

In Conversation with

Professor Cheong Koon Hean


Singapore's public housing programme has been instrumental in promoting social mobility through the appreciating value of HDB flats, developing Singaporeans' sense of rootedness, and enhancing racial integration, thus fostering inclusivity in our nation-building journey.

We now live in a world where rising levels of income disparity have the potential to stoke tensions between the haves and have-nots, leading to polarisation within societies and widening the division of views. As Chairman of the Centre for Liveable Cities which distils knowledge from Singapore's urban journey, and shares knowledge and solutions with other urban leaders, do you feel that the lack of affordable public housing is behind many of the problems faced by governments nowadays?

Rapid urbanisation has led to significant pressures on the infrastructure of many cities. The lack of affordable housing is a major challenge faced in many developing as well as developed cities. The United Nations estimated that over 1 billion people live in inadequate housing, in places which lack access to basic infrastructure, urban services and public spaces and this has negative consequences for human development.

This is why the United Nations' New Urban Agenda for Sustainability Goal 11 calls for access to adequate housing and basic services and the upgrading of slums. Shelter is a necessity of life and an anchor of economic activities by households. Affordable housing with access to transport, jobs and necessary public services for health and safety, is a prerequisite for inclusive and diverse cities. Housing is also situated at the core of the widening wealth and income gap as rising rents and home prices restrict the upward mobility of existing populations and limit opportunities for new entrants, often leading to growing disenchantment with governments.





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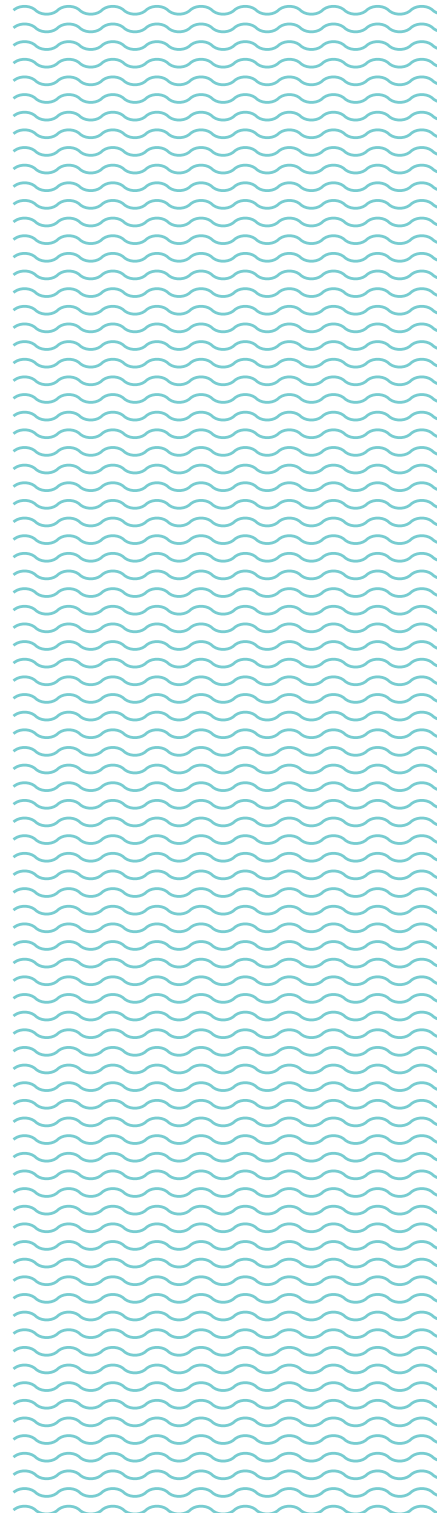
Having worked on housing issues over the years, I am convinced that access to affordable housing is crucial for societal stability. It reduces inequities and is essential for ensuring that people have a decent living environment and quality of life, providing assurance of a stable home for bringing up families and giving hope for a better life.

In the case of Singapore, the Housing and Development Board (HDB) has, since the 1960s, housed some 80% of the residential population in 1.25 million public housing flats in 27 towns and estates. Through innovative policies that encourage home ownership, some 90% of HDB households today own their own flats. This has resulted in Singapore having one of the highest homeownership rates in the world and is not something we can take for granted.

Affordable public housing in Singapore achieves many goals beyond just having a roof over our heads. The policies to encourage home ownership enabled Singaporeans to have a stake in our country, which was fundamental in our early years of nationhood. Young

people who buy their highly subsidised first public housing flat from the HDB can benefit from any increase in the value of their flat over time. Complementing the Central Provident Fund (CPF), home ownership strengthens retirement adequacy as the home can be monetised during old age.

