GST offsets seen as more to help elderly and poor

Other groups welcome package but say not enough is done for them

By Ong Soh Chin & Lynn Lee

POWER station manager Evelyn Hew was surprised by the generosity of the goods and services tax (GST) offset package, announced on Thursday.

"It seemed to be all give, give, give," she said of the measures to cushion the impact of the rise in the GST from 5 per cent to 7 per cent. But the 32-year-old, who lives in a four-room HDB flat with her magazine editor husband, was not overwhelmed by what she would be getting.

Like the other 12 Singaporeans interviewed, she felt the benefits were skewed more towards the elderly and the poor, who deserve help.

Research officer Eugene Quek said his father, a 60-year-old security guard, and mother, a 52-year-old shop assistant, would benefit more than him. His parents own a four-room HDB flat in Sims Drive and each of them earns below $1,000 a month. They could get around $3,000 in all in GST credits, the senior citizens' bonus given to those aged over 55, and Workfare Income Supplement which older low-wage workers get.

While Madam Elaine Ho, 36, welcomed the news of needy groups getting help, she was a bit disappointed at what was given to middle-income families. The secretary has two daughters, aged two and three. Her husband, 42, is a manager and the family lives in a three-room Toa Payoh flat.

"Money is always appreciated. But for people like us who are in-between—not poor but not rich either—I didn’t feel there was anything that would really help me," said Madam Ho, who has a maid to care for her younger daughter.

"I was hoping to get help for childcare and education expenses, through topping up the Baby Bonus account," she said, referring to the incentives, including cash, for encouraging Singaporeans to have children.

Marketing executive Bobby Tan, 46, a divorcee with two daughters, is happy with the GST credits and the extra 1.5 per cent his employer will contribute to his CPF savings. He lives with his mother in a four-room Ang Mo Kio flat, does not own a car and has no maid. So, he said: "It’d have been nice to have a reduction in personal income tax.

However, he is glad his two daughters, aged 12 and 14, will enjoy the benefits of the Post-Secondary Education Account, to be set up for all Singaporeans between seven and 20 to fund education for the long term. For law lecturer Eugene Tan, the education account is one of the more enlightened aspects of the Budget.

"It aims to nurture the value of lifelong learning—a love for learning rather than degrees. That will be important in a knowledge-based economy," he said.

Although most say the Government could have given them more, some are working in-between.

IN-BETWEEN GROUP

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