A growing number of young Singaporeans are deep in debt, borrowing from banks and running up credit card bills.

BY NUR AMIRA ABDUL KARIM

UNDERGRADUATE Chua Wei Jun, 22, is majoring in finance but his own accounts are in a mess. He is deep in debt: He owes S$600 in mobile phone bills and close to S$3,000 in credit card payments.

He is one of a growing number of young Singaporeans who are losing control over their spending. They are borrowing money from banks, going wild with supplementary credit cards and tapping friends for loans.

Mr Chua's troubles began when his father gave him a supplementary credit card on his 21st birthday. Since then, he has used it to buy a pair of Gucci shoes (S$800), an iPod video (S$200), branded clothes (S$800) and a digital SLR camera (S$1,900). He also borrowed S$600 from a cousin and S$400 from his best friend to pay his credit card installments and phone bills.

His parents have refused to bail him out. His mother, Mrs E Chua, said: "My husband and I are very disappointed with our son's behaviour and we don't want to encourage it by helping him pay his outstanding bills."

He is now giving tuition, earning about S$800 a month, of which he spends servicing his debts.

His cellphone line has been disconnected and he now uses a pre-paid card. The only child of a restaurant manager and a housewife is seeking help to curb his compulsive spending habits.

The undergrad said: "I have been seeing a counsellor in school about my problems. Some days, I can't sleep worrying about my debts."

While Mr Chua's parents are aware of their son's debt problems, some young people Youthslink spoke to have managed to keep their financial woes fairly quiet.

Ms Suryah M.A., 19, owes close to S$1,200 to his parents for helping his financial situation. She now earns S$500 a month, believes she can pay off her debt soon.

But fresh graduate Tan B.L., 24, has bit-ten off a bit more than he can chew.

Currently without a job, he saw his two-year-old Mazda sedan repossessed recently because he defaulted on his monthly installment payments.

He owes S$3,500 to the car dealer and has been threatened with legal action.

"I wanted a flashy lifestyle and I'm paying the price. I don't want to be sued. I can't afford to have such a stain on my record," said Mr Tan B.L.

Some other youngsters are in debt, too, but for less frivolous reasons.

Mr Muhammad Nasir and his friend, Mr Chandran S., both 26, each have S$150,000 worth of education loans to repay.

The housemates studied law in the United Kingdom and are now working in a London law firm, each earning £4,000 ($51,650) a month.

Mr Chandran said: "Half my salary goes towards paying the loan. I basically live from pay cheque to pay cheque."

Mr Muhammad, who has three younger siblings, also sends about S$1,200 to his parents in Singapore every month.

But he does not see his financial commitments as a burden, "they're merely my responsibilities!"

Not very many youths here share his sentiments, largely because they do not have a viable exit plan.

Should this trend continue, Singapore youth may share more than a love for pop culture with their American counterparts.

In the United States, young people under 35 have 30 per cent more debt than other age groups.

Said Mrs Chua: "We should have set a credit limit on our son's card — but we trusted him. Hopefully, other parents will be more vigilant."

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