

KERATAN AKHBAR

AKHBAR: NewStraits Times

MUKA SURAT: 15

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A letter must have a writer's name, signature, home address,
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The editor reserves the right to edit a letter for clarity and length.

LETTERS

AFFORDABLE HOUSING REFORMS

SET UP SPECIAL
MINISTRY UNIT

AFFORDABLE housing (both single-storey and multi-storey units) should be predominantly driven by the Federal government while state governments focus on low-cost flats.

The Housing and Local Government Ministry should then focus on providing support and coordination alongside the broader institutional and regulatory framework for the state governments.

Simultaneously, there should be a dedicated role for Federal government-linked companies (GLCs) in partnership with state governments where necessary and relevant.

Direct intervention by the Federal government bypassing the particular state will be made based on:

Current data such as that provided by the National Property Information Centre;

Market conditions; and

After consultation with the state government.

Going forward, PRIMA1, Syarikat Perumahan Negara Bhd, PPRT (Projek Perumahan Rakyat Miskin Tegar) and the 1Malaysia Civil Servants Housing could be abolished or amalgamated into an Affordable Housing Authority

(AHA) under the jurisdiction of the Ministry.

The Real Estate & Housing Developers' Association (Rehda) and the Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector Malaysia (PEPS) have called for such a body to be established.

The AHA will be involved in the entire supply chain for both ownership and rental in the construction of affordable housing as well as low-cost flats if need be or when requested by state governments.

Mortgage, however, continues to be under Cagamas Bhd.

The AHA will coordinate with the state governments, ensuring adequate supply to meet the growing demands of the local market.

It will also determine the design, specification, standards and quality and size of affordable housing and of low-cost flats across states that have come under its jurisdiction.

Other forms of coordination with the state governments, including working together to help developers absorb costs when, for example, there is fluctuation in the ringgit.

Raw materials could be partly

subsidised by the AHA via a special fund. The government can buy certain raw materials in bulk to be sold at discounted prices to developers.

The federal government can also provide backup and support in the form of government agencies and GLCs that will engage in the manufacturing, operating and supplying as well as direct import of cement, gypsum, steel and metal.

This involves the creation of a parallel market with materials supplied to the state government and local authorities at controlled/fixed prices that are lower than prevailing market price.

This means state governments will not be competing with the private sector for raw materials.

All construction work will be under the joint supervision of a consortium and KPKT.

These include quality control and timely completion.

Funding could also be derived from the housing industry itself through a Special Industry Contribution as per Rehda Institute's policy proposal on social housing rental for the B40 in its Affordable Housing: The Game Plan Transformation report.

As for home ownership, the SIC



Affordable and low-cost housing is integral to the Shared Prosperity Vision 2030. FILE PIC

could be utilised in return for joint development projects where the AHA provides subsidised raw and semi-finished materials to the private sector or bears most of the compliance and utilities costs.

A fund similar or analogous to the Malaysian Road Records Information System (Marris) could also be set up and placed in a trust or deposited in Bank Negara

to earn interest. The fund could be allocated to state governments for use in low-cost housing.

Affordable and low-cost housing are integral to our Shared Prosperity Vision 2030, enabling us to achieve the Sustainable Development Goals in the long-term.

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