

CHAPTER 3

PKNS THE DEVELOPMENT AGENCY

Perbadanan Kemajuan Negeri Selangor (PKNS) was established under the Selangor State Development Corporation Enactment 1964 (No. 4, 1964) as a statutory body and a state development agency with the aim of maintaining stability, harmony and social justice through the distribution and fostering of socioeconomic growth guided by the government policy. This aspiration is realized through the development of property, trade and industry as well as investment.

3.1 Why PKNS?

As the great psychologist Maslow put it rightly, food and shelter are the basic need of human beings. Shelter as in the meaning of providing homes for the populations of Selangor has been the core activities of PKNS for the last 35 years of its existence. As we enter the new millennium, the world economy will be affected with the expansion of globalization and with it global competition. Thus, to remain relevant PKNS need to reexamine itself and be prepared for the future challenges.

Housing has been the core activity of PKNS. This activity although considered as non-productive during the recent economic crisis but nevertheless has proved itself to be an active and important contributor to the economic growth during the economic boom. Thus, housing research is an important area to be studied.

3.2 Corporate philosophy

As a responsible and accountable corporate body, PKNS has always strive to bring about continuous progress and prosperity to the State of Selangor by generating and consolidating ideas and activities for the benefit of the people besides contributing towards the creation of a united Malaysian society. All this is

manifested in the slogan “Progress for the People” which is always put into practice, appreciated and observed by the entire PKNS family.

3.3 Activities and achievement

Since its establishment, PKNS activities are focused in property development i.e.

- a) Developing residential areas, new growth centers and industrial estates.
- b) Squatters resettlement.
- c) Building shops, commercial and office complexes.
- d) Investment.

Property and new growth center development remain the core activity for PKNS. This is in line with its role as both the pace and direction setter for socio-economic development in the state. This role ensures development is evenly distributed in urban as well as rural areas.

To date, a total of 102,735 units of houses have been built comprising 44% in the low-cost, 48% in the medium-cost and 8% in the high-cost as shown by the Table 3.1.

Table 3.1: Units of houses completed by PKNS, 1964 till current.

Year	Low Cost	Medium Cost	High Cost	Total
1960 - 1969	3,702	1,618	110	5,430
1970 -1979	13,399	5,821	2,194	21,414
1980 - 1989	12,522	32,050	2,732	47,304
90 - current	15,580	9,824	3,183	28,587
Total	45,203	49,313	8,219	102,735
Percent	44%	48%	8%	100%

Source: PKNS Annual Report 1970 – 1998

With this achievements, PKNS has provided homes for more than half a million people in Selangor . From the 44% of low cost built, more than half of those amounts are allocated for the resettlement of squatters in the district of Petaling, Gombak, Kuala Lumpur and Ulu Langat. In the process of resettlement, PKNS provides proper housing and related facilities through more economic land utilization. At the same time business opportunities are provided in the form of stalls and shops in the settlement areas. The successful completion of these projects has improved the living standard as well as the quality of life of those squatters.

Developing new towns and growth centers as well as development of industrial estates became an important agenda for PKNS because the need to balance development between Klang Valley and other areas in the state became a major concern (PKNS Annual Report, 1998). This is in line with the New Economic Plan and the National Development Plan of eradicating poverty and restructuring society so as to correct social and economic imbalances. As to date a total of twelve new towns and growth centers are developed while 4,000 hectares of industrial estates were completed.

A total of eight commercial complexes together with the construction of 2,385 shophouses and 202 unit of factories were also completed. The building of shophouses as well as commercial and office complexes in towns and commercial areas are a means by which PKNS lives up to its socio-economic role of not only improving the income level of Bumiputera businessman but also introducing them to business opportunities available in more strategic areas in the towns and cities. This is in line with the national programme to create a Bumiputera Commercial and Industrial Community Programme (BCIC). The relatively low rental and lower sale prices have greatly assisted them financially.