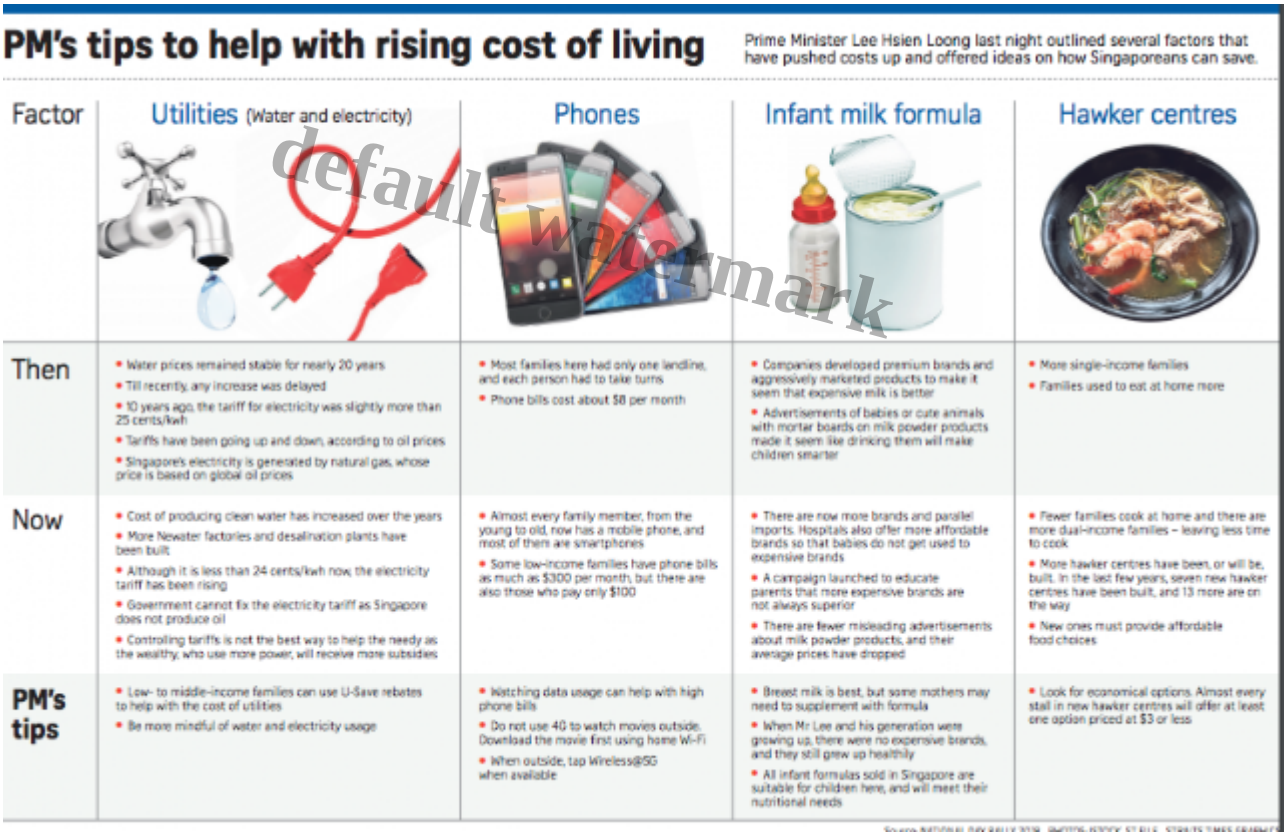
Tips to Reduce Cost of Living (PM Leeâ??s & SG Budget Babeâ??s version)

Description

PM Lee shared some tips during his NDP Rally Speech this year (2018). While I applaud the government for some of their initiatives â?? Medishield Life and CareShield â?? which I find are fantastic improvements, many of the tips that our dear PM shared didnâ??t seem to be particularly useful for middle-income households like mine.



PM's tips to help with rising cost of living

Prime Minister Lee Hsien Loong last night outlined several factors that have pushed costs up and offered ideas on how Singaporeans can save.

