

**PM's housing brainchild 'hijacked' by politicians**  
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The National House Buyers Association (HBA) claimed that the 1Malaysia People's Housing Scheme (PR1MA) has lost its grounding and become another profit-making scheme that benefits few.

Launched in Seremban and Klang Valley by Prime Minister Najib Abdul Razak in 2011, PR1MA aimed to address the lack of affordable housing options in urban areas as part of the government's agenda to "increase the quality of life for Malaysians" and let middle income earners afford their first homes. It has a target to build 80,000 such medium-cost houses this year.

"The implementation of PR1MA has been hijacked by politicians... PR1MA is supposed to be affordable housing but now it is not, it is just a scheme to unlock state land that has gone wrong," HBA's secretary-general Chang Kim Loong told a roundtable discussion in Kuala Lumpur organised by Parti Sosialis Malaysia (PSM).

He added that although it appeared subsidised, most units were now priced closer to RM450,000 and private developers working on this government-backed schemes only have the sole advantage of getting state land almost free from the government.

Chang questioned why PR1MA was not put under the Housing Developer Act 1966 and noted that a few developers also had dodgy backgrounds and were previously blacklisted companies.

PSM, which called for the round-table in a bid to start a campaign, made similar points.

**Cannot reach PR1MA standard**

Party MP Dr Michael Jeyakumar Devaraj said the government may not be aware that most Malaysians who are "homeless" were now earning less than RM3,000 and could not even reach the PR1MA standard.

Even though it was built for those earning between RM2,500 and RM7,500, this was still unrealistic.

Jeyakumar cited that even a bank loan of RM300,000 to be repaid over the maximum period of 35 years would require buyers to pay RM1,500 a month, a hefty chunk off their salaries.

Meanwhile, Chang said the PR1MA policy has also been flipped to suit political needs.

"There is a lot of monkeying around... why should PR1MA share profits with developers?"

"The excuse is that government needs the skills and expertise of private developers. But you know you can simply buy or rent the professionals you need, right?" he added.

Recently, Umno Youth chief Khairy Jamaluddin pushed for 30 percent of PR1MA homes to be reserved for bumiputeras as balloting system may not be fairly implemented. This was then countered by MCA Youth's Chong Sin Woon who said it violated the 1Malaysia spirit.

### **'Making money from people's misery'**

Chang said that "speculative investors" were still the main benefactors from these so-called homes for the poor.

He cited that there was a self-glorified "Investors Club" now in the housing market, who would go in and buy properties in bulk so that they can "make money from people's misery."

"The Income Tax department should investigate them," he added.

To answer to critics, Chang said that PR1MA Corp recently drew up an alternative plan to sustain these projects. Some 40 percent of the houses were sold at discounted prices, while another 60 percent at full price.

"This cross-subsidy should be at least 80-20 for it to make sense," he added.

Also, last September, Deputy Finance Minister Ahmad Maslan changed the rules and allowed "second-home buyers" to now take up PR1MA housing to help it sell faster.

The round-table discussion was aimed at giving voice to an estimated two million poor Malaysian households who would never be able to own their own homes as property prices keep booming.

About 700,000 are living in low-cost flats which are poorly kept and many were next to garbage dumps.

PSM had gathered NGOs sympathetic to this cause, many civil society groups who also expressed that they were tired of government stonewalling the issue.

So far, about 38,000 PR1MA housing units have been drawn up and less than 1,000 units were actually built. The government has an ambitious plan to build and sell 500,000 PR1MA units within five years.