

SOCIAL SECURITY

Source of Data

Statistics on Central Provident Fund (CPF) members are compiled by the Central Provident Fund Board.

Definitions and Notes

An **active CPF member** refers to a person who has at least one contribution paid for him for the current or any of the preceding three months.

All CPF members have three accounts with the CPF Board – the Ordinary, Medisave and Special Accounts. Savings in the Ordinary Account can be used to buy a home, pay for CPF insurance (such as Dependants' Protection Scheme and Home Protection Scheme), investment and education. Medisave savings can be used for hospitalisation expenses, approved medical insurance and certain outpatient treatments while savings in the Special Account are reserved for old age and investment in retirement-related financial products. The Retirement Account is created when CPF members reach the age of 55, where savings from the Special Account and Ordinary Account are transferred to the Retirement Account to help members set aside their retirement

sum. This is then used to provide them with a monthly income in old age.

Both the employer and the employee make monthly contributions to the CPF. The employer is liable to pay the total CPF contributions, and is entitled to recover the employee's contribution from the employee's wages.