Internal Migration in the Klang Valley of Malaysia: Issues and Implications

TEY Nai Peng*

Abstract

This paper deals with migration into and out of the Klang Valley, followed by a description of the profile of migrants. The causes and consequences of the influx of population to a region and the important role of migration in national development will also be dealt with.

Internal migration in Malaysia has become more focused, with heavy in-migration to the Klang Valley which is the national administrative, commercial and educational hub. Between 1991 and 2000, the population of Klang Valley increased from about 3.2 million to 5.1 million, at 5 per cent per annum. Migration is induced by opportunities of higher learning, and employment in the manufacturing, services and construction sectors. The migrants tend be among the young and the better educated segments of the population.

The influx of Malays to the Klang Valley has contributed to the government's goal to reduce the ethnic identification with employment and geographical locations. Internal migration in turn results in economies of agglomeration and plays a key role in transforming the economy, increasing incomes and propels the nation towards "developed nation" status. Heavy concentrations of population in the Klang Valley, however, have given rise to many social problems and exacerbate the strain on existing social amenities and infrastructures.

Key words: Internal migration, migrants, Klang Valley, population concentration, economy, development

Introduction

Malaysia covers an area of 333,000 square kilometres, with a population of about 28 million in 2010 of whom almost four-fifths were found in Peninsular Malaysia (DSM, 2010). The population is multi-ethnic in character, comprising Bumiputera communities of Malays and several other indigenous groups in Sabah and Sarawak, and non-Bumiputera communities of Chinese, Indians, and other minor groups. In 2000, the the national population was made up of 61.2 per cent Bumiputera, 24.5 per cent Chinese, 7.2 per cent Indians, and 1.2 per cent "Others", and 5.9 per cent non-citizens.

^{*} TEY Nai Peng is Associate Professor and Head of the Department of Applied Statistics, Faculty of Economics and Administration, University of Malaya. E-mail: teynpster@ gmail.com

Economically, the employment structure of the major ethnic groups has undergone significant transformation since independence in 1957. Traditionally, Malays lived largely in the rural areas and worked as paddy farmers, fishermen and rubber tappers. The Chinese dominated trade and commerce in the towns and were also involved in tin mining, rubber cultivation and commercial agriculture. The Indians were primarily found in the rubber plantations, with a few involved in trade and commerce and in the professions (Leete, 1996). Following the implementation of the New Economic Policy (NEP) during the period of 1970-1990, aimed at restructuring society to eliminate the identification of race with location and occupation, and the creation of a Bumiputera Commercial and Industrial Community, large numbers of Malays had moved to the urban centres. Between 1970 and 2000, the urbanization level of the Malays increased from 14.9 to 54.2 per cent. During the same period, the urbanization level of the Chinese and Indians increased from 47.4 and 34.7 per cent to 85.9 and 79.7 per cent respectively.

Until the 1960s, the Malaysian economy was based on the production of rubber and tin for export and the growing of rice and minor food crops. In 1970, half the labour force was engaged in agriculture, but was reduced to 13.4 per cent in 2006. On the other hand, the manufacturing sector increased its share of total employment from 8 to 20.3 per cent during the same period. Significant gains were also recorded in the construction, services and financial sectors. Rapid industrialization and economic growth boosted per capita gross domestic product (GDP) from US\$3,849 (PPP) in 1987 to US\$13,515 (PPP) in 2007 (UN, 2009). At the same time, the supremacy of rubber, which accounted for 55 per cent of the country's export earnings in 1960, was practically obliterated, being a mere 1.4 per cent in 2007. In contrast, the manufacturing sector rose to primacy by contributing to about 52 per cent of export earnings (DSM, 2007).

Remarkable progress was also made in human development. Life expectancy rose from 54.3 years in 1960 to 74.1 years in 2007. Enrolment in primary and secondary schools stood at about 95 and 58 per cent respectively. The labour force is now more highly trained with 19 per cent possessing tertiary education in 2006, compared with only 3 per cent in 1980. Gender differentials in educational attainment have been narrowed and reversed, with young women outnumbering the men in institutions of higher learning. Female labour force participation rate has remained at around 47 per cent (DSM, 1999, 2002, 2003a and 2007).

These changes have come about through various processes of change. One of the major processes is that of internal migration and its varying social and economic impacts on the different states of the country. Some states have registered net gains in population while others experienced net losses. Yet it is not always true that the more developed states with large urban centres experience net gains at the expense of their less developed counterparts. The

adjoining Federal Territory of Kuala Lumpur and the state of Selangor are cases in point.

During the inter-censal period of 1991-2000, internal migration resulted in a slow rate of population growth of 1.3 per cent per annum in Kuala Lumpur and an almost phenomenal rate of 6.1 per cent per annum in Selangor. This decade witnessed a 75 per cent increase in the population of Selangor from 2.4 million to 4.2 million, while that of Kuala Lumpur was just 17 per cent from 1.2 million to 1.4 million. The unusual situation in Selangor was largely the result of heavy in-migration from other parts of the country, including Kuala Lumpur. The manufacturing, services and construction sectors of this state also attracted substantial numbers of foreign workers. Between 1996 and 2000, Selangor received a net inflow of 371,000 migrants, of whom 14 per cent were foreigners. On the other hand, Kuala Lumpur received 42,000 in-migrants between 1996 and 2000, but sent almost 100,000 away to Selangor.

This paper deals with issues of internal migration between 1996 and 2000 with an analysis the socio-demographic characteristics of migrants into and out of Kuala Lumpur and Selangor. The discussion will focus on the Klang Valley comprising Kuala Lumpur and its adjacent districts in Selangor (Klang, Petaling, Gombak, Ulu Langat, Sepang, Putrajaya, and Multimedia Super Corridor, which together made up 86 per cent of the total population of Selangor), and some of the causes of in-migration to this region. Unabated and heavy migration to the Klang Valley has both positive and negative consequences. The implications of the migratory streams and rapid population growth in the Klang Valley on the restructuring of society, social and economic development, basic infrastructures and services, as well as opportunities, challenges and problems associated with rapid population growth in the Klang Valley will be examined.

