Faculty of Social Sciences

URBAN SQUATTERS AND ISSUES IN RESETTLEMENT
A Study of an Urban Squatter Settlement & Its Resettlement in Kuching, Sarawak

Anthony Yong

Master of Environmental Management (Development Planning) 2005
URBAN SQUATTERS AND ISSUES IN RESETTLEMENT
A Study of an Urban Squatter Settlement & Its Resettlement
in Kuching, Sarawak

by

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ACKNOWLEDGEMENT

Squatter issue is a matter close to the heart. I was born to a squatter family. My grandmother live in the squatter colony of Sungai Apong and I remember fondly the memories of my childhood years, the dirt and sawdust roads which we race and playing hide and seek in the many nooks and corners in the sprawling complex establishment.

My sincere gratitude to Assoc. Prof. Dr. Spencer Empading Sanggin, Faculty of Social Science, Universiti Malaysia Sarawak, my supervisor, my sounding board. Thanks for pointing me to the path of enlightenment.

Many thanks for the many forms of support, from the wonderful hugs to the sarcastic forms of encouragements, from the spiritual prayers to the technological SMS, from numerous supports of all lecturers and others, and to those which I cannot mention them all for various reasons of confidentiality and national security. Most importantly you know who you are and thank you. Gracias amigo.

This dissertation cannot be completed without the willful support of my wife, my Rock. Thanks for keeping the kids at bay and the bed warm. And the endless supply of vitamins!
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ABSTRACT

Addressing squatter and resettlement issues is an important national development agenda as evidenced by the emphasis given in the past Malaysia Plans since independence. This is especially so since the last decade where increasing emphasis has been given with the call for increased participation from the private sector in providing affordable housing as a means to alleviate this problem. At present, the private sector is expected to contribute to this housing need.

Under the Planning Guidelines introduced under State Planning Authority Circular No.2/99 dated 23 March, 1999 and Lands & Survey Department Circular No 3/96 dated 2 October 1996, developers in Sarawak are required to allocate a certain percentage of their development for low cost houses if the land under development is 10 acres or more. The percentage varies between 15% to 30% depending on the acreage.

This research paper attempted to analyse the squatters on dual fronts – micro and macro level. The paper aims to understand the various definitions and perceptions towards squatters at the international and national level, the cause of squatters and the general problems associated with squatter settlements. It also looks at the importance of resettlement as a solution and attempts to identify and deal with the issue and problems associated with resettlement. This research has aptly chosen Tabuan Lian as the case study as it is the biggest and most established squatter in South East Kuching, a heavily built up area in Sarawak and is also currently undergoing resettlement. The high
probability of success with the new resettlement scheme also makes it a good candidate for emulation for future cases.

The key information the research seeks is on the development, types, forms and characteristics of squatter settlements and the issues, problems and perceptions associated with resettlement. Because the archive information on this subject in Sarawak is largely absent or unavailable, the research data are obtained and deductive inferences made from macro data, structured as well as casual interviews, ground surveys and observations.

The research finds that the Tabuan Lian community is not unlike other squatter communities in Sarawak and Malaysia, although there are specific issues unique to each settlement. The affected people are illegally inhabiting lands which are legally not theirs i.e. squatting on lands belonging to 3rd party, thus, the term squatters are applied to them; the physical condition of their housing area are makeshift with some in a deplorable state; they lack the basic utility services like proper piped water and wired electricity and proper sanitary systems. The main problems associated with this group are hygiene and esteem which are universal squatter problems. Their perception and receptiveness towards resettlement are found to be influenced by factors such as distance of displacement, moving cost, adaptation to a new neighbourhood, size of the new abode, incentives for moving, the facilities and amenities available in the new area and other expectations which could be applied to most resettlement exercise in Malaysia. This study also identifies the cause and effects of squatters in order that this understanding
might assist in the formulation of best approaches and strategies to deal with other squatter issues.

