

Review on housing policy next month, says minister

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KUALA LUMPUR: The housing policy review and what constitutes affordable housing and its definition will be announced sometime in September, says Housing and Local Government Minister Zuraidah Kamaruddin.

She said it would be a policy that covered various aspects of housing – particularly the affordable segment – in terms of price, size, amenities and facilities, and issues revolving supply.

“We want affordable housing to have a bigger built-up area and we want each state government to play a role,” Zuraidah said on the sidelines of the Parliament session yesterday.

She said the ministry’s overall housing plan held a degree of change compared to its previous definition but in all likelihood, “it may not be considered as that drastic change”.

“But there would be a change as to how (affordable housing) was done under the previous administration. For example, PRIMA housing is now under my ministry.

“So, there would be streamlining and a redefinition of what constitutes housing,” she said.

Zuraidah said developers has had meetings with her and they had been “mindful of our future direction”.

“What we do would not affect them badly,” she said, adding that the involvement of public housing agencies should not be considered as “a crowding out of private developers”.

“We want to make sure funds are productively used. We are not interfering but are regulating and monitoring the current situation,” she said.

Zuraidah also said her ministry wanted to help resolve the many thousands of unsold residential units and is monitoring the situation.

“We don’t want a glut (in these unsold high-end housing),” she said.

Meanwhile, an economist with the Institute for Democracy and Economic Affairs (Ideas) said the spectacular growth of the high-end property segment was ignited by rising profit expectations, growing demand and easy credit conditions.

“The mix of elements generated a bubble which reached its peak between 2012 and 2013,” said Ideas fellow Dr Carmelo Ferlito in a statement.

“A restructuring of capital allocation appears necessary,” he said.