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Proposal to raise prices of low-cost units being studied

PRAI, Fri. - The Housing and Local Government Ministry is studying a proposal to raise the prices of low-cost housing units built in urban areas, its Minister Datuk Dr Ting Chew Peh said today.

He said the move was prompted by Prime Minister Datuk Seri Dr Mahathir Mohamad's suggestion that the prices of low-cost units in urban areas be raised in accordance with the high prices of land in towns and cities.

"Our Housing Department is studying the matter. It will also take into consideration the size of each unit and the locality," he told reporters after opening the Thean Hock Keong temple in Jalan Pantai Bersih.

Also present were Transport Ministry parliamentary secretary Chor Chee Heung and State MCA chairman Datuk Dr Sak Cheng Lum.

Ting said: "We may suggest to the Cabinet that a low-cost unit in Kuala Lumpur and Penang be priced at RM30,000."

He said the ministry would also submit a proposal to raise the prices of low-cost units which were fitted with extra furnishings, as proposed by Deputy Prime Minister Datuk Seri Anwar Ibrahim recently.

"Both proposals would be submitted to the Cabinet as soon as possible."

Dr Mahathir had suggested that the prices of low-cost units in urban areas be raised from the present RM25,000 to reduce the cost borne by developers in towns and cities.

Anwar had also suggested that developers install extra furnishings for some units whose buyers could afford them.

Meanwhile, Ting said the Government was encouraging the construction of more low-medium cost units between RM25,000 and RM60,000 each.

He said prospective low-cost housebuyers would have more choices.

"However, we are aware that there are still a number of people who cannot afford to buy low-cost units.

"As such, the Government has approved a RM600 million allocation for States to build flats and rent them out, mostly to squatters.

"In Kuala Lumpur, such flats are rented out for RM125 per month."

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