

Building new partnerships
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IN asking for a review of the ceiling price for low-cost houses, property developers pointed at the effects of the rising cost of building materials to their bottom lines. In turning the request down, Prime Minister Datuk Seri Abdullah Ahmad Badawi raised the matter of making sure houses remain within the price range of the poor.

Bearing in mind that there was a revision eight years ago that took into account the appreciation in land prices and construction costs, it was by no means a foregone conclusion that it was a lost cause for the developers. But there is a whiff of suspicion that the ceiling price may be a red herring and what they are angling for is the lifting of imports on cement and steel bars. Whatever the case may be, it was clearly another fishing expedition by an industry that has never taken on board the idea of having to shoulder the social responsibility of providing cheap homes for the poor and has endlessly whined about the imposition.

Ever since they were saddled with a 30 per cent low-cost housing quota, many developers have never ceased to try to worm their way out of it. Some just ignored the requirement and did not build the low-cost units. There was even a successful challenge against this stipulation in court, though this was subsequently overturned by the appellate bench. Some stalled for time, hoping they would get away with it. Others made grudging attempts that resulted in sorry excuses for dwellings in the boondocks which even the house-hungry poor would not touch with a barge pole.

The fact of the matter is that even if the government had been amenable to a price hike, this would have been small fry to the developers. Even the exemption from the low-cost ruling under the Build Then Sell system does not appear to have been a good enough catch. It is bigger fish that they seem to be after — nothing less than a reprieve from building low-cost houses. This may not be a bad thing. After all, the government has been taking up more of the slack in recent years and gradually taking over the sole responsibility would not be that radical a change. What is clear is that private participation has not lived up to expectations. It is time to develop a different model of public-private partnership that can deliver decent affordable houses to the low-income earners.

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