Overview of Population Growth and Internal Migration in Malaysia

Published data and the two per cent sample data of the 2000 Population Census of Malaysia form the basis of this study. Unlike previous censuses which used the *de facto* approach (by counting people where they are on Census day irrespective of their usual place of residence), the 2000 Census adopted the *de jure* approach by enumerating all persons according to their place of usual or legal residence on Census day on 5 July 2000. All persons including foreigners who had stayed or intended to stay in Malaysia for six months or more in the year 2000 were enumerated.

The population of Malaysia increased by about 2.6 per cent each year between 1970 and 2000, but declined to 2.2 per cent per annum since then. The population almost trebled in number from 10.4 million in 1970 to more than 28 million in 2010. The rate of growth varies

considerably in urban and rural areas. In the 1990s, the annual rate of growth ranged from less than 1 per cent in the states of Kelantan, Perak (the most populous state up to 1980) and Perlis to 6.1 per cent in Selangor. While the population in Selangor saw an accelerating rate of growth between 1970 and 2000, that of Kuala Lumpur grew at a slower pace than before (Table 1). Embedded in the markedly contrasting rates of population growth between Kuala Lumpur and Selangor that encloses it are a host of causes arising from diverse origins.

Table 1. Population and Rate of Population Growth by State, 1970-2000 ('000)

	Population					Rate	of grow	th (per o	cent)
						1970-	1980-	1991-	2000-
State	1970	1980	1991	2000	2010	80	91	2000	2010
Johor	1,277.2	1,638.2	2,162.4	2,740.6	3,395.1	2.5	2.5	2.6	2.1
Kedah	954.9	1,116.1	1,364.5	1,649.8	1,984.6	1.6	1.8	2.1	1.8
Kelantan	684.7	893,8.0	1,207.7	1,313.0	1,533.0	2.7	2.7	0.9	1.5
Melaka	404.1	464.8	529.2	635.8	828,141	1.4	1.2	2.0	2.6
Negeri									
Sembilan	481.6	573.6	722.0	859.9	1,046.9	1.7	2.1	1.9	2.0
Pahang	504.9	798.8	1,081.1	1,288.4	1,515.5	4.6	2.8	1.9	1.6
Perak	1,569.1	1,805.2	1,974.9	2,051.2	2,371.3	1.4	0.8	0.4	1.5
Perlis	121.1	148.3	190.2	204.5	238.4	2.0	2.3	0.8	1.5
Penang	776.1	954.6	1,116.8	1,313.4	1,596.1	2.1	1.4	1.8	1.9
Sabah	636.4	983.1	1,808.8	2,603.5	3,276.0	4.3	5.5	4.0	2.3
Sarawak	976.3	1,307.6	1,718.4	2,071.5	2,541.0	2.9	2.5	2.1	2.0
Selangor	982.1	1,515.5	2,413.6	4,188.9	5,753.3	4.3	4.2	6.1	3.2
Terengganu	405.4	5,406.0	808.6	898.8	1,066.6	2.9	3.7	1.2	1.7
Kuala Lumpur	648.3	977.1	1,226.7	1,379.3	1,708.5	4.1	2.1	1.3	2.1
Labuan	17.2	27.9	54.8	76.1	89.5	4.8	6.1	3.6	1.6
Malaysia	10,439.4	13,745.2	18,379.7	23,274.7	28,944.1	2.8	2.6	2.6	2.2

Sources: DSM, 1995, 2001, 2010

Note: the preliminary report of the 2010 Census showed an enumerated population of 27,565,821 in 2010, and this was inflated by a factor of 1.05, to 28,944,112 to take into account under-enumeration, as in the case of the 2000 Population Census, i.e. 23,274,690/22,198,275=1.05.

One of the consequences of the differential rates of population growth is the substantial re-distribution of population. In the 1990s, Selangor boosted its share of the total population from 13.1 to 18.0 per cent, and further to 20 per cent in 2010, while Sabah increased its share from 9.8 to 11.2 per cent in 2000-2010. Except for Johor which contained 11.8 per cent of the total population throughout the 1990s, all other states experienced a relative decline in their share of the national population. Perak, the most populous state in 1970, dropped to fifth place in 2000, behind Selangor, Johor, Sabah and Sarawak.

Data on the place of birth and usual residence of a person five years preceding the

census are employed in the study of lifetime and five-year internal migration. All movements during the intervening period are ignored. The 2000 Population Census shows that 76.2 per cent of the population had not moved between 1996 and 2000, 17.8 per cent were migrants and 6 per cent were of unknown migration status (DSM, 2004). In terms of life time migrants, 4.5 million persons had moved across states since birth, of which 3.3 million did so during the five years preceding the 2000 Census (Table 2).

Table 2. Distribution of Lifetime and Five-year Internal Migration by State, 1996-2000

	Li	fe time migra	ints	Five-year migrants			
State	In	Out	Net	In	Out	Net	
Johor	372,194	377,789	-5,595	419,390	400,212	19,178	
Kedah	226,589	388,821	-162,232	179,114	191,450	-12,336	
Kelantan	51,179	358,098	-306,919	108,646	167,438	-58,792	
Melaka	120,852	256,741	-135,889	103,983	101,051	2,932	
Negeri Sembilan	222,319	267,911	-45,592	154,595	136,769	17,826	
Pahang	355,812	277,362	78,450	190,984	205,339	-14,355	
Perak	224,884	793,354	-568,470	252,653	303,592	-50,939	
Perlis	42,122	58,946	-16,824	21,466	24,366	-2,900	
Penang	249,715	251,741	-2,026	225,623	212,010	13,613	
Sabah	74,380	98,901	-24,521	310,733	331,721	-20,988	
Sarawak	31,523	93,659	-62,136	261,560	285,534	-23,974	
Selangor	1,876,690	254,963	1,621,727	740,700	503,800	236,900	
Terengganu	105,444	152,764	-47,320	124,404	136,503	-12,099	
Kuala Lumpur	558,494	745,049	-186,555	221,080	315,327	-94,247	
Labuan	25,288	4,473	20,815	13,554	13,373	181	
Total	4,537,485	4,380,572	156,913	3,328,485	3,328,485	0	

Source: DSM, 2004

Selangor registered a net gain of 1.6 million lifetime migrants and about a quarter million recent migrants (including external migrants in both cases). On the other hand, Kuala Lumpur experienced one of the largest net losses. However, these losses were apparent rather than real, as most of the out-migrants from Kuala Lumpur moved to new housing areas across the border in Selangor.

