

**A STUDY ON BUMIPUTRA QUOTA IN HOUSING AREA, ITS
IMPLEMENTATION AND METHODS TO STANDARDIZE THE
IMPLEMENTATION**

By

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Abstract

Currently Malaysia is facing issue of implementating bumiputra quota on housing development. The objective is to focus on the method to standardize its implementation on housing area. Regarding to this situation, a doctrinal research needs to be done to analyze the issue of bumiputra quota implementation in housing area. The research will be a library-based research and internet-based research. Library-based research is to obtain information regarding the various implementations of the scheme on selected states of Kedah, Johor and Penang. Whereas internet-based research will be to gather various articles published regarding relevant real estate issues that are related to implementation of the bumiputra quota. The findings between these different states are compared to find out the different methods of implementation. From these findings, the researchers had used it to identify the main problem and figure out a solution to solve this problem. It is identified that the implementation of different states were indeed different and was far from the objectives of the bumiputra quotas set by the New Economic Model. The researchers made a conclusion that this issue has been getting out of hand and that no action has been taken to overcome this problem. The researchers suggest that the problem to be tackled through methods of implementing a specific uniform bumiputra quota in housing development for all States in Malaysia and method of release clause of the bumiputra lot allocation rule.

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1.1 BACKGROUND OF STUDY:

“Takkan melayu hilang di dunia” Hang Tuah, a Malay warrior once said, and the Federal Constitution makes sure that this happens through Article 153, where it would “safeguard the special position of the ‘Malays’ and natives of any of the States of Sabah and Sarawak and the legitimate interests of other communities”. In order to safeguard the special position of the Malays and the natives of Sabah and Sarawak, the quota system is used in various aspects such as the education sector, the industrial sector and also the housing areas.

Article 153 grants the Yang di-Pertuan Agong, or King of Malaysia, responsibility for safeguarding the special position of the Malay and other indigenous peoples of Malaysia, collectively referred to as bumiputra and the legitimate interests of all the other communities. The article specifies how the King may protect the interest of these groups by establishing quotas for entry into the civil service, public scholarships and public education.

Originally there was no reference made to other indigenous peoples of Malaysia (then Malaya) such as the Orang Asli, but with the union of Malaya with Singapore, Sabah and Sarawak in 1963, the Constitution was amended so as to provide similar privileges for the indigenous peoples of East Malaysia (Sabah and Sarawak), grouping them with the Malays as bumiputra. Under Article 153, and due to the 13th May 1969 riots, the New Economic Policy was introduced. The NEP aimed to eradicate poverty irrespective of race by expanding the economic pie so that the Chinese share of the economy would not be reduced in absolute terms but only relatively. The aim was for the Malays to have a 30% equity share of the economy, as opposed to the 4% they held in 1970. Foreigners and Chinese held much of the rest.

The NEP appeared to be derived from Article 153 and could be viewed as being in line with its wording. Although Article 153 would have been up for review in 1972,