

Post-Budget 2024 Youth Conversation - Summary Insights

6 March 2024 | Asian Civilisations Museum

On 6 March 2024, 104 youths from diverse backgrounds gathered to understand the rationale behind Budget 2024's policies, learn about the trade-offs involved in policy-making, and share their thoughts on Budget 2024.

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

- Mr Chee Hong Tat, Minister for Transport and Second Minister for Finance
- Ms Lim Ee Ling, NYC INSPIRIT member, #JobHacks Youth Panel Advisor, Executive Director of Market Launch (Global Programmes) at 500 Global and Co-Founder & CEO of Smarter Me
- (Moderator) Ms Attiya Ashraf Ali, NYC INSPIRIT member, #JobHacks Youth Panel Lead, Vice President at Mendaki Club and Assistant Manager at Ernst & Young LLP



The session began with context setting by Mr Jervan Khou, Round-Up Speechwriter & Senior Associate (Land and Infrastructure Programmes Directorate) from MOF who recapped key Budget 2024 measures, followed by breakout group discussions and a panel dialogue.

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

1) The moderator asked Minister Chee what the Government's priorities were when formulating Budget 2024.

- Minister Chee said that Budget reflected Singapore's social cohesion and unity by ensuring that benefits were tilted towards those who needed it more, as seen in the progressive tax system, and through the means-testing programmes put in place for Government schemes.

Theme: Support for Singaporeans

Issue: Ensuring sustainable solutions to address cost of living issues.

Discussion points from breakout groups:

- Participants called for a more systemic and sustainable approach to address inflation and the increased cost of living as opposed to subsidies or rebates which were one-off in nature.

Key insights from panel dialogue:

2) A participant asked how the Government evaluated the effectiveness of Budget initiatives for supporting low-income families, and if measures were in place to help them become more self-sufficient and less reliant on the Government's payouts.

- Minister Chee said that the Government implemented both immediate and longer-term programmes to support lower-income households. For example, Community Development Council (CDC) vouchers served as a temporary measure to address cost of living pressures, while the Government continued to remain focused on increasing real wages through upskilling (for example, SkillsFuture) and the Progressive Wage Model (PWM).

Issue: Ensuring no Singaporeans are left behind.

Discussion points from breakout groups:

- Participants said that Government policies needed to be carefully planned to ensure that its benefits reached the broader Singaporean community.

Key insights from panel dialogue:

3) *Participants asked (via Slido) why most healthcare policies were age-based, which could exclude certain groups (e.g. youths with chronic illnesses) who required additional support.*

- Minister Chee said that healthcare subsidies were available at public healthcare institutions, regardless of age. This, however, was means-tested to ensure that more support was given to those with financial difficulties.
- Minister Chee explained that additional support was provided to some cohorts such as the Pioneer and Merdeka generations as they were unable to grow sufficient MediSave savings. He highlighted that subsidies were available and suggested that those in further financial need could seek assistance from medical social workers.

Theme: Investing in Singaporeans

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

Discussion points from breakout groups:

- Participants said that differing perspectives of employers and employees on upskilling due to associated costs would potentially result in reduced upskilling opportunities.
- Participants said that there should be a focus on financial literacy and career planning within the education system to equip them with skill sets to plan for their future.

Key insights from panel dialogue:

4) *The moderator asked Ms Lim if Government policies should transit from age-based categories to needs-based criteria, such as lower-income seniors, youths with chronic illnesses, and National Service (NS) men*

- Ms Lim said that support should be based on immediate needs and suggested that individuals with less relevant skills be prioritised when formulating Budget policies to enable individuals to upgrade themselves for better employability.

- Minister Chee explained that the SkillsFuture Level-Up Programme (SFLP) aimed to assist mid-career Singaporeans in gaining new skills and remaining relevant in a fast-changing economy as the skills they had learned in school might be outdated. He also shared that younger Singaporeans in their 20s entering the workforce were less likely to face this issue, as the skills learned in school should still be relevant for their careers.
- Minister Chee added that the SkillsFuture benefits were not limited to the SFLP credits. He highlighted that Singaporeans also benefited from SkillsFuture if their employers sent them for courses which the Government co-paid, which included courses that helped lower-wage workers progress upwards on the PWM.

5) A participant asked about how attending SkillsFuture courses beyond working hours translated into better wages as the acquisition of additional certificates could result in a misguided assurance of better job prospects.

- Ms Lim said that this was dependent on how individuals approached learning. She said that employers looked out for individuals who displayed curiosity in learning and took ownership of their career through upskilling to remain relevant.
- Ms Lim encouraged employees to advocate for their contributions at work. She said that when contemplating job changes, employees should consider the new skills they could learn and the impact they could make in their new role.
- Minister Chee highlighted the importance of workers having a growth mindset and continuously improving their skills. He added that the Government supported lifelong learning through offering SkillsFuture subsidies, heavily subsidised training costs, and covering absentee payroll for employees attending training.

Theme: Building a Resilient Future

Issue: Planning ahead and allowing for feedback to drive future policies.

Discussion points from breakout groups:

- Participants suggested having routine feedback channels in different parts of Singapore, such as community clubs or transport hubs, to encourage feedback from people of diverse backgrounds.

Key insights from panel dialogue:

6) Participants asked (via Slido) why Budget 2024 did not address environment and sustainability issues such as climate change.

- Minister Chee said that the absence of new environmental initiatives in Budget 2024 did not imply a lack of focus on sustainability. He emphasised that the Government had made significant moves such as introducing the Carbon Tax, and the Singapore Green Plan 2030, which was a multi-year plan. He added that the different Ministries also provided updates on their sustainability efforts such as cleaner aviation and maritime fuels, electric vehicles, and local food production during the Committee of Supply (COS) debates.

7) Participants asked about the research timeline for future energy sources for Singapore, and why a second Liquefied Natural Gas (LNG) terminal was being developed given potential negative environmental impacts.

- Minister Chee said that there were challenges in implementing renewable energy sources in Singapore due to space constraints. He added that the Government would continue to explore alternative energy importation methods, hence the introduction of the Future Energy Fund in Budget 2024.

- Minister Chee said that the LNG terminal was a crucial part of ensuring Singapore's energy security while transitioning towards carbon-neutrality by 2050. He said the second LNG terminal was necessary to secure Singapore's natural gas supply and thereby reduce external reliance on foreign partners.

8) A participant asked how the Government ensured financial sustainability for businesses and lower-income families while transitioning to a greener future and managing the associated costs.

- Minister Chee acknowledged that the transition to a greener economy would increase the cost of energy and other services in the immediate term. He said that Government initiatives such as U-Save and Service and Conservancy Charges (S&CC) rebates were implemented to help alleviate the cost pressures, especially for lower-income families.
- Ms Lim shared that large¹ non-listed Singapore companies were required to adopt Environmental, Social, Governance (ESG) reporting by 2027, which would enable the Government to support them in transitioning to a low-carbon economy through providing 70% subsidies for upskilling in carbon management and related areas.

Closing Remarks

- Ms Lim encouraged participants to continue raising and discussing issues they were concerned about to increase collective empathy.
- Minister Chee said that budgeting and policy formulation were ongoing processes. He shared that Singaporeans had a responsibility to remain united and cohesive, building on past foundations, to ensure that Singapore would be better equipped to tackle challenges and prosper.

¹Large Companies defined as those with an annual revenue of at least \$1 billion and total assets of at least \$500 million.