



OUR SOCIAL MISSION

BY CARITAS SINGAPORE COMMUNITY COUNCIL

The social cost of poverty

In Singapore where workers are our only true resource, how the nation views and values workers is reflected in how work is regarded and wages regulated. This article explores the social cost of poverty on low- and middle-income workers and their families.

ON March 7, the parliamentary debate on Singapore's 2013 Budget closed with Deputy Prime Minister and Finance Minister Tharman Shanmugaratnam affirming the need to increase social spending to benefit low- and middle-income workers. Among other plans, billions of dollars have been allocated to provide rebates for families and to facilitate real wage increases for these workers. Despite the sums being invested, it remains uncertain if these measures can address the root causes of poverty or bring systemic change to the lives of these workers and their families.

Indeed, the economic growth that has benefited the top 20 per cent of the population has not trickled down to the bottom 30 per cent as was expected. While the cost of living has rapidly increased over the last five years, these Singaporeans experienced little or no improvements in real income.

The significance of the Budget measures can be seen in light of the Church's own efforts at examining the reality of poverty in Singapore. Between 2010 and 2011, Caritas Singapore, together with the Catholic Welfare Services (CWS) and the Society of St Vincent de Paul (SSVP), embarked upon a Study of the Poor.

Scores of beneficiaries from all races and religions who receive help from the two groups were interviewed to evaluate the services provided and for a snapshot of poverty in Singapore. In almost all of these families, poverty affects and is affected by a host of associated issues such as marital breakdown, mental or physical illness, unemployment and under-employment. These problems have an impact on whole families.

Take Ms Lim for instance. Her parents are separated; her five siblings and she depend on what her mother earns at the neighbourhood coffee shop to get by. Her mother is in her 50s and suffers from a chronic illness. She has no Central Provident Fund savings or other savings and most of her monthly wage of \$800 goes towards paying for groceries, utilities, transport and rent. Although Ms Lim's younger siblings are coping in primary school with before and after school



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care, her eldest brother has fallen into delinquency, returning home sporadically and skipping school regularly.

Mr Fernandez has also fallen on hard times. His first wife left him to raise their son and three daughters who are still in school. He then married a non-Singaporean who left him to return to her home country. Single again and employed on a contractual basis with no job security, his household expenses far exceed his wages. He

has fallen behind on repaying his housing loan, but has a maid to help look after his young children while he is at work. His eldest son has chosen not to go to university but to find a job and help support the family.

This pattern of poverty impacts every aspect of family life across an unknown number of households in Singapore and threatens to be inherited by succeeding generations. Even when they have the drive to succeed, children from

poor families face many developmental challenges and are at risk of inheriting the poverty of their parents.

Poor families have few resources, if any, to spend on educational supplements that have become the norm for better-off families. So children from poor families do not have the same access to pre-schools or tuition, and face greater challenges in gaining access to higher education.

Workers cannot be regarded as

demographic or economic digits – merely as producers of goods or as tax-payers. Workers are, first and foremost, human persons who possess dignity, whose needs are meant to be served by the economy (Vatican II, *Gaudium et Spes*, 63). As breadwinners and providers, workers labour to build their families. From this perspective, “decent” working conditions are those that enable workers to meet the needs of their families (Benedict XVI, *Caritas in Veritate*, 63).

Even the humblest forms of work – cleaning toilets or clearing tables – demand commitment, conscientiousness and initiative, and should be properly remunerated.

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Consequently, the Church's social teaching challenges all of us to move beyond alleviating the symptoms of poverty to addressing root causes that may lie within the family and society. These interconnected causes affect and are affected by poverty and as such, must be addressed holistically.

For individuals like Ms Lim and Mr Fernandez, the measures in Budget 2013 will certainly provide immediate relief for their family's burdens. Beyond that, the measures hint at the need for Singaporeans, especially anyone who employs others, to think about how we treat our workers and what we can do to pay all workers justly and equitably for their time and labour.

We need to seriously address the relationship between poverty and equitable and just work conditions. Only then will workers be able to meet the needs of their families and will Singapore live up to our pledge of being a society based on justice and equality.



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