Factor	Utilities (Water and electricity)	Phones	Infant milk formula	Hawker centres
Then	• Water prices remained stable for nearly 20 years • Till recently, any increase was delayed • 10 years ago, the tariff for electricity was slightly more than 25 cents/kwh • Tariffs have been going up and down, according to oil prices • Singapore's electricity is generated by natural gas, whose price is based on global oil prices	• Most families here had only one landline, and each person had to take turns • Phone bills cost about $8 per month	• Companies developed premium brands and aggressively marketed products to make it seem that expensive milk is better • Advertisements of babies or cute animals with mortar boards on milk powder products made it seem like drinking them will make children smarter	• More single-income families • Families used to eat at home more
Now	• Cost of producing clean water has increased over the years • More Newater factories and desalination plants have been built • Although it is less than 24 cents/kwh now, the electricity tariff has been rising • Government cannot fix the electricity tariff as Singapore does not produce oil • Controlling tariffs is not the best way to help the needy as the wealthy, who use more power, will receive more subsidies	• Almost every family member, from the young to old, now has a mobile phone, and most of them are smartphones • Some low-income families have phone bills as much as $300 per month, but there are also those who pay only $100	• There are now more brands and parallel imports. Hospitals also offer more affordable brands so that babies do not get used to expensive brands • A campaign launched to educate parents that more expensive brands are not always superior • There are fewer misleading advertisements about milk powder products, and their average prices have dropped	• Fewer families cook at home and there are more dual-income families – leaving less time to cook • More hawker centres have been, or will be, built. In the last few years, seven new hawker centres have been built, and 13 more are on the way • New ones must provide affordable food choices
PM's tips	• Low- to middle-income families can use U-Save rebates to help with the cost of utilities • Be more mindful of water and electricity usage	• Watching data usage can help with high phone bills • Do not use 4G to watch movies outside. Download the movie first using home Wi-Fi • When outside, tap Wireless@SG when available	• Breast milk is best, but some mothers may need to supplement with formula • When Mr Lee and his generation were growing up, there were no expensive brands, and they still grew up healthily • All infant formulas sold in Singapore are suitable for children here, and will meet their nutritional needs	• Look for economical options. Almost every stall in new hawker centres will offer at least one option priced at $3 or less

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Hereâ??s a summary of PM Leeâ??s tips:

To save money on utilities:

- Be mindful of water and electricity usage
- For lower income families, U-Save rebates are provided to help offset some of the costs

To save on mobile phone expenses:

- Watch your data usage and download using home Wi-Fi instead of 4G
- Tap on Wireless@SG when it is available outside

To save on infant milk formula

- Breastfeed
- All infant formulas sold in Singapore meets the nutritional needs of the children and brands should not matter

For cheaper food options

- Look for economical options. Stalls in new hawker centres will offer one option priced at $3 or less.

While all these tips are fine and dandy, I canâ??t help but feel many of these are quiteâ?¦redundant? It is either stuff that we already know, or oversimplified such that it doesnâ??t address other costs involved. And all that talk about households having only had one land line ($8 / month) vs. today where every family member owns a smartphone was quite redundant, because it isnâ??t as though we can go back to living like a dinosaur!

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Since I belong to the middle-income household range (where CHAS and other subsidies donâ??t really help us much), we need to find other ways to cut down on expenses and cope with costs of living instead.



Hereâ??s SG Budget Babeâ??s tips instead for the middle-income sandwiched generation:

To save money on utilities:

- Switch to energy-efficient appliances such as LED light bulbs.
- Install curtains and dark blinds to block the sunlight and heat, keeping your house cooler.

- Set your air-con to switch off after a few hours and your fan to switch on thereafter, in order to circulate the cold air around the room for the rest of the night after youâ??ve fallen asleep.
- Store hot water in a thermos flask instead of reboiling it multiple times a day.
- Take shorter showers. Brush your teeth with a cup of water instead of letting the water run.