The facts and data presented in this Research aim to give a deeper insight into squatter settlements and resettlement in order to create a deeper awareness of the issues at hand and to provide pointers on the factors to consider in terms of cause and effect as well as factors influencing perception and tries to draw recommended guidelines for proper resettlement in order to increase the success of resettlement programs.
1.1 INTRODUCTION

This paper deals with the topic of Squatter Settlements, an issue faced by countries throughout the world, both developed and developing. It is a social issue stemming from the country's poor who cannot afford proper and legal housing. Squatters and their related problems have become an issue often discussed and debated at national as well as international forums. Although not a very old issue in Malaysia compared to other countries like Argentina or the United States, it is an old recurring phenomenon worldwide. The events and circumstances surrounding squatters throughout the world are different. However the physical, social and legal aspects are similar, be it on the home front or in some other countries.

Figure 1.1: Picture of one of the largest squatter settlements, i.e. Tabuan Lian squatter settlement, in Kuching city (Tabuan Lian squatter settlement is in the foreground and Tabuan Jaya is in the background)
Squatter settlements can take different forms and locality. There are rural squatters and there are urban squatters. There are squatters on government land and there are squatters on private land. There are squatters of immigrant origin and there are squatters of local origin. This paper shall look into and deal with urban squatters.

Although rural squatters issues bear resemblances to that of urban squatters in certain aspects, a detailed study of rural squatters is beyond the scope of this paper. This paper shall look at urban squatter settlements, which comprise illegal housing erected by the poor in an urban setting, the source/causes, issues and problems related to these establishments. Issues of resettlement as one of the more common redress or solutions in addressing the squatter issue, other alternatives available or that could be made available to solve the squatter issue and the part of the national housing policies in realizing the solution would also be discussed.

The causes discussed are mainly issues related to development growth in the urban (town) centers which promotes rural-urban migrations as well as inter urban migrations. Squatter settlements are also boosted by natural increase in population, the urbanization process (the degree of a nation's population centered in an urban area), the free market of demand and supply in these centers which divides and widens the gap between the rich and the poor and the survival of the fittest which has pushed a section of society into a sphere of unaffordability and incapability in the environment they live in. These groups struggle for their basic needs like food, shelter and clothing, often vying and losing out to those who are better off financially (poverty of money), in opportunity (poverty of access) and authority (poverty of power).
The emphasis of discussion in this paper is on the shelter aspect of these people, a basic need that cannot be ignored especially when the society becomes more affluent. However, it does not mean to undermine the importance of the other very important basic human needs of food and clothing, which are issues related to poverty but are outside the scope of this paper. Shelter does not only relate to poverty but also to the political, social planning and provision of lands in that country or area. It is as much a political issue as it is a social one. It has to do with land which is a fixed and scarce resource endowed in a country and thus its distribution and usage are pertinent. Unlike food and clothing which are wealth related, shelter is both wealth and land related issue.

Thus, in short, issues of squatter settlement are related to the following:

1. **Population Growth**
   Natural increase and migration (Inter-migration as well as intra-migration which can be rural-urban or urban-urban) and their net effect;

2. **Urbanisation**
   The concentration of population in the urban areas which are generally measured by the urban over total population ratio and ultimately, the population density and the resulting competition for basic needs within that confined space or government jurisdiction; (See Figure 1.2)

3. **Poverty**
   An inability or a difficulty to procure or to enjoy the basic human needs of food, shelter and clothing, as a result of competition for limited resources in society where demand exceeds supply, where costs and prices of basic materials are beyond the affordability of the masses.
4. Land Issues

The issues relating to land planning and allocation in a certain country determines the rights of ownership of the people over land in that country. Thus, availability of access to land is another issue that could lead to squatter establishments.

(See Chapter 2.3 for further discussion on these issues)

The Malaysian Population

Malaysia's population is estimated to reach 25 million by 2005. The average annual population growth rate for Malaysia between 1970 - 1980 was 2.3% increasing to 2.64% between 1980 – 1991 and maintaining at 2.6% between 1991-2000. The average urban population growth was about 4.2% between 1970 and 1980 and 6.2% between 1980 – 1991 and 4.82% between 1991-2000. Even though the growth rates of both the total and urban population have slowed down, the population density (per sq km) had increased from 32 in 1970, to 49 in 1980, 53 in 1991 and 67 in 2000, meaning the absolute numbers have been increasing. According to the Population and Housing Census 2000, the level of urbanization for Malaysia in 2000 has more than doubled since 1970, from 28.4% in 1970 to 61.8% in 2000. This was slightly above the expected ratio of 60% which is the current world's average urban-rural ratio.

