

Assalamualaikum and Salam Keluarga Malaysia.

A very good morning to:

**Tan Sri Michael Yeoh, President of KSI Strategic Institute for Asia Pacific,**

**Datuk Koe Peng Kang, President of FIABCI Malaysia**

Distinguished guests,

Ladies and gentlemen.

1. Thank you to the co-organisers, Tan Sri Michael and Datuk Koe, for inviting me to deliver the keynote address at this summit. It is an honour to be here, to be among key stakeholders from the housing and property industry in Malaysia.
2. I hate to start my speech by mentioning COVID-19. But I must. The pandemic caused untold losses, not just in Malaysia, but also worldwide. We have all lost someone we know to the coronavirus. We know of people whose businesses were badly impacted by the pandemic. Sadly, the fight against COVID-19 is not over.
3. The property industry too, was not spared. Owners tried to hold on, to preserve the value of their properties. Tenants were unable to pay their monthly commitments. Some were forced to pack their bags and leave.
4. Businesses across multiple industries were also badly affected. And this impacted negatively on the local property market. I know of developers who are struggling to keep their heads above water. In these tough times, most people aren't spending on luxurious, and big-ticket items, and that includes property.

Ladies and gentlemen,

5. It's not all doom and gloom. We've survived two years of uncertainty. We are now back on track as Malaysia transitions to the endemic stage. Many restrictions have been lifted since April 1. Businesses are coming back. It's almost near normal. Almost. And the property market is expected to regain its momentum this year, despite some challenges.
6. The economy is on the right trajectory. And the property market performance is expected to be on a similar track. We are emerging from the storm. We are heading towards better, brighter days.

7. Accommodative policies and initiatives by the government, and my ministry specifically, will help support growth in the property sector. We will execute all plans outlined in Budget 2022 and initiatives under the 12<sup>th</sup> Malaysia Plan to get things moving. **It's our way of helping to build a better future, for all.**
8. The property market recorded a slight improvement in 2021. We saw 300,497 transactions worth RM144.87 billion last year. This was an increase of 1.5 per cent in volume, and 21.7 per cent in value, compared to 2020. But I admit the figures have not surpassed pre-COVID-19 days.
9. The primary market saw fewer new launches. Nearly 44,000 units were launched last year, against 47,178 units in 2020. The decline was expected as developers held back on their new products due to the softening property market, and the increasing number of unsold inventories.
10. We are, however, seeing a revival of consumer spending. This is also aided by the gradual recovery in the labour market. The anticipated strong bounce-back in public investment, through the high allocation of development expenditure this year, will underpin a firmer economic recovery.

Ladies and gentlemen,

11. It would be naïve of me to say that there will be zero challenges for those in the housing and property business. We may have entered the endemic phase, but there are still hurdles. How do we provide affordable and decent housing for the *rakyat*, given the rising cost of raw materials, shortage of labour, and rising wages?
12. There is also the need to come up with new building materials and designs to promote conservation and sustainability. While all that is good, I believe the focus should be on liveability and quality housing.
13. Liveability is the paramount element that needs to be factored in. The whole world is talking about liveability. My recent working visit to Katowice, Poland, for the World Urban Forum, validates our quest in creating a Liveable Malaysia or Malaysia Berdaya Huni. This is by having more liveable housing and urban developments in the country.
14. The wants and needs of the consumers have also shifted. Many will soon resist the 'monotonous lifestyle' as they seek more outlets or avenues to express their individuality. Such expressions would be seen in the properties they buy.

15. Gone are the days when houses were just four walls and a roof. Consumers now want smart homes equipped with high-speed internet access. The components of smart cities will inevitably become part of urban living. We must start planning today.
16. We must be committed to creating a liveable and comfortable environment for our respected elders. This includes having the right infrastructure and facilities, whether it's for leisure, recreation, and access to medical care. We must ensure that our elders lead comfortable lives.

Ladies and gentlemen,

17. The government is also committed to looking at the wellbeing of those in the lower-income groups. There are, without doubt, challenges in providing decent, affordable housing. This is due to the growing population, changes in income brackets, and the rising cost of developing homes.
18. These challenges will not stop us. The government remains steadfast in providing enough homes for all.
19. The Ministry of Housing and Local Government will launch The Home Ownership Programme, better known as HOPE. It is one of our efforts to increase home ownership among the people. This is in line with the government's resolve in ensuring that the goal of One Family, One House, can be achieved.
20. We have also reactivated the National Affordable Housing Council. The council focuses on coordinating the implementation of affordable housing programmes under the relevant ministries and government agencies.
21. This will include housing programmes under the ministry at the federal and state levels, and by private housing developers as we aspire to build 500 thousand affordable houses throughout the 12<sup>th</sup> Malaysia Plan.

Ladies and gentlemen,

22. We will continue to provide quality housing in a sustainable environment. Environmental protection and preservation remain a priority in all aspects of housing and urban development.
23. Sustainable development also means giving back to society and nature. This is through, among others, the use of energy-saving, and recyclable items.

24. For developers, the word 'sustainability' is not a marketing gimmick. It is to add value to their properties and to create sustainable homes and offices that will reduce carbon footprints.
25. We must always take into account the welfare of homebuyers, especially first timers. While I know that many of you are responsible industry players, we have, however, heard of horror stories experienced by homebuyers.
26. The government will formulate policies that will promote the housing and building industry, as well as regulate industry players, to protect house buyers. Estate management and maintenance will also be regulated to ensure quality housing for all.

Distinguished guests,

27. We do not pretend to know it all. The era of "government knows best" is over. Thus, my ministry has appointed 25 industry experts as part of our Panel of Experts. This combined knowledge, experience, and expertise, will help the government implement the best housing policies and programmes for all.
28. The panel focuses on five areas, namely availability, affordability, accessibility, quality and liveability. With all these initiatives, we believe that the ministry, and the government, will be able to deliver better policies to facilitate the growth of the property sector.
29. There are challenges upon us but we must stand steadfastly and march together to face it. The new normal will definitely require us to adjust and make some changes, lets adapt to it.
30. And,...most importantly, the government will continue to support businesses to grow while uphold the wellbeing of the rakyat, no matter how hard and difficult the situations are.

Ladies and gentlemen,

31. Before I go, allow me to thank the organisers for their efforts in getting today's event going. A big thank you to Tan Sri Michael Cheah and thank you to each and every one of you.
32. I look forward to hearing your views and suggestions that will ultimately benefit our housing and property industry. To quote the theme of the day, 'Let's start building a better future'.

Thank you.