

## Detailed Notes

### National Youth Dialogue Session 3 on Housing for Every Stage of Life

Session Details: Saturday, 8 October 2022, 9.00 - 12.00 pm.

Organisers: National Youth Council (NYC) and Global Shapers Community (Singapore Hub)

Attendance: 144 youth participants onsite and via Zoom webinar.

#### INTRODUCTION

1. The host, Mr Tan Kuan Hian, Vice Curator of Global Shapers (Singapore Hub), welcomed participants to the third session of the National Youth Dialogue. He introduced the panellists and moderator:
  - i. Mr Desmond Lee, Minister for National Development and Minister-in-charge of Social Services Integration;
  - ii. Dr Gillian Koh, Deputy Director (Research) and Senior Research Fellow, Governance and Economy Department, Institute of Policy Studies (IPS);
  - iii. Mr He Ruiming, co-founder of The Woke Salaryman and NYC Council Member; and
  - iv. [Moderator] Mr I Naishad Kai-ren, Global Shaper, Global Shapers Community (Singapore Hub).
2. Mr Tan introduced the Global Shapers Community as a global network of young people under the age of 30 set up to tackle local, regional, and global challenges. He said there were over 10,000 current and former Global Shapers based out of 444 city-based hubs in 147 countries, including 25 members of the Singapore Hub team.
3. Mr Tan said that the National Youth Dialogue, a partnership between Global Shapers Singapore and NYC, was a series of seven dialogues which aimed to:
  - i. Expose youth to important perspectives on critical issues for the future;

- ii. Give young people an opportunity to voice their views and have them heard by leaders in the public, private and people sectors;
  - iii. Provide an opportunity for youth to meet like-minded individuals and fellow peers; and
  - iv. Provide a chance for youth to access opportunities and resources.
4. Mr Tan said that the session on Housing for Every Stage of Life aimed to examine the values required to guide Singapore's renewed social compact on public housing and issues including affordability, accessibility and youth aspirations of home ownership in Singapore.

## **OPENING REMARKS**

5. Minister Lee said that the Ministry of National Development (MND) kickstarted housing conversations on how Singapore's social compact on public housing should evolve. These discussions would guide MND in adapting and adjusting housing policies in the years ahead. He said that public housing in Singapore also served as social policy and aimed to achieve the following objectives:
- Social Cohesion: Helping families live together or near one another, keeping neighbourhoods ethnically diverse, and building public housing and rental flats in prime areas that might otherwise be too costly for most ordinary people.
  - Ageing Population: Enabling seniors to spend their golden years in familiar surroundings (inside and outside homes) by making them senior-friendly and providing financing options to allow seniors to unlock the value of their flats for retirement.

- Preventive Health: Designing homes and estates to provide active community programmes to achieve preventive health outcomes in support of the Healthier SG movement.
  - Social Mobility for Lower-income Households: Providing coordinated social support to lower-income families via highly-subsidised public rental housing and programmes, including ComLink and Fresh Start Housing Scheme to achieve social mobility.
  - Independent Living: Developing new community living models to enable persons with disabilities to live independently and actively participate in community life as part of the Enabling Masterplan 2030.
  - Sustainability: Leveraging the Green Towns Programme to create sustainable estates by reducing energy consumption.
6. Minister Lee acknowledged that rising resale prices over the last two years had caused anxiety about housing affordability. He said that the Government had recently intervened to moderate demand and ensure a stable property market and affordable public housing for Singaporeans.

## **QUESTION AND ANSWER SEGMENT**

### **POLL 1: What does having a home mean to you?**

- a. Place to stay (94%)
- b. Stake in the country (40%)
- c. Investment to protect savings (39%)
- d. Investment to grow savings (37%)
- e. Place to build bonds with communities from diverse backgrounds (36%)

7. Dr Koh said that having a home was also a means to build bonds with communities from diverse backgrounds. She said that the Institute of Policy Studies (IPS) conducted surveys to understand how young adults transition from school to work. She observed that the life stages youths were at would shape their sentiments (e.g. fresh graduates felt more anxious than those who had utilised subsidies to purchase a house).

**POLL 2: What are the top 3 priorities when purchasing a public housing unit in Singapore?**

- a. Affordability (81%)
- b. Size of flat (63%)
- c. Accessible public transport (49%)
- d. Amenities around the area (35%)
- e. Length of lease (99 years, freehold, resale etc.) (19%)
- f. Living near to/in the city centre (18%)
- g. Being able to upgrade to a larger flat or private property in the future (11%)
- h. Potential gains from selling your flat on the open market (4%)
- i. Being able to own an investment property (4%)

**“How can Singapore decentralise the business areas and make everywhere a preferred place to stay?”**

8. Mr He said efforts like the International Business Park in Jurong were ongoing to disperse commercial activities. He said decentralisation would take time and involve trade-offs such as removing natural environments and historical buildings. He suggested incorporating more running and cycling infrastructure to connect mature and non-mature estates and foster more inclusivity.

