

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 larger spirit underpinning these moves will require contributions from all.

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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 sojourners?

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 outsource 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, but provide the signal that PM Lee and his cohort of fourth-generation leaders, led by Deputy Prime Minister and Finance Minister Lawrence Wong, are attuned to the crucial concerns of key segments of Singaporeans – seniors, "young seniors", young couples and singles.

These moves are coming at a time when the Government has indicated it will have enough revenues to meet expenditure over the medium term, but might still have to deal with a possible 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 are serious 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 hinge 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 sentiment 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 that notion of curbing the lottery effect from the purchases of publicly subsidised flats 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 governing People's Action Party to provide all generations with a red packet from capital gains from trading their Build-To-Order flats. And yet, when the time comes, settled communities typically see greater value in being able to stay and age in place.

The speech delivered on Sunday retunes the narrative towards building homes, strengthening the social fabric of the nation, and enriching the sort of wealth that cannot be measured.

PM Lee's introduction of the Standard-Plus-Prime flats to replace the mature and non-mature categorisation of housing estates restructures how public housing is dealt with and distributed.

Over the recent years, there has been significant disquiet about the lottery effect that new home buyers were gunning for, given that new homes were being built



Spectators at the National Day Parade at the Padang on Aug 9. The new Plus category tempers this notion of a flat as a tradable asset and tips it towards the notion of a home for life, says the writer. ST PHOTO: JASON QUAH

in redeveloped land in the city.

While new families said they were worried about access to affordable housing, it was also clear that they were thinking about the prospect of making capital gains from securing the largest flats in the choicest locations they could afford when they put in their bid for BTO flats. Few began the conversation with wanting homes outside the more central locations in Singapore.

PM Lee let on that he was aware that people want both, that they want to take advantage of this and enjoy a win-win effect at purchase and sale. This is in part why subscription rates in what are currently called mature estates are significantly higher than those in the less central locations.

The new lever to manage the lottery effect strikes a new balance in 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 curbing the resale of Prime homes, will make the sale of Plus flats restrictive.

They will apply to flats in good locations near MRT stations and amenities, and not just those in the "downtown areas".

Tightening resale conditions for flats that the Government has kept affordable by providing generous public subsidies achieves a fairer social compact – one that is not so much between citizens and the state but, really, among home owners and home buyers, as well as Singaporeans of the home-owning generation and those of the home-buying generation.

After all, the premium sought by those wishing to sell their flats, especially those in estates in Prime and now Plus, are realised on the back of those most likely to be first-time buyers. Upgraders usually move into private property, and downgraders or retirees are likely

to move into smaller flats and, in the future, those designed for assisted living.

Make no mistake. The HDB flat will still be traded, but the new Plus category tempers this notion of a flat as a tradable asset and tips it towards the notion of a home for life: a gentle effort to reshape 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, 35 years and above, to 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, singles – among whom the demand to strike out on their own seems to have risen among emerging cohorts of young adults in space-constrained Singapore – will have more feasible rental home options. These acknowledge and will go some way to address their needs and aspirations.

What do these mean in totality? In contrast to the sharper initiatives to curb the ability to "take advantage of the system" is a less materialistic, more values-based orientation to the building of a nation. The 4G leadership is indicating that it is concerned about the broader, more holistic needs of this growing voter base of seniors, 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 housing, liveability, health, and community enhancing programmes under the Age Well SG is a big picture-big idea approach to issues that all of us with seniors in our families care about. It helps 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 gradually.

Seniors of all states of health and socio-economic background, provide each other what money cannot buy – companionship, a sense of concern and agency, and true community. People rely on each other in the spirit of care and reciprocity.

Policy, public finances, the day-to-day investment in each other through the acts of service, and an economy that provides all the opportunity of a meaningful life, coupled with reassurances of extra support when there are storms on the horizon – these have transformed a city into a country and must continue to do so, generation after generation of citizens and leaders.

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