

Stop the Double-Speak Regarding Affordable Housing

SEMENYIH: Parti Sosialis Malaysia (PSM) has hit out at the Pakatan Harapan government for its definition of affordable housing, saying that the appropriate price should be around RM100,000.

PSM secretary-general A. Sivarajan said that with the current monthly minimum wage set at RM1,050, defining affordable housing prices as being between RM250,000 and RM300,000 is “illogical”.

He said the government should set house prices that the people could truly afford, instead of following the demands of housing developers.

“It should look at affordable housing from the ground up,” he told a press conference in the PSM by-election war-room near here on Thursday (Feb 21).

According to the Department of Statistics, Sivarajan added, more than half of the working population in the country raked in an average salary of about RM2,880.

This would not be enough for them to afford a house as they would have only have brought in about RM100,000 in three years, he said.

He proposed that affordable houses be priced at RM100,000, saying that they should not be affected by market factors.

“You have to take out affordable housing from the market because the problem is that developers always say the valuation is higher for this location, the land costs are high, building materials are high.

“Affordable housing has to be subsidised. You cannot see profit from it.

“Subsidy is not a dirty word – if you give subsidies to corporations, it’s called ‘incentives’,” he said.

The government should make it compulsory to impose a quota for the types of housing built for mixed development projects, he added.

For instance, Sivarajan said, 30% of mixed development projects could be dedicated purely for low-cost housing.

“With this, developers can cross-subsidise. They can still sell luxury homes and the profits from this can subsidise the low-cost housing,” he said.

His other suggestions for tackling the issue included setting out a concrete plan for government-linked companies to lead in undertaking affordable housing projects and to halt forced eviction of those who cannot afford their own homes.

Tags / Keywords: [Parti Sosialis Malaysia](#) , [PSM](#) , [Pakatan Harapan](#) , [low cost housing](#)

Read more at <https://www.thestar.com.my/news/nation/2019/02/21/no-profit-in-affordable-housing-subsidies-a-must-says-psm/#LFvBTzcvKFhIAPv6.99>