A key feature of internal movements during the five years before the 2000 Census was that most migrants moved across adjoining states. This explains why there were more migrants into and out of Kuala Lumpur and Selangor than other states. The populations of these territories contained a higher proportion of migrants than other states. The proportion of residents born outside the state was as high as 50 per cent in Selangor and Kuala Lumpur, in sharp contrast to less than 5 per cent in Kelantan, Sabah and Sarawak.

The 2001 Migration Survey confirms that migration to urban areas is becoming more

dominant in inter-state migration, accounting for 77.6 per cent of the movements (65.7 per cent urban-urban and 11.9 per cent rural-urban). Rural-rural and urban-rural migration made up 4.0 per cent and 18.5 per cent respectively of these total movements. The Survey shows that 85 per cent of the urban migrants in Selangor had come from other urban centres, whether they were from other states or within Selangor itself (DSM, 2003b).

Females were as likely to migrate outside their state of residence as males. This is shown by the fact that the sex ratio of internal migrants is similar to that of the total population. Relatively more females than males have migrated to work in the factories. As expected, migration tends to involve young adults between the ages of 20 and 34 years. These groups accounted for 42.8 per cent of all inter-state migrants in 2000, but only 20.0 per cent of the non-migrants and 31.8 per cent among intra-district migrants.

The better educated, and therefore better equipped, are more likely to move than the less educated. Migrants are much more likely than non-migrants to have upper secondary or tertiary education. The proportion with upper secondary or tertiary education was 57.8 per cent among inter-state migrants and 42.6 per cent among intra-state migrants. In comparison, only one third among the non-migrants had secondary or higher qualification. In the case of tertiary education, the contrast is 22 per cent among movers against 5.8 per cent among non-movers.

As migration is generally motivated by the search for better job opportunities, it is therefore likely that most migrants seek employment as employees. On the other hand, the self-employed are less likely to move as they may not prefer to work for others.

Migration Into and Out of the Klang Valley

Lifetime Inter-state Migration

Lifetime migration up to the year 2000 refers to the change of residence between the place of birth and the current place, without taking into account intervening movements. The following discussion is concerned with lifetime migrants who were living in Kuala Lumpur and Selangor in 2000 but were born in other states.

In 2000, Selangor was the destination of 1,788,020 lifetime in-migrants and the source of 254,963 lifetime out-migrants. The result was a net gain of about 1.5 million people to the state. The corresponding figures for Kuala Lumpur are 538,831 lifetime in-migrants and 745,049 lifetime out-migrants, resulting in a net loss of 206,218 persons. The contrast between the two territories is marked and clear. As half the population in Selangor and 40 per cent of that in Kuala Lumpur were born in other states, one may dub these two territories as the home of migrant communities.

Table 3. Lifetime Migration Flows To and From Kuala Lumpur and Selangor, 2000

	То	From	Net	То	From	Net
	Kuala	Kuala	Kuala			
State	Lumpur	Lumpur	Lumpur	Selangor	Selangor	Selangor
Johor	52,500	20,220	32,280	139,408	22,467	116,941
Kedah	35,382	10,005	25377	88,967	8,378	80,589
Kelantan	36,671	3,452	33,219	104,001	2,695	101,306
Melaka	38,478	10,215	28,263	91,364	8,672	82,692
Negeri Sembilan	44,619	19,339	25,280	126,228	27,774	98,454
Pahang	32,642	20,484	12,158	90,632	32,625	58,007
Perak	123,435	19,095	104,340	352,176	25,453	326,723
Perlis	4,345	1,493	2,852	11,277	1,246	10,031
Penang	27,511	8,250	19,261	67,489	7,165	60,324
Sabah	9,484	3,906	5,578	29,642	3,698	25,944
Sarawak	11,335	1,567	9,768	22,039	1,335	20,704
Selangor	109,113	622,347	-513,234	1,757,373	1,757,373	0
Terengganu	12,998	4,073	8,925	41,499	3,923	37,576
Kuala Lumpur	595,483	595,483	0	622,347	109,113	513,234
Labuan	318	603	-285	951	419	532

Source: DSM, 2004.

Kuala Lumpur recorded a net gain of lifetime migrants from all states, except Selangor and Labuan. It was Perak, where depopulation has been a sensitive barometer to its economic decline that contributed the largest number of lifetime migrants to Kuala Lumpur and the second largest number to Selangor. Selangor saw a net gain from all other states, drawing the largest number from adjacent Kuala Lumpur, followed by Perak, Johor and Kelantan. The migratory movements from Kuala Lumpur to Selangor, amounting to a net deficit of half a million people, is illusory as large numbers have moved to the mushrooming housing estates in adjoining Selangor but who may still commute daily to work in the capital city. For the Klang Valley as a whole, the net inflow of Malay lifetime migrants was close to 900,000, while that of the Chinese and Indians exceeded 300,000 and 100,000 respectively (Figure 1).

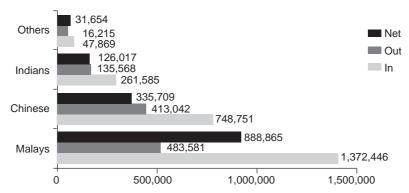


Figure 1. Lifetime Migration to and from Kuala Lumpur/Selangor by Ethnic Group, 2000 Source: DSM, 2004.

