

Case Study of Social Housing in Singapore

*Omarlyn Martinez
& Rylee Smith*

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in one of the world's wealthiest countries
lives in public housing?*

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- Population: 5.4 million
- Area: 281 mi², smaller than New York City
- GDP per capita: \$64,000 USD
- Population density is second-highest in the world



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Who Controls the Land?

Under the HDB leasehold system, “owners” only buy the right to use the flat.

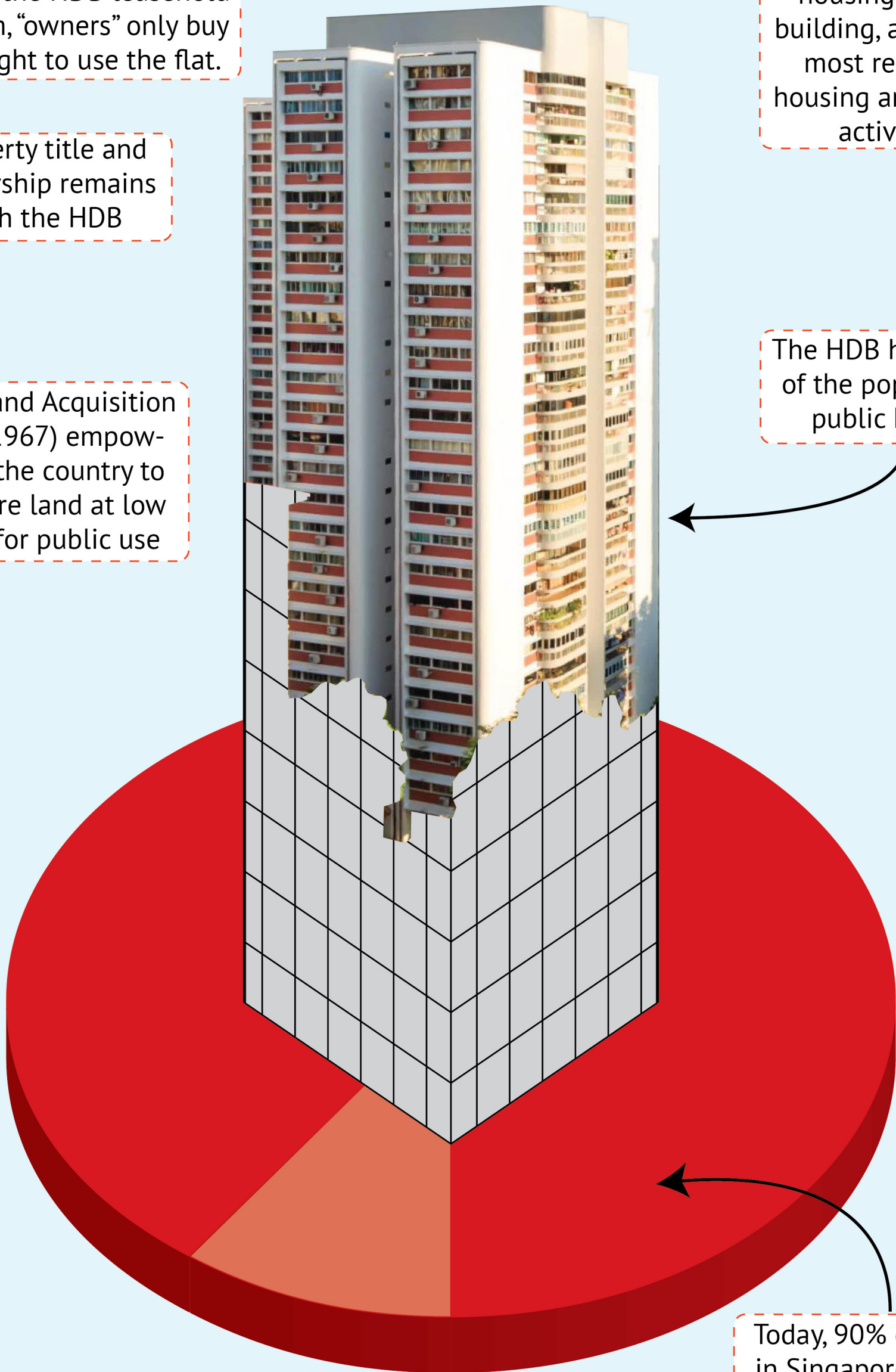
Property title and ownership remains with the HDB

