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Headline: How much pocket money do Singapore children get? \$4 to \$14 a day

How much pocket money do Singapore children get? \$4 to \$14 a day

Two dollars may not seem like much, but that is all Primary 5 pupil Rheyaa Chelsea Mogan needs to buy a meal and a drink in school – and nothing more.

Her mother, Ms Jacintha Sujatha, 40, an assistant relationship manager at a private bank, says giving more money would mean her 10-year-old daughter may come home with “unnecessary items” such as colouring pens, erasers and toys.

Polytechnic student Darius Loong, 19, gets \$120 a week from his parents, which covers daily expenses such as food and transport. But he splurges occasionally on cafe meals with friends and on toy figurines, using money he earns from part-time work during the school holidays.

A recent survey of 500 parents in Singapore with school-going children found that allowances range from an average of \$4 a day for primary school kids to \$14 a day for post-secondary students, such as those in polytechnic, Institute of Technical Education and university.

The average sum for secondary school students is \$9 a day.

The poll was commissioned by The Straits Times and conducted by market research firm Milieu Insight in March 2024. The aim was to get insights into children’s allowance and issues related to student spending, saving and work.



Primary

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Secondary



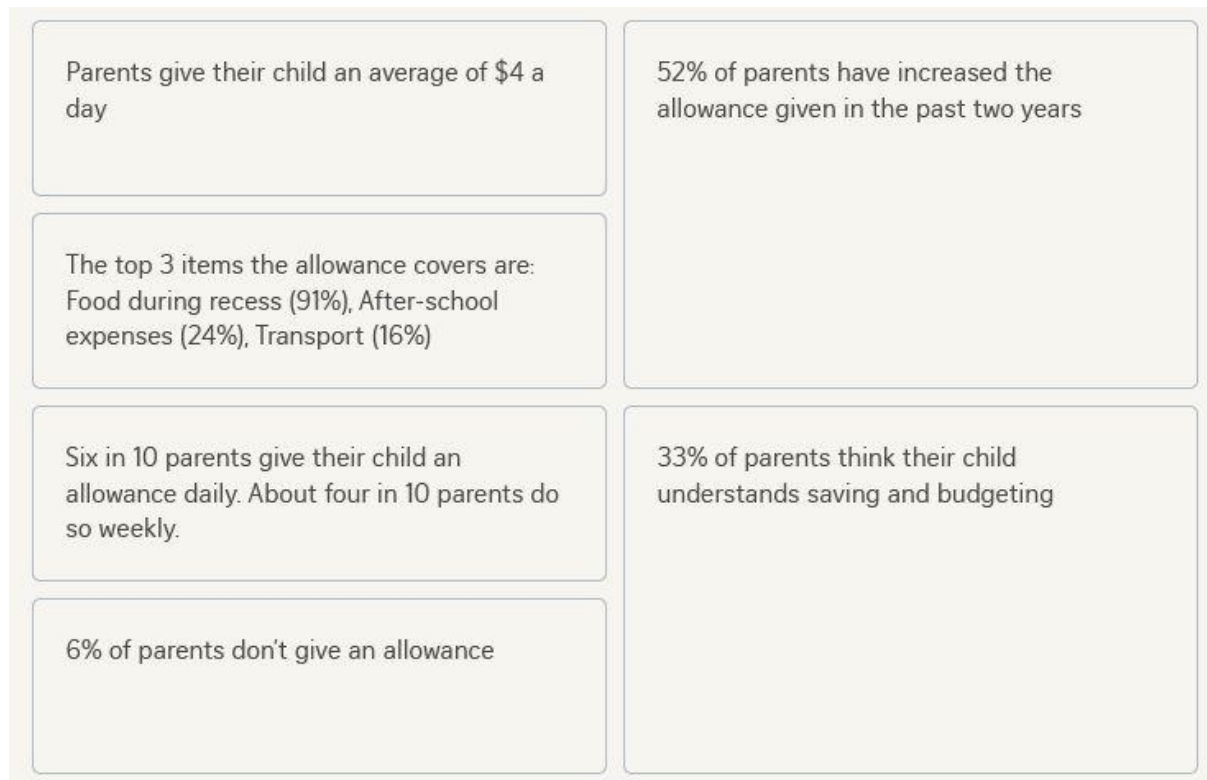
Post-secondary

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Trends



Hear from parents and their primary school children

Primary 5 pupil Arya Abeshai, 10, had his allowance increased from \$2 to \$4 in 2024 after he told his parents that \$2 was not enough to buy a meal in his school.

