

# Lack of cash, info - so many don't sign up for Workfare

The 2 stumbling blocks, say MPs, are stopping 100,000 casual or self-employed workers from getting on the scheme  
By Jeremy Au Yong

KEEN for her share of Workfare, part-time hawker assistant Ramlah Mahmood went to a CPF office to apply for it. But what she heard from an officer put her off. The 57-year-old was told she had to top up her Medisave to get on the Workfare Income Supplement scheme (WIS).

'They said I needed to put in around \$80. I couldn't pay. I don't have that money,' said Madam Ramlah, who makes around \$500 a month, and does not contribute to the Central Provident Fund (CPF).

Like her, canteen stallholder Koh Chin Aik, 56, is also not on WIS. His reason is that he is not sure how it works or even if he qualifies for the scheme.

The two casual workers' reactions to WIS demonstrate the two stumbling blocks MPs say are stopping about 100,000 casual or self-employed workers from getting on the scheme

## FURTHER PAY CUT?

'Many friends have told me about the scheme, even my boss. But my pay is already so low, so if I sign up, it will be cut some more?'

**MADAM MARYANTI CHAMAN, 35, a helper at a canteen stall**

although they could qualify for it. The large pool of low-wage workers

falling through the cracks was disclosed in Parliament on Tuesday when

Senior Parliamentary Secretary (Manpower) Hawazi Daipi disclosed that out of the 160,000 workers who collected the one-off Workfare Bonus, only 54,000 have signed up for the later WIS.

WIS was announced in last year's Budget to replace the Workfare Bonus, which was given over two years to workers aged 40 and older and earning, at most, \$1,500.

The new scheme is a permanent social safety net for those aged 35 and older, earning \$1,500 or less.

The difference between them is that the Bonus was a one-off cash payout while the new scheme is linked to CPF.

But the CPF-linked payment differs between formal and casual workers.

Formal workers get some cash, and the rest goes into their CPF.

Casual workers and the self-employed have the entire WIS sum paid into their CPF Medisave accounts to take care of hospital stays and some chronic ailments.

The prospect of having to fork out cash for CPF, yet not get any cash back, is a big sticking point with many.

Said Madam Maryanti Chaman, 35, a helper at a canteen stall: 'Many friends have told me about the scheme, even my boss. But my pay is already so low, so if I sign up, it will be cut some more?'

Convincing such casual workers to contribute to Medisave is a daunting task, said Nominated MP Cham Hui Fong, who heads NTUC's Unit for Contract and Casual Workers.

Her unit, in its outreach efforts, has convinced about 6,000 to become CPF contributors.

'You can tell them the long-term benefits of Medisave, but it's hard because they don't see it in cash. Even the Medisave Contribution Draw is not attractive,' she said, referring to a Government lucky draw to encourage casual workers and the self-employed to contribute to CPF.

Despite the relatively poor numbers overall, Ms Cham and MPs are opposed to changing the policy to let these workers receive cash payouts.

They argue that the scheme is meant to help workers save for the future, not lighten their present load.

Instead, they see more education as the way forward.

Said MP Ahmad Magad, chairman of the Government Parliamentary Committee for Manpower: 'I know it will take some convincing, and I think grassroots leaders can play a bigger role and MPs, when they do their walkabouts, can do their part too.'

His parliamentary colleagues, such as Ms Lee Bee Wah, agree.

The MP actively tries to get her residents in Ang Mo Kio to sign up.

'My grassroots leaders are already going out to engage these workers. We got CPF officials to give a talk to the grassroots leaders and block representatives. And I wrote a message to the workers to urge them to join,' she said.

Labour MP Josephine Teo put it this way: 'We have an uphill task but I don't think all is lost. Already 287,000 people have been helped,' she said, referring to the total number of workers who are on the WIS scheme.



LACK OF CASH: Part-time hawker assistant Ramlah Mahmood, 57, wanted to apply for Workfare but changed her mind after being told it required her to top up her Medisave in cash. -- ST PHOTO: JEREMY AU YONG

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