9. Dr Koh said it was important to incentivise businesses to locate outside the current commercial hubs to allow people to live, work and play in the same place. She suggested that the Government could incorporate facilities and infrastructure such as schools and transport systems in decentralised areas, as these were crucial factors for families deciding where to move.

**“How can Singapore continue to build a social compact to include diverse groups of individuals, such as seniors and individuals with special needs, in public housing planning?”**

10. Minister Lee said that task forces, comprising caregivers and people with disabilities, had been convened to provide recommendations to improve housing policies and independent living.
11. Minister Lee said that housing, besides serving an infrastructural need, also aimed to support and enable vulnerable groups through coordinated social support, such as community care designed to provide active programming and social aspects for seniors and low-income households and people with disabilities.

**“HDB and BTO were designed more for heteronormative nuclear families. Are there any plans for more dynamic living and housing options for younger Singaporeans, such as modular living or cohabitation?”**

12. Minister Lee said that the private sector had developed new co-living solutions. At the same time, the Government was carefully monitoring Singaporeans' changing aspirations towards marriage, parenthood, singlehood and work-travel patterns and would adjust white sites, planning parameters and housing policies accordingly.

**“The middle-class squeeze is happening worldwide and in Singapore as well, even though Singapore may be managing it a bit better. How do we alleviate the middle-class squeeze? Are there plans to change the fiscal policies?”**

13. Dr Koh said there were different political economy models globally, such as in Scandinavian countries that provided free education and healthcare but had high tax rates. She said that in expecting more generous means-testing for the state to subsidise everyone equally, individuals would also have to agree for taxes to increase.

14. Minister Lee said all classes across society felt the squeeze. He said the squeeze was not merely financial, and would include "emotional costs", such as those of child or parent care. He said that the Government was looking beyond housing options and subsidies to provide comprehensive support, including caregiver respite and home care in the immediate and long term.

**“As the population of singles is rising, are there any ways that single first-timers can be eligible for housing grants? What about singles staying with ageing parents who have taken HDB loans before?”**

15. Minister Lee said that grants were available for singles, including those living with their elderly parents. He said that the Government would continue to study and support housing arrangements for families to provide mutual care and support.

**“What are the plans for MND to balance housing and recreational needs? Will MND protect specific lands for recreational activities?”**

16. Minister Lee said that with Singapore being a city-state, there was a need to balance green spaces alongside other demands for land. He said green spaces needed to be provided for as they were "essential to the soul of the nation" to

ensure that dense housing was more liveable and less stressful.

17. Minister Lee said that the Government remained committed to protecting green spaces, and had carried out ecological profiling to guide its plans. He said that some spaces that had initially been zoned for industry and security, such as sites near nature reserves, had been retained as nature buffers.

18. Mr He said that green spaces ensured that Singapore remained a competitive and attractive city as recreational spaces to unwind were essential to make Singapore a viable city for people to live in.

**“What is the function of private properties, especially considering how the Government does not have the same levers that private properties do for housing policies?”**

19. Minister Lee said that public housing aimed to achieve social objectives and came with rules and regulations, including means testing, minimum occupation period and other restrictions. He said that private property afforded more autonomy and could cater to different needs and aspirations.

**“Given that people are staying single longer, what considerations are being made to allocate more flats to singles or to allow singles to buy larger flats? How do we balance this with considerations for families?”**

20. Mr He said that in increasing the accessibility of flats to singles, participants also needed to understand that the demand pool would increase and result in higher prices for HDB buyers.

21. Dr Koh said that accessibility for singles had improved over time compared to when the Government had previously circumscribed HDBs as homes for families.

22. Minister Lee said that Singapore would continue to evolve, and the Government was monitoring demographic trends and people's aspirations. He said that participants' inputs were important for the Government to get a pulse of the younger generation's needs and aspirations.

**“What can be done to prevent public housing, a social instrument, from becoming a way for individuals to make money instead?”**

23. Dr Koh said Singaporeans had called for more restrictions to address the “lottery effect” of flats being seen as an investment piece instead of a home.

24. Minister Lee said that public housing was subsidised to ensure affordability and Singaporeans were allowed to sell their flats on the resale market to share in the country's economic growth. Nonetheless, most Singaporeans were upset at the behaviour of individuals who tried to "game the system". He said that the Prime Location Housing (PLH) was one effort to address the issue.

