



A qualitative approach to investigate leakages in low-cost housing provision in Malaysia

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Abstract

Over the years, Malaysian Government and housing developers have been providing low-cost housing (LCH) yet; shortage of homes for the low-income earners (LIEs) is high. Accessibility and affordability is a big issue in LCH scheme for the LIEs. Hence, this paper presents the qualitative approach to investigate LCH leakages in Malaysia. The purpose of this strategy is to explore the LCH leakage phenomenon from the participants. To achieve this, data were collected via in-depth oral interviews and validated via secondary sources. Thematic analysis was adopted and three themes emerged. Seven states and one territory in Malaysia were covered. From the findings, the participants agree on the high shortage of LCH. It is sadder that Malaysia is still experiencing LCH shortage after several years of LCH provision. Irregularities in auction of property, sales or rental within the moratorium period, non-compliance by housing developers with list of eligible buyers from the state government housing department, non-construction of LCH by developers because of unmerited waiver granted by state, politics in allocation of people's housing program, allocation to non-eligible pro-government persons, and under-declaration of income by house-buyers were identified by the participants as the root causes of LCH leakages in Malaysia. Cumulative ruling for construction of LCH as against the conventional per project, joint task force comprises of planning office, land office, and state government housing department to monitor, engraved on LCH land title deed, functional open registration system (ORS), and central credit reference information system for eligibility check among others were recommended to mitigate LCH leakages.

Keywords: demand-supply gap, housing developers, leakages, low-cost housing, low-income earners, qualitative approach

Introduction

The right to housing is recognised in a number of international human rights instruments. Article 25 of the Universal Declaration of Human Rights recognises the right to housing as part of the right to an adequate standard of living (United Nations, 1968). This trend is in-line with the typical pattern in most countries of higher levels of urbanisation that are associated with economic growth. Abdullateef et al. (2016) postulate that Malaysia currently has a housing shortage of 12 million units inclusive of low-cost housing (LCH). Perhaps, towards the year 2020, this would require an annual supply of a minimum of Two Million homes.

This is because the population is estimated to reach 32.4 million in 2020 and 36 million by 2030. Bank Negara Malaysia Annual Report (2015) corroborates the authors' submission that housing shortage in Malaysia is high but disagrees with the 12 million housing shortages. Bank Negara Malaysia Annual Report (2015) asserts that the gap between the housing stock and the households widened to 2.5 million units in 2015 from 2.1 million units in 2005.

In Malaysia, the issue of LCH provision sustainability by the public and private sector is a big challenge. Hussin and Kunjuraman (2015), Masukujjaman et al. (2016) opine that the issue of sustainability is a plan that balances the primary needs, economy and the environment. In Malaysia context, LCH is affordable housing "Type A" (Ebekozién et al., 2017), with a selling price not exceeding RM42,000 (Ministry of Housing and Local Government, 2002) and for income earners not above RM2,500 household/month (Asek, 2007; Muwh & Lg, 2013; Abdul-Aziz et al., 2017; Ebekozién et al., 2017). Shortage of LCH is already a source of concern among Malaysians (Bakhtyar et al., 2013). While, Goh (2015) opine that lack of infrastructure and accessibility to them is worst-off in the rural areas. Samad et al. (2016) assert that housing policies programmes have been overemphasising on the provision of LCH resulting in insufficient medium-cost houses in the housing markets. Perhaps, the reason for the authors' submission is because records show that public and private sectors housing developers have been involved in the provision of LCH since 1982 to date (Ebekozién et al., 2017). Unfortunately, the demand-supply gap has increased even with the effort of parties in the LCH provision (Abdul-Aziz et al., 2017). The impacts of these various policies have not been able to stabilise the gap between demand and supply of LCH in Malaysia, an indication of leakage within the system (from pre to post construction of LCH). Hence, the need to investigate LCH leakages to non-eligible persons cannot be overstressed. This is with a view to mitigating and resultant effect of making LCH available for eligible low-income earners (LIEs) house-buyers. The aim of this paper will be achieved through the following objectives (i) to investigate the root causes of LCH leakages in Malaysia and (ii) to suggest multifaceted pragmatic mechanisms to mitigate LCH leakages.

