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SPEECH BY DR RICHARD HU TSU TAU, MINISTER FOR FINANCE,
THE SINGAPORE INSTITUTE OF SURVEYORS AND VALUERS' ANNUAL
DINNER AND DANCE AT THE STAMFORD BALLROOM, WESTIN PLAZA
HOTEL, ON SATURDAY, 11 NOVEMBER 1989 AT 8 PM

I must first thank Professor Lim Lan Yuan for his very interesting and illuminating review of the work carried out by the professional members of the Institute. I am particularly impressed by the Institute's efforts in drawing up draft standards for engineering and construction surveys, building up a computerised building materials price databank, and upgrading training. Secondly, the Institute should be commended for its close and mutually beneficial collaboration with Government departments, statutory boards and the tertiary institutions on professional matters. These activities have helped raise professional standards and improved quality of service to the public.

The property market has recovered well from the recession and is now well placed for further growth. I believe that the recovery has been hastened by the major changes to and simplification of the property tax assessment system that have been implemented over the last four to five years. The changes include the concession for lands under private development, the new basis for assessment of hotels and the Giro scheme for staggered payment of property tax. In my recent Budget Statement, I announced that the property tax rate will be reduced from 23 per cent to 16 per cent of annual value with effect from 1 July 1990. The concessionary basis for taxing owner-occupied private residential properties has also been rationalised and simplified.

The net effect of these changes has been a significant reduction in the tax on property investment. This has provided a sound basis for steady long-term growth of the property market.

I should also like to take this opportunity to briefly mention changes to the regulatory framework that are under consideration and which should further improve standards of professional practice. Professor Lim in his speech commented on the review of the Auctioneers' Licences Act which is under the purview of my Ministry. The review is nearing completion. As part of the review, we are considering the need to establish a Board of Valuers who would be responsible for the registration, discipline and maintenance of standards of professional practice among valuers. The proposed regulatory arrangements would be similar to those for other professions such as accountants, engineers and architects.

The construction and real estate sectors of the economy have recovered well from the recession and are now enjoying buoyant growth. Future prospects are also good. A long-term programme to upgrade public housing estates and major plans to improve the physical environment throughout the island have been announced by the Government. These and other developments such as the establishment of town councils will provide significant new opportunities for surveyors, valuers, property managers and other professionals. I am confident that the Institute will help its members capitalise on these opportunities.

In conclusion, I should like to stress that the Government will continue to make every effort to ensure an orderly property market environment. It will also support the Institute's efforts to upgrade standards of professional practice in the real estate property sector. I wish the Institute every success in its endeavours.

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