

19 JUN 2003

Projects-Approval

MINISTRY WILL CONTINUE TO GIVE HOUSING LICENCES

KUALA LUMPUR, June 19, (Bernama) -- The government will continue to give licences for projects approved by the states despite the whopping RM29 billion surplus of properties in the market.

Deputy Housing and Local Government Minister Datuk Dr Peter Chin Fah Kui said today that there had been no cabinet directive so far to halt development projects.

"In terms of projects approved, the ministry will continue to give licences because the local and state authorities are basically approving the projects," he told reporters after launching the 2003 Malaysian Surveyor's Conference here on behalf of minister Datuk Seri Ong Ka Ting.

"When a project has been approved (by the state) and the developer has obtained the approval, they come to the ministry for licences. If they comply with the licensing conditions, we will approve it unless otherwise directed by the cabinet. And up to now the cabinet has not made any decision," he said.

The National Property Information Centre (Napic) disclosed that at the end of last year that the combined value of property overhang was RM29.15 billion -- an increase from RM27 billion the previous year.

On June 9, at the 2004 Budget dialogue, Prime Minister Datuk Seri Dr Mahathir Mohamad directed state governments and local authorities not to approve unnecessary projects to avoid imbalanced development in the property sector.

His call came after he unveiled the RM7.3 billion economic package to spur the slowing economy on May 21.

Dr Chin said there were some views that the overhang might not be as great as portrayed by Napic.

"We are now checking the extent of the problem so that we can advise the cabinet," he added.

-- BERNAMA

VP SSA JK