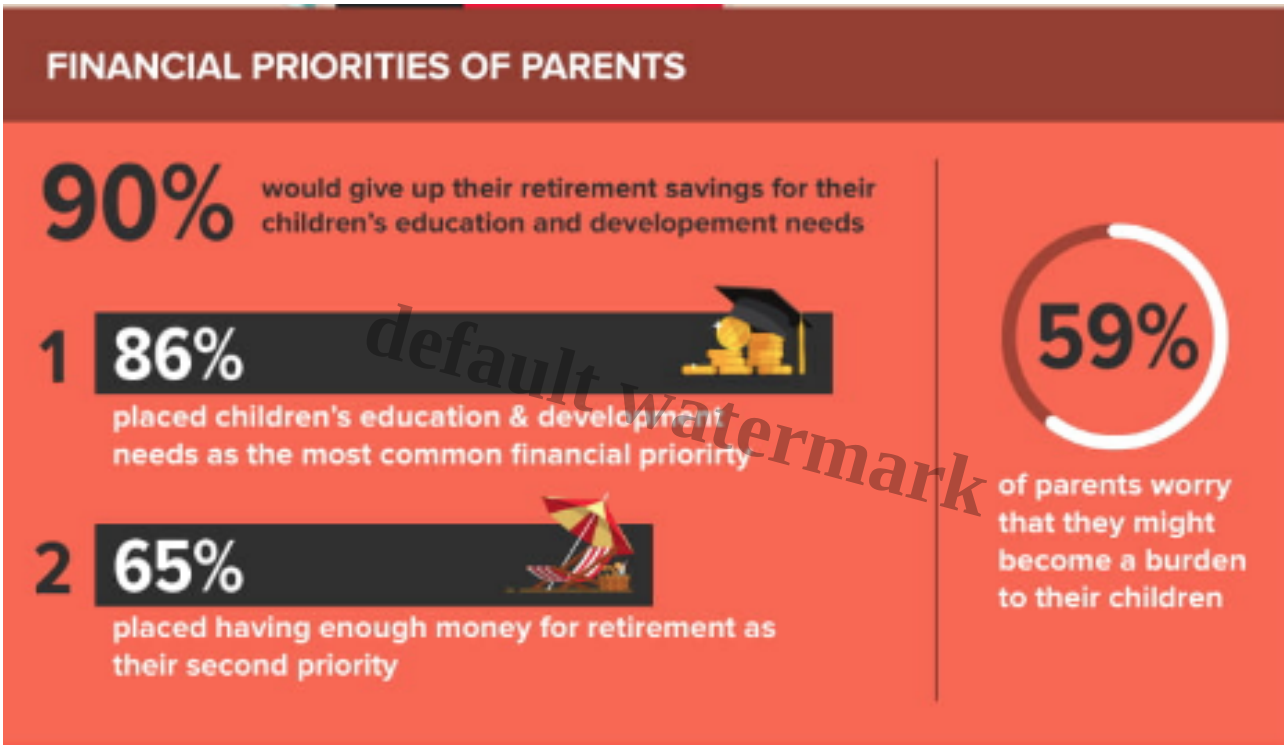
Would you give up on your own retirement plan to fund your childâ??s education? I wouldnâ??t!

Description



Would you give up on your own retirement plan to fund your childâ??s education? Apparently, 90% of Singaporean parents would.



Singapore mum with $60k **debt**: I want my kids to have a better life ...
The Straits Times - 10 Jul 2016
Singapore mother who had only secondary school education is $60,000 in **debt** after pouring income into raising and educating her six children.

I belong to the 10% who will NOT, but before you slam me for being selfish or a bad parent, hear me out first.
If I fail to plan for my own retirement â?? which includes living expenses and healthcare costs â?? this burden will eventually fall onto my child. And thatâ??s not being fair to him.
Being in a situation today where my husband and I are limited by the choices we can make *precisely because* our parents did not plan and take care of their own retirement, Iâ??m well familiar with the stress and emotional burden that comes when weâ??re stuck between our parents and our future. It is not something I would wish upon my child.
You see, my parents (and my in-laws) didnâ??t adequately plan for their retirement, and as a result,

- **They didnâ??t buy private hospitalisation or critical illness insurance**
- **They did not save up cash for their retirement expenses** (or at least buy an annuity plan)
- **They do not have sufficient CPF to rely upon for their retirement monies** (my in-laws were mostly self-employed)