Literature review

Dullah and Kogi (2008) and Hussain et al. (2012) opine that when it comes to housing the poor, political, public, media and academic interests tend to focus on the physical aspect of the housing supply at the expense of other features of the LCH eco-system. Many issues influence the LCH demand-supply gap in Malaysia. For this paper, LCH leakages as one of the issues that influence LCH demand-supply gap and will be investigated via a qualitative approach and suggestions proffer to mitigate LCH leakages so that low-income house-buyers can gain access to homes in Malaysia. LCH leakages are the allocation of LCH to non-eligible persons by whichever means and the refusal to construct LCH by housing developers. The following section reviewed existing paucity literature relevant to this paper.

LCH leakages

LCH leakages in Malaysia have the paucity of scholastic works; hence most of the cited sources were newsprint subject to field investigation for confirmation. Records show that few scholars attempted to discuss leakages, it was done impassive. For example, Sufian and Mohamad (2009), in their study alleged that LCH leakages exist based on the perception that if after several LCH programmes over the years, yet a wide margin between demand and supply of LCH, then something should be wrong somewhere. The authors ended there, without further investigation. Similarly, Sufian and Ibrahim (2011) and Abdul-Aziz et al.

(2017) opine that housing leakage to non-eligible persons in Malaysia but was impassive, lack methodological approach and empirical evidence. Bavani (2015) avers that no amount of cross-subsidisation will influence LCH availability to the target group except the issue of leakage is addressed from the root. Cross-subsidisation is a strategy that allows developers to viably serve target populations while limiting the overall need for public financing (Ebekozién et al., 2017). LCH leakages have impacted negatively on the demand and supply gap, hence the need for this paper to bring the issues to the limelight. The following subsections identify the various sources of LCH leakages.

a. Sales or rental within the moratorium period

This is one form of leakages to non-eligible persons. This is the process of sales or rental of the property to another person within the moratorium period. Leakage in this form is profiteering from LCH sales by owners within the moratorium period. Moratorium period varies from state to state, although most states allow 10 years moratorium with the exemption of few states that allows five years, for example, Selangor. New Straits Times (2014) reports evidence of sales and rental within the moratorium period in Johor and Penang respectively. This confirms Sufian and Ibrahim (2011) allegation of sales of LCH within the moratorium period. The Sun Daily (2016) asserts that open registration system (ORS) would check-mate this ill-act if implemented across the country. This is presently missing in most states interviewed, for the few where it is available; the register is not up-to-date. The National Housing Policy (2011) should be reviewed and possibly adopt some of the Singapore housing systems. In Singapore, public housing inclusive of LCH is managed by the Housing and Development Board (HDB) under temporary leaseholds for 99 years only. Most of the residential housing developments in Singapore are publicly governed and developed. Several reasons contributed to the success of the HDB, one of them is the strong support from the government, in terms of finance to the LCH (Maclennan & Miao, 2017).

b. Non-construction of LCH by housing developer

This is a scenario where housing developers tactically avoid the construction of LCH. This is because of lax enforcement by the regulatory agencies (Abdul-Aziz et al., 2017). It is quite natural when coerced; some housing developers attempt to shrink from meeting the invidious LCH quota. The reasons for non-construction of LCH by some housing developers will be addressed from three angles. They are increased construction cost, holding cost from long approval process, and ceiling price policy. Sirat et al. (1999) asserts that one of the ways housing developers could avert responsibility is by making false pledges to build LCH in another project outside high-premium land areas. Most times, this is not honoured because of poor monitoring from the state government housing department. Malaysia housing regulation requires 30% of private sector mixed development to be set aside for LCH, which was introduced as a precondition for planning approval (Ebekozién et al., 2017). How far with the implementation is another big question waiting for an answer? The demand for increased minimum wages for LIEs and upward review of ceiling price for LCH has been on the increase among housing developers as one of the ways out to encourage developers to construct LCH (Jones, 2007; Pison Housing Company, 2010). In Malaysia, the minimum wage for LIEs is RM1000 per month for workers in Peninsular and RM900 per month for workers in Sabah, Sarawak and the Federal Territory of Labuan (Department of Statistics, 2016). This is not a workable wage to sustain a household and expected to save for a home.

