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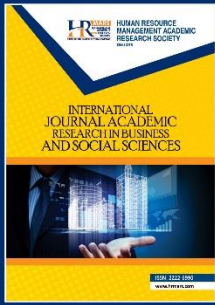
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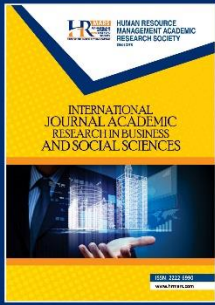
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INTERNATIONAL JOURNAL OF ACADEMIC RESEARCH IN BUSINESS & SOCIAL SCIENCES



Housing Development in Malaysia

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Abstract

The housing development will be the main point to be discussed in this paper. The paper aims to examine general review on housing development in Malaysia especially in providing justifications of strategies and policies involved in housing development since before independence. This is because housing strategies and policies have played role in creating and shaping today's development and at the same time moving towards more comprehensive strategies of housing development. The paper also illustrates on the changes made by the Malaysia Government towards housing development through policies involved.

Keywords: *Housing, Housing Development, Housing Policy*

Introduction

All human being have basic needs for somewhere to live which provide shield against risky external environment. Variations in climate, weather, criminality, government policy as well as land availability and material of construction will influence varies between different locations and areas of shelter (Reed & Sims, 2015). The National Housing Department (2010) also stated that a house is a basic need as it is "shelter for all" and the government is looking forward to ensure that all Malaysians are able to own a house or at least rent a house. Living in unhappy neighbourhood degrades the effects of family poverty on individual health, educational, economy as well as other indicators of well-being (Centre for the Study of Social Policy, 2011). In general, housing development is very important in assuring quality of life for population around the world. Malaysia's government and private developers are the main drivers in developing good housing and shelters for people. Affordability also influenced the ability of individual or family in owning and renting a house.

Housing

According to Business Dictionary.com (2012), "housing" can be defined by several definitions including place either buildings or structure where it can be lived by individuals or families in that meet certain federal regulations and may vary due to different age, family and geographic

location. "Housing" also defined as shelters, shields, or supports another object. While in the Oxford Advanced Learner's Dictionary (2000), "housing" is houses, flats etc. "Housing" also means providing accommodation for people and also hard cover that protects machinery. Housing is also defined as the basic spatial scale of objective residential environment (Huang & Du, 2015). In enhancing the quality of life, housing is one of an important elements needed by human being (National Housing Department, 2010). Most families' plan dominant in owning a house not only for shelter but also demand for cosiness. It also defined individual success and housing becomes more important to express family need and most exclusive investment by household (Hashim, 2010).

Housing Development

These are the several definitions of "development" as stated in Business Dictionary.com (2012).

- i. It is an efficient use of scientific and technical knowledge to meet precise objectives or requirements.
- ii. An addition of the academic or practical aspects of a concept, design, discovery or invention.
- iii. The process of transformation on economic and social that is based on complex cultural and environment factors and their interactions.
- iv. The process of adding enhancements to a portion of land, such as drainage, access, grading, roads and utilities.

Furthermore, Town and Country Planning Act 1976 (Act 172) as one of main acts used in Malaysia defined development as:

...the carrying out of any building, engineering, mining, industrial, or other similar operation in, on, over, or under land, the making of any material change in the use of any land or building or any part thereof, or the subdivision or amalgamation of lands; and "develop" shall be construed accordingly". This can be concluded that any process on earth that becomes a project is a "development" (p. 9).

In the other hand, Housing Development Act 1966 (Act 118) defined the housing development as,

to develop or construct or cause to be constructed in any manner whatsoever more than four units of housing accommodation and includes the collection of moneys or the carrying on of any building operations for the purpose of erecting housing accommodation in, on, over or under any land; or the sale of more than four lots of land or building lots with the view of constructing more than four units of housing accommodation" (p. 9).

From both definitions of "housing" and "development" conclude that it is a process or project on earth that covers, protects, or supports another thing called "housing development".

Housing Development and Policies in Malaysia

Tosics (2004) claimed that in controlling housing development, government plays an important role in preparation and formulation of planning policy. This section will explain on how housing development goes in Malaysia especially on housing policies. Malaysia's government program continues in giving priority on housing and community facilities indirectly improving the quality of life and contributing towards the formation of civilization development. Housing programs were carried out by both public and private sectors (Ezeanya, 2004). Idrus and Siong (2008) have reviewed housing policies in Malaysia since before independence and divided all policies into three (3) categories, which are as follows:

Before 1970

During this time there were many problems on housing matters where houses were insufficient both with concern to accommodation and convenience. Houses become threats to public health due to overcrowding. Squatter problems need more attention and there were committee that has been setup. Establishment of Housing Thrust with the power on purchase or lease and hold the building and land, to develop houses, shops and to sell, lease or let land and buildings which recommended by the committee. The Housing Thrust also has authority to secure land with law and have ability to pay special 'development rate' to the owners of vacant land that need to be developed (Ezeanya, 2004). Whilst for concept after the independence, the government concentrated more on public housing and concerned more on provision of low-priced housing as basic need especially for rural people in the Second Five Year Plan (from 1961 to 1965). Roughly the aim of government in the First Malaysia Plan (1966-1970) was focused mainly on providing low cost housing for the society. The low cost housing was one example of government's efforts in promoting welfare of the lower income groups. The economy at that time was unstable to encourage private developers to involve in housing provision. In overcoming the squatter's problem, the government sped up timing of the housing construction and lowered their cost (Ezeanya, 2004).