The rapid increase in population, coupled with rural urban migration and urbanisation will create a huge strain on the demands for all types of housing especially affordable housing. If this issue is not properly managed there will be a boom in squatter settlements (like in Brazil and Argentina) and it will be a difficult task to resettle them.
Table 1.1: Percentage of urban population in Malaysia

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*Includes Putrajaya which was gazetted as Federal Territory on 1/2/2001

The level of urbanisation in the states of Johor, Melaka, Pulau Pinang and Selangor are higher than the Malaysian average level of urbanization. These are where the towns of the former Straits Settlements are located.

Table 1.2: Population Growth Rate by Urban, Rural between 1970 to 2001

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<td>6.02</td>
</tr>
<tr>
<td>Terengganu</td>
<td>7.22</td>
<td>3.76</td>
<td>2.7</td>
<td>0.14</td>
<td>3.18</td>
<td>0.51</td>
<td>2.59</td>
<td>3.43</td>
<td>1.53</td>
</tr>
<tr>
<td>W. P. KL</td>
<td>3.5</td>
<td>2</td>
<td>1.39</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3.5</td>
<td>2</td>
<td>1.39</td>
</tr>
<tr>
<td>W. P. Labuan</td>
<td>-</td>
<td>6.96</td>
<td>8.04</td>
<td>-1.91</td>
<td>6.17</td>
<td>-5.96</td>
<td>4.31</td>
<td>6.54</td>
<td>2.92</td>
</tr>
</tbody>
</table>

Source: Preliminary Count Report for Urban and Rural Areas, Population and Housing Census of Malaysia 2000
It is expected that certain areas would have faster urban population growth than the normal average, like Melaka (8.09%), Sabah (7.99%), Selangor (7.8%), Pahang (5.45%), Negeri Sembilan (5.01%) and Sarawak (4.95%). (Urbanisation in Sarawak and Kuching in particular will be further discussed in Chapters 2 and 4)

It is also noted that except for Kedah, Kelantan, Sabah, Sarawak and Trengganu, all the other states experienced negative growth for rural population.

**Sarawak Factor**

Sarawak is currently experiencing rapid urbanization. From an urban population of 15.5% in 1970, it has today increased to about 50%. New towns and expansion of existing towns into cities are emerging. Along with urbanisation comes its sets of problems and expectations. With a rapid urban growth of 4.95% to 9.27% in the past decades which exceeded that of Malaysia as a whole (Refer Table 4-3), major urban centers such as Kuching, Sibu, Miri and Bintulu had been receiving large inflows of migrants especially from the rural areas.


<table>
<thead>
<tr>
<th>State</th>
<th>Urban</th>
<th>Rural</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>4.16</td>
<td>6.21</td>
<td>4.82</td>
</tr>
<tr>
<td>Sarawak</td>
<td>3.87</td>
<td>9.27</td>
<td>4.95</td>
</tr>
</tbody>
</table>

Source: Preliminary Count Report for Urban and Rural Areas, Population and Housing Census of Malaysia 2000

Where the rate of urban growth exceeds the capacity of urban space and economy to absorb the influx of migrants, what inevitably ensue are an expansion of squatter
settlements and an increase in the incidence of urban poverty. In grappling with the growing urban issues, Sarawak has fared rather well but much remains to be done to address the various requirements such as the housing needs. Unless properly tackled, this can generate social and environmental degradation.

Undoubtedly, a major contributing factor of urbanization in the State is the rural-urban migration phenomenon. As findings from the Internal Migration Study indicates, migration to the urban areas helps rural migrants improve their socio-economic position while at the same time, contribute towards improving the well-being of their immediate kin at the place of origin through remittances and other forms of assistance. Most migrants send back information about urban opportunities to prospective migrants in the village. Their informal network ensures an orderly flow of migrants into the urban centers. Most importantly, many migrate to gain and improve their skills and the majority adjust well to an urban environment. However, notwithstanding the positive impacts of rural-urban migration, there remain several areas of concern that need to be addressed. Outflow of migrants from rural areas
might cause depletion of manpower in rural development. So far, the migration process to urban areas in Sarawak is manageable due to the government’s efforts in making available employment opportunities in the rural sector such as timber, oil palm and various land development schemes. However, this balance could be disrupted should there be a slow down in the rural-based industries such as timber, oil palm etc. The situation is heightened by the emergence of a new generation of better educated work force who are more urban oriented as they are attracted to opportunities in the urban areas in their career pursuits.