The Land Acquisition Act (1967) empowered the country to acquire land at low cost for public use

HDB remains the dominant national housing provider, building, and owning most residential housing and plays an active role

The HDB houses 80% of the population in public housing.

Today, 90% of the land in Singapore is owned by the state as opposed to 49% in 1965



How it works:

New Builds

Singapore grows its HDB housing stock through a **Build-to-Order (BTO)** program. The HDB sells leases to new flats in buildings that have not been built yet, and then when enough units are sold, the building will be constructed. Buyers of BTO flats often have to wait **four or more years** before they can move in. BTOs have an advantage for new buyers, though. They are **priced directly by the HDB** at heavily discounted prices, so **they are actually cheaper** than buying an existing flat!

Resale

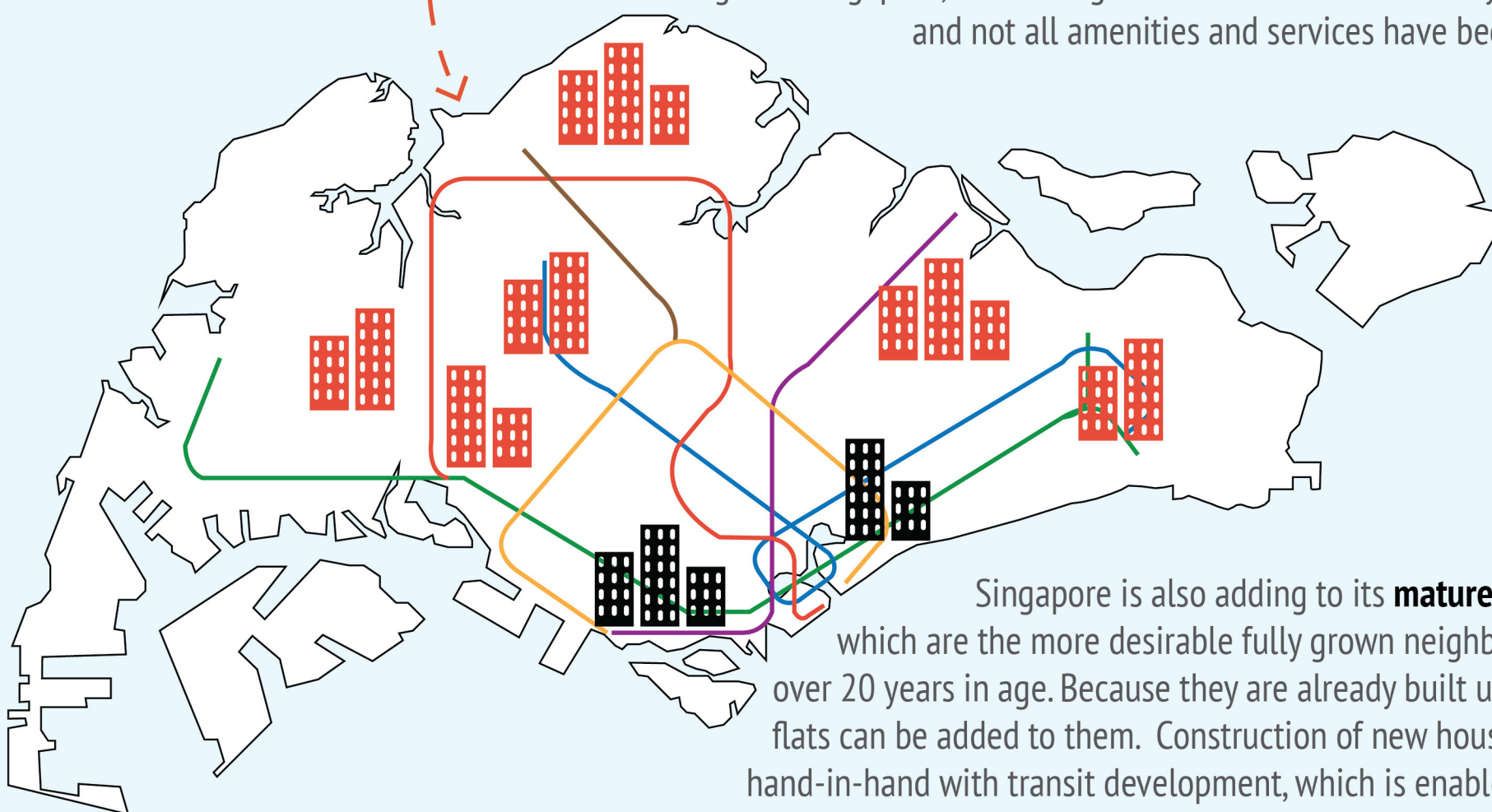
HDB units can be **bought and sold on the market**. Because of this, and because housing demand is growing in Singapore, **resale flats are more expensive** than new ones. The HDB offers **many subsidies for buyers** of resale flats, which depend on factors like income, the type of flat they are buying, whether they are a first-time buyer, and whether they are living close to their family. The HDB also sets terms for when units can be resold. Generally, **residents must occupy their homes for 5 years** before renting or reselling it.