Five-Year Migration, 1996-2000

Changes in the place of residence five years preceding the 2000 Census provides information for the study of the most recent inter-state migration. As this measure does not take into account intervening moves within the five-year period, all return migrants are classified as non-migrants. The five-year inter-state migration provides a clearer picture of the recent trend and patterns of internal migration that lifetime migration may not reveal.

Again, the cross-over of population from Kuala Lumpur to Selangor represents the major phenomenon of internal migration in Malaysia in recent years. During the 1996-2000 period, Kuala Lumpur had a migration deficit of close to 100,000, mainly to Selangor, and also net losses to several other states.

Selangor continued to attract migrants from other states during the 1996-2000 period, gaining close to a quarter million people. It was this influx that explains its 6 per cent annual population growth in the 1990s. Migrants to Selangor had crossed over mainly from adjacent Kuala Lumpur, but also from Perak, Kelantan, Johor, and Pahang, and as far as Sabah and Sarawak (Table 4).

Table 4. Migration To and From Kuala Lumpur and Selangor, 1996-2000

	ŀ	Kuala Lumpu	r		Selangor		
State/Others	То	From	Net	То	From	Net	
State							
Johor	10,213	11,267	-1,054	27,393	11,369	16,024	
Kedah	6,409	6,462	-53	16,351	6,108	10,243	
Kelantan	7,977	3,358	4,619	25,838	3,088	22,750	
Melaka	3,897	5,565	-1,668	10,614	5,290	5,324	
Negeri Sembilan	5,628	10,291	-4,663	17,898	16,021	1,877	
Pahang	7,269	7,032	237	23,520	8,005	15,515	
Perak	14,323	10,881	3,442	41,278	12,485	28,793	
Perlis	861	907	-46	2,411	777	1,634	
Penang	4,414	4,944	-530	11,074	4,278	6,796	
Sabah	4,103	2,448	1,655	14,060	2215	11845	
Sarawak	5,264	2,175	3,089	9,706	1,529	8,177	
Selangor	32,145	131423	-99278	396,310	396310	0	
Terengganu	3,545	3,411	134	12,039	3,807	8,232	
Labuan	239	440	-201	785	373	412	
Kuala Lumpur	114,793	114,793	0	131,423	32,145	99,278	
Total*	106,287	200,604	-94,317	344,390	107,490	236,900	
Others							
Outside Malaysia	22,631	n.a.	n.a.	52,284	n.a.	n.a.	
Unknown (migrants)	13,775	n.a.	n.a.	81,370	n.a.	n.a.	
Non-migrants	883,811	n.a.	n.a.	2,641,418	n.a.	n.a.	
Unknown	164,495	n.a.	n.a.	437,045	n.a.	n.a.	

^{*} Excluding intra-state

Source: DSM, 2004.

Since the 1980s, labour shortage has led to an influx of foreign workers from Indonesia, Philippines and Bangladesh to fill the needs of the construction, plantation, manufacturing and services sectors. The 2000 Census enumerated a total of 1.38 million non-citizens. Table 4 shows that 22,631 and 52,284 non-citizens had entered Kuala Lumpur or Selangor five years prior to the Census. This number has since ballooned in recent years.

The published reports of the 2000 Population Census do not provide information on five-year inter-state migration by ethnicity. The 2 per cent sample of the 2000 Census is therefore used to estimate the five-year migratory flow to and from the Klang Valley (Figure 2). There were net inflows of migrants of all the major ethnic groups, led by the Malays (in excess of 75,000), Chinese (about 50,000) and Indians (about 10,000).

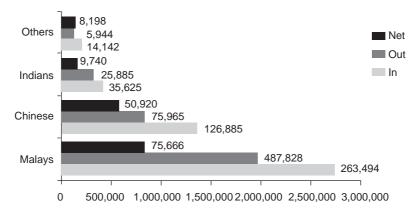


Figure 2. Five-year Inter-state Migration to and from Kuala Lumpur and Selangor, 1996-2000

Source: Based on estimate from the 2% sample

Characteristics of Five-year Internal Migrants To and From Klang Valley

Both age and education have a determining effect on migration. To migrate or not to migrate is a major personal decision that tends to favour the young and the better educated segments of the population who have a longer planning horizon.

From Table 5, it is clear that the average age of migrants to Selangor and Kuala Lumpur is lower than the national average and that of non-migrants in these two territories. The mean age of the migrants is highest among out-migrants from Kuala Lumpur. Recent migrants to both areas are over-represented by the 20-29 age group (46.1 per cent in Kuala Lumpur and 37.5 per cent in Selangor). One of the reasons for this is the large enrolment of youths in institutions of higher learning, which are mostly concentrated in the Klang Valley. As the industrial, commercial and administrative centre of the country, Kuala Lumpur and major urban centres in the Klang Valley offer ample opportunities for employment to the graduates

of colleges and universities and all those in search of employment.

The sex ratio of in-migrants, especially those aged 20-39 years, indicates the predominance of female migrants in Kuala Lumpur, but this is not the case in Selangor. That relatively more males had moved out from Kuala Lumpur during the 1996-2000 period also explains the strong presence of female in-migrants. More males had also moved out of Selangor during this period and had helped to depress the high male to female ratio.

