

Gov't plans to charge errant developers  
Malaysiakini.com  
Disember 9, 2010

Developers who neglect or abandon their projects can be charged in court when amendments to the Housing Development (Control and Licensing) Act 1966 (Act 118) are passed by Parliament.

Housing and Local Government Deputy Minister Lajim Ukin said currently, there were no specific provisions under the Act which provided for such action to be taken against developers who failed to complete their projects.

He said the ministry was collaborating with several quarters such as the Attorney-General's Chambers, Bar Council and the Real Estate and Housing Developers Association (Rehda) in amending Act 118 to as to safeguard the interest of house buyers.

"The proposed amendments to Act 118 are expected to be tabled in Parliament soon," he said in reply to a question from Teng Boon Soon (BN-Tebrau) in the Dewan Rakyat today.

Lajim said the amendments included imposing a higher penalty on housing developers who neglected their projects or caused the projects to be stalled.

He said that between 2009 and 2010, 161 housing projects nationwide were stalled, of which 51 projects or 32 per cent were eventually completed and given certificates of fitness (CFs).

"Fifty-eight projects (36 per cent atus) are being rescued, while the ministry is looking for other developers to save another 52 projects."

Lajim also disclosed that his ministry had blacklisted developers who failed to complete their projects and they were forbidden from forming a new company or develop a new project.

To a supplementary question from Anwar Ibrahim (PKR-Permatang Pauh), he said the government viewed seriously the problem of abandoned projects and had allocated RM200 million in the 2011 budget to rehabilitate, but only abandoned low-cost housing projects.

Earlier, to Teng's original question, Lajim said the ministry was facing a number of obstacles in trying to complete the abandoned projects nationwide.

Among them were the difficulty in obtaining the project details, absence of recorded lists of house buyers, disputes with land owners of the project sites and legal issues, he said.

- Bernama

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