

Singapore is spending billions on Covid-19



Normal life has to stop for a while in Singapore, as people stay at home.
[Photo: Chen Si Yuan.]

The global pandemic is not only a medical problem. It is also about money.

The Singapore government has promised almost \$59.9 billion to help Singapore get through the Covid-19 crisis. That is a huge amount of money to spend in a short time.

HOW MUCH? See yellow box below for a better idea of how big a sum of money that is.

Obviously, this is not just for buying masks. In fact, most of the money is not for fighting the disease itself. The Covid-19 pandemic is a *health* challenge that is causing an *economic* challenge.

The health challenge

Covid-19 is not the deadliest disease in the world. Ebola, for example, is far more dangerous. Cigarettes will probably kill more people this year than Covid-19.

The big problem with Covid-19 is that it spreads so easily from person to person. Every day, a large number of people are catching it. They, in turn, are spreading it to even more people. The world needs

to slow down the spread of the disease. Otherwise, the number of people who fall sick at the same time will **overwhelm** hospitals.

Doctors and nurses know how to look after Covid-19 patients when there are enough hospital beds and medical equipment. But, medical professionals will struggle to cope if too many patients need treatment all at once. In countries where that has already happened, patients do not get the care they need. This is why it is so important to slow down the pandemic.

Experts agree that the best way to stop the virus from jumping from person to person is for people to avoid grouping together. Home-based learning — what you are doing now — is just one of the big changes that the world is going through.

The stay-home, no-crowds rule is also causing a big strain on the *economy*.



These businesses near Changi Airport depend a lot on Singapore's connections with the rest of the world. Such businesses are hurt by the Covid-19 pandemic.

The economic challenge

The “economy” (say “e-**kon**-uh-mi”) is the word we use to describe all the activity taking place between buyers and sellers. Economic (say “e-kuh-**naw**-mik”) activity happens when big companies construct buildings or ships, when a gymnastics coach trains a team, or when an aunty buys you a birthday present.

The economy is very important because all those different activities enable adults to earn money. In good years, the total amount of economic activity in a country increases. That is what adults mean by “economic growth”. It means more opportunities to find work or start businesses.

In bad times, the economy can shrink. This is called a recession. Experts suspect that the Covid-19 pandemic will cause a

global recession. In Singapore, many kinds of economic activity have already been badly hit.

- Many activities depend on the millions of visitors who come to Singapore for meetings and holidays every year. Visitors have stopped coming because of the controls on international travel. As a result, big hotels, event organisers, tour guides, private bus drivers, and many others in the travel and tourism business do not have enough work.
- Although your lessons are now home-based, there are many kinds of work that must be done face-to-face. Such businesses are suffering because people are avoiding crowds. Coaches who need to meet their teams on the court or field have to cancel training. Restaurants that were depending on crowds visiting their mall suddenly have too few customers.
- Singapore also has thousands of companies that do business with other countries. For example, there are factories building high-tech parts for aeroplane makers overseas, and others making food products for export. These are badly affected because other countries' economies are also being hit.

How the government is helping

People in Singapore could be in big trouble if the government does not step in to help. "Our immediate priority is to save jobs, support our workers, and protect **livelihoods**," said Deputy Prime Minister Heng Swee Keat when he announced the government's multi-billion-dollar plan.

It has made a long list of ways it will help. For example, since many businesses are not making enough money, the government will use some of the \$59.9 billion to help them pay their workers. If the government does not do this, bosses might be forced to ask workers to go, leaving many people jobless.

Since there is not enough work for everyone, the government is also spending money to help people go for training courses during this period. Thus, when the economy improves, they will be well prepared for their next job. Singaporeans who require extra help will also receive money, especially to buy food and other daily needs.

Where the money comes from

You may be wondering how Singapore can afford to spend so much money. Every year, the government collects money from various sources, such as GST and other taxes that people and companies pay. In normal years, it does not spend more money than it expects to receive. But, this is not a normal year. The government will dip into

Singapore's savings, called the "reserves", to help cover the \$60 billion. Around \$21 billion will come from the reserves.

The main reason why Singapore has so much savings is because previous generations were careful not to over-spend. By acting responsibly in the past, Singaporeans can now be generous when people really need help. "We will stand with our fellow Singaporeans, to look out and care for one another, at a time of fear and anxiety," Mr Heng said.

VOCAB BUILDER

livelihoods (say "lyv-li-hoods"; noun) = ways of getting the things one needs to survive, such as working to earn money to buy food.

overwhelm (say "o-ver-wellm"; verb) = run over; be too much to handle.

How much?

It is hard for anyone to imagine \$59.9 billion. So, picture this. If you had that sum of money all in \$10 notes, and you lined them up end to end like this...



...the line of notes would go around the Earth *21 times!*

But, that would be a rather silly way to use the money. So, picture this instead. You may have heard of the Cross Island Line (CRL). When completed in around 2030, it will be Singapore's longest MRT line, stretching from Jurong to Changi. This huge, decade-long project will cost around \$40 billion. The government's Covid-19 relief package is 1.5 times greater than this.

Not just doctors

Frontline medical staff play a big role, but they also need other things. To cope with large numbers of Covid-19 cases, the World Health Organization says countries must have all the following.

Staff

There must be enough doctors, nurses, paramedics, social workers, and others with the skills to help the sick and their families.

Space

Since there may not be enough room in existing hospitals, there must be a plan to convert hotels, community centres, and other suitable buildings into medical facilities.

Supplies

Patients need medicines. For those whose lungs are weak, there must be enough ventilators and other machines to help them breathe.

Systems

Good systems help ensure that the different teams work together smoothly. For example, supplies and staff must be sent to the spaces where they are most needed.