

PRESS STATEMENT

JOINT COMMUNIQUE

10TH MALAYSIAN DEVELOPERS' COUNCIL (MDC)
PENANG, 27 MARCH 2009

MDC URGES GOVERNMENT TO IMPLEMENT HIGH IMPACT MEASURES TO STIMULATE HOUSING INDUSTRY

The Malaysian Developers' Council, a tripartite affiliation between the Real Estate and Housing Developers' Association Malaysia, the Sabah Housing and Real Estate Developers' Association (SHAREDADA) and the Sarawak Housing and Real Estate Developers' Association (SHEDA) held its 10th meeting in Penang today.

The Council, representing property developers from Peninsular Malaysia, Sabah and Sarawak acknowledge the efforts taken by the Government to hinge upon the housing industry as a major pillar of the economic recovery.

The MDC lauds the move to pump RM1.44 billion into housing in the two stimulus packages announced recently to deliver some 32,000 low cost housing in Malaysia through the various public sector housing programmes.

The Council opines that stimulating housing market is the most strategic approach in addressing the current economic challenges as the industry is capable of generating domestic demand given the right boost and effective lever. With upstream and downstream linkages to about 140 industries and a wide scale multiplier effect of 4.8 times, each investment ringgit in the housing sector will generate domestic demand and economic activities, and further create income for the government through federal, state and local government taxes.

However, the MDC feels that the provision of low cost housing alone is insufficient to generate new demand and stimulate private sector housing supply. Towards this effect, the MDC urges the Government to consider the following measures to ensure that costs of home acquisition for the general public and doing business are substantially reduced:-

- i) First Home Ownership Grant of RM10,000 to be given to first time house buyers buying from the primary market
- ii) Waiver of Stamp Duty for primary market property transactions
- iii) Exemption of low cost housing provision for private sector developers, at least for the next two years.

The Council is confident that the above measures will act as effective catalyst to accelerate the country's economic recovery as proven in the previous economic downturns.

Issued by
MALAYSIAN DEVELOPERS' COUNCIL

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