**Figure 1.3: Kuching City**

Kuching

Kuching, the capital of Sarawak, is a modern, well-organized and spacious city. Unlike Kota Kinabalu, the capital of Sabah, and other East Kalimantan cities, Kuching was largely undamaged in World War II. It has a Chinese-dominated central area and Bumiputera-dominated outer area. However, overall, the Chinese forms the largest ethnic group. The ratios of the different ethnic groups according to the State, Kuching District and the various local councils are as follows:
### Table 1.4: 2000 Population of Kuching District by Ethnic Groups

<table>
<thead>
<tr>
<th>Area</th>
<th>Population</th>
<th>Total</th>
<th>Malay</th>
<th>Other Bumiputeras</th>
<th>Chinese</th>
<th>Others</th>
<th>Non-Malaysian</th>
<th>Total Malaysian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarawak</td>
<td>2,071,506</td>
<td>462,270</td>
<td>1,001,165</td>
<td>537,230</td>
<td>8,103</td>
<td>62,738</td>
<td></td>
<td>2,008,768</td>
</tr>
<tr>
<td>%</td>
<td>100%</td>
<td>22.32%</td>
<td>48.33%</td>
<td>25.93%</td>
<td>0.39%</td>
<td>3.03%</td>
<td></td>
<td>96.97%</td>
</tr>
<tr>
<td>Kuching District</td>
<td>494,109</td>
<td>178,658</td>
<td>115,027</td>
<td>188,823</td>
<td>3,274</td>
<td>8,327</td>
<td></td>
<td>485,782</td>
</tr>
<tr>
<td>%</td>
<td>100%</td>
<td>36.16%</td>
<td>23.28%</td>
<td>38.21%</td>
<td>0.66%</td>
<td>1.69%</td>
<td></td>
<td>98.31%</td>
</tr>
<tr>
<td>DBKU area</td>
<td>152,475</td>
<td>104,327</td>
<td>15,581</td>
<td>28,721</td>
<td>1,142</td>
<td></td>
<td></td>
<td>149,771</td>
</tr>
<tr>
<td>%</td>
<td>100%</td>
<td>68.42%</td>
<td>10.22%</td>
<td>18.84%</td>
<td>0.75%</td>
<td></td>
<td></td>
<td>98.23%</td>
</tr>
<tr>
<td>MBKS area</td>
<td>163,134</td>
<td>34,508</td>
<td>95,293</td>
<td>895</td>
<td></td>
<td></td>
<td></td>
<td>158,683</td>
</tr>
<tr>
<td>%</td>
<td>100%</td>
<td>25.96%</td>
<td>58.41%</td>
<td>0.55%</td>
<td></td>
<td></td>
<td></td>
<td>97.27%</td>
</tr>
<tr>
<td>MPP area</td>
<td>178,500</td>
<td>64,938</td>
<td>64,809</td>
<td>1,237</td>
<td>1,172</td>
<td></td>
<td></td>
<td>177,328</td>
</tr>
<tr>
<td>%</td>
<td>100%</td>
<td>36.38%</td>
<td>36.31%</td>
<td>0.69%</td>
<td></td>
<td></td>
<td></td>
<td>99.34%</td>
</tr>
</tbody>
</table>

Note: The above figures have not been adjusted for under-enumeration

DBKU – Dewan Bandaraya Kuching Utara
MBKS – Majlis Bandaraya Kuching Selatan
MPP - Majlis Perbandaran Padawan

Source: Monthly Statistical Bulletin, February, 2005
Population Distribution by Local Authority Areas and Mukims, Population and Housing Census of Malaysia 2000

Figures on the distribution of the main ethnic groups in Sarawak as a whole based on the last population Census 2000 as compiled in the Table above reveals that the indigenous groups are the largest ethnic group (48.33%) followed by the Chinese (25.93%) and Malays (22.32%).