His favourite chicken rice or nasi lemak dish each costs \$2.40, while drinks such as Milo or 100 Plus cost \$1 each.

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In the past, he would borrow 40 cents from his friends when he needed more money for food.

Arya says: “I did not ask (my parents) for more money as I felt that they might think I’m being greedy. But this year, my daddy asked me why I was not buying food in school, and I told him it’s because the \$2 was not enough to buy food.”

But Arya does not go hungry, as he also brings snacks such as biscuits from home to eat in school – something he has done since he was in Primary 1.

Now, with \$4 a day, Arya saves some of his pocket money to make purchases in an online game, Fortnite.

Every other month, he goes out with his friends to the arcade or to watch a movie. For these expenses, he asks his parents for extra cash.

His father, Mr Keviarasu Kevin, 40, who works in e-commerce logistics, says he plans to give Arya a weekly, instead of daily, allowance soon.

“It’s just to teach him how to control his allowance and be responsible for the money that is given to him, and to do simple budgeting. It’s also to give him some freedom for other items he wants to buy, like figurines that cost a few bucks from 7-Eleven.”

Ms Vion Seng, a 37-year-old marketing manager, gave her seven-year-old son Oliver Koh \$2.50 a day when the Primary 1 pupil first started school in January 2024.

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But she has since reduced it to no more than \$2 a day, as he does not spend all the money he is given.

Oliver says: “Sometimes I want to go to the library, and sometimes I want to play chess with my friends, so I don’t eat.”

He also brings snacks from home, and may use his pocket money only to buy a drink.

Ms Jacintha Sujatha gives her children \$10 a week, so that they can practise budgeting.

Tips

How do I start talking about money with my child?

- Start with a general discussion about what money is and its uses as soon as children are able to understand the concept, at around six or seven years old, says Ms Michelle Howell, a financial wellness coach at family coaching practice Frolic For Life.
- Provide children with a way to earn pocket money, through household chores, for instance, she adds. When they have the ability to earn, they will better understand the value of money.
- Involve children in spending experiences like grocery shopping, where they can compare prices and learn about budgeting, says Ms Howell.
- Set appropriate savings plans and help children make short-term goals about how they will use their savings, she suggests.

