

## Perspective

# Informal Caregiving in Singapore: Macroeconomic Realities and Measures

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## ABSTRACT

The very rapid ageing of Singapore's population is placing a huge burden on informal caregivers. I discuss two macroeconomic strategies – strengthening redistributive measures and professionalizing informal caregiving - that may alleviate this burden. A national study on informal caregiving is urgently required to identify specific areas and caregiver segments that will benefit from these strategies.

**Keywords:** informal caregiving, long-term care, Singapore, macroeconomic, workforce issues

By 2030, one in four Singapore residents is projected to be 65 years or older.<sup>1</sup> This rising number of older adults is likely to be accompanied by a corresponding increase in the number of individuals who will require assistance in daily living. Long-term care (LTC) services have become more well-known in the past decade, but utilization rates remain suboptimal except for nursing homes.<sup>2</sup>

Despite strong efforts in expanding LTC capacity in Singapore, informal caregivers, typically a family member or friend, continue to be de facto care providers. In 2010, approximately 8% of residents between the ages of 18 and 69 years provided care to a friend or family member.<sup>3</sup>

## Informal caregiving is costly

From a macroeconomic perspective, the costs and opportunity costs of unpaid informal caregiving are substantial. Unpaid informal caregivers of older adults not only pay the lion's share of the mental, emotional, social, and financial costs of care,<sup>4,5</sup> they also fork out non-trivial opportunity costs associated with care provision: lost wages, desired lifestyles, personal freedom, and aspirations.<sup>6,7</sup>

In the United States, the economic value of informal caregiving contributions was estimated at US\$67 billion in 2019, which by 2050 will likely double to between US\$132 billion to US\$147 billion. Each caregiver's average opportunity cost in the United States will likely rise by eight to 20 percent.<sup>8</sup> Informal caregivers save the economy up to US\$642

billion per annum in the United States,<sup>9</sup> and £132 billion per annum in the United Kingdom.<sup>10</sup>

While the total value of informal caregiving in Singapore is unavailable, about 12,500 residents cited family caregiving to families or relatives as the main reason for leaving their job and not looking for a job from 2015 to 2017. Most of these residents were women, 40 year and over, and married.<sup>11</sup>

### **Strengthen redistributive measures**

The Singapore government has, in recent years, implemented a slew of financial measures aimed at better supporting family caregivers. These measures include the provision of a \$200 annual caregiver training subsidy, and a \$200 monthly home caregiving grant, and the expansion of an employee-employer-state endowed social security fund to cover siblings as dependents.<sup>12</sup>

Sadly, well-intentioned public education messages that remind family caregivers to seek help often also carries this subtle, underlying and inadvertently unempathetic message to our unsung heroes: *you* should be responsible for the care of your loved one and yourself.

To nurture an inclusive society with rapidly growing numbers of older persons and informal caregivers, could Singapore move from financial support to financial compensation and recognition of family caregivers?

For instance, a caregiver allowance compensates for the reduced employment income and pays for out-of-pocket caregiving expenses. Similarly, legislated family care leave or caregiving leave would allow employees to remain remunerated while one takes several days off to care for an older relative. Or how about a cash incentive held by disabled older persons that could be used by

this person to support or even hire family members to provide informal care?

The success of these measures would depend on the government's ability to finetune or expand the criteria already in place for the identification of caregivers and the justification of care needs. The experiences of nations that have longer histories of redistributive policies in ageing societies, such as those in the Organization for Economic Co-operation and Development, could also be consulted.<sup>13</sup>

Such redistributive measures promote the independence of the older adults and facilitate ageing-in-place. They recognize the costs and opportunity costs paid by caregivers and send a strong signal that caregivers play an important social-economic role. Macroeconomically, such measures are justifiable transfers from the national economic savings to informal caregivers who contributed to these savings.

### **Professionalize home-based caregiving**

In Singapore, foreign domestic helpers performed a significant share of informal caregiving tasks.<sup>14,15</sup> These workers from less affluent neighbouring nations such as Indonesia and the Philippines are neither trained nor enabled to provide care. However, they are tasked with assisting older adults and disabled individuals with activities of daily living, which are often undertaken in addition to domestic chores.

That domestic helpers has been perceived as the most viable source of informal caregiving,<sup>16</sup> and that families with higher household income and educational level and more expensive housing type rather than level of care need were more likely to employ them,<sup>17</sup> show that the skills of home-based informal caregiving are undervalued in Singapore.

To recognize the value that quality informal caregiving contributes to age-in-place, the

skillsets a caregiver should possess must first be matched to the assistance that the care recipient requires physically and psychosocially. A skills framework, together with an industry transformation map, could be initiated to certify would-be foreign and family caregivers with various home caregiving skills at incremental levels of proficiencies. This measure not only alleviates the burden of unpaid caregiving, but it also creates sustainable employment opportunities in the care sectors, which in turn prepares the national healthcare system for the needs brought about by ageing.

### **Make evidence-based policy**

The increasing need for informal caregiving of older adults in Singapore has become a wicked problem, and should be tackled expeditiously.

To enact a robust and well-calibrated policy that compensates informal caregivers and professionalizes home-based caregiving, a second national population-based investigation on informal caregiving should be performed. This study shall inform on the costs, opportunity costs, health, and well-being associated with informal caregiving of older adults in Singapore. Difficult questions such as the following should be addressed.

How many informal caregivers are there in Singapore? What out-of-pocket items and at what cost do they pay, to care for an older adult at home? How could caregiver burden be quantified and addressed sustainably? What technical competencies have caregivers acquired due to caregiving, and to what levels of proficiency?

Caregivers health and well-being may vary in tandem with the care recipient's recovery journey.<sup>18,19</sup> Recent research found that Singapore caregivers of stroke survivors who were distressed at hospital discharge had a 24% likelihood of remaining distressed 12

months after discharge.<sup>20,21</sup> The proposed national study should include a time dimension, and ask if caregiver well-being fluctuates similarly when the care recipient suffers from other chronic conditions or disabilities, and if this trend persists over a longer time horizon.

Apart from answering these questions, a national investigation on informal caregiving could also point to potential solutions to yet-to-be-resolved issues surfaced by the previous study on informal caregiving, such as employed caregivers facing heavy demands on their time.<sup>16</sup>

Some of the above questions were raised in Parliament but were not adequately addressed due to lack of data.<sup>11</sup> With a longitudinal national study that considers variations in informal caregiving arrangements across factors such as type of household and chronic illnesses, subsequent parliamentary debates on this topic would become more insightful and consequent policy solutions would be evidence based.

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