**POLL 3: What do you think should be the guiding principle for housing policies? Which of the following forms of housing support are most important to you when purchasing public housing?**

- a. Constant renewal and rejuvenation to meet the needs of future generations (61%)
- b. Giving young Singaporeans a leg up through home ownership, i.e. providing an asset that is a store of value that can be monetised if necessary, e.g. to improve retirement adequacy (45%)
- c. Progressiveness, i.e. those who are less well-off should be helped more (44%)
- d. Social mixing, i.e. people from different socioeconomic circumstances should interact and share common experiences (40%)

- e. Individual responsibility (i.e. the Government will lean forward to help but individuals must take responsibility for their own circumstances) (39%)
- f. Equality, i.e. everyone receives the same benefits (e.g. grants, access to different flat types) (32%)
- g. Family as the basic building block of society (25%)

**“Are there any policies in place to continue preventing rental racial discrimination, especially from private rental agencies?”**

25. Dr Koh said that rental discrimination was regrettable and suggested that landlords could call out unacceptable behaviours rather than disparaging groups by racial and religious categories.

26. Minister Lee said that rental discrimination had to do with societal attitudes and eliminating it was a constant work in progress. He said that where real estate agents were concerned, there were regulatory levers to prevent them from perpetuating ethnic discrimination.

**“Is it possible that new flats have dropped in quality? There is a high rejection rate despite also having a high application rate. Where the average flat would be 120-130 square metres in the 1990s, it’s now 90 square metres in the 2010s.”**

27. Minister Lee said that flat sizes were last reduced in 1997 and had stayed in the same range since then. He said that Singaporeans’ aspirations and expectations had risen, and family sizes had decreased, with flats now housing smaller families with two-generation instead of three-generation households. He acknowledged that people required space but said that the Government had to balance aspirations against maximising land to create as many homes for as many people as possible.

**“Given that CPF doesn’t grow at the rate of capital outlay required, are there any policies in place to provide affordable housing for young couples due to the rise in down payment requirements?”**

28. Minister Lee said that macroprudential policies such as housing loan interest rate floor were implemented to protect Singaporeans against rapidly rising interest rates. He said that the Government also stipulated a wait-out period for private residential property owners (PPO) to moderate demand in the resale HDB market to cool prices and ensure that the resale prices remained affordable.

29. Minister Lee advised participants to purchase within their housing budgets and keep in mind the rising interest rate trend, so as not to overstretch themselves.

**“Why is homeownership still a key plank of housing policies, and rental getting much less attention? Are Singapore’s housing policies too kind towards home ownership that Singaporeans are now building their lives around their home rather than the other way around?”**

30. Mr He said that home ownership might be less tied to having a stake in the country in the present context. He said Singapore was regarded as an untested city-state in the 1960s, and home ownership policies may have been more relevant then.

31. Minister Lee said that it was not incompatible for Singaporeans to have a stable home in Singapore and branch overseas. Conversely, he said that having housing instability (e.g. uncertainty in tenancy extension, mortgage concerns etc.) might hinder Singaporeans from working in companies overseas. He said that, ultimately, it depended on whether there were opportunities for Singaporeans to catch a second wind and each individual's desire for different experiences.

**“Many aspiring parents want to pass their wealth to their children. With rising life expectancy and change in retirement age, is it possible to increase the**

**length of the lease?”**

32. Mr He said that the 99-year lease aimed to deter individuals from buying land and staying there for generations, which would counter social mobility. He said that Singapore was a country with limited resources and space, and having a 99-year lease might be what it takes to build within the country.

33. Minister Lee said that leasehold ownership was common in land-tight cities. He said that for Singapore to continue to be a vibrant place, land rejuvenation had to occur to prevent landowners from being entrenched in society. He said that the Government had announced the Voluntary Early Redevelopment Scheme (VERS) as a strategy to rejuvenate our public housing estates and would continue to engage Singaporeans on this.

**“What options would young couples have with an estate in a mature area with less than 50 years’ lease remaining? Would the Government recommend purchasing a resale in a mature estate with less than 50 years’ lease?”**

34. Mr He said that trade-offs had to be made between location, lease length, and budget. He said that the prices of HDB resale flats ranged from \$300,000 to \$1.4 million, but less attention had been given to more affordable housing.

35. Minister Lee said that HDB’s policies allowed Singaporeans to buy properties with a shorter lease, but with safeguards to ensure that they can buy a subsequent property to meet their lifetime housing needs.

**“Application rates are very high for HDBs. Would there still be enough land to build more flats for future generations? What other solutions are there for housing?”**

36. Minister Lee said that the Government had plans to develop housing in new areas such as the site of the current Paya Lebar Airbase and the Greater Southern Waterfront. The Government would also intensify land use where possible..

## **CLOSING**

37. Mr Tan thanked the panellists for their time. He shared that youths could partner with the Government through the Young ChangeMakers grant and encouraged them to participate in MND's public housing consultation.