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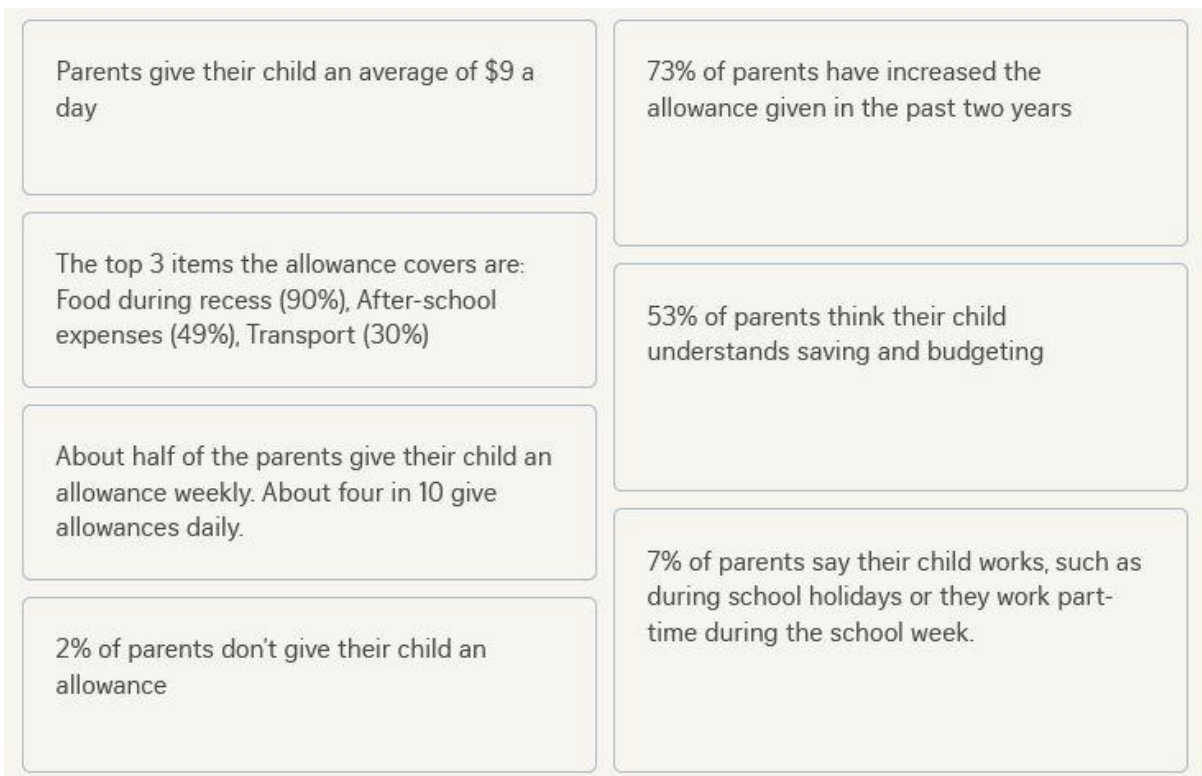
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How much do other parents of secondary school children give?

Trends



Hear from parents and their secondary school children

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Secondary 4 student Charlotte Lam, 15, has seen her allowance increase over the past four years.

From \$4 a day when she was in lower secondary, the sum rose to \$8 in 2023, and \$10 in 2024.

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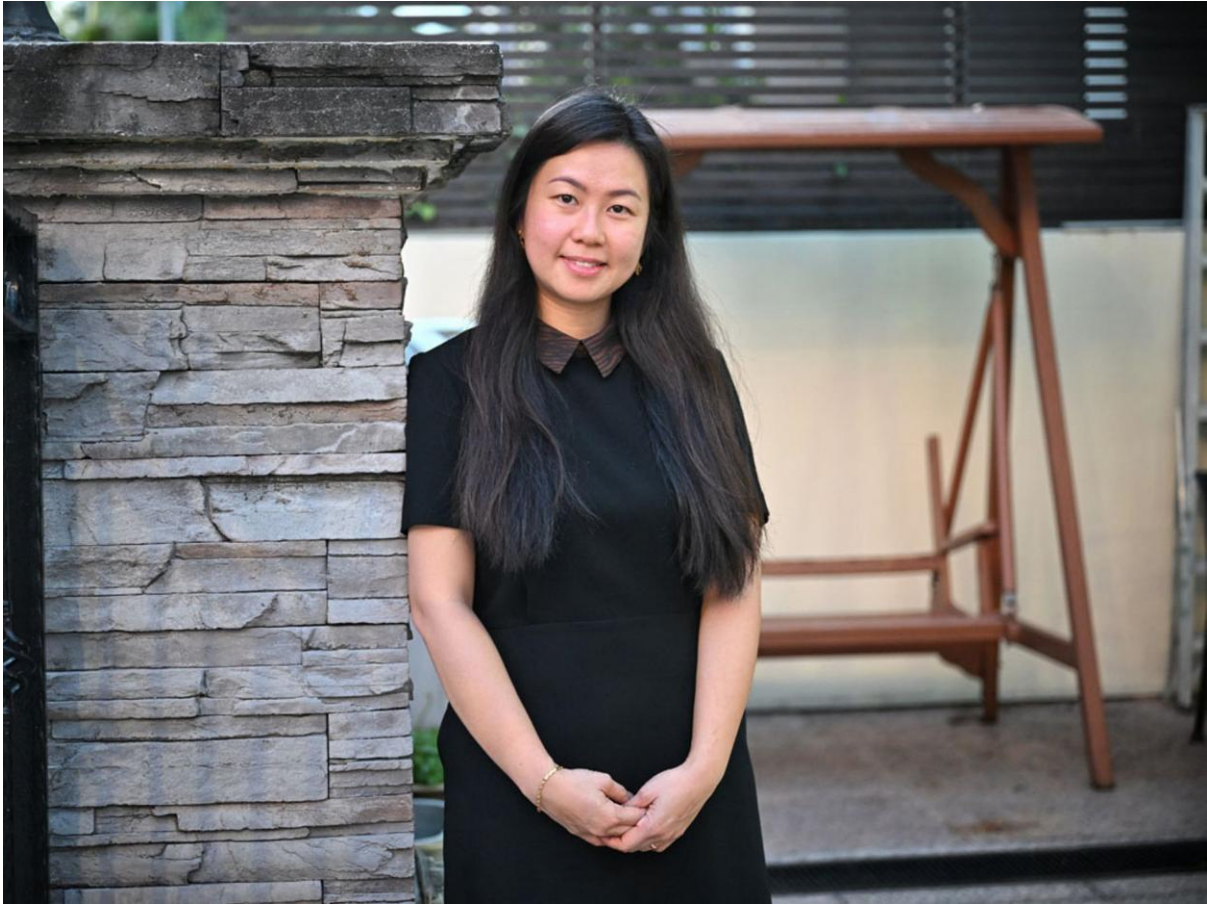
She says: "I think I need more because both outside (school) and in school, food is expensive. It costs up to \$7 now for a meal."