Table 5. Socio-demographic Characteristics of Five-Year Internal Migrants to and from Kuala Lumpur and Selangor, 1996-2000

	Malaysia	Kuala Lumpur			Selangor		
			In-	Out-		In-	Out-
Characteristics		Total	migrants	migrants	Total	migrants	migrants
Age distribution							
Below 10	23.0	18.9	12.5	21.5	21.3	15.4	22.7
10-19	20.8	16.5	13.6	14.2	18.6	14.7	13.4
20-29	16.3	21.0	46.1	22.3	20.1	37.5	27.4
30-39	15.1	17.7	18.4	24.4	17.2	18.3	23.2
40-49	11.8	13.0	6.1	11.9	12.3	8.6	9.6
50-59	6.7	7.0	2.1	3.5	5.9	3.2	2.6
60+	6.3	5.8	1.3	2.4	4.5	2.3	1.3
Ethnicity							
Malays	51.0	39.9	57.0	57.0	49.4	58.8	68.4
Other Bumiputera	10.9	0.7	1.8	1.0	1.0	2.8	1.0
Chinese	24.4	41.6	32.3	28.1	29.9	26.8	18.2
Indians	7.2	10.6	5.3	8.9	14.6	8.7	7.6
Others	1.2	1.5	0.5	0.9	1.0	0.6	1.0
Non-citizens	5.4	5.7	3.2	4.1	4.2	2.3	3.8
Educational level an	nong those a	aged 20-6	4				
No schooling	10.2	4.1	1.6	1.8	5.0	1.7	1.6
Primary	25.3	16.9	5.9	8.4	17.6	7.5	8.6
Secondary	49.2	52.8	43.9	51.1	51.8	46.8	50.2
Tertiary	15.4	26.2	48.5	38.6	25.6	43.9	39.6
Total (per cent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Mean age	26.3	29.7	24.5	25.6	26.1	25.2	24.0
Sex ratio (Overall)	103	102	95	107	105	107	112
Sex ratio (20-39)	100	98	86	108	103	110	106

Source: Computed from 2 per cent sample of the 2000 Population Census

Malays were predominant among the in-migrants in Kuala Lumpur and Selangor during the 1996-2000 period. They also dominated the outflows from the Klang Valley. One of the explanations for this was the departure of students to their home states upon completing their higher education. The corresponding shares of Chinese and Indian migrants into and out of

Klang Valley are much lower than their respective shares of the population in these territories. This phenomenon again underscores the dominance of Malay migration into and out of the Klang Valley (Table 5).

Table 5 also confirms that recent in-migrants to the Klang Valley have higher educational attainment compared with the general population. Among those aged 20-64 who had recently moved to the Klang Valley, about half in Kuala Lumpur and 44 per cent in Selangor had received tertiary education, compared with only 15 per cent for the country, and 25 per cent for the two territories as a whole. One may acknowledge that higher educational attainment is more likely to be the result rather than the cause of migration, given that most institutions of higher learning are located in the Klang Valley.

Explaining Migration Flows Into and Out of Klang Valley

Government Policies

The launching of NEP in 1971 marked a watershed in Malaysian history. The policy was to achieve socio-economic goals by pursuing economic growth targets to create harmony and unity among diverse ethnic and religious groups. The overriding goal of national unity was to be met by means of two major strategies. The first was to reduce absolute poverty irrespective of ethnicity through expanding employment opportunities and raising income levels for all. The second was to restructure society to reduce and eventually eliminate economic imbalances arising from the occupational identification with ethnic groups.

The social restructuring programme was by far the more fundamental and at times controversial policy. Its implementation was tied to a series of strategies that were deliberately biased in favour of the Bumiputera communities. Among these strategies were the following (http://www.epu.gov.my/neweconomicpolicy):

- Direct intervention by Government through the creation of specialized agencies to acquire economic interests and hold in-trust for Bumiputeras until such a time when they are capable of taking over;
- 2. Introduction of specially designed rules and arrangements, whereby the involvement and participation of Bumiputeras are assisted and facilitated over a period;
- 3. Provision of concessional fiscal and monetary support as part of the package towards entrepreneurial development;
- 4. Accelerated programme for education and training;
- 5. Increasing Bumiputera ownership through privatization projects; and
- Reduce progressively, through overall economic growth, the imbalances in employment so that employment by sectors and occupational levels would reflect racial composition.

In the *Mid-term Review of the Eighth Malaysia Plan* (2001-2005) (Malaysia, 2003), it was stated that:

The Government will continue to implement programmes and projects to achieve distributional and regional balance strategies during the remaining Plan period...Strategies to restructure employment will focus on programmes to increase the number of Bumiputera professionals, managers and skilled workers in various occupations and sectors.

A corollary in the implementation of the social restructuring policy has been to urbanize the Malays and other Bumiputera groups. Vastly increased opportunities in higher education and employment in government and business sectors have led to an exodus of Malay youths from the rural to urban areas, in particular to the Klang Valley.

Klang Valley: The National Hub

Given that Kuala Lumpur was formerly a part of Selangor and that they form an inseparable economic zone, the migratory flows between these territories are intra-regional. It is more meaningful then to discuss migratory flows to the region as a whole, particularly with reference to Klang Valley that comprises Kuala Lumpur and the adjacent districts of Selangor.

One of the factors that induce heavy outflows from Kuala Lumpur to Selangor is the rapid housing development in Selangor. Between 1991 and 2000, the number of housing units (including flats, apartments and condominiums) in Selangor increased sharply from 529,198 to about 830,000 units, while those in Kuala Lumpur increased from 257,666 units to 294,400. Relative abundance of land in Selangor and shortage in Kuala Lumpur has pushed the suburbs outwards from the high-density urban core to the adjoining and largely agricultural outskirts. Hence, the cross-over from Kuala Lumpur is residential rather than occupational as many commute to work between the sprawling suburbs and Kuala Lumpur.

Kuala Lumpur is the Federal Territory and the national capital though most of the administrative functions have been shifted to Putrajaya in 2001. Its nodal position as the commercial, industrial and educational hub, together with several major urban centres adjoining it, remains intact if not becoming progressively more important. Between 1991 and 2000, the number of metropolitan centres in Selangor with 150,000 inhabitants and more doubled from four to eight, out of 17 and 26 respectively in Malaysia. In 2010, the nine largest urban centers in the Klang Valley have a combined population of 7.2 million, and this represents one quarter of the national total (Figure 3).