This is further supported by a more recent figure (Table 4-2) which reveals that this percentage has remained more or less the same with the natives group (Iban, Bidayuh, Melanau & others) comprising 48.27%, Chinese 25.58% and Malays 22.35% of the total Sarawak population (Source: Sarawak Yearbook of Statistics, 2004).
Table 1.5: Population Estimates by Ethnic Group and Administrative District—Sarawak 2004

<table>
<thead>
<tr>
<th>Administrative District</th>
<th>Grand Total</th>
<th>Malaysian Citizens</th>
<th>Non Malaysian Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Bumiputera</td>
<td>Malay</td>
</tr>
<tr>
<td>SARAWAK</td>
<td>2,262,700</td>
<td>2,185,700</td>
<td>1,598,100</td>
</tr>
<tr>
<td>%</td>
<td>100.00%</td>
<td>96.60%</td>
<td>70.63%</td>
</tr>
<tr>
<td>Kuching</td>
<td>555,300</td>
<td>545,700</td>
<td>331,200</td>
</tr>
<tr>
<td>%</td>
<td>100.00%</td>
<td>98.27%</td>
<td>59.64%</td>
</tr>
</tbody>
</table>

Source: Sarawak Yearbook of Statistics 2004

In the Kuching District, Chinese accounts for more than 38% followed by Malays (35.85%) and other Bumiputeras (23.78%). However, the prevailing ethnic group for the different local authority areas was noted as follows:

1. In the DBKU area, Malays accounts for more than 68%;
2. In the MBKS area, Chinese accounts for more than 58%.
3. In the MPP area, other Bumiputera accounts for more than 36%.

Kuching is a city without an industrial base, in which a proportion of the wealth derived from logging and oil and gas elsewhere in the state has been devoted to its urban "modernization" and large-scale construction. At the end of the 1970s, Leigh (1979: 343) viewed the expenditure on upgrading Kuching's facilities as resulting in "a grossly disproportionate growth of population," with the bureaucracy as the prime beneficiary. There is no doubt that Kuching had grown quickly over the past 20 years. Lockard (1987) writes of new suburban neighbourhoods and housing projects that have displaced former rubber estates and mangrove swamps on the outskirts of the city, traffic jams, and burgeoning suburban shopping centres.

Jomo Sundaram (1992), in his discussion on child welfare in Sarawak, noted the socio cultural and economic structural changes taking place among the "Dayak"
communities, leading them to favour an urban lifestyle and reject rural and traditional values. He stated that "The gradual undermining of the rural economy and the displacement of the population do not mean that urban Sarawak is absorbing them satisfactorily." In fact, the contrary is true: "Ill prepared for urban life, they can find no other role other than as squatters on the fringes of the cities" (Jomo Sundaram, 1992: 249). This form of phenomenon, rural urban migration, population growth have contributed to squatter growth in Kuching.

Ko (1991) challenged the idea that squatting was a serious problem in Sarawak's city and major towns, as a result of the state government's policy of demolishing such settlements and resettling the inhabitants. Nevertheless, he supplied a figure of 1,500 squatter dwellings on the urban fringe of Kuching and 500 in Sibu, plus a total of 1,000 dwellings in the core areas of Sarawak's four large cities.

_Squatter Settlements, Migration & Urban Poverty in Malaysia_

The main contributors to urban squatters are urbanisation, rural urban migration and urban poverty (Ishak, 1992). Studies have shown that an influx of migrants from the rural areas, especially the poor, will increase poverty in the urban areas. This is notwithstanding the fact that urban poverty has fallen from 8.5% in 1985 to 4.1% in 1995. Domestic migration for the period of 1971-1990 has helped to reduce the poverty in the rural areas, as well as improve the wealth distribution in the country. However, the migration process also created poverty and squatter settlements in the cities as a result. The problems of poverty of Malays in the cities are the extension of the poverty they have endured in the rural areas. Most of the immigrants were rural