1970s to 1990

During this period, there were several housing policies being used (Idrus & Siong, 2008). The policies comprised of the New Economic Policy (NEP), programs of public low cost housing and also "Sites-and-Services" schemes. In 1971, the New Economic Policy (NEP) was introduced and put housing development under the responsibility of public and private sectors. The NEP was set up to cultivate national unity and also to eradicate poverty. It also focused on housing development in rural area which aimed to balance between urban and rural areas in term of economic (Agus, 1989) where during this period Malays mostly stayed in countryside areas, Chinese lived in the city and Indians lived in oil palm and rubber estate (Tan, 2011). The government encouraged the Malays to travel to the cities which were then dominated by Chinese, as part of the NEP's strategy and because of this, the demand for affordable housing has increased in urban area in the 80s (Siwar & Kasim, 1997). Thus, the rural area was left out. The federal government also introduced the 30 per cent of the housing ownership quota for Bumiputera (Idrus & Siong, 2008).

According to Ezeanya (2004), the Second until Fifth Malaysia Plans were meant to improve socio-economy of Malaysia especially in poverty improvement and the reorganization of society. During this time, structured programs were taken on to provide low cost housing to fulfil the essentials of the unfortunate or poor. Due to the fact that most urban poor cannot pay to buy houses and their main issue was their own economic problem, government took the initiatives to control the price of low cost housing and indirectly limit the private developers to achieve the target on provision of 30 per cent low cost houses (Kasim, 1991). Therefore, the second policy which was on public low cost housing programs was introduced. Basically, the public housing programs focused primarily on low cost housing since the Third Malaysia Plan with continuing on delivery of staff quarters and housing construction in land settlement schemes which meet the demands of the unfortunate (Ezeanya, 2004). Then, in the Fourth Malaysia Plan stated the programs on public low cost housing that built by both the Ministry of Housing and Local Government and State Economic and Development Corporations (SEDC) were ranked the top as priority. The applicant's once-a-month household income, marital status, age, nationality, household size, hometown and political connections includes as parts of the criteria for the application of low cost housing (Idrus & Siong, 2008).

The final approach on housing provision during this period of time was the "Site-and-Services" scheme. The approach was to cut the financial costs allowed by the public sector. The World Bank demanded for support to offer accommodation and services for the urban poor who were moved from squatter areas in Kuala Lumpur once housing policy was discussed. This program was proposed to resettle squatters and comprised of three major components which include new sites and services, upgrading squatter area and last but not least, sites and services elements. Since the Fourth Malaysia Plan manage and monitor the implementation of the "Site-and-Services" Scheme, the Ministry of Housing and Local Government targeted to offer housing for households with incomes of less than RM500 per month (Government of Malaysia, 1981).

After 1990s

According to Ezeanya (2004), the Sixth and Seventh Malaysia Plans were planned to provide sustainable development for Malaysia. Many programs during the Seventh Plan were implemented for both rural and urban areas. Basically, the private and public sector undertook the project on housing development. While the private sectors were chasing towards getting high profit, the public sector remain to provide housing for low income group including sale or rent. In the Eight Malaysia Plan, the development on housing for low medium cost and low cost houses was continued. Both public and private sectors heightened their struggles to increase the demand. In order to improve the quality of life, they also focused of providing facilities and social services (Government of Malaysia, 2001). In the Ninth, Tenth and Eleventh Malaysia Plan more policies were established to improve on the quality of houses with new designs that meet the need and comfort of the people. Furthermore, the affordable price must be targeted for the unfortunate, low and middle income households (Government of Malaysia, 2006, 2011 and 2016).

Year	Policy	Highlighting on Housing Policy
Before 1957	Colonial	Housing Trust and quarters.
1961-1970	2 nd Malaya Plan	Democratic housing ownership and squatters.
1966-1970	1 st Malaysia Plan	Low cost and public housing.
1971-1975	NEP – 2 nd Malaysia Plan	Urbanization, industrialization, public housing estate, SEDC, UDA, FELDA and SPPK.
1976-1980	3 rd Malaysia Plan	National Housing Council 1980. Low cost housing, FELDA, quarters.
1981-1985	4 th Malaysia Plan	Low cost, medium and high – public and private price, qualification, type, design.
1986-1990	5 th Malaysia Plan	Population settlement concept, infrastructure and public amenities for public unity.
1991-1995	6 th Malaysia Plan	Malaysian privatization and incorporated concepts in housing construction such as low cost.
1996-2000	7 th Malaysia Plan	National Housing Company – RM 2 billion and CIDB, smart partnership and housing.
2001-2004	8 th Malaysia Plan	Integrated National Housing Policy. Government – Low cost housing. Private – Medium low, medium and high cost housing Target achievement zero squatter.
2006- 2010	9 th Malaysia Plan	Improving the quality of houses. Ensure the sufficient quality of affordable houses. Enforcement on Program Perumahan Rakyat.
2011-2015	10 th Malaysia Plan	Provide 78,000 affordable houses and friendly housing environment.
2016-2020	11 th Malaysia Plan	Provide quality and sufficient affordable housing from poor to middle income households

Table 1: Summary of Housing Policies in Malaysia

Sources: Agus (1998 & 2002), Omar (2000), Samsudin (2001) and the 8th Malaysian Plan, National Housing Development (2004) as cited by Bujang, Zarin (2005) and the 9th Malaysian Plan, 10th Malaysia Plan and 11th Malaysia Plan.

Conclusions

The overall reviews showed that there were many perspectives on housing development in Malaysia and Ezeanya (2004) concluded that Malaysia's housing programs have since then focused on the obliteration of poverty and restructuring of humanity through the consolidation of the various ethnic communities throughout the years which was also the New Economic Policy's aims. The housing policy of Malaysia is in line with government agenda including those

policies that have been stressed out before where the government wants to provide “adequate shelter for all”. The vision of Malaysia’s housing policy is to certify that all civilian population especially low and middle income groups have opportunity to adequate and decent shelter.

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