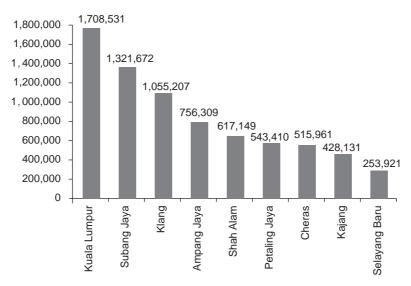


Figure 3. Population of the Nine Largest Urban Centres in the Klang Valley Source: http://en.wikipedia.org/wiki/Selangor, retrieved on 7 March 2010

Rapid population growth in the Klang Valley during the last few decades has been caused by the influx of migrants to its urban centres from all over the country. The majority arrive to pursue higher education and seek employment in the secondary and tertiary sectors. The 2000 Census shows that out of 316,959 persons aged 20-24 who were in school, 105,866 or one-third were in Selangor, 43,223 (13.6 per cent) were in Kuala Lumpur. With the liberalization of higher educational sector, private colleges and universities with overseas twinning programmes and several public universities have mushroomed in the Klang Valley. With employment prospects that were far superior to those in other parts of the country, the Klang Valley was naturally the location of choice for many graduates as a place to development their careers and to settle down.

The economic clout of the Klang Valley has grown over time. The 2000 Census confirms that this region accounted for almost 60 per cent of the total workforce in the financial and real estate sectors, and more than a quarter in other sectors outside agriculture, fishing, and mining (Table 6).

Table 6. Distribution of Working Population in Kuala Lumpur and Selangor by Industry, 2000

	Malaysia	aysia Kuala Lumpur		Selangor	
Industry	Number	Number	Per cent	Number	Per cent
Agriculture, Hunting and					
Forestry	1,129,794	806	0.1	57,608	5.1
Fishing	102,300	54	0.1	6,824	6.7
Mining and Quarrying	20,518	594	2.9	3,175	15.5
Manufacturing	1,761,478	71,037	4.0	426,334	24.2
Electricity, Gas and Water					
Supply	58,348	4,213	7.2	13,690	23.5
Construction	573,226	42,979	7.5	119,213	20.8
Wholesale and Retail Trade	976,398	111,397	11.4	190,943	19.6
Hotels and Restaurants	469,176	61,497	13.1	92,695	19.8
Transport, Storage and					
Communications	471,349	44,554	9.5	134,320	28.5
Finance	252,771	51,178	20.2	97,455	38.6
Real Estate, Renting and					
Business Activities	270,192	39,424	14.6	130,456	48.3
Public Administration and					
Defense	775,034	60,156	7.8	133,307	17.2
Education	509,191	33,501	6.6	119,470	23.5
Health and Social Work	179,693	21,051	11.7	37,360	20.8
Other Community and Personal					
Service Activities	134,241	21,634	16.1	36,555	27.2
Private Household with					
Employed Persons	150,478	29,106	19.3	48,210	32.0
Extra-territorial Organization					
and Bodies	3,136	353	11.3	723	23.1

Source: DSM, 2003a

Concentration of employment opportunities is translated into a large GDP share of the country (Table 7). Selangor accounted for the largest number of approved manufacturing projects between 1996 and 2000, and produced more than one fifth of the national GDP in 2000. It's economic and development index was among the highest in the country and its mean household income was next only to that of Kuala Lumpur.

The high mean household income and economic and development indices of Kuala Lumpur are accompanied by declining rates of population growth since the 1980s. In 2000, Kuala Lumpur had 5,676 inhabitants to a square kilometer, compared with 526 in Selangor and 71 for the country. This intense overcrowding was a major push factor in the migration to new housing estates in adjacent Selangor.

Table 7. Socio-Economic Development Indicators by State, circa 2000

			Approved				
		GDP	Per	Mean	manufacturing		Develop-
	Urban-	(RM	capita	household	projects	Economic	ment
State	ization	million)	GDP	income	1996-2000	index	index
Johor	63.9	23,798	14,058	2,646	857	102.9	100.5
Kedah	38.7	8,969	8,754	1,612	233	95.5	97.8
Kelantan	33.5	5,120	6,137	1,314	44	91.9	93.1
Melaka	67.3	6,040	15,244	2,260	164	106.4	104.2
Negeri							
Sembilan	55.0	7,205	13,574	2,335	165	101.8	102.3
Pahang	42.1	7,826	9,855	1,482	116	96.3	96.3
Perak	59.5	15,158	11,826	1,743	259	99.7	100.4
Perlis	33.8	1,239	9,739	1,431	13	95.0	99.9
Penang	79.5	17,054	20,894	3,128	519	109.0	105.7
Selangor	88.3	46,609	18,157	3,702	1051	108.4	103.2
Terengganu	49.4	12,453	22,514	1,599	79	91.5	96.2
Kuala							
Lumpur	100.0	25,963	29,919	4,105	97	114.4	109.6
Sabah	48.3	15,698	9,560	1,905	125	82.8	90.0
Sarawak	47.9	16,817	13,248	2,276	181	94.8	96.6
Malaysia	61.8	209,959	14,582	2,472	3,903	100.0	100.0

Sources: Tey, 2005; Government of Malaysia, 2003.

Implications of Migration

Rapid population growth in the Klang Valley resulting from continuing influx of migrants has led to various consequences and implications and manifested in many different ways.

In-migration to the Klang Valley and Its Implications

Rapid population growth in the Klang Valley has largely been the result of internal migration. Between 1970 and 2010, the population of the region grew by 4.5 times, at a rate of about 3.8 per cent per annum. Even if the rate of growth slows down to 3 per cent per annum over the next decade, the population of the ten largest urban centres in the Klang Valley will most likely reach 10 million by 2020.

The declining population growth of Kuala Lumpur is deceptive as many residents in Selangor commute daily to work in the city. The day-time population of Kuala Lumpur is then much larger than that indicated by the statistics based on place of usual residence.

Rapid growth and concentration of population in the Klang Valley are accompanied by rising crime rates, squatter settlements, traffic congestion and environmental pollution. Following the enforcement of the "Zero Squatter" policy undertaken by both Kuala Lumpur and Selangor since the 1990s, most squatters have been moved to low cost housing.

Residential associations of housing estates have also set up "gated communities" manned by hired security guards. This has consequently led to increased spending among suburban households it their fight against crimes.