Her mother, Ms Meng Shin Yi, 37, who works in the finance industry, says the cost of food has risen, and Charlotte now has more meals in school as she spends more time there.

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Like Ms Meng, 73 per cent of parents with secondary school children polled have raised their child's allowance in the past two years, citing the higher cost of living as the top reason.

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Meanwhile, Secondary 4 student Nikita Sharma, 15, gets \$50 a week in pocket money. Her parents have apportioned \$40 for food, and the remaining \$10 for emergency expenses such as taking a taxi when she is running late or when she runs out of money for the week.

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The price of a meal is \$3 in her school, says Nikita, with bottled drinks costing another \$1. So, she spends an average of \$8 a day if she has both recess and lunch in school.

Any unspent money goes towards her savings, and she has saved \$10,000 since childhood, inclusive of cash gifts during special occasions.

She says: "I know that it's good to save money so that I have more for the future. I put it in the bank and I want to see it grow more and more."

Now and then, she would ask her parents for more money when she goes out with friends for meals.

Her father, 53-year-old real estate consultant Sharma Bhanu, says he usually gives her \$30 to \$50 for such outings, and she returns any amount that is not used.

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According to the ST survey, slightly more than half of parents of secondary school children would accede to their teenagers' requests for money to go to places such as cafes with friends, but would still only give an amount they deem appropriate.

About one in three parents with children in this age group says he or she would ask the children to use their own savings to pay for such expenses.

Madam Sanilah Ali is considering going cashless when giving her Secondary 4 son Aqimi his daily allowance

Tips

How do I discuss money matters with my teenager?

- Ms Michelle Howell, a financial wellness coach at family coaching practice Frolic For Life, says children at this age spend more as they become increasingly independent and go out with their friends.
- Help them to learn to avoid impulse purchases, and discuss budgeting for wants versus needs, she adds.
- Parents could introduce social responsibility by encouraging their children to donate to charity, and perhaps talk about concepts such as income, inequality and poverty to help children understand the difference between wants and needs, says Ms Howell.

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How much do other parents with post-secondary school children give?

Trends

Parents give their child an average of \$14 a day

70% of parents have increased the allowance given in the past two years

The top 3 items the allowance covers are: Food while in school (82%), After-school expenses (68%), Transport (58%)

63% of parents think their child understands saving and budgeting

Most parents give their child a monthly allowance (42%) or weekly allowance (41%).

40% of parents say their child works, such as during school holidays, or they work part-time during the school term.

10% of parents don't give their child an allowance

Hear from parents and their post-secondary school children

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Polytechnic student Darius Loong, 19, vividly remembers his first week in primary school, when he received his allowance on a weekly basis. By Thursday that week, he could afford to buy only a siew mai (steamed dumpling) during recess, and by Friday, he had to bring biscuits from home to eat as he had run out of pocket money.

