

Headline	What role will the new body play?
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What role will the new body play?

THE one stumbling block to the federal government setting up an overarching authority to monitor the local property market is the fact that in Malaysia, land-management is a state matter that is jealously guarded by the state governments.

So, there needs to be more thought going into the move to set up this authority, as otherwise, it will just be another body whose members may have limited powers.

As it stands, nothing much is known about this authority; what its powers are, who its members will be, and when it will be set up.

The formation of this authority is timely due to the mismatch between the supply and demand for affordable homes, especially in urban areas.

There is good reason for an authority to oversee the housing market and the vexing issue of affordable housing.

Second Finance Minister Datuk Seri Johari Abdul Ghani rightly points out that there is a wide variation in prices even among government agencies that build affordable homes. What more for the private sector, where so-called affordable homes are priced below RM500,000.

The major stumbling block, however, is how this authority is going to circumnavigate federal-state relations over land matters. For that, the federal and state governments must establish a set of protocols where they can work together to tackle land use.

Earlier this month, Cagamas

Bhd, the national mortgage corporation set up to provide liquidity to lenders that give out housing loans, organised a dialogue on Sustainable Development of Affordable Housing, in which the participants suggested that a central repository be set up "as a systematic way of monitoring and managing the demand and supply of affordable housing, including granting access to those seeking to purchase or rent homes".

The responsibilities of this central repository must be clearly defined, as it could be part of the proposed single authority overseeing the property market.

The reason for there to be clearly defined roles is because there could be an overlap with what the National Property Information Centre, an agency that publishes the annual property market report as well as quarterly property stock reports, is doing.

Developers have been receptive to a single authority, as it will also help them allocate their resources better when policies and processes on affordable homes are clearly defined and streamlined.

The Cagamas dialogue spoke of a central authority that can also spearhead more effective communications and build stronger collaborations with key partners to advance the affordable housing agenda.

It can be done. Just look at what Singapore has done in providing housing for its citizens. Work the kinks out first and define the responsibilities so that there will not be turf wars.



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