

Elderly Should Learn Financial Planning: Expert

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The elderly who sold their flats between 2006 and last year made about \$200,000 in net sales profits after they downgraded to a studio apartment, said National Development Minister Khaw Boon Wan in a blog post last month.

National University of Singapore sociologist Tan Ern Ser felt that financial planning should be introduced to these seniors.

Dr Tan said: "It is important to know their motivation for wanting to right-size in the first place. Is it to help someone pay their debts? Is it to give to their children who promised to take care of them?"

"The former reason is a formula for disaster, while the latter may be no guarantee of future support."

Besides downgrading to a studio apartment, the elderly also have other options.

The Enhanced Silver Housing Bonus gives seniors a cash bonus when they downsize their flats, while the Lease Buyback Scheme allows elderly households to sell part of the lease back to the HDB.