c. Under-declaration of income

This is one of the unhelpful outcomes of the high cost of few available housing units, triggering the medium and high-income earners to under-declare their incomes with a view to secure homes built for the LIEs. This is a new trend which was never anticipated in house-buying related matters in Malaysia, now exists with us. This is common in cities within the states that are confronted with the high cost of rent and a shortage of homes. FMT News (2016) reports Penang Government may repossess housing units from owners who have under-declared their income. This is because of the revelation that rich persons are living in low-cost apartments meant for first-time home-buyers. Abdul-Aziz et al. (2017) suggest that verification of income during eligibility clearance is one way out from this menace.

d. LCH auctions

This is auctioning of LCH to the highest bidder without consideration of the income of the bidder. No scholar evidence to show that studies have been conducted in this direction as regard leakage in the auction of LCH housing to non-eligible persons to the best of this research within Malaysia. Although property auction market exists in Malaysia, very little is known about the LCH property auction market compared to Australia and New Zealand. This confirms Wong et al. (2014) claim that auction market in Malaysia is relatively small and dominated by distress foreclosure sales. In line with Sirat et al. (1999) suggestion that developers should handover all LCH to states before sales, same should be applied to LCH auction, to screen out non-LIEs from the bidding process.

e. Party members

The power of LCH allocation has been given to the hands of politicians (Sufian & Ibrahim, 2011; The Sun Daily, 2016). The authors assert that the issue of distribution of LCH is always alleged to be allied with political influence in which a supporter of the governing party, will have a better chance of purchasing LCH irrespective whether the person is qualified or not. The authors proffer that eligible register list should be the guide for allocation of LCH via the ORS. The ORS is a mechanism employed by the Ministry of Housing and Local Government in the processes and procedures associated with the buying and owning of LCH by eligible Malaysians citizens (Muwh & Lg, 2013). It ought to be decentralised in its implementation, offices of the State Secretary, District Offices, to implement the system at the state and districts levels (National Housing Policy, 2011; Parker, 2016).

Methods

The qualitative research approach was adopted because of scarce and priority knowledge of the questions and possible answers. Also, the need to focus on individuals' background, knowledge and reasoning rather than on statistical analysis survey answers to real life problems prompted this method (Gummesson, 2000). Denzin and Lincoln (2000) report that qualitative data have the advantage of locating meanings, perceptions, and assumptions that people place, in this case, on the sources of perceived LCH leakages and ways to mitigate them. Hence, the interest in peoples' motivations, perceptions, and decision-making processes led to the use of qualitative research method. Phenomenology type of qualitative research design was adopted because this study is deemed exploratory and descriptive in

nature via collecting data from people who have had the experience (Stysko-Kunkowska, 2014). The researchers describe the lived experiences of LCH leakages in Malaysia as described by participants (Creswell, 2014).

Data were collected via an in-depth semistructured type of oral interviews and validation was done by secondary sources (journals, newsprints, and government documents). Snowball and homogeneous sampling, both are types of purposive sampling technique were adopted because the research participants to recruit other participants and used where potential participants are hard to find (Creswell, 2014). Thematic analysis, a method for identifying, analysing and reporting themes within data using manual approach was adopted for this study. Table 1 present the summary of the participants' description and locations. This is well selected to reflect the true picture of the practitioners across the spectrum. For confidentiality, the names of the states, establishment, and rank of participants were concealed. Table 1 shows that S1 to S8, were the participants from the state government housing department, P1 to P9 were housing developers, B1 to B4 were bankers, and A1 to A3 were auctioneers. Also, E1 to E8 were estate valuers/property consultant, NGO1 was the participant from a non-governmental organisation, H1 to H4 were house-owners, and T1 to T4 were tenants.