At a broader societal level, the Ethnic Integration Policy (EIP) that was implemented since 1989 safeguarded an ethnic quota for each neighbourhood and housing block. The EIP aimed to promote racial integration and to prevent the formation of racial enclaves by ensuring a balanced mix among the various ethnic groups living in public housing estates. HDB policies also enhance family and community ties. For example, its allocation policies and subsidies are designed to encourage families to live together or in close proximity, so as to encourage mutual care and support. Large and small flats as well as rental flats are well mixed within a housing estate to minimise the income divide. Public spaces and playgrounds at the estate level and



community living rooms planned at the block level promote community activities and interaction. All these policies and initiatives contribute collectively to the success of Singapore's public housing programme as a foundation for a more stable society.


As a follow-up to the earlier question, to what extent do you think Singapore's public housing model is replicable across other countries?

Singapore's model of public housing has been studied extensively by many cities and has even been used as a case study in Harvard University. Indeed some have commented that Singapore's public housing model is too 'sui generis' and is non-replicable. Nevertheless, we continue to receive visitors who want to

learn more about our model. Certainly, the Singapore model is not one that can be 'transplanted wholesale' into any country. Conditions like our single tier centralised government, our governance system and the availability of state land to build housing may not exist for many countries. However, an understanding of the success factors of Singapore's public housing programme could provide some clues as to what might be some pre-requisites that could be useful for a successful housing programme, at least in part if not in whole. Let me illustrate with some examples.

First, a key condition to Singapore's success is the government's strong commitment to provide affordable housing as its social compact with its citizens. Any government who seeks to provide affordable housing must match





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it with action by seriously committing resources and crafting the right policies to achieve this goal. Second, the creation of an institution similar to the HDB which is dedicated to providing affordable housing is much needed for real and integrated action. A dedicated agency can grow its institutional capacity to formulate effective policies and to execute and deliver housing at scale. HDB has been instrumental in working out innovative policies to achieve the goals that the government has set out for it. It has also developed tremendous technical capability and processes to execute the huge public housing programme, having built 1.25 million flats to date. HDB's experience in planning and building townships provide valuable insights for cities who embark on large scale housing developments. Its innovations in building technologies, such as the use of pre-fabrication, holds learning lessons on building fast and with quality in a cost-effective manner. Third, governments will have to find the right business model to fund any

affordable housing programme. In Singapore, the setting up of the CPF, a compulsory savings scheme where a portion can be used to pay our housing mortgage, has been crucial in enabling many to attain home ownership. In fact, some 80% of HDB home buyers do not need to come out with any cash outlay for their monthly mortgage.

Countries could consider whether a similar compulsory savings scheme could be set up. Alternatively, they would need to find other funding sources, such as reaching out to multi-lateral financial institutions. Strategies would have to be modified according to the specific country context. For example, in cities with limited resources, government's direct provision of affordable housing could be prioritised only for the low-income, while relying on other market-based solutions to fill the remaining housing gaps. In these hybrid strategies, governments could incentivise the private sector to incorporate affordable housing as part of their developments.

Despite success in managing the social integration of different races and religions, in part due to its public housing programme, Singapore is not immune to the rise of social class divides e.g. social circles built around people staying in private estates. Given the changing circumstances and aspirations of Singaporeans, what do you feel are future challenges to Singapore's public housing model and its role in nation-building?

In global cities, if left to market forces, housing would be out of reach for the majority of the population and this would exacerbate class divides. We see this situation being played out in cities like London, New York, Hong Kong and Seoul. In Singapore, we have been able to provide quality affordable public housing as an alternative to the more expensive private housing, so that the majority can access homes. Most of our newly married young couples in Singapore expect to move into a flat immediately or soon after their marriage. This is increasingly impossible for young couples in most other global cities and many resort to renting for years before they can even afford a down payment on their home.

While we have come a long way in housing our nation, society continues to change and our public housing policies

must be dynamic to anticipate and address these changes. For instance, we will have an increasingly elderly population. Singapore's population mix will change as more new citizens, PRs and non-residents make up our population in tandem with the decline of our own total fertility rate. Transnational marriages today already form about 30% of our citizen marriages. Achieving social cohesion would be one of our challenges going forward.

