



The ICCC

14th September 2009

Comments & Submissions

Issue 2 – Comments on the Operation, structure and characteristics of the Housing Industry in PNG.

Comment – PNG's Housing and Real Estates Industry has grown without any state regulatory body.

My experience of living in New Zealand for a couple of years, with my entire family and renting a 3 bedroom house in the early 1990's shows that we do not have any Regulatory body, comprising of representatives of all stakeholders; making decisions concerning the Housing & Real Estates Industry in PNG. I stand to be corrected.

This is PNG and we could say that we have our own systems and ways of doing things.

However, the basic fundamentals of tying in rates of rents with levels of earnings (salaries and CPI adjustments) by the state, protected tenants and made housing affordable to all; especially those who could not buy or build their own homes, offices and factories.

Labour and Employment, Housing, Banking Institutions, the Public Service, the Unions, including a Representative of the Tenants were important representatives in such a Regulatory body. They ensured that rates reflected the earning capacities and made housing affordable that way.

PNG has Politicians and Senior Public Servants owning Properties and not having the will to make Housing and Real Estates come under a Regulatory Body because of their Conflict of Interest and bias. We must have the Will to separate those with Vested Interest from dictating, influencing and being involved with Housing Policy Issues and Real Estates.

Issue 3 – Current demand & supply of the Housing Industry in PNG.

Urban Squatter Settlements will continue exist and do exist because they offer the only alternative that a lot of PNG workers finding housing and shelter there. The net amount of their fortnightly earning is totally insufficient to afford an urban dwelling and to sustain their lives until the next fortnight. The salary earned cannot match the asking and going rates of house rentals. The demand is there but appropriate levels of Housing and Rental Rates must exist to match them. At the moment there is a mismatch between the two. In New Zealand for example, there is a working and a steady match in place.

Item 4 – Whether some form of regulation should be considered in the Housing Industry in PNG.

I repeat what I have highlighted in Issue 2 above. A Regulatory Body, comprising of Reps of all Stakeholders; including Tenants must be established and empowered to make decisions concerning the Housing & Real Estates Industry; bearing in mind earning levels and capacities to determine Rental Rates in PNG.

Issue 8 – Other Relevant issues which should be considered as part of this enquiry on the housing review.

It is suggested that Politicians and Senior bureaucrats involvement in Real Estates and Housing Industry is noted and that a Regulatory Body established, should be tasked to establish Policy and Act that should be Supreme in its functions.

It would be also comparative essential that policies and laws relating to Housing, Real Estates and Tenants Guilds or Associations from NZ and Australia are obtained and studies and used as guides in establishing our own.

All the best.

Yours sincerely,

B Naing

Benjamin B A Naing (Mr)
Vice President (Administration)