Table 1. Summary of participant's description and locations

ID	State/Territory	Description	Rank
State Government Housing Department Staff (S)			
S1	State A	Eastern Malaysian State	Senior Staff
S2	State B	State-controlled by the ruling party	Management Staff
S3	State C	State-controlled by the opposition	Management Staff
			Three Senior Staff
S4	State D	State once controlled by the opposition (2008-2013)	Management Staff
S5	State E	State-controlled by the ruling party	Management Staff
S6	State F	State-controlled by the opposition	Management Staff
S7	State G	State-controlled by the opposition	Management Staff
S8	State H	State-controlled by the ruling party	Senior Staff
Housing developers (P)			
P1	State C, E & F	One of the top developers	Assistant Manager
P2	State C	Private developer	Project Manager
P3	State H	One of the top developers	Marketing Manager
P4	State G	One of the top developers	Area Marketing Manager
P5	State G	Private Developer	Project Manager
P6	State F	Private Developer	Director
P7	State C	Private Developer	Director
P8	State D	Private Developer	Director
P9	State H	Private Developer	Engineer
Bankers (B)			
B1	State C	Commercial	Branch Manager
B2	State C	Commercial	Branch Manager
B3	State E	(Special Financing Scheme)	General Manager
B4	State C	Commercial	Customer Services Officer
Auctioneers (A)			
A1	State C	Housing	Director
A2	State C & E	Housing	Principal Partner
A3	State E	Housing and others	Senior Auctioneer
Estate valuers/Property consultants (E)			
E1	State E	Property Consultant	Director
E2	State C	Property Consultant	Principal Partner
E3	State C & E	Property Consultant	Senior Partner
E4	State C & E	Property Consultant	Valuation Manager
E5	State C	Property Consultant	Principal Housing Review.

E6	State C	Property Consultant	Director
E7	State C & E	Property Consultant	Senior Estate Planner
E8	State E	Property Consultant	Director, Manager & Research Analyst
Non-Governmental Organisation (Housing matter) (NGO)			
NGO1	State E & G	House-Buyers Association	
House-owners (H)			
H1	State E	Private Organisation	Salesman
H2	State E	Government Organisation	Clerk
H3	State C	Government Organisation	Typist
H4	State C	Private Organisation	Ass. Driver
Tenants (T)			
T1	State E	Private Organisation	Salesman
T2	State E	Private Organisation	Store Owner
T3	State C	Private Organisation	Store Owner
T4	State C	Private Organisation	Clerk

Before now, invitation letters were issued to the states and federal territories across the country, explaining the nature of the research project, clarifying the personal assurance that privacy would be protected and confidentiality would be maintained. Only seven states and one territory indicated interest to be interviewed. Between May and November 2017, 40 interview sessions were conducted in seven states and one territory because of the need to cut across the broad spectrum, achieve saturation and validation of findings that emerged during the oral interviews. For the purpose of this paper, the territory would be counted as a state, hence a total of eight states were covered. Data were collected via a semi-structured and unstructured interview technique. This is considered as the best method because it allows participants to express themselves freely without being confined in their responses (Maunganidze, 2013), especially regarding the sources and ways to mitigate LCH leakages. A pilot oral interview was conducted with 3 participants within the sub-sample study area before the full oral interview sessions. The interviews were conducted over a seven-month period, and each interview took about 60 and 120 minutes. The general consensus for the qualitative study is that researcher needs to demonstrate that the study is credible (Creswell, 2014). Because this is a real-life situation, the study adopted a mixed-validity approach, that was triangulation, researcher reflexivity, member checking, and collaboration.