Therefore, a key principle in the development of HDB estates is to strengthen communities and to reduce social divides. In HDB towns, you will find larger, smaller and rental flats located next to each other. Many public spaces and playgrounds are designed to encourage community interaction. To be more responsive and inclusive, steps have already been taken to provide new forms of public housing which are more suitable for the elderly, such as the smaller flexi flats as well as community care apartments. These are well located next to or within neighbourhood centres to enable the elderly to access shops and services conveniently.

Some land is also set aside in every HDB town for private housing to encourage social mixing. In fact, many

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who live in private estates frequent HDB estate amenities—people from all walks of life and incomes visit the markets, shops and hawker centre. Recently, the introduction of new categories of Prime and Plus flats will see more public housing located in very good locations so that these areas do not become the exclusive enclaves of private housing.

To meet rising aspirations, since 2011, HDB has embarked on designing a new generation of smart and sustainable housing to satisfy not only the demand for better quality flats, but to make our housing 'greener'. As a master developer, HDB is able to design an all-round quality environment which is green and pleasant. In addition, HDB's housing quality continues to improve markedly. In recent years, HDB's CONQUAS (Construction Quality Assessment System) scores are comparable to and sometimes surpass that of mass market condominiums. Punggol and Bidadari are good showcases of the new generation of public housing. When overseas visitors visit these towns, they are often surprised that these are public housing estates and they cannot differentiate between the public and private housing blocks.



HDB also continues to upgrade the older estates to bring them closer to the quality of the newer estates.

While much is being done to reduce the social divides in our living environment, physical design alone is not sufficient. This is why there are many government policies introduced to provide opportunities for every segment of society to upgrade themselves, particularly through education and upskilling, and to widen social support

particularly for the lower income. Encouraging broad engagement and interaction at the community level would also be needed.

You are also the Chair of the Lee Kuan Yew Centre for Innovative Cities at the Singapore University of Technology and Design (SUTD), which looks at issues related to an ageing population, the future of work, digital technology, city management and transportation. Can you share with us a few examples of how Singapore’s urban landscape could be restructured to sustain a vibrant economy, and any potential trade-offs that could occur?

Some urbanists have postulated that there will be an increasing concentration of growth found in a small number of “superstar” cities in the world. Companies will gravitate towards these cities because they have a concentration of talent who are drawn to these cities for their stability and safety, economic opportunities and an attractive way of life. Well, if this is so, we certainly want to reimagine, reinvent and regenerate Singapore to be one of the ‘superstar cities’, one that is attractive and “exceptional” to thrive in this new world.


Sustaining a vibrant economy needs to be grounded on numerous factors. Basic hygiene considerations for businesses would include safety and security, a stable and clean government and clear and transparent rules. In addition, we should cultivate innovation capacity and human capital.

Comprehensive long-term planning has enabled us to secure land to meet all our economic and social needs despite our land constraints. This forward-looking approach will enable us to develop top quality infrastructure—such as strengthening our connectivity as a hub by upgrading our ports and airports and in providing comprehensive digital infrastructure.

Good planning is important to help provide choices for varying business needs. For example, Marina Bay is an iconic signature location for top companies. Our approach to develop several decentralised commercial nodes also provides a variety of alternative business locations to suit different budgets and requirements.

I would like to highlight that when we formulate plans for Singapore, we are not only planning for a ‘vibrant economy’ but also to meet the social needs and aspirations of Singaporeans. I believe that if we develop a Singapore that is good for ‘living’, it will also be an attractive place for talent and businesses.

In our planning, we need to now place more emphasis on a wider slate of priorities. It may not be enough to just be ‘liveable’. We need to provide an ‘Excellent’ Quality of Life to ensure that we retain our relevance and attractiveness, even as the world shifts towards safer havens. Good affordable housing, amenities that support quality healthcare, education and recreational needs, reliable utilities and convenient