Urban traffic congestion has reached critical levels in the entire Klang Valley region, a fact that is acknowledged in the Eighth Malaysia Plan (2001-2005). Despite investments in new highways and traffic relief works, traffic congestion has continued to worsen. A 1997 survey confirmed that increasing traffic volumes have reduced travel speed on most radial roads in urban centres to 10 kilometers per hour or less (http://unpan1.un.org/intradoc/ groups/public/documents/apcity/unpan017511.pdf). It is not possible to estimate the extra cost shouldered by the growing community of motorists but they must be counted in the millions each year. Vehicles were the main sources of air pollution, contributing 74 per cent, followed by factories and thermal-power generation plants (22.0 per cent) and burning of municipal and industrial waste (4.5 per cent) (Government of Malaysia, 2000: 540).

Rapid population increase exacerbates the strains on existing infrastructure and social amenities. One of the worse affected is the average Chinese primary school in the Klang Valley. With the region accounting for a third of the Chinese population but only a tenth of all Chinese primary schools in Peninsular Malaysia, the supply and demand situation for enrolment in many Chinese primary schools in the Klang Valley has been in serious disequilibrium. The region now contains some of the largest primary schools in the country and the shortage of capacity to accommodate the demand for enrolment has reached a critical stage. It is not uncommon to have a class size of 50 or more pupils, compared with the ideal size of 35 or fewer. The rate and volume of migration flows have clearly outpaced the capacity of the government machinery to adjust to the changes in population distribution (Voon, 2008).

With rapid population growth and industrialization, increased demand for water has created a new critical area that affects daily life. This problem surfaced in 1998 when the Klang Valley was hit by water crisis and led to a serious shortage of water. Recurrence of a similar crisis will have far more serious consequences as the region is far more densely populated and concentrated with the economic activities than before.

The continued influx of migrants and population growth has inflated the demand for new housing in areas close to the urban centres. The Klang Valley had experienced a housing boom to accommodate the rising demand by the young workforce. Besides pushing the urban sprawl farther into the outskirts, and the increase in the vehicular traffic in tandem, the high demand for housing, commercial space and factories has resulted in the rapid appreciation in property values. The implication is that as housing becomes increasingly unaffordable, it will persist as a social and economic problem to many.

The exodus to the cities has led to rural depopulation, land abandonment, underutilization of facilities, and marginalization of many *kampung* (Malay village) and Chinese New Villages. Many primary schools in Chinese New Villages are facing the grim prospects of closing down for lack of pupils. In the social context, rural depopulation is depriving the countryside of the able-bodied and the young and in turn undermines the villages as viable settlements. Depopulation undermines rural production and weakens the economic base of villages.

Accelerated Urbanization

Internal migration redistributes the population in favour of urban areas and accelerates the process of urbanization. Between 1970 and 2000, the urban share of the population in the country increased from 28.4 to 61.8 per cent. This development has brought about demands for new services and altered the structure of the economy. The urban population registered a growth rate of 4.2 per cent per annum in the 1970s, 6.2 per cent in the 1980s and 4.8 per cent in the 1990s, much higher than the national average growth of only 2.5 per cent per annum during these periods. In the 1990s, internal migration accounted for 48 per cent of the urban growth in Selangor, while natural increase contributed 33 per cent, and urban reclassification 19 per cent (Tey, 2005).

Of the 13.6 million urban population in Malaysia, Selangor accounts for more than a quarter, and Kuala Lumpur a tenth. Close to half the urban Indians live in the Klang Valley, compared with about 36 per cent each for the Malays and Chinese. As the Chinese are highly urbanized, this means that a third of the entire Chinese population is concentrated in the Klang Valley. The concentration of Chinese in this region of high growth probably explains part of the ethnic differentials in income in this country.

The presence of large urban centres would foster economies of agglomeration as firms in related industries cluster together to enjoy the benefits of scale and business networking. Clustering cuts down on production costs as more suppliers and customers gravitate around the clusters. This also facilitates government efforts in economic transformation towards high income economy and developed nation status by 2020. On the negative side, however, stiff competition could drive down pricing power and give rise to diseconomies of agglomeration. Moreover, large cities are also prone to problems of overcrowding, congestion and environmental degradation.

Internal Migration and the Restructuring of Society

Internal migration in general and in-migration to the Klang Valley in particular has played a crucial role in restructuring the Malaysian society in line with the objectives of NEP as well as the National Development Policy and the National Vision Policy that followed.

Urban in-migration and high rates of urbanization among the Malays have reduced their preponderance in rural areas. In 1970, when only 14.9 per cent of the Malays were living in urban areas compared with 47 per cent of the Chinese and 35 per cent of the Indians, these rates had changed to 54.2, 85.9 and 79.7 per cent respectively.

Consequent upon the higher rate of rural-urban migration among the Malays, the ethnic composition of urban areas has changed significantly. Half the urban population comprised the Bumiputera (Malays 43.9 per cent and other Bumiputera 6.1 per cent) in 2000. This was in sharp contrast with only 28 per cent in 1970. Proportionately, the Chinese presence in urban areas has fallen rather sharply from about 59 to 34 per cent between 1970 and 2000. Many urban centres are becoming more heterogenous in terms of ethnic composition, and in some cases Malays have become the majority. The Indian presence has also been decreasing from 12.8 to 9.3 per cent during the same period, though less rapidly than that of the Chinese. Hence internal migration is making the Klang Valley a cosmopolitan region where people from different ethnic groups living, working and studying alongside one another. The opportunities for close ethnic ties are more obvious than in many other localities in the country.

Following the rapid urbanization of the Malays, the nature of their economic base has undergone visible transformation. Two-thirds of the Malays and other Bumiputera were engaged in agriculture in 1970, but only 18 per cent in 2000. At the same time, the proportion engaged in manufacturing had increased from 5 to 26 per cent, while social services accounted for another 25 per cent and wholesale, retail, hotel and restaurant 13 per cent.

