

SPEECH BY THE MINISTER FOR LOCAL GOVERN-  
MENT, LANDS AND HOUSING, ENCHE ABDUL HAMID  
BIN HAJI JUMAT, MADE AT THE LEGISLATIVE  
ASSEMBLY MEETING ON WED. SEPT. 10, 1958  
AT THE SECOND READING OF THE HOUSING AND  
DEVELOPMENT BILL

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I have His Excellency's consent to proceed with this Bill and move "That the Bill be now read a Second time".

Sir, in the White Paper on the Report of the Committee on Local Government (No. Cmd. 30 of 1956), Government indicated its agreement that the Singapore Improvement Trust should cease to exist and that the responsibility for public housing and the comprehensive development and redevelopment for a variety of purposes of areas of land designated by Government should be laid on a Singapore Development Board appointed by Government.

The lines on which the operations of the Board should be financed and thereby controlled by Government was indicated in a further White Paper, that on Housing Subsidy Policy, No. Cmd. 6 of 1957. I propose in this speech merely to refer to the intention behind the provisions of this Bill without reference to particular clauses.

The Board is designed to be a small one of five members who would not be representatives of other bodies or authorities, and who would be paid. Membership of the Legislative Assembly is made a disqualification as its service with the Government or a local authority within one year before the date of appointment. The purpose of these measures is to secure an independent Board which could be responsible only to Government and would carry out public policy as laid down by Government. For this purpose also, the Board is required to submit for approval all its proposals and also to fix rents for housing accommodation only with the approval of the Minister.

The Minister is further empowered to give the Board directions of a general nature not inconsistent with the provisions of the Ordinance. Other usual methods of control are also prescribed in the Ordinance including the requirement for the Board to submit an annual budget for approval by the Minister, to seek the Governor-in-Council's approval for loans and the terms for repayment of such loans, and to submit accounts for audit by an Auditor nominated by the Minister.

Subject to these controls, it is intended that the Board should be free to run its own affairs and to carry out its projects in the manner it thinks best. The Board will be allowed to pursue its own operational policy and all questions regarding such policy should be dealt with through its own public relations organisation. The allocation of housing should not be a political issue. The Board will have control of its own financial affairs, subject to the overall financial approval and the grant of an annual Government housing subsidy, and it would be run on business-like lines, balancing its own income and expenditure within the framework of an agreed subsidy policy.

It is intended that the Board should be made the competent planning authority in new town areas or in areas of comprehensive development so that it would not be subject to planning control by the local authority, but it would be required to observe the provisions of the Master Plan,  
/Local...



Local authority by-laws are also made inapplicable to the Board. It will be necessary, however, for the Board, as at present, to retain proper liaison, consultation and agreement with other bodies in order to enable them to gear their activities accordingly.

The present system will be continued whereby Government requires compulsorily under the Land Acquisition any land required for its projects, which it has power to but cannot buy by private treaty. The Board is also given power, with the approval of the Minister to sell, lease, surrender, mortgage, exchange or otherwise deal with its land.

The Board will appoint a paid Chief Executive Officer in charge of various departments (administrative, architectural, engineering, housing valuation and finance). The running of the Board could be left, by delegation of authority from the Board, to the Chief Executive Officer and other executive officials wherever possible. For the purpose of facilitating executive action also, it is specifically provided that the Chief Executive Officer shall be entitled to attend, and take part though not to vote in the discussions of the Board.

The rent policy of the Board will be dictated by that laid down in the Government White Paper on Housing Subsidies. The Authority would calculate economic rent taking into account among other matters the cost of land, preparation of site, legal fees, administrative charges and fees, rates and taxes, loan charges, repairs and maintenance. Government would decide, as a matter of policy, what portion of income could be appropriated for rent in the various income groups and the level of rents which should be charged for various types of accommodation in respect of each block of houses or scheme having regard to the type of person likely to occupy them.

Government would then pay annually, by vote in the Estimates, the difference between the economic rents and the rents derivable from the implementation of Government policy, thus enabling the Board to balance its housing account annually and retaining in the hands of the Assembly power to control rents and vary the rate of subsidisation of housing.

In view of the control of rents exercised by Government under the above policy, it is considered unnecessary that the 2,000 prewar properties should be subject any further to the protections of the Control of Rent Ordinance. With regard to any suggestion of discrimination between the Trust and other private landlords, it should be noted that the Trust has standards of supervision and maintenance which private landlords do not attempt to provide.

The financial procedure of the Board is determined also by the statement of policy set out in the White Paper on Housing Subsidies.

The Government would supply funds at current rates of interest and periods of repayment in each case, i.e. 60 years for permanent buildings, less, perhaps 20 years, for others. As at present, funds would be advanced in instalments as required on the basis of programmes approved by the Assembly. The arrangements would be purely commercial and in accordance with accepted practice in such matters.

/It would be....



It would be necessary, in order that information on the financial position of the Trust may be easily ascertainable, for the Trust to keep capital expenditure accounts and a housing income and expenditure account which should be in balance each year, with the annual housing subsidy providing the balancing factor.

I have stated the intentions of Government at some length because it is necessary to explain why the Bill has been drawn in its present form. It is possible that Hon. Members may not all agree that these are quite the best provisions for the organisation of the Housing and Development Board, and in matters of detail, the Government will be prepared to listen to any suggestions Hon. Members may wish to bring forward. Indeed, I have, myself, already received certain suggestions for amendment which I have accepted and included in a notice of amendment. It is Government's intention that the Bill be committed to a Select Committee for examination.

Sept. 10, 1958.

(Time issued 1300 hours)