

OUR SINGAPORE CONVERSATION: HOUSING

# Participants want 'more home, less asset'

Changes suggested by one group will meet resistance from others: Khaw

By RACHEL CHANG

MOST of the Singaporeans who gathered to debate the future of the Housing Board (HDB) on Thursday night wanted the rules tightened to make flats "more home, less asset".

They felt that the priority should be to meet the housing needs of Singaporeans as opposed to seeing flats as appreciating assets.

At the Our Singapore Conversation (OSC) dialogue on housing, which focused on home ownership, some participants also argued that flats should not be sub-let liberally. They should not be owned either by those who can afford private properties.

Several participants at the dialogue, held at the National Library building, added that permanent residents and new citizens should be subject to different rules than

born-and-bred citizens, like a longer minimum occupation period in their flats.

Almost all did not want to see Singapore's home ownership rate fall below 80 or 90 per cent.

National Development Minister Khaw Boon Wan, who roamed the room listening in before addressing the participants, said that he was glad to see the goal of home ownership reaffirmed as a "desirable target".

"I don't think we want to walk backwards to have a day where only 20 per cent own homes and the rest are renting."

But the changes the participants advocated would come at substantial cost to other segments of Singaporeans, he said, and any shift in current HDB rules will meet resistance from those on "the other side of the coin".

He pointed specifically to retirees as a group who have "built



Participants at the dialogue on Thursday night debating housing issues in small groups. Many of those present felt that the priority should be to meet the housing needs of Singaporeans, as opposed to seeing flats as appreciating assets. ST PHOTO: EDWARD TEO

their assets over the years".

Any changes to sub-letting, ownership or resale rules could prevent them from monetising their flats and therefore "spoil their retirement plans".

Ms Evalyn Khoo, 32, who works in the insurance industry, said that she was surprised that her fellow participants were largely calling for tighter rules. She suggested that the profiles of the 40 attendees skewed towards those worried about getting a foot in the property market. These included younger buyers or older ones thinking of their children.

She also pointed out that disallowing dual ownership of an HDB

## HOME OWNERSHIP STILL KEY

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flat and a private property cannot be implemented immediately as it is unfair to make someone sell their property even during a down-market.

But Singapore Management University economics student Tan Pei Yuan, 25, felt the session told him that "there is a consensus on housing and that is to move towards inclusiveness and affordable homes for all".

When talking to participants, Mr Khaw said some ideas were not feasible.

These included removing land costs from HDB's pricing equation, imposing a minimum occupation period after buying a resale flat and that the Government should buy back all flats at market price and "start again".

Of the third suggestion, he said that "no government can afford

that, including the Singapore Government".

"Let us not perpetuate this thought that HDB is making money," he emphasised, and noted that its home ownership programme is perpetually in the red as it sells new flats below cost.

This deficit, he said, was currently growing due to his move to de-link build-to-order flat prices from the rising resale market in 2011.

"It will run into billions of dollars," he cautioned.

The next OSC session will be on types of public housing and will be held on May 8.

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