

Memorandum for Cabinet by the Hon. Minister
of Works and Housing

Disposal of New Government Dwellings

The policy of mixed allocations of new Government dwellings which was adopted by the Colonial Administration was as follows:-

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| (i) | <u>Tender</u> : | Not more than 50% | |
| (ii) | <u>Points</u> : | (a) Badly housed families and Court evictees | 20% |
| | | (b) Engaged Couples | 15% |
| (iii) | <u>Direct allocation</u> | | 15% |

Since the present Administration took office, there was no real opportunity or need to revise this policy which is still in force, but when 24 flats became available at Paola Hill, it was decided in Cabinet on the 3rd December, 1962 (Cabinet Memo No. 83) that the flats should be disposed of partly on points and partly by direct allocation. It was further decided that a full-scale revision of the mixed system of tender, points and direct allocation should be held over for a year when the Housing situation of the moment could be more profitably taken into account.

In the very immediate future, 14 terraced houses and 20 flats will be available for disposal at Msierah. The Housing situation has improved to some extent but the demand for badly housed families for better accommodation is still great. The Ministry of Works and Housing is flooded with requests for better premises when these become vacant or are expected to become vacant. The Housing Department still has a great number of cases on its books eligible for direct allocation and with the policy of causing the minimum hardship possible to property owners, very few private dwellings become available to the Department.

If about half of the new Government dwellings which become available are disposed of by tender, the position will worsen. It is therefore the strong feeling of the Hon. Minister of Works and Housing that the tender system should be dropped and that the new Government dwellings be disposed of partly by points and partly by direct allocation.

There are other reasons why this new policy should be adopted forthwith. These are:-

(i) Housing is a social service. Government is not in competition with building speculators and its part in house building is purely a social measure to reduce housing hardships with the undesirable consequences bad housing brings along;

(ii) The tender system was strongly opposed by all sections of the press and philanthropic bodies interested in housing, especially the Social Action Movement which is still vehemently protesting against the disposal of Government dwellings by tender.

(iii) It is unreasonable and unfair for the Government to lease a percentage of its new premises by tender while the same Government requisitions privately-owned premises, with consequent hardship to the private owners, who cannot lease these premises at their present market value.

/ (iv)

(iv) Of the number of new Government dwellings which can be made available up to the end of the Second Five Year Plan, a number will be required to house families affected by particular Government projects (e.g. flats at Msida to rehouse families affected by the Sliema Regional Road.

(v) The additional revenue obtained from dwellings disposed of by tender is very small and does not justify the criticism of the system from all quarters. On 215 units leased by tender between November 1959 and November 1962, a global increase of £2,461 was obtained.

Hon. Ministers are asked to agree that new Government dwellings becoming available during the Second Five Year Plan should not be leased by tender and that such units should be disposed of by direct allocation and by points in the proportion which the Minister responsible for Housing thinks appropriate at the time.

30th October, 1964.

MWH. 14/62

L-Arkivji Nazzjonali ta' Malta