For this study, the qualitative data obtained from the participants during the face-to-face interviews were subjected to thematic analysis (Stysko-Kunkowska, 2014). Guided by prepared interview themes, questions began on a general note before pursuing more specific queries based on the responses of the participants. Full interview verbatim transcripts were produced to ease the interpretation of the data and enable the selection of quotes for illustrative purposes. The completed transcriptions were then verified against the manuscripts, and then corrections were made. The study adopted themeing, narrative, invivo, emotion, and attribute coding strategies. A total of 120 codes were derived and sorted (categories) based on reference, occurrence, frequency, and relationship. The study derived 22 categories from the 120 codes. From the 22 categories emerged three themes. The themes and the connection are the main results of this study. It is new knowledge about the concept “Qualitative approach to leakages in LCH provision in Malaysia” from the perspective of the participants in the study, and provides useful insights into the traces of LCH leakages in Malaysia. The results are reported and discussed in detail in the next section.

Results and discussion

Scholars have been impassive on leakages in LCH provision in Malaysia. Some scholars, Sufian and Mohamed (2009), Sufian and Ibrahim (2011) Abdul-Aziz et al. (2017) attempted to address the issue of leakages in relation to LCH, but impassive and lack empirical evidence. Abdul-Aziz et al. (2017) noted that developers attempt to avoid developing their 30% quota by all means, while Sufian and Ibrahim (2011) report alleged sales or rental within the moratorium and alleged distribution of LCH to non-eligible persons by politicians. The prevailing circumstances appeared to have worsened and added to the demand-supply gap for LCH provision in Malaysia. The root causes and suggested mechanisms to mitigate leakages of LCH to non-eligible persons have been identified through the conducted fieldwork and covered states. The findings and discussion will be discussed under three themes as follows:

Theme one: LCH scenario

Theme one “LCH scenario” gives a brief picture of the state of affairs of LCH in Malaysia. Based on this background, responses from the states with respect to the LCH scenario indicates massive demand-supply gap as presented in Table 2. Only State D says “not that critical,” even at that, State D is having not less than 40,000 individuals on the waiting list of LCH. This finding corroborates existing literature, for example, Abdul-Aziz et al. (2017), Abdullateef et al. (2016), BNM Annual Report (2015), Bakhtyar et al. (2013) that report that shortage of LCH in Malaysia is high. In State G, due to “unethical waiver” granted by the state to developers, we have 35,000 units unoccupied while 17,000 units on the waiting list.

Table 2. LCH scenario and eligible house-buyers waiting list

State	State of LCH	Waiting List
A	“...very pressing...” (S1).	“.....as at 09/05/2017, 68,000 house-buyers were on the waiting list...” It takes a minimum of 5 years to wait on the list (S1).
B	“.....quite serious.....” (S2).	“.....as at May 2017, 4,210 were on the list.” This is not a comprehensive list (S2). Also no evidence to have constructed LCH between 2013-2018.
C	“...very critical.” and “..shortage is worrisome..” (S3).	“....as at June 2017, it was 80,025 on the waiting list and applicant will have to wait at least five years. Information online is updated every three years.” (S3).
D	“....not that critical...” (S4).	“.....we have about 40,000 on our waiting list....” It takes a minimum of 5 years to wait on the list (S4).
E	LCH supply is insufficient in the state.	Participant S5 says “....about 70,000 and could take up to 15 years to get to your turn.....”
F	Shortage of LCH is obvious in the state because of the continuous demand (S6).	S6 says it is in a few thousand but denies a newspaper article that said 14,000 families household need homes in State F.
G	The state agrees gap in LCH demand and supply (S7).	Participant S7 says that 17,000 is on the waiting list but about 35,000 not occupied because of the location. Corrective measures are taken to avoid future occurrence (S7).
H	Demand-supply gap is there but under control (S8).	Participant S8 says that 130,000 is on the waiting list and the minimum waiting period is 5 years.