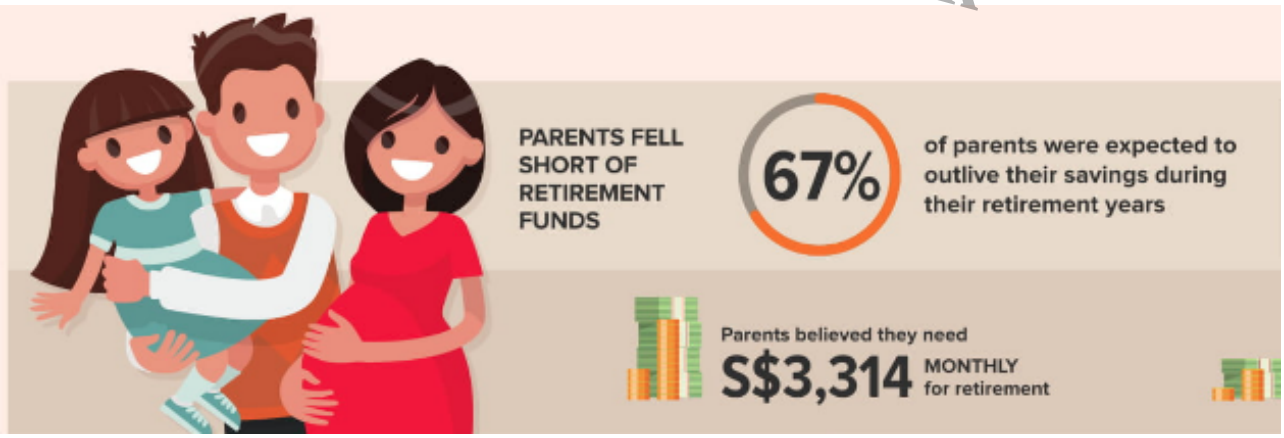
And due to old age and pre-existing conditions, it is far too late to get insurance coverage now.

Weâ??re very cognizant of the fact that we have 5 dependents relying on us for their retirement. And as a result of our parentsâ?? decisions, weâ??ve had to make some sacrifices in return â?? this year, we had to give up on our plan to buy our own house because thereâ??s no way we can afford to have two big-ticket items in a single year.
It was a choice between paying for mortgage, or paying to support a baby (our pregnancy expenses arenâ??t cheap either).

Obviously, we went with the latter upon finding out I was pregnant.

And apparently, Iâ??m not the only one. According to a recent news article here, 92% of Singaporean youths do not feel confident about supporting their parents financially as well. The infographic provides a few key points which I wanted to discuss as well:

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It was surprising for me to learn that 90% of parents said they would give up their retirement savings for their childrenâ??s needs. As loving as this gesture may seem, there is a hidden cost down the road that I feel many parents may not take into consideration when theyâ??re *this* self-sacrificial : **they end up putting the burden of funding their retirement onto their children.**

I say this because this is the situation my husband and I face today. Heâ??s an only child and his parents have no retirement cash savings, as they lovingly gave him the best and today, **they live paycheck-to-paycheck**. Iâ??m the eldest child of two and my parents are in a similar situation, because they failed to plan for their retirement. **Today, I face the stress of being my parentsâ?? retirement fund.**



Are YOU your parentsâ?? retirement plan?

Are your kids YOUR future retirement plan?

It is time we changed that.

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As parents, it is understandable that we would want to give our child the best, often at the expense of our own.

But as the saying goes, *blood runs thicker than water.*

If parents do not plan for their own retirement, the burden of retirement expenses will eventually fall back onto their children, thus limiting the choices they can make for their own life (due to limited monetary resources). Will CPF Life payouts be enough? I highly doubt so, for it is only meant as a basic safety net. With cost of living and healthcare going up, youâ??ll be fine if youâ??re healthy even in old age, but damned if youâ??re not and have no spare cash to pay the bills.

Guess who will have to pay the hospital / healthcare bills and living expenses for retirement then?

Thatâ??s right, your children.

This is the plight that our sandwiched generation face : having to split our resources between caring for our parents and our own children. And at the rate our wages are increasing (Iâ??m being sarcastic), how can we keep up?

With love,
Budget Babe

Category

1. Family
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