Middle-income Singaporeans feel the squeeze, survey finds

Six years ago they were happiest, but now they feel pressure of cost of living

By ANDREA ONG

A SURVEY OF Singaporeans’ happiness and well-being has reinforced the concern that middle-income households say they face from cost of living pressures.

In a similar survey six years ago, this group was the happiest and reported the least, compared to other income groups. The latest study by Dr Srik Kaun Tarmeh and Associate Professor Tan Soo Lian from the National University of Singapore Business School shows that the reverse is now true.

Last year, the middle-income group – those with household incomes from $2,201 to $10,000 per year – was least satisfied with their life in general. The top spot went to high-income earners who rank in more than $10,000.

“The middle class in Singapore is feeling a bit superclapped right now,” said Dr Tarmeh. “Whereas people with high income have the buffer to do things to weather the storm a bit better.”

The survey suggested that one cause of the middle-class group’s plight is the worry that they will be unable to afford better living standards in the future.

Over two-thirds of the 1,300 Singaporeans surveyed felt they had enough money to buy the things they need. But a similar proportion felt they would not be able to afford a top-ticket purchase like a car, appliance, or major home repairs.

When these responses were broken down by income group, a telling gap emerged between the perceptions of the low- and middle-income groups and those of the high-income group.

Over 70 per cent of the first two groups said they did not have enough money for that, while only 45 per cent of the high-income group agreed.

For those who felt unable to make major purchases, the gap was bigger: around 71 per cent versus 47 per cent.

Similarly, three-quarters of the low and middle-income respondents said they would not be able to afford a top-ticket purchase like a car, appliance, or major home repairs, compared to less than half of the high-income respondents.

Top of poll wish list: More govt effort to help the ageing

In the list of areas of life where the Government can do more to improve their well-being, health and social services topped the wish list.

But over and above these priorities are the needs of the ageing population, which top the list of all aspects of life where Singaporeans need more government effort.

The results of a new survey in 2008 “reflect the realities of the Singapore context,” said Dr Srik Kaun Tarmeh of the National University of Singapore Business School who evaluated the results with fellow ANU Tan Soo Lian.

The findings also match other results in the survey on Singaporeans’ happiness and well-being which show that Singaporeans are least satisfied with the cost of living in Singapore.

The findings also show the gap between expectations at the bottom of the list. Still, almost two-thirds want the Government to involve the people to protect the interests of locals.

This could be due to the Government’s message since last May’s General Election that it would be tightening the tap on foreign workers, said Associate Professor Tan.

The survey, however, did not specify what kind of foreign workforce should be restricted.

It also found that Singaporeans are generally more satisfied with their political rights now than six years ago.

Among six rights, only the right to take part in any kind of organization topped the list.

People are much wealthier than their right to vote.

But over and above these priorities are the needs of the ageing population, which top the list of all aspects of life where Singaporeans need more government effort.

By ANDREA ONG