Paying for Housing

Singaporeans fund their purchases through a **mixture of HDB grants**, which reduce the overall price of the home, **and loans**, which can be from a traditional bank or from the HDB. Singaporeans can also choose whether to **pay their mortgage payments in cash** or from their **CPF**. CPF is the **Central Provident Fund**, Singapore's version of Social Security, a compulsory housing and retirement fund that is paid through employer and employee payroll taxes. Employees pay 20% each month into the fund.

Where are new flats built?

Most new BTO flats are built in **non-mature estates** around the edges of Singapore, where neighborhoods are less than 20 years old and not all amenities and services have been built.



Singapore is also adding to its **mature estates**, which are the more desirable fully grown neighborhoods over 20 years in age. Because they are already built up, fewer flats can be added to them. Construction of new housing goes hand-in-hand with transit development, which is enabled by the total control Singapore has over land use and planning.

How has the HDB Changed Over Time?

1960

A fire broke out in a slum resulting in 16k people losing their homes. HDB was able to rehouse everyone within 1 year, winning over a skeptical public

“Home Ownership for the People Scheme” (1964) provided 2000 two and three-bedroom apartments for sale to lower and middle-income citizens

Starting in 1989, HDB blocks require minimum levels of occupancy of each main ethnic group in the city (Chinese, Malay, and Indian)

Public subsidies to the HDB are very high due to popular support (S\$1.19 billion in 2017)

