

# HOMELESS SHELTER HEARS MORE CRIES FOR...

## More in 'sandwich class' turn up

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**W**HEN the man's business failed, his family broke up as well. The Singapore permanent resident had to sell his home to repay his debts.

He took to the streets with his wife and two young children.

And soon, he abandoned them.

Said Mr Ravi Philemon, centre manager of the New Hope Shelter for Displaced Families: "The husband left his family at the beach, saying he would return once he found them proper shelter. But he never went back for them."

The woman, in her 30s, and the children, both below 12, were referred by community workers to the New Hope Shelter, where they are staying.

They are typical of troubled families from the "sandwich class", more and more of whom are seeking help in this economic downturn.

The profile of people losing their homes is changing, said Mr Ravi.

While the bulk of cases seen at the shelter earlier were in the low income group, there has been a 15

to 20 per cent increase in the number of cases belonging to the sandwich class.

"We are seeing more diploma and degree holders who now have trouble with their mortgages because they have been retrenched," Mr Ravi said.

"Previously, with dual income, they could afford their lifestyle, but with either husband or wife losing their job, it becomes hard for them to cope financially."

When families lose their home, they move from one place to another, seek-

ing shelter with relatives and friends.

When they outstay their welcome, they camp out at parks, beaches and void decks.

And some end up at the New Hope Shelter, the only one for homeless families here.

Said Mr Ravi: "We used to get two or three referrals from various welfare agencies a month. Since November last year, we have been getting two or three referrals a day."

"We now have more than 20 families on our wait list, whereas in the first half of last year, we didn't even have a wait list."

The shelter, which can house up to 26 families, is currently coping with 31.

Said Mr Ravi: "We are hoping to eventually get enough resources to house at least 10 more families. But that will take time."

In October last year, it was reported that there were 33,000 flat owners owing HDB arrears of three months or more. This is about 8 per cent of the 420,000 households with outstanding mortgages.

About 6,500 home owners have been in arrears for two years or more, National Development Minister Mah Bow Tan told parliament on Friday.

Dr Amy Khor, Mayor of South West District and senior parliamentary secretary of the Ministry of Environment and Water Resources, said on Friday that the number of people appealing for help to sort out their housing arrears or rental woes has "risen significantly especially in the last two years".

She said: "Proportion wise, such appeals are among the highest in our MPs

*"We now have more than 20 families on our wait list – in the first half of last year, we didn't even have a wait list."*

– Mr Ravi Philemon from the New Hope Shelter for Displaced Families



(meet-the-people session) caseload."

Senior Parliamentary Secretary (Community Development, Youth and Sports, and Transport) Teo Ser Luck added that he saw a 20 per cent increase in cases facing financial difficulties with some asking to downgrade.

At the Care Corner Family Service Centre (FSC) Woodlands branch, centre manager Daniel Chien said he saw 10 to 12 cases of people losing their homes last year, up from three to four cases before that.

At the Singapore Children's Society FSC in Yishun, centre director Koh Wah Khoo said there were 39 such cases last year, up from fewer than five cases the previous year.

### Going to get worse

It is a problem set to get worse, she said, and more shelters such as New Hope may be needed soon.

Among the possible solutions suggested by Dr Khor on Friday were to allow downgraders to get a second subsidised HDB housing loan, and to make flats available to those in financial difficulty, to allow them to downgrade as soon as possible.

Relaxing policies may help, but often, prevention is better than cure, say community workers.

Said Mr Ravi: "There is no easy solution, but perhaps, families need to be provided with more counselling when they first buy their flat."

"In these times, it is important that they consider their finances prudently, so that they do not end up in a tight situation when one spouse loses his or her job."

## She has degree but can't afford flat

DEGREE-HOLDER Ramna Kamaludi, 29, had to sell her five-room Woodlands flat in 2007 when she could no longer afford the monthly mortgage payments. With her husband and three children, aged 5, 2, and 1, she moved in with her brother's family.

Madam Ramna used to work as a security officer, taking home about \$1,800. Her husband of five years worked odd jobs, earning up to \$800 a month.

Things got difficult in September 2005 when Madam Ramna quit her job.

She had just got a degree in mass communications from a private college, but her job hunt in the media industry proved futile.

It was hard for her husband, Mr Shaik Mohd Ahmad Jami, 31, to get a full-time job because he has a criminal record.

She was paying \$300 in cash for her mortgage, and \$200 through her CPF. After she lost her job, the family borrowed from friends and relatives.

In 2006, she returned to work as a part-time trainer doing ad-hoc projects for schools. In a good month, she was able to take home about \$300.

She said: "We started to incur debts of thousands of dollars because we were borrowing from people."

"Sometimes my husband couldn't work because of an old sports injury."

**JOBLESS:**

Madam Ramna Kamaludi has had problems finding steady work despite having a mass communications degree.

THE PICTURE: CHOO CHWEE HUA



He couldn't afford to go to the doctor to seek treatment."

Later that year, she got a full-time job as a secretary earning about \$2,000, but the company closed down early last year.

Unable to cope, Madam Ramna approached the North West Community Development Council (CDC), which helped her with \$425 every month from February to April 2007.

Madam Ramna sold their flat in April that year, and moved to her brother's five-room flat at Woodlands.

In addition to her family of five, her brother, 24, and his wife, her mother, and her younger brother, 22, a national serviceman, live there.

### Can't rent

Madam Ramna cannot get a place of her own because of HDB's 30-month debarment rule, which prevents property owners from applying for a rental flat immediately after selling their home.

In June last year, she found contract work for three months as a customer service officer earning \$1,200 a month.

Since the contract ended in August, she has not been able to get any work.

She said: "I have been calling 30 to 40 companies every day, for jobs ranging from secretarial to customer service to public relations."

The CDC is helping her with \$400 a month from January to March. They are also helping in her job hunt, and she is currently waiting replies for two positions.

For a month, Mr Shaik Mohd has been working as a waiter earning about \$800.

The family were referred to the New Hope Shelter recently, but Madam Ramna rejected a place there.

She said: "There are others who are not even able to stay with relatives, sleeping at parks and void decks."

"I'll gladly give up my place for them."

## New steps to help the needy

Measures to reduce the number of defaults on home loans were revealed in Parliament on Friday.

- Home owners can defer monthly payments for up to six months and reduce the monthly instalments.
- HDB officers will provide financial counselling and work out sustainable solutions for home owners in financial difficulties.
- HDB will help these people sell and downgrade their flats. In more dire circumstances, HDB will exercise more flexibility in granting a loan for another purchase, even for downgraders
- Interim rental housing will enable home owners to sell their flats immediately, and buy new, smaller flats. While these are being built, they can move into rental flats, which are priced below market rate.