A home is not just a house: Singaporeans have wealth that cannot be measured

Serious commitments on housing, ageing and retirement were made at the National Day Rally, but the latest spirit underpinning these moves will require contributions from all.

**Gillian Koh**

What does it take to strengthen the bonds among Singaporeans and for the Government to keep the faith with the people, to build a home and a nation, and not just a trading hub of one or two generations of foreigners?

Acknowledging their needs, meeting them in ways that straddle competing interests, and directing them to help themselves and one another to build that sense of camaraderie and community — this is the basic spirit behind Prime Minister Lee Hsien Loong’s National Day Rally speech in 2023.

This has been the challenge confronting us since independence, even if we often choose to encourage it to a small group of leaders in Government.

**SERIOUS COMMITMENTS**

The key policy initiatives announced to deal with core concerns of citizens — housing, ageing, and retirement funding — are indeed costly and provide the signal that PM Lee and his cohort of successor leaders, led by Deputy Prime Minister and Finance Minister Lawrence Wong, are united in the crucial concerns of key segments of Singaporeans: senior citizens, “young seniors,” young couples and singles.

These moves are coming at a time when the Government’s fiscal indicators have indicated it still has enough resources to invest in these major concerns over the medium term, but might still remain under a determined fiscal shortfall of up to 2 per cent of gross domestic product annually towards the end of this decade under some revenue and expenditure scenarios.

Given this background, these pledges to refresh the social and political compact and make commitments that can be sustained only if, in turn, everyone bears some of the burden and no one feels they are being taken advantage of.

They also hang on the ability of the economy and Government to generate the fiscal resources needed, and the prudence with which to balance the books at the end of the day.

Rights, responsibilities as well as an investment of confidence towards the greater sense of “we, the citizens,” must also be renewed constantly. These are manifested in dollars and cents, a representation of the value we place on social solidarity among ourselves.

**HOMES THAT MONEY CANNOT BUY**

This is also why not of the notion of cutting the lottery effect from the purchase of public housing unaffordability is such a hot-button issue. But we have seen PM Lee and his ministers grasp the nettle to call it out and address it firmly.

Some feel it is their entitlement as citizens, others feel it was the promise of the governent’s People’s Action Party to provide all generations with a fair shot from capital gains from trading their homes to 100-year-old parents. Yet, when the time comes, settled communities typically see greater value in being able to stay and age in peace.

The speech delivered on Sunday returns the narrative towards housing bonds, strengthening the social fabric of a diverse people to the sort of wealth that cannot be counted.

PM Lee’s introduction of the ‘Individual Housing Plan’ to replace the matric and non-matric categories of housing estate relocations has public housing costs and distributed.

Over the recent years, there has been significant upkeep about the lottery effect that new home buyers were gaming for, given that new homes being built in undeveloped land in the city.

While new families said they were worried about access to affordable housing, it was also clear they were thinking about the prospect of making capital gains from selecting the largest flats in the choicest locations they could afford when they put in their bid for BTO flats.

This is in part why sales prices rose in what are currently called mature estates are significantly higher than those in the less central locations.

The new lottery will manage the lottery effect by relying on the approach to housing. The income ceiling imposed on resale buyers, along with the longer minimum occupation period and subsidy recovery, which form part of the existing measures curtailing the resale of Prime homes, will make the sale of BTO flats unaffordable.

They will apply to flats in good location near MRT stations and amenities, and not just those in the “downzones” areas.

Tightening resale conditions for flats that the Government has kept affordable by providing generous public subsidies achieved a lower social compact — one that is not so much between generations, but between aspiring home owners and home buyers, as well as Singaporeans in the home-owning generation and those of the home-buying generation.

After all, the premium ought by those wishing to sell their flats, especially those that are Prime in Prime and now Plus, are realised on the back of those more likely to be the first-time buyers. Unemployed usually move into private property, and downsizers or retirees are likely to move into smaller flats and, in the future, those designed for assisted living.

Make no mistake: The BTO flats will still be traded, but the new lottery category tempers this notion of the idea of a social asset and tips it towards the notion of a home for life: a civic effort to reduce the public’s approach to home ownership. This could also help to redirect some attention to other ways of growing one’s wealth.

**FOR SENIORS, SINGLES, AND MORE SINGAPOREANS**

What is perhaps the most significant move in terms of strengthening that social compact across society is the broadening of access to singles, 55 years and above, and two-room flexi flats across the island instead of being confined to non-mature estates.

This is in addition to recent news that more state properties will be converted into co-living spaces. With greater supply, influx of young singletons — among whom the elderly are finding themselves in a tight market — is a welcome phenomenon.

The successful uptake of the five-room flat is another testament to the Government’s ability to take advantage of the system’s well-calculated, more market-based orientation in the building of a nation. The 4G leadership is indicating that it is concerned about the broader, more holistic needs of this growing water-based nation, as well as a changing political profile of young Singaporeans.

This ethos manifests itself in other moves announced at the Rally. The introduction of the “Singapore Home Living Program”, which enhances and community education and support programmes, demonstrates the new vision of the Age-Well SG is a big picture: big ideas approach to issues that all of us — with seniors in our families care about — will help the young see what their future holds for them also.

The programme will encourage a greater deal of self-help around key nodes called the Active Ageing Centres to be found in every main estate in Singapore and will be soon.

Seniors of all states of health and socio-economic background, provided each offer what money can’t purchase: a sense of concern and agency, and the opportunity. People only rely on each other in the spirit of care and unity.

Policy, public finances, the day-to-day investment in each and every corner are only one part of the act. And an economy that provides all the former and opens up the future. Coupled with trusefulness of social and political capital, the Singapore Home Living Program is the foundation of the country and must continue to do so generation after generation of citizens and leaders.

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