2021

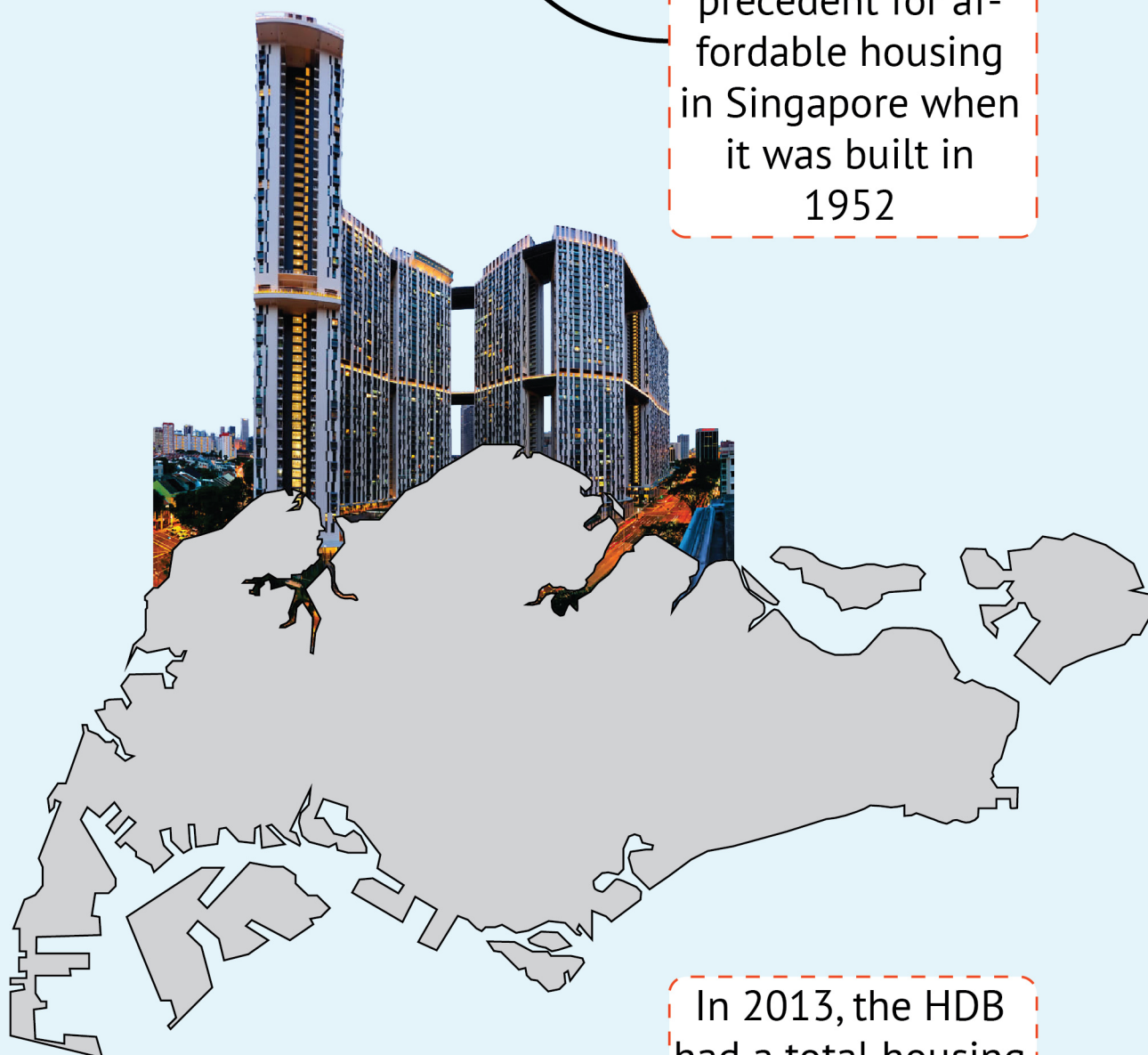
Now, more than 90% of the population lives in government-built flats

HDB currently runs a Build-to-Order (BTO) scheme, a demand-led program that builds blocks of flats only when enough of them have been purchased.



In 1960, HDB had a total housing stock of 120,138 units.

Queenstown became the precedent for affordable housing in Singapore when it was built in 1952



In 2013, the HDB had a total housing stock of 933,367

HDB housing is now all over the island

Housing Styles + Amenities



(Early Flats)

- Massive slabs block up to 10 stories tall with 12 flats per floor
- Accessed by open corridors running along the front of the building
- Water and electricity were provided
- No furniture other than a squat toilet, shower in tiny bathroom and sink and kitchen



HDB maintains the buildings and grounds carefully and periodically upgrades the estates with new elevators, walkways, and face-lifts



(Modern Flats)

Tower blocks up to 47 stories high with rooftop gardens and sky gardens linking towers



The management of the estates was integrated into policies that included everything from the design of the city's mass transit system to racial integration and nearby commercial and industrial areas.



