



**“AN EXPLORATORY STUDY OF THE EFFECTIVENESS OF THE “PROGRAM
PEMBANGUNAN RAKYAT KHAS” (PPRK) OF SEDC IN THE KUCHING
DISTRICT SINCE ITS IMPLEMENTATION IN 1993”**

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ABSTRACT

The government and the statutory body has tried their best to eradicate poverty among the people such that now in 2002 less than 10% Malaysian are poor compare to over 50% in 1970. Therefore this exploratory take place to measure the effectiveness of PPRK programme that has been implemented by SEDC to encounter this problem. The exploratory study reported in this research was based on a survey of the PPRK participants located in Kuching District, supported by data from Sarawak Economic Development Corporation (SEDC), Rural Entrepreneur Development Unit (RENDU), as well as personal observations, questionnaires, and interviews with relevant authorities and personnel.

The objective of the PPRK programme are to provide support to poor household to enable them to move out of poverty and the programme is to be extended to all PPRK participants in the state. This study also presents the economic situation and the extent of the poverty eradication among the PPRK participants in Kuching District.

This study also examines the implications and the efforts taken by the SEDC in attaining the distributional objective for the PPRK participants in coherent to reduce poverty among the Bumiputera. Due to no formal education among the PPRK participants has not helped them to get out of the worlds of absolute poverty. In such situations, this programme must be articulated a more target-specific programme to address pocket of poverty among the participants.

1.0 INTRODUCTION

The Sarawak Economic Development Corporation (SEDC) was set up in 1972 as state owned statutory body with the general aim to promote the commercial, industrial and socio-economics development of Sarawak. The corporation acts as a catalyst for investment in Sarawak by providing as a joint-venture partner in broad spectrum of industries including Agro & Food Based, Engineering, Road & Works, Tourism & Leisure, Mineral & Mining, Medical Care and Human Resources Development. At the same time, it plays an important role of a trust agency of the Bumiputeras in commerce and industries¹.

Currently, the Corporation has over 70 active subsidiaries and group assets worth over RM1.2 billion. As a Corporation that seek to promote quality and excellence in its service to customers, SEDC has been well recognized nationally. Structurally, SEDC is divided into 3 main Divisions, namely the Corporate service, the Commercial Operation and the Entrepreneur Development Division.

1.1 MISSION AND VISION OF THE CORPORATION

Corporate Vision

To be a model Corporation in promoting and implementing both development and commercial projects in the state of Sarawak

¹ Sources: SEDC Sarawak Corporate Profile

2.0 LITERATURE REVIEW

2.1 Poverty In Malaysia

The theoretical concerns with poverty are related to the manner in which poverty is conceptualized and measured and its relevance given changes in poverty dimension and profile. Japan Bank of International Corporation journals on February 2001 stated that Poverty in Malaysia is conceptualized in both absolute and relative terms Absolute poverty is measured in terms of the Poverty Line Income. Malaysia's poverty line, called Poverty Line Income (PLI), is a measurement of absolute poverty. PLI is based on the gross monthly household income required to meet basic needs, including food and non-food items. A household with the gross income below PLI is defined as absolute poor and a household with the gross income less than half of PLI is defined as hardcore poor.

2.2 Trends of Poverty Incidence and Inequality

In terms of income inequality, consistent and official data is not readily available, although some national development plans present figures. This serious inequality is likely a result of rural-urban, regional and ethnic disparities. This is what Peter Minos has stated on trends of poverty incidence and inequality in Sarawak Tribune on 11 August 2002. This is what he said:

“Poverty not only destroy a person physically also saps his or her confidence and dignity. Scars of poverty take years to eradicate. Many of us are talking from personal experiences. He himself for one, coming as he do from a once very remote rural Bidayuh village closely associated with poverty and deprivation. They therefore look to the day