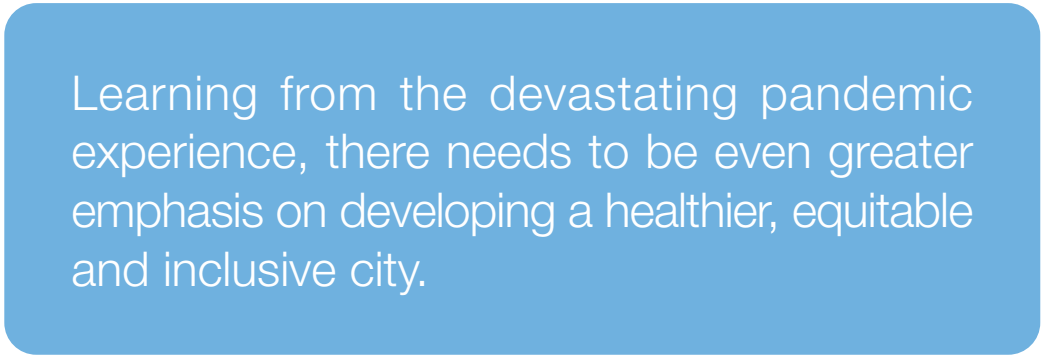
services are essentials. Greening our city will mitigate the high-density environment and provide a pleasant and cool Singapore. We continue to push for a car-lite city with convenient transit to reduce congestion and pollution. Well-designed buildings and public spaces and selective retention of our built heritage will give our city a stronger character and identity. In addition, we should continue to improve our software through cultural offerings and festivals, enabling a vibrant community life and providing place making programming to add ‘spice and soul’ to the city. Certainly, events like the first Formula One Night Race, and our growing reputation as a hub for top line concerts have put us on the world stage. We are no longer ‘boring’.

As an island city state, we do have to increase our resilience against climate threats and disruptions such as pandemics. Implementing proper mitigation and adaptation plans would provide investors with the assurance that their hard assets will be safe. For example, the future Long Island Reclamation at the East Coast will not only provide land to

meet new development needs but would also serve as a coastal protection measure against rising sea levels. Learning from the devastating pandemic experience, there needs to be even greater emphasis on developing a healthier, equitable and inclusive city. Being a more sustainable city also makes good business sense as many businesses would choose to locate in cities and properties that are ‘greener’.

However, as a land scarce city state, the most fundamental challenge we face is to stretch the use of our limited land and to create a virtual cycle of land stock for our economic, social and infrastructure rejuvenation needs. As Singapore approaches middle age and more land is urbanised, our land stock will come increasingly from recycling our brownfield sites. This is why the leasehold land system is necessary as it enables us to recycle land when the leases end, for the use of our future generations and new needs.

However, recycling land for new uses would inevitably mean massive redevelopment over time. The challenge for us is to do it in such a way as to



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minimise the loss of identity of place and the displacement of communities and social memories. As we move towards a net zero environment, we would also have to address how we can minimise our carbon footprint as we undergo redevelopment.

Singapore's early leaders made historical decisions which contributed to the long-term economic and social stability of Singapore and improved the lives of many Singaporeans. Having spent almost your entire career in public service, can you share which value(s) in Singapore's pioneer leaders inspires you the most?

Two values from our pioneer leaders that have left deep impressions on me

are 'vision' and 'integrity'. Our pioneer leaders were so far-sighted, innovative and bold in their goals for Singapore. It always amazes me that even though Mr Lee Kuan Yew our founding Prime Minister was not an urban planner, his ideas on building affordable housing, ensuring water security and greening Singapore were highly visionary. These initial ideas have become the foundations that shaped Singapore. One of my favourite mantras is that 'if we fail to plan, we plan to fail'. Having a clear vision drives us to work towards a better tomorrow.

At the same time, our leaders were explicit that the values of integrity and incorruptibility must be observed when we execute our plans and policies. It is



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not a given that just because we formulate plans, they will be well executed. I have visited many cities and there are no lack of good plans and policies. However, many fail to implement their plans well due to poor governance and corruption. Strong governance is often the secret to good and effective execution.

To conclude on a more personal note, having held multiple leadership positions in different statutory boards and actively representing Singapore in international affairs, what is the most fulfilling aspect of your work? Would you have any advice that you would like to share with our younger readers?

One of the advantages of being in public service is that one can contribute and influence at scale, through our plans, policies and development. A large part of my career was devoted to shaping the physical environment of Singapore and providing affordable housing. Together with many dedicated colleagues, we could literally see Singapore transform over the years as our plans came to

fruition. One of the most fulfilling aspects of our work is that whenever we visit places like Marina Bay or one of the HDB towns like Punggol, it's always great to see many enjoying these places together with friends and families. My colleagues and I also feel proud that many cities want to learn how Singapore managed to develop into a modern metropolis in a span of just 50 to 60 years.

However, much of our work takes years, if not decades, to achieve. It takes patience and determination to overcome many obstacles in order to get our plans and ideas implemented. The old adage that 'a rolling stone gathers no moss' truly applies here. So what is the secret in going the long haul? It is about believing in doing something meaningful and purposeful. Public service has to be more than just a job—it is also about having the heart to serve. A final word to my young friends is that 'if you do what you like, you will do it well'. So choose something that you like and which is meaningful for you and you will most likely see success.