

Political will, task force needed to sort out affordable housing

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by NG MIN SHEN

THE National House Buyers Association (HBA) has called for the establishment of a dedicated task force that could monitor and circumvent all of the ongoing challenges faced by the affordable housing market.

HBA secretary general Chang Kim Loong said the task force could act as a single umbrella that compiles the database for housing projects that are in various stages of planning, construction as well as completion.

The task force would also monitor the overhang units available for distribution and

in the longer run, create a sustainable affordable housing system.

"This task force should include federal government ministries, state government economic agencies, the Employees Provident Fund (EPF), government-linked companies (GLCs), financial institutions (FIs) and key players such as developers, vendors, architects and town planners," Chang said at a dialogue on sustainable development of affordable housing organised by Cagamas Holdings Bhd in Kuala Lumpur yesterday.

While the task force should be spearheaded by the government, Chang said it is imperative that private property developers be roped in as well to ensure the cooperation of all stakeholders.

"Affordable housing must be profitable for developers. They profit from selling high-end property, so they must be able



Pic by Afif Abd Halim

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to enjoy similar profit cuts from affordable developments targeted at a wider customer base," Chang said, adding that tax incentives could be introduced to attract developers to build affordable homes.

Bank Negara Malaysia's (BNM) 2016 annual report

stated that the shortage of affordable housing supply across the country totalled 960,000 units in 2014 and could exceed one million units by 2020.

Sabah and Sarawak accounted for 50% of the total deficit in 2014.

Cagamas chairman Nik Mohd Hasyudeen Yusoff said rising affluence and the growing middle-income group have underpinned strong demand for housing as an asset class.

Demand from the segment also overlaps with the needs of first-time buyers which had resulted in raised prices that are unattainable by the younger workforce.

Speaking at the same event, Khazanah Nasional Bhd ED and Khazanah Research Institute MD Datuk Charon Wardini Mokhzani suggested an improved delivery system in order to build and complete houses faster through methods

such as the Industrial Building System (IBS).

"We need to plan for a steady supply of housing at affordable prices. With the technology available to us now, we can adapt that to build houses faster," he said.

Charon cited China as an example, where technologies such as IBS and 3D printing have been utilised effectively to speedily construct houses.

Meanwhile, BNM deputy governor Shaik Abdul Rasheed Abdul Ghaffour highlighted the importance of the role of public policy in advancing the affordable housing agenda.

"Financing measures have helped to temper house price increases and boost affordable housing supply. This alone, however, is insufficient.

Shaik Abdul Rasheed added that sound, innovative and coordinated public policy is central to addressing the affordable housing challenge.