Earlier in the week, he had eagerly emptied his wallet for erasers and colourful pens at the school bookshop.

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That experience taught him a valuable lesson in budgeting and saving.

Mr Loong says: "I remember, after buying all those erasers, I didn't even use them. It didn't give me much joy and it felt pointless. So I learnt how to think more about my purchases, instead of (making) impulse purchases."

His mother, Ms Ginny-Ann Oh, a 49-year-old director in an integrated communications agency, says she taught her two children about budgeting and saving through methods such as using piggy banks and comparing the prices of items. Besides Mr Loong, she has a younger daughter.

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She says: “I try not to entertain them if they ask for more money to hang out with their friends. I feel it is a very important life lesson to live within your means.

“If I fund their lifestyle now, what would happen if their job or career choices do not enable them to live the same lifestyle?”

In the survey, 40 per cent of parents with post-secondary children say their children work, such as in part-time jobs or during school holidays.

The top reasons for working, say parents, are to gain work experience, supplement their lifestyle expenses, and gain financial independence.

Mr Loong has worked as a promoter at events during the school holidays, among other jobs. The amount he earns varies, depending on the job and the hours worked, but he can earn at least a few hundred dollars per stint.

He spends the income from his school holiday gigs on cafe meals and things that he likes, such as toy figurines.

“I work to buy things. I don’t think my parents will give me money to fund these things,” he says, referring to shopping, eating out and bowling with his friends.

He also tries to save at least a quarter of his \$120 weekly allowance.

The parents of post-secondary children interviewed for this report say they would continue giving an allowance until their children complete their studies and start working full-time, as it is their duty as parents to support their children. This is even if some of their children work part-time.

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Relationship coach Chang Chee Siah, 54, and her husband, give their two university-going daughters, Elicia and Olivia Ling, \$200 each a month. They also have a younger son in secondary school.

Both girls also receive \$400 each month from a scholarship from Singapore Management University, where they are studying.

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Elicia, 20, and Olivia, 21, say they will give 10 per cent of their salaries to their parents when they complete their education and start working. They see this as showing gratitude to their parents.

Ms Chang says: “Even though we don’t need the money, it also gives them a sense of pride of being able to give it to us.”

When asked how the family agreed on this 10 per cent figure, Ms Chang says: “Ten per cent feels about right. Twenty per cent is too much, while there is not enough pinch (for them) to give 5 per cent. But if they have their own families and kids, we will discuss the figure again.”

Says Olivia: “They spent so much on me growing up; it’s only right that I give back.”

Ms Chang Chee Siah gives her undergraduate daughter Olivia an allowance on top of what she receives from her scholarship

Tips

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How can older children learn to manage their finances?

- Financial wellness coach Michelle Howell from family coaching practice Frolic For Life says parents could have conversations about debt management, especially if children are starting to finance big payments on their own, such as pursuing higher education, buying a car, or going on an overseas trip.
- She says parents should explain the concept of good debt, where debt is associated with assets that increase in value over time, such as taking loans to buy property or pay for higher education. It's also important to explain bad debt, such as credit card debits with high interest rates.
- Teach them to be mindful about schemes and scams, especially in the crypto and social media space, adds Ms Howell. Discuss how money can be earned and invested, and the risks associated with them.
- Below the age of 21, children's brains do not function like mature adults, says Assistant Professor of finance (education) Aurobindo Ghosh from Singapore Management University. They are often driven by reward-seeking impulses or instant gratification, rather than exercising discernment and patience through delayed gratification.
- Hence, parents should expose their children to more challenging concepts such as credit and investment only when they are of tertiary education age, he says. This can help prepare them for working life while navigating decisions such as saving for higher education, buying a house, planning for a family, and investing for retirement.

Produced by:

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Methodology:

The survey by market research firm Milieu Insight polled 500 parents with school-going children in primary school, secondary school, and post-secondary institutions. Parents gave their answers based on their eldest child. The Straits Times commissioned the survey to get insights into children's allowance and issues related to how students are spending, saving and working.