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FPN KAMPUS SEREMBAN

# Cooperative in Malaysia

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Cooperatives are people-centred enterprises owned, controlled, and run by and for their members to realise their common economic, social, and cultural needs and aspirations. A cooperative also known as a non-profit and people-centred enterprise possessed, operated, and managed by members. According to ICA, 2019, Cooperative brings communities collectively in a representative and equivalent manner to realize a common economic, community, and cultural need and desire. In addition, Mahazril 'Aini et al. (2012) and Ortmann and King (2007) stated that cooperatives are established to improve the well-being of the members, eradicate poverty, and serve as an alternative platform to distribute the national wealth amongst the people. Indirectly, the cooperatives play a significant role in elevating the socio-economic and well-being of members of communities and substantially contribute to the nation's Gross Domestic Product (GDP) (Zakaria, et al., 2022).

In Malaysia, cooperative plays a third crucial roles after the public and private sectors in driving the nation's economic growth. Indeed, Malaysia is home to numerous cooperatives Yuhertiana, I (2022). The role of cooperatives is also being rapidly recognized for their contributions to the Malaysian economy, both socially and economically Othman, (2013) and Hashim et all (2017). Therefore, the government seen cooperative as another crucial vehicle to drive and boost up the development and growth of the countries' economic.

In addition, The Malaysia Cooperative Societies Commission (MCSC) is a statutory body under the Ministry of Entrepreneur Development (MED) and acts as registrar and regulator of cooperatives. The objectives of MCSC are:



- i. stimulating cooperative development and a strong cooperative sector and organized according to values as well as the principles of cooperatives to contribute towards the achievement of the objectives of the National socio-economic.
- ii. encourage the sector its financial operatives, progressive and sustainable; and
- iii. maintain confidence in the cooperative movement.

## Benefits of Cooperative to Society

Generally, Malaysian Cooperative Societies Commission outline benefits of being a member of cooperative in society. This includes:

- i. Members of the cooperative through possession of the share capital and contributed fee and become user services and goods offered by cooperatives. The Member hereby determine the types of goods and services required.
- ii. The cooperative offers quality products at affordable prices to members its members. In addition, the cooperative also provides facilities guaranteed savings and loans at reasonable interest rates.
- iii. Members enjoy return on subscription, contributed capital and active participation in the management and cooperative activities. Part of the profit's cooperative assigned to the welfare fund to finance charitable activities such as children's Education Fund members, funeral, and contribution to the activities of the community activities.

It is highly recommended for everyone to register as a member of cooperative in their society due to the benefits offers to the communities. Other than sharing a profit for its members, the welfare of the members also being taken into consideration. For examples, a lot of programmes is done to promote awareness and recognize outstanding students, teachers and school cooperatives and sponsorship study in higher leaning institution not only for members but extend to member's children if meet the requirement. To sum it all, it is recommended for everyone to register to any cooperative so that cooperative member can enjoy the benefits offers by the cooperative in Malaysia.



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