Blocks were built-in neighborhood clusters with playgrounds, food centers, and local shops. Larger ones had a health clinic, a community center, and a library

(For a US context:)

The US can learn from the HDB's integrated approach to building public housing near mass transit and amenities. The HDB's continuous maintenance of public housing should also be something to consider in the US since housing is left to deteriorate over time.

Lessons for the US: Streamline processes for social housing to increase availability quickly

Subsidies

The HDB heavily subsidizes flats, especially for first-time buyers



Lessons for the US: Expand access to vouchers and homebuying assistance

Construction

Singapore is always building new housing, ideally to keep pace with housing demand



Lessons for the US: A variety of housing programs can help ensure people of all income levels are housed

Planning

Estates are planned with schools, shops, transit, and public amenities, enabling an affordable way of life

Rentals

For extremely low-income Singaporeans, a small and regulated rental market exists with deep subsidies

How does Singapore keep housing affordable?

Lessons for the US: Require large new developments to have comprehensive plans for transit and service access

Control

The buying and selling of HDB flats is tightly controlled in an effort to prevent speculation



Lessons for the US: Add to the stock of city-owned property, and adopt a community land trust model to decommmodify it

Lessons for the US: Expose the ways in which housing is a political problem, tied to the offices of specific elected officials

Politics

Public housing is part of Singapore's national identity and an important political goal, incentivizing leaders to get it right

Land Decommmodification

Singapore has a near-monopoly on the land and tightly controls even private uses of land, reducing the pressure of the market



Control

“The government shows you paths they have created for you, so if you don’t conform, there’s nothing for you.” - Raymond, speaking with the BBC

Planning & Authority

Singapore’s housing program and comprehensive planning looks amazing. However, it is enabled by the **near-total control** the Singapore government has over land use and its citizens. While planners pay lip service to community engagement through focus groups and designated feedback opportunities, **there are few chances for Singaporeans to offer meaningful input** or pushback over planning decisions. Many Singaporeans are worried about heritage preservation and development on ecologically important sites. Some of the only successes won by residents have come from “NIMBY” pushback over hospital development and the location of dormitories for migrant workers.

“Family comes in different shapes and forms, and we need to start acknowledging it. Me being unwed doesn’t make me less of a mother or less of a Singaporean.” - Steph, speaking with the BBC

Exclusions

Singapore’s Social Vision

Singapore’s government offers a very specific vision for what a good society looks like. This manifests itself in heavy-handed social policy. Singapore only recognizes families as valid when they consist of a heterosexual married couple - **excluding singles and anyone in a same-sex relationship** until the age of 35 from buying an HDB property. They also **mandate integration** of the three primary ethnic groups of Chinese (75%), Malay (15%), and Indian (7.5%). This integration comes at the cost of community for minority ethnic groups, who are consequently **a minority wherever they go**.

Migrant Laborers

Singapore’s booming economy relies on **migrant laborers** who are paid small wages and deliberately excluded from the high-quality housing that many of them built in the construction industry. Over 300,000 such workers live in **crowded dormitories** instead, or even find themselves being forced to live on construction sites so their employers can cut costs. These workers are **completely marginalized**, and any analysis of Singapore’s model must recognize that the labor conditions enabling it cannot and should not be replicated in the United States.

Tensions

“None of my clients have gone homeless, no matter what situation they are in.” - estate agent Safura Ashari, speaking with the BBC

Rhetoric & Reality

Singapore’s model is full of **tensions and contradictions**. Understanding these can help us examine the ways in which this model can (and cannot) inform social housing in the United States. Singapore’s vision has **enabled great freedoms** for its citizens, who don’t have to worry about homelessness or the excesses of the free market. Yet, this freedom is **built upon layers of control and exclusion**, and fuels a specific idea of harmonious communities that might not work without the tremendous power of the state to control citizens’ lives. Singapore’s **use of markets** is also instructive, and offers ideas of how a reined-in market economy can support a model of social housing, which any American project will need to contend with. While they also deal with the fluctuations of supply and demand, residents know they will never end up on the streets or make huge sacrifices just to pay their rent.

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