Theme two: Root causes of LCH leakages

Theme two gives the participants platform to identify root causes of LCH leakages in Malaysia. The study findings show that LCH leakage is a human action that denied construction or diverts LCH to non-eligible persons. P6 says “.... *LCH leakage should be blamed on the human loophole and not the system...*” The majority of the participants agree that sales or rental within the moratorium period, non-construction of LCH by developers,

under-declaration of income, auction, party members, state and federal governments, and developers not willing to refer to list of eligible buyers from state government are sources of LCH leakages. These agree slightly with the reviewed literature in this paper, cited by different authors. Although the auctioneers disagree with “LCH auction as leakage” during the auction, to them, the leakage is associated with lax regulation and enforcement from the state government officials that ought to verify if the highest bidder is qualified before approval for the consent of transfer. The issue of auctioneers and some developers not referring to list of eligible buyers was discovered from the field and confirmed by participants across the board. State C, E, G, and H believe that application form does check the issue of under-declaration of income. But this does not apply to other states. The newsprint has confirmed this submission and blamed state government housing department for their lax enforcement (FMT News, 2016). While P2 says “...we all are guilty of alleged LCH leakages....not only housing developers.....what about federal that refused to release grants and house-loan to states for LCH execution?.....What about states that divert limited LCH grant and loan to other tasks?..... Ask them, housing developers give units for a special discount to get certain waiver....” State C agrees that federal have denied them house-loan and grant for many years, perhaps because the state is an opposition ruling party state (S3). While E7 says “.... some government officials in State C own some of the LCH units rented out to foreigners.... go everywhere, you will see Filipinos staying in government LCH, are Filipinos now Malaysians?” State C government official denied the allegation (S3) but evidence from this study shows that foreigner lives in government LCH across the country. While P5 says that some government housing development officials are “...fantastically unethical for self-interest....” The LIEs are not free from this unethical practice. The first column of Table 3 presents the summarised findings of the root causes of LCH leakages.

Table 3. Summary of findings and possible solutions to the root cause of leakages

Root causes (Issues)	Possible solutions
1. Sales and rent within or after moratorium	
i. Sales within the moratorium (S2, E4, E7).	i. Only LIEs should be eligible to buy (direct or transfer), LCH land title deed should be engraved for LIEs only (S8, NGO1).
ii. A housing unit that has been subsidised in one way or the other is being used as a means of profiteering, hence, discredit the intention to create homes for the LIEs (NGO1 & E8).	ii. The seller of LCH should be able to show evidence of another house before approval, with few exemptions, for example, transfer, ill-health (S8).
iii. LCH rent out to foreigners, in form of sub-letting (P2).	iii. Purchaser name within or after the moratorium should be on the waiting eligible list (S8).
	Note: State H is practicing i, ii, and iii
2. Non-construction of LCH by housing developers	
iv. Some housing developers delve a means to be anti-LCH construction even when the law says provide, to make more profit to the detriment of the LIEs (E3).	iv. Adoption of cumulative ruling to track cunning developers avoiding construction of LCH via “project-splitting.”
v. Project-splitting (NGO1, A2, P8, E8, S4).	v. Developers should Pay the penalty and forfeit the land (S8).
vi. LCH waiver to another location (S3, S7)	vi. Establish a joint task force to ensure compliance with concurrent construction of LCH (S8).
	vii. The waiver should be the same district with basic amenities (S3, S7)
3. Under-declared income	
vii. Eligible LIEs are denied their right while the non-eligible persons get homes because of inconsistency in policy (sales and rent-to-own eligibility process different) (S4), lax enforcement and compliance from the state.	viii. CCRIS and EPF slip should be used by government officials for all form of eligibility clearance with respect to LCH screening at the state level (NGO1, S3, S7. & S8).
	ix. Eligibility process via computerised open registration system (ORS) would mitigate this leakage (S8, NGO1).
4. Housing developer’s refusal to refer to eligible list	
viii. Housing developers in some states do not bother to check LIEs eligible list, that is if	x. The state should establish a joint task force to ensure enforcement (S8), strict compliance with SOP (S7).

constructed, for example in State B (S2), while in State D, the LIEs search for housing developer after being cleared by the state (S4). This is to the detriment of the genuine LIEs.