To save on mobile phone expenses:

- Switch to a SIM-only plan. I like Circles.Life, MyRepublic and Zero for their cheaper rates which typically offer more value-for-money than our 3 local incumbents.
    - Circles.Life has always been extremely affordable, especially if you donâ??t need too much talktime, or can do your calls over Whatsapp.
    - MyRepublic currently offers the best deal, where $35 gets you 7GB and unlimited talktime every month. If youâ??re signing up with their broadband, you get another 3GB on top of the 7GB!
- Donâ??t go for the newest phone models, which typically are hyped up and cost a lot more. See if you can buy off Carousell instead, or get an older model from an Ah Beng mobile phone shop.
    - *Want an iPhone? Then be prepared to fork out over $1000 for it, in which case youâ??re not entitled to complain about how expensive mobile phones are anymore, since you made the choice to go for a more expensive option.*

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To save on infant milk formula

- Breastfeeding is great, but PM Lee seems to not have factored in other costs such as:
    - Lactation consultation sessions for when your baby is unable to latch well
    - Jaundice phototherapy treatments (common among Asian babies who are breastfed)
    - Breast pumps and parts (especially for working mothers)
    - Breastmilk bags, bottles, cooler pads
    - Lactation massage (for cases of oversupply, or to clear engorged ducts)
    - Nipple creams (for cracked nipples, which happens quite often to breastfeeding mothers)
    - Milk bottles and teats, which need to be changed every few months as your baby grows (to help the mother preserve her sanity as another family member takes over some of the feeding sessions)
    - Steriliser â?? whether hot water, steam or UV steriliser
    - Milk boosters â?? fish papaya soup, fenugreek supplements, lactation cookies, etc
    - Calcium or post-natal supplements â?? so that we consume enough nutrients to produce nutritious breastmilk for our growing babies
- All infant formulas sold in Singapore meets the nutritional needs of the children and brands should not matter
    - Iâ??d rather say to go for the more affordable brands like Australia Gold or Aptamil, instead of the more expensive brands that are constantly advertised to us.
    - After your kid turns one years of age, you can switch them to goat or cow milk, which is still cheaper than formula milk.
- Buy from Malaysia (at your own risk).

I would also like to add to our dear PM Lee that infant milk formula is not the most expensive cost for many of us parents â?? have you seen the costs of infantcare?! At $1000 and up a month, that is WAY

more than what milk powder will cost us, and what worries us more.

Being a SAHM (stay at home mother) is also not always an option for some families, considering how the rising costs of living has made a dual-income household almost mandatory in order for most people to be able to cope. In my household, all 4 of us work (includes my in-laws, who intend to work until they hit retirement age or until no one is willing to hire them anymore) in order to keep up!

For cheaper food options

- Eat hawker food (but donâ??t keep going for the hipster ones, DUH) and avoid cafes or restaurants if you cannot afford it.
- Cut down on snacks and drinks outside.
    - Try tracking how much your snacks and bubble tea is costing you and youâ??ll be surprised. I realised this after tracking every one of my expenses, and found that my snacks cost almost as much as my hawker meals sometimes!
- Make your own meals at home and prep them to bring to work. Even better, share with a colleague and take turns cooking!

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Other tips

- Make sure you park your cash in a high-yield bank savings account.
    - Donâ??t settle for a meagre 0.05% p.a. interest rate anymore, please.
- Up your credit card game and utilise cashback cards to the fullest.
    - Read the Ultimate Cashback Guidebook and compare among the best cashback credit cards in Singapore here! Use the free SGBB Cashback App to manage and track the

rewards among your different cards.

- Download and shop around on apps for coupons and deals.
  - Fuzzie: cashback app
  - The Entertainer: 2-for-1 deals
  - Eatigo: 50% off during non-peak hours
  - Mileslife: get free miles on top of your cashback when you connect to a cashback credit card for payments
- DIY your morning coffee; skip alcohol and cigarettes.
  - Starbucks = $7, kopi at the coffee shop â?? $1.30, but DIY = $7 coffee powder a month
  - Clubbing and alcohol at pubs / bars are expensive. If you really crave for alcohol, just buy from duty-free and drink at home.
  - Cigarettes are expensive and bad for your health. Enough said.

What other tips do you have for reducing the cost of living in Singapore?

With love,
Budget Babe

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Category

1. Savings