudged the public's desire to maintain the existing card-based system. MOT thus made the decision to postpone the transition.

Closing Remarks

- Min Chee said that unity was key in building a stronger economy to allow Singaporeans to lead better lives. He added that the Forward SG exercise was an important exercise for Singaporeans to refresh the nation's social compact and strengthen unity.
- Mr He said that youths should continue to stay curious to expand their horizons and society would benefit if its people were constantly learning.