



KEMENTERIAN KESEJAHTERAAN BANDAR, PERUMAHAN DAN
KERAJAAN TEMPATAN
UNIT KOMUNIKASI KORPORAT
ARAS 2
51 PERSIARAN PERDANA
PRESINT 4,
62100 PUTRAJAYA

Telefon : 03-88915556
Faks : 03-88915557
Portal : www.kpkt.gov.my
Emel : pro@kpkt.gov.my
Twitter : www.twitter.com/kpkt_gov
Facebook : www.facebook.com/KPKTMalaysia

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STATEMENT ON ERRONEOUS THE MALAY MAIL REPORT

The Ministry of Urban Wellbeing, Housing and Local Government would like to refer The Malay Mail report dated 14 October 2014 titled '**Malaysia has severely expensive homes, says US report**'.

There is a need to correct a misconception caused by this report. The original report by The Straits Times of Singapore on 13 October 2014 (<http://www.straitstimes.com/st/print/2938350>) did not cite any specific report on affordable housing in Malaysia by Demographia and the writer himself has confirmed this. The Straits Times writer also explained that he was comparing publicly available government data to the parameters set by Demographia worldwide.

In addition, Demographia itself in an email dated 16 October 2014 denied ever issuing a study on housing affordability in Malaysia. And yet the Malay Mail Online report, which was subsequently printed by the physical newspaper (The Malay Mail) erroneously quoted the Demographia report as being specific to Malaysia. This is very irresponsible journalism and I hope your publication can clear the issue by publishing a correction in both online and print editions.

The Ministry of Urban Wellbeing, Housing and Local Government is of the position that home ownership affordability ratings cannot be based on the country as a whole, as it will project an incorrect overview of the real situation. Such a study would be more meaningful if it were to be based on affordability of houses at specific geographical locations.

For example, can the affordability rating of the property hotspots in Kuala Lumpur, Penang and Johore be the same as Kelantan, Perlis, Pahang and Perak? No doubt some areas of KL, Johor and Penang are unaffordable to the masses but there are also areas on the outskirts, which are affordable.

Secondly there are many federal and state housing that is being provided at subsidized pricing. Even private housing such as those under low cost, low medium and medium cost quotas are available at very affordable prices.

It should also be noted that the increase in house prices, is slowing down after the cooling measures were introduced. For example, Q2 2013 average house prices increase in Malaysia was 11.3% while in Q2 2014 prices rose by only 6.6%.

Ends

Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan (KPKT) diterajui oleh YB Datuk Abdul Rahman Dahlan. Di bawah Kementerian ini terdapat sembilan 9) Jabatan iaitu Jabatan Perancangan Bandar dan Desa Semenanjung Malaysia, Jabatan Bomba dan Penyelamat Malaysia, Jabatan Perumahan Negara, Jabatan Kerajaan Tempatan, Jabatan Pengurusan Sisa Pepejal Negara, Jabatan Landskap Negara, Tribunal Perumahan dan Pengurusan Strata, Institut Latihan Kesejahteraan Bandar Perumahan dan Kerajaan Tempatan dan Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awam.

Dikeluarkan Oleh : Unit Komunikasi Korporat
b.p. Ketua Setiausaha
Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan

Telefon : 03-8891 5555

Faks : 03-8891 5557

E-mel : pro@kpkt.gov.my