Besides acting as a catalyst in the process of restructuring society, internal migration provided access to economic opportunities that raised individual and household income as a direct attack on the incidence of poverty. Between 1970 and 2002, the incidence of poverty declined from 21.3 to 2.0 per cent in urban areas and from 58.7 to 11.4 per cent in the rural areas. If the urbanization level had stagnated at 30 per cent, the weighted incidence of poverty of the country as a whole would be about 8.6 per cent (0.7*11.4+0.3*2.0), instead of 5.8 per cent (0.38*11.4+0.62*2). The number of poor households would be around 411,000 in 2002, instead of 267,000 as officially reported (Government of Malaysia, 2003: 60).

Urban In-migration and Education and Employment

Internal migration leading to population concentration in the Klang Valley has fuelled the demand for education and human resource development. The region is now the centre of higher learning and research as clusters of universities and colleges emerge to take advantage of the demand for tertiary education. Just as the better educated are more likely to migrate, opportunities for education are just as likely to attract large numbers of young migrants. Expectedly, a high proportion of migrants to Kuala Lumpur and Selangor possess tertiary

qualifications. Half the Chinese in-migrants to the Klang Valley have received tertiary education, while the figures for the Malays and Indians are 45 and 30 per cent respectively (Table 8).

Migration to Kuala Lumpur and Selangor increases the employment opportunities, especially among recent Malay migrants. Rural out-migration has also led to changes in the economic structure by siphoning off excess labour from agriculture into the secondary and tertiary sectors. The influx into the Klang Valley has not resulted in unemployment. In fact, the unemployment rates of 1.5 and 1.6 per cent for Selangor and Kuala Lumpur are lower than the nation average.

Table 8. Educational Level and Employment Status of Migrants to Kuala Lumpur and Selangor and the Total Population in the 20-55 Age Groups, 2000

0				_			
				Recent mig	rants to Kua	la Lumpur	
Educational and	То	tal populatio	n	a	and Selangor		
Employment Status	Malays	Chinese	Indians	Malays	Chinese	Indians	
Educational level							
None	4.4	3.9	5.7	0.3	0.9	3.1	
Primary	20.3	22.4	24.8	4.4	6.8	9.1	
Secondary	56.7	54.3	55.8	49.9	40.3	57.5	
Tertiary	18.7	19.4	13.8	45.3	52.0	30.3	
Industry							
Agriculture	7.9	3.9	6.6	0.3	0.3	1.2	
Manufacturing	14.5	14.1	21.2	20.7	9.1	14.2	
Services	44.6	51.9	43.9	51.3	55.1	55.7	
Not working	33.0	30.1	28.3	27.7	35.5	28.8	
Unemployment rate	2.7	2.1	2.2	1.1	0.7	1.9	
Total	100.0	100.0	100.0	100.0	100.0	100.0	

Source: Computed from 2 per cent sample of the 2000 Population Census

Conclusion

Recent trends in internal migration in Malaysia have become more selective in terms of destinations. The Klang Valley is by far the most popular destination, and with the fastest growing population. Selangor that has benefited most from the large outflows of people from Kuala Lumpur is in fact a "demographic hinterland" that develops a range of facilities to meet the demands of the latter. In the process, as out-migrants shift their place of residence to Selangor but keeping their jobs in Kuala Lumpur, daily traffic congestions tend to worsen with time. Government policies have been effective in encouraging Malays to migrate to the Klang Valley to study and to work and eventually to settle down. As the national hub of administration, commerce, industries and education, the Klang Valley provides ample

opportunities for further education and employment. Despite the heavy influx of migrants, the labour absorptive capacity of the region is demonstrated by the very low level of unemployment rate. Urban in-migration has contributed positively to economic development and restructuring of society. On the flip side, the influx to the Klang Valley has also created social problems and exacerbated the strains on existing infrastructure and worsened the pollution problem. As the population in the Klang Valley is approaching 8 million, there is an urgent need for the government to devise plans to cope with the increased population, especially in the provision of social amenities and economic infrastructure.

References

- Department of Statistics Malaysia (DSM) 1995. Report of 1991 Population Census of Malaysia, Volume 1. Kuala Lumpur.
- ---- 1999. Social Statistical Bulletin. Kuala Lumpur.
- ----- 2001. Preliminary Count Report for Urban and Rural Areas, Population and Housing Census of Malaysia, 2000, Putrajaya.
- ---- 2001. Population and Housing Census of Malaysia- Population Distribution and Basic Characteristics, Putrajaya.
- ---- 2002. Population and Housing Census of Malaysia Education and Social Characteristics of the Population, Putrajaya.
- ----- 2003a. Population and Housing Census of Malaysia Economic Characteristics of the Population, Putrajaya.
- ---- 2003b. 2001 Migration Survey Report, Putrajaya.
- ---- 2004. Population and Housing Census of Malaysia Migration and Population Distribution, Putrajaya.
- ----- 2010. Population and Housing Census of Malaysia, 2010, Preliminary Count Report, Putrajaya. Government of Malaysia. 2000. Eighth Malaysia Plan, Putrajaya.
- ---- 2003. Midterm Review of Eighth Malaysia Plan. Putrajaya.
- http://www.epu.gov.my/neweconomicpolicy, page 2, retrieved on 11 March 2011.
- LEETE, R. 1996. *Malaysia's Demographic Transition: Rapid Development, Culture and Politics*, Kuala Lumpur: Oxford University Press
- TEY Nai Peng. 2005. Trends and Patterns of Urbanization in Malaysia, 1970-2000. In *Asian Urbanization in the New Millennium*, edited by Gayl Ness and Prem P Talwar. Singapore: Marshall Cavendish Academic.
- VOON Phin Keong, 2008. Population movements and the Chinese community in Malaysia. In *Chinese Migration in Comparative Perspectives: Adaptation and Development*, edited by Leo Suryadinata, Singapore: Centre for Chinese Language and Culture, Nanyang Technological University and Chinese Heritage Centre.
- World Bank. 2003. World Development Indicators, Washington.