5. LCH auction

ix. Leakage in LCH via auction has been there, most states relaxed their enforcement to confirm creditworthiness of the bidder before the letter of consent is issued. In some states, for example, State D, S4 says that auction sale is beyond their power to prevent leakage.

6. Party members

x. The impact of political influence on LCH leakages needs a holistic approach (T1).

xi. Politicians are not concern about LIEs (A2 & P9).

xii. Politicians influence allocation of LCH (NGO1)

7. State and Federal Governments involvement

xiii. Government officials involved in an unethical practice that leads to LCH leakage (P2, P5 & P8).

xiv. Lax enforcement in states is high because of less emphasis on LCH from politicians (A1, NGO1, E8).

xi. MACC should prosecute serialised defaulters that are developers, it should go beyond blacklisting (NGO1).

xii. Ensure that house-buyers registries are regularly updated, verified to priorities creditworthy households (S3, S7, & S8)

xiii. State government should ensure that only LIEs in the eligible list is qualified to bid for LCH in auction market (A2).

xiv. State government should make the fund available to buy up the majority of this LCH in auction market and recycle them to rent-to-own via an independent agent (A2 & S8).

xv. State government should ensure proper verification before issuing of a letter of consent to the highest bidder (A2, A3).

xvi. The state should establish a joint task force at state and district level for enforcement and compliance (S8).

xvii. Politicians should summon the political will to separate politics from LCH provision and allocation (NGO1).

xviii. States should insist on eligibility verification via EPF slip or CCRIS before allocation (A2, E8, B4, S3, S7, & S8).

xix. Government officials involved in unethical behaviour should be referred to Malaysian Anti-Corruption Commission after disciplinary action within the ministry (NGO1 & A2).

xx. Encourage compliance to SOP and strengthen integrity code among state government department officials (S7, NGO1, E8).

Theme three: Possible solutions

Theme three gives the participants platform to proffer multifaceted pragmatic solutions that can mitigate the LCH leakages that emerged in the study. The second column of Table 3 presents the summarised possible solutions to each emerged issue from the study. NGO1 says “.... *allocation of LCH to a non-eligible person is an avenue or machine to make money....*” Hence, support the recycle of LCH to LIEs via engraved of LCH land titled deed. Among the novelty from this study findings are cumulative ruling to track cunning developers avoiding construction of LCH via “project-splitting,” setting-up of joint task force to ensure compliance of LCH policies and implementation, engraved of LCH land title deed for recycle only within LIEs, and lastly, eligibility clearance should be from the computerised ORS and subjected to CCRIS verification.

Conclusion and recommendations

This paper adds new evidence to the current body of literature in regards to Malaysian LCH leakages. The study establishes that LCH shortage is high in the states interviewed and identified as one of the major contributors. The study proffers some multifaceted pragmatic approach to mitigate this shortage. The cumulative ruling (CR) is one of the recommended by the participants to mitigate “project-splitting.” CR is a term used to describe the construction of LCH by housing developers not based on per project but on an agreed threshold, once the developer’s reach the target, irrespective of the number of projects, will have to construct the LCH. Also, LCH land title deed should be engraved and transferable only to LIEs; this would restrict other categories of income earners from the purchase of LCH. The collaboration between land office, planning office, and state government housing department as a joint task force to monitor compliance was recommended too in this study. The study shows that the ORS is faulty, hence the need for a functional and computerised ORS. In addition,

academicians and fellow scholars will be able to extract new knowledge and treat the findings as an avenue for knowledge-based development and advancement in regards to new LCH leakage constructs that would be tested.

Research limitation and suggestion for future research

This study adopted the qualitative approach and covered seven states and one territory, hence becomes difficult to generalise the findings of this study across the country. Therefore, further studies should be conducted using a quantitative method based on the emerged variables across the country to enable the quantitative findings explains the results better and perhaps, validation of the findings with the policymakers (Ministry of Urban Wellbeing, Housing and Local Government).

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